

PUBLIC EDUCATION BUDGET AMENDMENTS

2013 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Melvin R. Brown

Senate Sponsor: Lyle W. Hillyard

LONG TITLE

General Description:

This bill supplements or reduces appropriations previously provided for school districts, charter schools, and certain state education agencies for the fiscal year beginning July 1, 2013, and ending June 30, 2014, and modifies related budgetary provisions.

Highlighted Provisions:

This bill:

- ▶ modifies an index by which the state guarantee dollar amount per weighted pupil unit for the voted leeway and board-authorized leeway programs annually increases;
 - ▶ provides budget increases and decreases for the use and support of certain state education agencies;
 - ▶ provides budget increases and decreases for programs that support school districts and charter schools;
 - ▶ provides a distribution formula for the appropriation for Teacher Supplies and Materials;
 - ▶ provides intent language;
 - ▶ establishes the value of the weighted pupil unit for fiscal year 2013-14 at:
 - \$2,659 for the special education and career and technology add-on programs;
- and
- \$2,899 for all other programs; and
 - ▶ makes technical changes.

Money Appropriated in this Bill:

This bill appropriates for fiscal year 2013-14:

- 30 ▶ \$5,000,000 from the Uniform School Fund;
- 31 ▶ \$139,745,600 from the Education Fund; and
- 32 ▶ \$19,912,400 from various sources as detailed in this bill.

33 **Other Special Clauses:**

34 This bill takes effect on July 1, 2013.

35 **Utah Code Sections Affected:**

36 AMENDS:

37 **53A-17a-133**, as last amended by Laws of Utah 2012, Chapter 421

38 **53A-17a-164**, as enacted by Laws of Utah 2011, Chapter 371

39 REPEALS:

40 **53A-1-408**, as last amended by Laws of Utah 2008, Chapters 250 and 382

41 **Uncodified Material Affected:**

42 ENACTS UNCODIFIED MATERIAL



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

45 Section 1. Section **53A-17a-133** is amended to read:

46 **53A-17a-133. State-supported voted local levy authorized -- Election**
47 **requirements -- State guarantee -- Reconsideration of the program.**

48 (1) An election to consider adoption or modification of a voted local levy is required if
49 initiative petitions signed by 10% of the number of electors who voted at the last preceding
50 general election are presented to the local school board or by action of the board.

51 (2) (a) (i) To impose a voted local levy, a majority of the electors of a district voting at
52 an election in the manner set forth in Subsections (8) and (9) must vote in favor of a special
53 tax.

54 (ii) The tax rate may not exceed .002 per dollar of taxable value.

55 (b) Except as provided in Subsection (2)(c), in order to receive state support the first
56 year, a district must receive voter approval no later than December 1 of the year prior to
57 implementation.

58 (c) Beginning on or after January 1, 2012, a school district may receive state support in
59 accordance with Subsection (3) without complying with the requirements of Subsection (2)(b)
60 if the local school board imposed a tax in accordance with this section during the taxable year
61 beginning on January 1, 2011 and ending on December 31, 2011.

62 (3) (a) In addition to the revenue a school district collects from the imposition of a levy
63 pursuant to this section, the state shall contribute an amount sufficient to guarantee \$27.36 per
64 weighted pupil unit for each .0001 of the first .0016 per dollar of taxable value.

65 (b) The same dollar amount guarantee per weighted pupil unit for the .0016 per dollar
66 of taxable value under Subsection (3)(a) shall apply to the portion of the board local levy
67 authorized in Section 53A-17a-164, so that the guarantee shall apply up to a total of .002 per
68 dollar of taxable value if a school district levies a tax rate under both programs.

69 (c) (i) Beginning July 1, [~~2013~~] 2014, the \$27.36 guarantee under Subsections (3)(a)
70 and (b) shall be indexed each year to the value of the weighted pupil unit for the grades 1
71 through 12 program by making the value of the guarantee equal to [~~.010544~~] .00963 times the
72 value of the prior year's weighted pupil unit for the grades 1 through 12 program.

