

CHARTER SCHOOL FINANCING

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: John L. Valentine

House Sponsor: Derek E. Brown

LONG TITLE

General Description:

This bill amends provisions regarding the financing of charter schools, establishes the Charter School Credit Enhancement Program, and establishes the Charter School Reserve Account.

Highlighted Provisions:

This bill:

- ▶ prohibits a chartering entity from terminating the charter of a qualifying charter school with outstanding bonds issued pursuant to the Charter School Credit Enhancement Program without the consent of the Utah Charter School Finance Authority;
- ▶ changes the name of the State Charter School Finance Authority to the Utah Charter School Finance Authority;
- ▶ establishes the Charter School Credit Enhancement Program;
- ▶ requires the Utah Charter School Finance Authority to establish criteria for a charter school to be designated as a qualifying charter school for purposes of issuing bonds pursuant to the Charter School Credit Enhancement Program;
- ▶ creates the Charter School Reserve Account;
- ▶ sets Charter School Reserve Account contribution requirements for qualifying charter schools;
- ▶ requires the Utah Charter School Finance Authority to notify the governor of a



28 shortfall in a qualifying charter school's debt service reserve fund if the qualifying charter
29 school has outstanding bonds issued pursuant to the Charter School Credit Enhancement
30 Program;

31 ▶ requires the governor to notify the Legislature, and request the Legislature to
32 appropriate money to cover a shortfall of a qualifying charter school's debt service
33 reserve fund;

34 ▶ limits the amount of bonds that may be issued under the Charter School Credit
35 Enhancement Program;

36 ▶ defines terms; and

37 ▶ makes technical changes.

38 **Money Appropriated in this Bill:**

39 This bill appropriates:

40 ▶ to the State Board of Education - Charter School Reserve Account, as a one-time
41 appropriation for fiscal year 2012-13;

42 • from the Education Fund, \$3,000,000.

43 **Other Special Clauses:**

44 This bill takes effect on July 1, 2012.

45 **Utah Code Sections Affected:**

46 AMENDS:

47 **11-17-20**, as last amended by Laws of Utah 2008, Chapter 382

48 **53A-1a-509**, as last amended by Laws of Utah 2008, Chapter 382

49 **53A-1a-510**, as last amended by Laws of Utah 2008, Chapter 382

50 **53A-20b-101**, as enacted by Laws of Utah 2007, Chapter 167

51 **53A-20b-102**, as enacted by Laws of Utah 2007, Chapter 167

52 **53A-20b-103**, as last amended by Laws of Utah 2010, Chapter 286

53 **53A-20b-104**, as enacted by Laws of Utah 2007, Chapter 167

54 **53A-20b-105**, as enacted by Laws of Utah 2007, Chapter 167

55 **63J-7-102**, as last amended by Laws of Utah 2011, Chapter 370

56 ENACTS:

57 **53A-20b-201**, Utah Code Annotated 1953

58 **53A-20b-202**, Utah Code Annotated 1953

59 **53A-20b-203**, Utah Code Annotated 1953
 60 **53A-20b-204**, Utah Code Annotated 1953
 61 **53A-20b-301**, Utah Code Annotated 1953

63 *Be it enacted by the Legislature of the state of Utah:*

64 Section 1. Section **11-17-20** is amended to read:

65 **11-17-20. Power of the Utah Charter School Finance Authority.**

66 (1) The [State] Utah Charter School Finance Authority may exercise the powers
 67 granted to municipalities and counties by this chapter, subject to the same limitations as that
 68 imposed on a municipality or county under the chapter, except as provided by Title 53A,
 69 Chapter 20b, [State] Part 1, Utah Charter School Finance Authority Act.

70 (2) As used in this chapter, "governing body" when applied to the [State] Utah Charter
 71 School Finance Authority means the authority's governing board as described in Section
 72 53A-20b-103.

73 (3) Notwithstanding Section 11-17-15, a charter school that receives financing under
 74 this chapter is subject to Title 63G, Chapter 6, Utah Procurement Code.