73 (ii) The guarantee shall increase by .0005 times the value of the prior year's weighted
74 pupil unit for the grades 1 through 12 program for each succeeding year subject to the
75 Legislature appropriating funds for an increase in the guarantee.

76 (d) (i) The amount of state guarantee money to which a school district would otherwise
77 be entitled to receive under this Subsection (3) may not be reduced for the sole reason that the
78 district's levy is reduced as a consequence of changes in the certified tax rate under Section
79 59-2-924 pursuant to changes in property valuation.

80 (ii) Subsection (3)(d)(i) applies for a period of five years following any such change in
81 the certified tax rate.

82 (e) The guarantee provided under this section does not apply to the portion of a voted
83 local levy rate that exceeds the voted local levy rate that was in effect for the previous fiscal
84 year, unless an increase in the voted local levy rate was authorized in an election conducted on
85 or after July 1 of the previous fiscal year and before December 2 of the previous fiscal year.

86 (4) (a) An election to modify an existing voted local levy is not a reconsideration of the
87 existing authority unless the proposition submitted to the electors expressly so states.

88 (b) A majority vote opposing a modification does not deprive the district of authority to
89 continue the levy.

90 (c) If adoption of a voted local levy is contingent upon an offset reducing other local
91 school board levies, the board must allow the electors, in an election, to consider modifying or
92 discontinuing the imposition of the levy prior to a subsequent increase in other levies that
93 would increase the total local school board levy.

94 (d) Nothing contained in this section terminates, without an election, the authority of a
95 school district to continue imposing an existing voted local levy previously authorized by the
96 voters as a voted leeway program.

97 (5) Notwithstanding Section 59-2-919, a school district may budget an increased
98 amount of ad valorem property tax revenue derived from a voted local levy imposed under this
99 section in addition to revenue from new growth as defined in Subsection 59-2-924(4), without
100 having to comply with the notice requirements of Section 59-2-919, if:

101 (a) the voted local levy is approved:

102 (i) in accordance with Subsections (8) and (9) on or after January 1, 2003; and

103 (ii) within the four-year period immediately preceding the year in which the school
104 district seeks to budget an increased amount of ad valorem property tax revenue derived from
105 the voted local levy; and

106 (b) for a voted local levy approved or modified in accordance with this section on or
107 after January 1, 2009, the school district complies with the requirements of Subsection (7).

108 (6) Notwithstanding Section 59-2-919, a school district may levy a tax rate under this
109 section that exceeds the certified tax rate without having to comply with the notice
110 requirements of Section 59-2-919 if:

111 (a) the levy exceeds the certified tax rate as the result of a school district budgeting an
112 increased amount of ad valorem property tax revenue derived from a voted local levy imposed
113 under this section;

114 (b) the voted local levy was approved:
115 (i) in accordance with Subsections (8) and (9) on or after January 1, 2003; and
116 (ii) within the four-year period immediately preceding the year in which the school
117 district seeks to budget an increased amount of ad valorem property tax revenue derived from
118 the voted local levy; and

119 (c) for a voted local levy approved or modified in accordance with this section on or
120 after January 1, 2009, the school district complies with requirements of Subsection (7).

121 (7) For purposes of Subsection (5)(b) or (6)(c), the proposition submitted to the
122 electors regarding the adoption or modification of a voted local levy shall contain the following
123 statement:

124 "A vote in favor of this tax means that (name of the school district) may increase
125 revenue from this property tax without advertising the increase for the next five years."

126 (8) (a) Before imposing a property tax levy pursuant to this section, a school district
127 shall submit an opinion question to the school district's registered voters voting on the
128 imposition of the tax rate so that each registered voter has the opportunity to express the
129 registered voter's opinion on whether the tax rate should be imposed.

130 (b) The election required by this Subsection (8) shall be held:

131 (i) at a regular general election conducted in accordance with the procedures and
132 requirements of Title 20A, Election Code, governing regular elections;

133 (ii) at a municipal general election conducted in accordance with the procedures and
134 requirements of Section 20A-1-202; or

135 (iii) at a local special election conducted in accordance with the procedures and
136 requirements of Section 20A-1-203.