75 Section 2. Section **53A-1a-509** is amended to read:

76 **53A-1a-509. Noncompliance -- Rulemaking.**

77 (1) [~~(a)~~] If a charter school is found to be out of compliance with the requirements of
 78 Section 53A-1a-507 or the school's charter, the chartering entity shall notify the [~~school's~~
 79 ~~governing board~~] following in writing that the charter school has a reasonable time to remedy
 80 the deficiency, except as otherwise provided in Subsection 53A-1a-510[~~(3)~~(a)].(4):

81 (a) the governing body of the charter school; and

82 (b) if the charter school is a qualifying charter school with outstanding bonds issued in
 83 accordance with Chapter 20b, Part 2, Charter School Credit Enhancement Program, the Utah
 84 Charter School Finance Authority.

85 [~~(b)~~] (2) If the charter school does not remedy the deficiency within the established
 86 timeline, the chartering entity may:

87 (a) subject to the requirements of Subsection (4), take one or more of the following
 88 actions:

89 (i) remove a charter school director or finance officer;

90 (ii) remove a governing board [~~members~~] member; or
 91 (iii) appoint an interim director or mentor to work with the charter school; or
 92 [~~(iv)~~] (b) subject to the requirements of Section 53A-1a-510, terminate the school's
 93 charter.

94 [~~(c)~~] (3) The costs of an interim director or mentor appointed pursuant to Subsection
 95 [~~(1)(b)~~] (2)(a) shall be paid from the funds of the charter school for which the interim director
 96 or mentor is working.

97 (4) The chartering entity shall notify the Utah Charter School Finance Authority before
 98 the chartering entity takes an action described in Subsections (2)(a)(i) through (iii) if the charter
 99 school is a qualifying charter school with outstanding bonds issued in accordance with Chapter
 100 20b, Part 2, Charter School Credit Enhancement Program.

101 [~~(2)~~] (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
 102 Act, the State Board of Education shall make rules:

- 103 (a) specifying the timeline for remedying deficiencies under Subsection (1)[~~(a)~~]; and
- 104 (b) ensuring the compliance of a charter school with its approved charter.

105 Section 3. Section **53A-1a-510** is amended to read:

106 **53A-1a-510. Termination of a charter.**

107 (1) [~~A~~] Subject to the requirements of Subsection (3), a chartering entity may terminate
 108 a school's charter for any of the following reasons:

- 109 (a) failure of the charter school to meet the requirements stated in the charter;
- 110 (b) failure to meet generally accepted standards of fiscal management;
- 111 (c) subject to Subsection [~~(6)~~] (8), failure to make adequate yearly progress under the
 112 No Child Left Behind Act of 2001, 20 U.S.C. Sec. 6301 et seq.;
- 113 (d) violation of requirements under this part or another law; or
- 114 (e) other good cause shown.

115 (2) (a) The chartering entity shall notify the [~~governing body of the school~~] following
 116 of the proposed termination in writing, state the grounds for the termination, and stipulate that
 117 the governing body may request an informal hearing before the chartering entity[-]:

- 118 (i) the governing body of the charter school; and
- 119 (ii) if the charter school is a qualifying charter school with outstanding bonds issued in
 120 accordance with Chapter 20b, Part 2, Charter School Credit Enhancement Program, the Utah

121 Charter School Finance Authority.

122 (b) ~~[The]~~ Except as provided in Subsection (2)(e), the chartering entity shall conduct
123 the hearing in accordance with Title 63G, Chapter 4, Administrative Procedures Act, within 30
124 days after receiving a written request under Subsection (2)(a).

125 (c) If the chartering entity, by majority vote, approves a motion to terminate a charter
126 school, the governing body of the charter school may appeal the decision to the State Board of
127 Education.

128 (d) (i) The State Board of Education shall hear an appeal of a termination made
129 pursuant to Subsection (2)(c).

130 (ii) The State Board of Education's action is final action subject to judicial review.