137 (c) Notwithstanding the requirements of Subsections (8)(a) and (b), beginning on or
138 after January 1, 2012, a school district may levy a tax rate in accordance with this section
139 without complying with the requirements of Subsections (8)(a) and (b) if the school district
140 imposed a tax in accordance with this section at any time during the taxable year beginning on
141 January 1, 2011, and ending on December 31, 2011.

142 (9) If a school district determines that a majority of the school district's registered
143 voters voting on the imposition of the tax rate have voted in favor of the imposition of the tax
144 rate in accordance with Subsection (8), the school district may impose the tax rate.

145 Section 2. Section **53A-17a-164** is amended to read:

146 **53A-17a-164. Board local levy -- State guarantee.**

147 (1) Subject to the other requirements of this section, for a calendar year beginning on
148 or after January 1, 2012, a local school board may levy a tax to fund the school district's
149 general fund.

150 (2) (a) Except as provided in Subsection (2)(b), a tax rate imposed by a school district
151 pursuant to this section may not exceed .0018 per dollar of taxable value in any calendar year.

152 (b) A tax rate imposed by a school district pursuant to this section may not exceed
153 .0025 per dollar of taxable value in any calendar year if, during the calendar year beginning on
154 January 1, 2011, the school district's combined tax rate for the following levies was greater
155 than .0018 per dollar of taxable value:

- 156 (i) a recreation levy imposed under Section 11-2-7;
- 157 (ii) a transportation levy imposed under Section 53A-17a-127;
- 158 (iii) a board-authorized levy imposed under Section 53A-17a-134;
- 159 (iv) an impact aid levy imposed under Section 53A-17a-143;
- 160 (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is
161 budgeted for purposes other than capital outlay or debt service;
- 162 (vi) a reading levy imposed under Section 53A-17a-151; and
- 163 (vii) a tort liability levy imposed under Section 63G-1-704.

164 (3) (a) In addition to the revenue a school district collects from the imposition of a levy
165 pursuant to this section, the state shall contribute an amount sufficient to guarantee that each
166 .0001 of the first .0004 per dollar of taxable value generates an amount equal to [~~.010544~~
167 .00963 times the value of the prior year's weighted pupil unit.

168 (b) (i) The amount of state guarantee money to which a school district would otherwise
169 be entitled to under this Subsection (3) may not be reduced for the sole reason that the district's

170 levy is reduced as a consequence of changes in the certified tax rate under Section 59-2-924
171 pursuant to changes in property valuation.

172 (ii) Subsection (3)(b)(i) applies for a period of five years following any changes in the
173 certified tax rate.

174 (4) A school district that imposes a board local levy in the calendar year beginning on
175 January 1, 2012, is exempt from the public notice and hearing requirements of Section
176 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to
177 or less than the sum of the following amounts:

178 (a) the amount of revenue generated during the calendar year beginning on January 1,
179 2011, from the sum of the following levies of a school district:

180 (i) a recreation levy imposed under Section 11-2-7;

181 (ii) a transportation levy imposed under Section 53A-17a-127;

182 (iii) a board-authorized levy imposed under Section 53A-17a-134;

183 (iv) an impact aid levy imposed under Section 53A-17a-143;

184 (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is
185 budgeted for purposes other than capital outlay or debt service;

186 (vi) a reading levy imposed under Section 53A-17a-151; and

187 (vii) a tort liability levy imposed under Section 63G-1-704; and

188 (b) revenue from new growth as defined in Subsection 59-2-924(4)(c).

189 **Section 3. Repealer.**

190 This bill repeals:

191 **Section 53A-1-408, Appropriations reallocation.**

192 **Section 4. One-time appropriation for classroom supplies.**

193 (1) As used in this section, "classroom teacher" or "teacher" means permanent teacher
194 positions filled by one teacher or two or more job-sharing teachers:

195 (a) who are licensed personnel;

196 (b) who are paid on the teacher's salary schedule;

197 (c) who are hired for an entire contract period; and

198 (d) whose primary function is to provide instructional or a combination of instructional
199 and counseling services to students in public schools.