131 (e) (i) If the chartering entity proposes to terminate the charter of a qualifying charter
132 school with outstanding bonds issued in accordance with Chapter 20b, Part 2, Charter School
133 Credit Enhancement Program, the chartering entity shall conduct a hearing described in
134 Subsection (2)(b) 120 days or more after notifying the following of the proposed termination:

135 (A) the governing body of the qualifying charter school; and

136 (B) the Utah Charter School Finance Authority.

137 (ii) Prior to the hearing described in Subsection (2)(e)(i), the Utah Charter School
138 Finance Authority shall meet with the chartering entity to determine whether the deficiency
139 may be remedied in lieu of termination of the qualifying charter school's charter.

140 (3) A chartering entity may not terminate the charter of a qualifying charter school with
141 outstanding bonds issued in accordance with Chapter 20b, Part 2, Charter School Credit
142 Enhancement Program, without the consent of the Utah Charter School Finance Authority.

143 ~~[(3)]~~ (4) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking
144 Act, the State Board of Education shall make rules that require a charter school to report any
145 threats to the health, safety, or welfare of its students to the State Charter School Board in a
146 timely manner.

147 (b) The rules under Subsection ~~[(3)]~~ (4)(a) shall also require the charter school report
148 to include what steps the charter school has taken to remedy the threat.

149 ~~[(4) The]~~ (5) Subject to the requirements of Subsection (3), the chartering entity may
150 terminate a charter immediately if good cause has been shown or if the health, safety, or
151 welfare of the students at the school is threatened.

152 [~~5~~] (6) If a charter is terminated during a school year:

153 (a) the school district in which the charter school is located may assume operation of
154 the school; or

155 (b) a private management company may be hired to operate the charter school.

156 [~~6~~] (7) (a) If a charter is terminated, a student who attended the school may apply to
157 and shall be enrolled in another public school under the enrollment provisions of Title 53A,
158 Chapter 2, Part 2, District of Residency, subject to space availability.

159 (b) Normal application deadlines shall be disregarded under Subsection [~~6~~] (7)(a).

160 [~~7~~-A] (8) Subject to the requirements of Subsection (3), a chartering entity may
161 terminate a charter pursuant to Subsection (1)(c) under the same circumstances that local
162 educational agencies are required to implement alternative governance arrangements under 20
163 U.S.C. Sec. 6316.

164 Section 4. Section **53A-20b-101** is amended to read:

165 **CHAPTER 20b. CHARTER SCHOOL FINANCING**

166 **Part 1. Utah Charter School Finance Authority**

167 **53A-20b-101. Title.**

168 This chapter is known as the [~~State~~] "Charter School [~~Finance Authority~~] Financing
169 Act."

170 Section 5. Section **53A-20b-102** is amended to read:

171 **53A-20b-102. Definitions.**

172 As used in this chapter:

173 (1) "Annual state enrollment" means the total enrollment of all students in the state
174 enrolled in a public school in grades kindergarten through grade 12, based on October 1
175 enrollment counts.

176 (2) "Annual charter school enrollment" means the total enrollment of all students in the
177 state enrolled in a charter school in grades kindergarten through grade 12, based on October 1
178 enrollment counts.

179 [~~1~~] (3) "Authority" means the [~~State~~] Utah Charter School Finance Authority created
180 by this [~~chapter~~] part.

181 (4) "Board" means the governing board of the authority described in Section
182 53A-20b-103.

183 (5) "Charter school" means a school created under Title 53A, Chapter 1a, Part 5, The
184 Utah Charter Schools Act.

185 (6) "Credit enhancement program" means the Charter School Credit Enhancement
186 Program established in Part 2, Charter School Credit Enhancement Program.

187 (7) "Debt service reserve fund" means the reserve fund created or established by, or for
188 the benefit of, a qualifying charter school for the purpose of paying principal of and interest on
189 bonds issued under the credit enhancement program as the payments become due and other
190 money of the qualifying charter school is not available to make the payments.

191 (8) "Debt service reserve fund requirement" means, as of a particular date of
192 computation, and with respect to a particular issue of bonds, the amount required to be on
193 deposit in the debt service reserve fund, which amount:

194 (a) may be a sum certain or as set forth in a formula; and

195 (b) may not be less than the maximum annual debt service requirement for the related
196 bonds.

197 ~~[(2)]~~ (9) (a) "Obligations" mean any notes, debentures, revenue bonds, or other
198 evidences of financial indebtedness, except as provided in Subsection ~~[(2)]~~ (9)(b).

199 (b) "Obligations" do not include general obligation bonds.

200 ~~[(3)]~~ (10) "Project" means:

201 (a) any building, structure, or property owned, ~~[or]~~ to be acquired, or used by a charter
202 school for any of its educational purposes and the related appurtenances, easements,
203 rights-of-way, improvements, paving, utilities, landscaping, parking facilities, and lands; or

204 (b) any capital equipment owned, ~~[or]~~ to be acquired, or used by a charter school for
205 any of its educational purposes, interests in land, and grounds, together with the personal
206 property necessary, convenient, or appurtenant to them.

207 (11) "Qualifying charter school" means a charter school that:

208 (a) meets standards adopted by the authority for participation in the credit enhancement
209 program; and

210 (b) is designated by the authority as a qualifying charter school for purposes of
211 participation in the credit enhancement program.

212 (12) "Reserve account" means the Charter School Reserve Account created in Section
213 53A-20b-301.

214 Section 6. Section **53A-20b-103** is amended to read:

215 **53A-20b-103. Utah Charter School Finance Authority created -- Members --**
216 **Compensation -- Services.**

217 (1) There is created a body politic and corporate known as the [State] Utah Charter
218 School Finance Authority. The authority is created to provide an efficient and cost-effective
219 method of financing charter school facilities.

220 (2) The governing board of the authority shall be composed of:

221 (a) the governor or the governor's designee;

222 (b) the state treasurer; and

223 (c) the state superintendent of public instruction or the state superintendent's designee.

224 (3) A member may not receive compensation or benefits for the member's service, but
225 may receive per diem and travel expenses in accordance with:

226 (a) Section 63A-3-106;

227 (b) Section 63A-3-107; and

228 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
229 63A-3-107.

230 (4) Upon request, the State Board of Education shall provide staff support to the
231 authority.

232 Section 7. Section **53A-20b-104** is amended to read:

233 **53A-20b-104. Powers and duties of authority.**

234 (1) The authority shall have perpetual succession as a body politic and corporate.

235 (2) The authority may:

236 (a) sue and be sued in its own name;

237 (b) have, and alter at will, an official seal;

238 (c) contract with experts, advisers, consultants, and agents for needed services;

239 (d) receive and accept aid or contributions from any source, including the United States
240 or this state, in the form of money, property, labor, or other things of value to be held, used,
241 and applied to carry out the purposes of this part, subject to the conditions upon which the aid
242 and contributions are made, for any purpose consistent with this part;

243 (e) exercise the powers granted to municipalities and counties pursuant to Title 11,
244 Chapter 17, Utah Industrial Facilities and Development Act, including the power to borrow

245 money and issue obligations, including refunding obligations, subject to the same limitations as
 246 that imposed on a municipality or county under the act, except:

247 (i) the authority may only exercise powers under the act to finance or refinance a
 248 project as defined in Section 53A-20b-102; and

249 (ii) the authority's area of operation shall include all areas of the state;

250 (f) employ advisers, consultants, and agents, including financial experts, independent
 251 legal counsel, and any advisers, consultants, and agents as may be necessary in its judgment
 252 and fix their compensation;

253 (g) make and execute contracts and other instruments necessary or convenient for the
 254 performance of its duties and the exercise of its powers and functions; [~~and~~]

255 (h) in accordance with Section 53A-20b-201, designate a charter school as a qualifying
 256 charter school for purposes of participation in the credit enhancement program; and

257 [~~(h)~~] (i) have and exercise any other powers or duties that are necessary or appropriate
 258 to carry out and effectuate the purposes of this chapter.

259 (3) [~~The State~~] Except as provided in Part 2, Charter School Credit Enhancement
 260 Program, the Utah Charter School Finance Authority may not exercise power in any manner
 261 which would create general or moral obligations of the state or of any agency, department, or
 262 political subdivision of the state.