200 (2) (a) The State Board of Education shall distribute money appropriated for Teacher
201 Supplies and Materials to classroom teachers in school districts, the Utah Schools for the Deaf
202 and the Blind, and charter schools on the basis of the number of classroom teachers in each
203 school as compared to the total number of classroom teachers.

204 (b) Teachers shall receive up to the following amounts:

205 (i) a teacher on salary schedule steps one through three teaching in grades kindergarten
206 through 6 or preschool handicapped - \$250;

207 (ii) a teacher on salary schedule steps one through three teaching in grades 7 through
208 12 - \$200;

209 (iii) a teacher on salary schedule step four or higher teaching in grades kindergarten
210 through 6 or preschool handicapped - \$175; and

211 (iv) a teacher on salary schedule step four or higher teaching in grades 7 through 12 -
212 \$150.

213 (c) If the appropriation is not sufficient to provide to each teacher the full amount
214 allowed under Subsection (2)(b), teachers on salary schedule steps one through three shall
215 receive the full amount allowed with the remaining money apportioned to all other teachers.

216 (3) Teachers shall spend money appropriated for classroom supplies and materials for
217 school supplies, materials, or field trips under rules adopted by the State Board of Education.

218 **Section 5. Appropriation for state education agencies and programs that support**
219 **school districts and charter schools -- Value of the weighted pupil unit.**

220 (1) Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act,
221 for the fiscal year beginning July 1, 2013, and ending June 30, 2014, the following sums of
222 money are appropriated from resources not otherwise appropriated, or reduced from amounts
223 previously appropriated, out of the funds or accounts indicated. These sums of money are in
224 addition to any amounts previously appropriated for fiscal year 2014.

225 (2) The value of each weighted pupil unit (WPU) for fiscal year 2013-14 is increased

226 from the value of the WPU for fiscal year 2013-14 established in S.B. 1, Public Education Base

227 Budget, and set at:

228 (a) \$2,659 for:

229 (i) Special Education - Add-on; and

230 (ii) Career and Technical Education District Add-on; and

231 (b) \$2,899 for all other Basic School programs.

232 BASIC SCHOOL PROGRAM

233 ITEM 1 To Basic School Program

234 From Uniform School Fund \$5,000,000

235 From Education Fund \$91,262,000

236 From Local Revenue \$5,070,100

237 Schedule of Programs:

238 Kindergarten (1,010 WPUs) \$4,467,500

239 Grades 1 - 12 (11,212 WPUs) \$62,977,300

240 Necessarily Existent Small Schools \$496,000

241 Professional Staff (3,901 WPUs) \$14,082,800

242 Administrative Costs (-60 WPUs) (\$85,000)

243 Special Education - Add-on (2,196 WPUs) \$9,401,500

244 Special Education - Preschool (209 WPUs) \$1,140,600

245 Special Education - Self-contained (-201 WPUs) \$238,700

246 Special Education - Extended School Year \$41,200

247 (6 WPUs)