263 Section 8. Section **53A-20b-105** is amended to read:

264 **53A-20b-105. Limited obligations.**

265 [~~Bonds~~] Except as provided in Part 2, Charter School Credit Enhancement Program,
 266 bonds, notes, and other obligations issued by the authority:

267 (1) do not constitute a debt, moral obligation, or liability of the state, or of any county,
 268 city, town, school district, or any other political subdivision of the state;

269 (2) do not constitute the loan of credit of the state or of any county, city, town, school
 270 district, or any other political subdivision of the state; and

271 (3) may not be paid from funds other than loan payments or lease revenues received
 272 from a charter school or other funds pledged by a charter school.

273 Section 9. Section **53A-20b-201** is enacted to read:

274 **Part 2. Charter School Credit Enhancement Program**

275 **53A-20b-201. Charter School Credit Enhancement Program -- Standards for the**

276 **designation of qualifying charter schools -- Debt service reserve fund requirements.**

277 (1) There is created the Charter School Credit Enhancement Program to assist
278 qualifying charter schools in obtaining favorable financing by providing a means of
279 replenishing a qualifying charter school's debt service reserve fund.

280 (2) The authority shall establish standards for a charter school to be designated as a
281 qualifying charter school.

282 (3) In establishing the standards described in Subsection (2) the authority shall
283 consider:

284 (a) whether a charter school has received an investment grade rating, independent of
285 any rating enhancement resulting from the issuance of bonds pursuant to the credit
286 enhancement program;

287 (b) the location of the charter school's project;

288 (c) the operating history of the charter school;

289 (d) the financial strength of the charter school; and

290 (e) any other criteria the authority determines is relevant.

291 (4) The bonds issued by the authority for a qualifying charter school are not an
292 indebtedness of the state or of the authority but are special obligations payable solely from:

293 (a) the revenues or other funds pledged by the qualifying charter school; and

294 (b) amounts appropriated by the Legislature pursuant to Subsection (9).

295 (5) The authority shall notify the chartering entity of a charter school that the charter
296 school is participating in the credit enhancement program if the authority:

297 (a) designates the charter school as a qualifying charter school; and

298 (b) issues bonds for the qualifying charter school under the credit enhancement
299 program.

300 (6) One or more debt service reserve funds shall be established for a qualifying charter
301 school with respect to bonds issued pursuant to the credit enhancement program.

302 (7) (a) Except as provided in Subsection (7)(b), money in a debt service reserve fund
303 may not be withdrawn from the debt service reserve fund if the amount withdrawn would
304 reduce the level of money in the debt service reserve fund to less than the debt service reserve
305 fund requirement.

306 (b) So long as the applicable bonds issued under the credit enhancement program

307 remain outstanding, money in a debt service reserve fund may be withdrawn in an amount that
308 would reduce the level of money in the debt service reserve fund to less than the debt service
309 reserve fund requirement if:

310 (i) the money is withdrawn for the purpose of paying the principal of, redemption price
311 of, or interest on a bond when due and if no other money of the qualifying charter school is
312 available to make the payment, as determined by the authority; or

313 (ii) the payment of any redemption premium required to be paid when the bonds are
314 redeemed prior to maturity if no bonds will remain outstanding upon payment from the funds
315 in the qualifying charter school's debt service reserve fund.

316 (8) Money in a qualifying charter school's debt service reserve fund that exceeds the
317 debt service reserve fund requirement may be withdrawn by the qualifying charter school.

318 (9) (a) The authority shall annually, on or before December 1, certify to the governor
319 the amount, if any, required to restore amounts on deposit in the debt service reserve funds of
320 qualifying charter schools to the respective debt service reserve fund requirements.

321 (b) The governor shall request from the Legislature an appropriation of the certified
322 amount to restore amounts on deposit in the debt service reserve funds of qualifying charter
323 schools to the respective debt service reserve fund requirements.

324 (c) The Legislature may appropriate money to the authority to restore amounts on
325 deposit in the debt service reserve funds of qualifying charter schools to the respective debt
326 service reserve fund requirements.

327 (d) A qualifying charter school that receives money from an appropriation to restore
328 amounts on deposit in a debt service reserve fund to the debt service reserve fund requirement,
329 shall repay the state at the time and in the manner as the authority shall require.

330 (10) The authority may create and establish other funds for its purposes.

331 Section 10. Section **53A-20b-202** is enacted to read:

332 **53A-20b-202. Charter School Reserve Account contribution requirements for**
333 **qualifying charter schools.**

334 (1) When bonds are issued under the credit enhancement program for a qualifying
335 charter school, the qualifying charter school shall contribute money to the reserve account in
336 the amount determined as provided in Subsection (2).

337 (2) The authority shall determine the up-front and ongoing requirements for

338 contributions of money to the reserve account for each qualifying charter school.

339 Section 11. Section **53A-20b-203** is enacted to read:

340 **53A-20b-203. Bond issuance.**

341 (1) (a) The state may not alter, impair, or limit the rights of bondholders or persons
342 contracting with a qualifying charter school until the bonds, including interest and other
343 contractual obligations, are fully met and discharged.

344 (b) Nothing in this chapter precludes an alteration, impairment, or limitation if
345 provision is made by law for the protection of bondholders or persons entering into contracts
346 with a qualifying charter school.

347 (2) The authority may require a qualifying charter school to vest in the authority the
348 right to enforce any covenant made to secure bonds issued under the credit enhancement
349 program by making appropriate provisions in the indenture related to the qualifying charter
350 school's bonds.

351 (3) The authority may require a qualifying charter school to make covenants and
352 agreements in indentures or in a reimbursement agreement to protect the interests of the state
353 and to secure repayment to the state of any money received by the qualifying charter school
354 from an appropriation to restore amounts deposited in the qualifying charter school's debt
355 service reserve fund to the debt service reserve fund requirement.

356 (4) The authority may charge a fee to administer the issuance of bonds for a qualifying
357 charter school.

358 Section 12. Section **53A-20b-204** is enacted to read:

359 **53A-20b-204. Limitation on participation in Charter School Credit Enhancement**
360 **Program.**

361 (1) In accordance with Subsection (2), on or before January 1 of each year, the
362 authority shall determine the credit enhancement program's bond issuance limitation.

363 (2) The authority may not issue bonds for a qualifying charter school under the credit
364 enhancement program if the total par amount outstanding under the program would exceed an
365 amount equal to the product of:

366 (a) 1.3;

367 (b) an amount equal to the quotient of:

368 (i) annual charter school enrollment; divided by

369 (ii) annual state enrollment; and
370 (c) the total par amount then outstanding under the school bond guarantee program
371 established in Chapter 28, Utah School Bond Guaranty Act.

372 Section 13. Section **53A-20b-301** is enacted to read:

373 **Part 3. Charter School Reserve Account**

374 **53A-20b-301. Charter School Reserve Account.**

375 (1) There is created within the Education Fund a restricted account known as the
376 "Charter School Reserve Account."

377 (2) The reserve account consists of:

378 (a) money credited to the account pursuant to Section 53A-20b-202;

379 (b) money appropriated to the account by the Legislature;

380 (c) all income and interest derived from the deposit and investment of money in the
381 account;

382 (d) federal grants; and

383 (e) private donations.

384 (3) Money in the reserve account may be appropriated by the Legislature to:

385 (a) restore amounts on deposit in a debt service reserve fund of a qualifying charter
386 school to the debt service reserve fund requirement;

387 (b) pay fees and expenses of the authority;

388 (c) pay the principal of and interest on bonds issued for a qualifying charter school; or

389 (d) otherwise provide financial assistance to a qualifying charter school.

390 Section 14. Section **63J-7-102** is amended to read:

391 **63J-7-102. Scope and applicability of chapter.**

392 (1) Except as provided in Subsection (2), and except as otherwise provided by a statute
393 superseding provisions of this chapter by explicit reference to this chapter, the provisions of
394 this chapter apply to each agency and govern each grant received on or after May 5, 2008.

395 (2) This chapter does not govern:

396 (a) a grant deposited into a General Fund restricted account;

397 (b) a grant deposited into a Trust and Agency Fund as defined in Section 51-5-4;

398 (c) a grant deposited into an Enterprise Fund as defined in Section 51-5-4;

399 (d) a grant made to the state without a restriction or other designated purpose that is

- 400 deposited into the General Fund as free revenue;
- 401 (e) a grant made to the state that is restricted only to "education" and that is deposited
- 402 into the Education Fund or Uniform School Fund as free revenue;
- 403 (f) in-kind donations;
- 404 (g) a tax, fees, penalty, fine, surcharge, money judgment, or other money due the state
- 405 when required by state law or application of state law;
- 406 (h) a contribution made under Title 59, Chapter 10, Part 13, Individual Income Tax
- 407 Contribution Act;
- 408 (i) a grant received by an agency from another agency or political subdivision;
- 409 (j) a grant to the Dairy Commission created in Title 4, Chapter 22, Dairy Promotion
- 410 Act;
- 411 (k) a grant to the Utah Science Center Authority created in Title 63H, Chapter 3, Utah
- 412 Science Center Authority;
- 413 (l) a grant to the Heber Valley Railroad Authority created in Title 63H, Chapter 4,
- 414 Heber Valley Historic Railroad Authority;
- 415 (m) a grant to the Utah State Railroad Museum Authority created in Title 63H, Chapter
- 416 5, Utah State Railroad Museum Authority;
- 417 (n) a grant to the Utah Housing Corporation created in Title 9, Chapter 4, Part 9, Utah
- 418 Housing Corporation Act;
- 419 (o) a grant to the Utah State Fair Corporation created in Title 63H, Chapter 6, Utah
- 420 State Fair Corporation Act;
- 421 (p) a grant to the Workers' Compensation Fund created in Title 31A, Chapter 33,
- 422 Workers' Compensation Fund;
- 423 (q) a grant to the Utah State Retirement Office created in Title 49, Chapter 11, Utah
- 424 State Retirement Systems Administration;
- 425 (r) a grant to the School and Institutional Trust Lands Administration created in Title
- 426 53C, Chapter 1, Part 2, School and Institutional Trust Lands Administration;
- 427 (s) a grant to the Utah Communications Agency Network created in Title 63C, Chapter
- 428 7, Utah Communications Agency Network Act;
- 429 (t) a grant to the Medical Education Program created in Section 63C-8-102;
- 430 (u) a grant to the Utah Capital Investment Corporation created in Title 63M, Chapter 1,

431 Part 12, Utah Venture Capital Enhancement Act;

432 (v) a grant to the [State] Utah Charter School Finance Authority created in Section
433 53A-20b-103;

434 (w) a grant to the State Building Ownership Authority created in Section 63B-1-304;

435 (x) a grant to the Utah Comprehensive Health Insurance Pool created in Section
436 31A-29-104; or

437 (y) a grant to the Military Installation Development Authority created in Section
438 63H-1-201.

439 (3) An agency need not seek legislative review or approval of grants under Part 2,
440 Grant Approval Requirements, if:

441 (a) the governor has declared a state of emergency; and

442 (b) the grant is donated to the agency to assist victims of the state of emergency under
443 Subsection 63K-4-201(1).

444 Section 15. **Appropriation.**

445 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the
446 following sums of money are appropriated from resources not otherwise appropriated, or
447 reduced from amounts previously appropriated, out of the funds or accounts indicated for the
448 fiscal year beginning July 1, 2012 and ending June 30, 2013. These are additions to any
449 amounts previously appropriated for fiscal year 2013.

450 To State Board of Education - Charter School Reserve Account

451 From Education Fund, one-time \$3,000,000

452 Schedule of Programs:

453 Charter School Reserve Account \$3,000,000

454 Section 16. **Effective date.**

455 This bill takes effect on July 1, 2012.

Legislative Review Note
as of 1-30-12 9:18 AM

Office of Legislative Research and General Counsel