248 Special Education - State Programs (102 WPUs) \$453,500

249 Career and Technical Education \$3,754,700

250 District Add-on (856 WPUs)

251 Class Size Reduction (767 WPUs) \$4,363,300

252 RELATED TO BASIC PROGRAMS

253 ITEM 2 To Related to Basic Programs - Related to Basic School Programs

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| | | |
|-----|---|--------------|
| 254 | From Education Fund | \$24,317,200 |
| 255 | From Education Fund, One-time | \$15,600,000 |
| 256 | From Interest and Dividends Account | \$6,110,000 |
| 257 | Schedule of Programs: | |
| 258 | To and From School - Pupil Transportation | \$3,401,700 |
| 259 | Enhancement for At-Risk Students | \$952,000 |
| 260 | Youth in Custody | \$777,600 |
| 261 | Enhancement for Accelerated Students | \$168,800 |
| 262 | Adult Education | \$382,000 |
| 263 | Concurrent Enrollment | \$362,100 |
| 264 | School LAND Trust Program | \$6,110,000 |
| 265 | Charter School Local Replacement | \$6,886,100 |
| 266 | Charter School Administration | \$550,600 |
| 267 | Educator Salary Adjustments | \$2,296,300 |
| 268 | Critical Languages and Dual Immersion | \$1,040,000 |
| 269 | Teacher Supplies and Materials | \$5,000,000 |
| 270 | Beverly Taylor Sorenson Elementary Arts | \$4,000,000 |
| 271 | Early Intervention | \$7,500,000 |
| 272 | Statewide Computer Adaptive Testing | \$6,600,000 |

273 Infrastructure Grants

274 The Legislature intends that the State Board of Education allocate \$3,200,000 from the
 275 appropriation for "To and From School - Pupil Transportation" to support pupil transportation
 276 costs at the Utah Schools for the Deaf and the Blind.

277 The Legislature intends that the Utah Schools for the Deaf and the Blind, in working
 278 with the public education fiscal analyst, study its pupil transportation contract and report to the
 279 Public Education Appropriations Subcommittee before the November 2013 Interim meeting on
 280 whether the most cost effective method of transportation is being used.

281 The Legislature intends that the enrollment in charter schools in the 2014-15 school

282 year may increase up to 7,650 students over the projected enrollment of 56,927 in the 2013-14
283 school year.

284 The Legislature intends that the appropriation for the "Flexible Allocation - WPU
285 Distribution" program be distributed to school districts and charter schools on the basis of the
286 number of weighted pupil units in a school district or charter school compared to the total
287 number of weighted pupil units and that the State Board of Education provide for the reporting
288 of school districts and charter schools expenditures of the program money.

289 VOTED AND BOARD LEEWAY PROGRAMS

290 ITEM 3 To Voted and Board Leeway Programs - Voted and Board Local Levy Programs

| | | | |
|-----|--------------------------|-------------|-------------|
| 291 | From Education Fund | | \$4,870,000 |
| 292 | From Local Revenue | | \$4,603,400 |
| 293 | Schedule of Programs: | | |
| 294 | Voted Local Levy Program | \$998,900 | |
| 295 | Board Local Levy Program | \$8,474,500 | |

296 STATE BOARD OF EDUCATION

297 ITEM 4 To State Board of Education - State Office of Education

| | | | |
|-----|---|-------------|-------------|
| 298 | From Education Fund | | (\$37,700) |
| 299 | From Education Fund, One-time | | \$1,200,000 |
| 300 | From Federal Funds | | (\$200) |
| 301 | From General Fund Restricted - Mineral Lease | | (\$100) |
| 302 | From General Fund Restricted - Land Exchange Distribution Account | | \$12,700 |
| 303 | Schedule of Programs: | | |
| 304 | Board and Administration | \$174,700 | |
| 305 | Teaching and Learning | \$1,000,000 | |

306 ITEM 5 To State Board of Education - Utah State Office of Education - Initiative Programs

| | | | |
|-----|-----------------------|-------------|-------------|
| 307 | From Education Fund | | \$2,500,000 |
| 308 | Schedule of Programs: | | |
| 309 | Contracts and Grants | \$2,500,000 | |

310 The Legislature intends that the Utah State Office of Education develop quantifiable
311 performance measures associated with the programs contained in the "Utah State Office of
312 Education - Initiative Programs" line item that directly tie the achievements of the various
313 programs to the incurred costs, and report its findings to the Public Education Appropriations
314 Subcommittee by the November 2013 Interim meeting.

315 ITEM 6 To State Board of Education - Charter School Finance Authority

316 From Education Fund Restricted - Charter School Reserve Account \$50,000

317 Schedule of Programs:

318 Charter School Finance Authority \$50,000

319 ITEM 7 To State Board of Education - State Charter School Board

320 The Legislature intends that the Charter School Board develop quantifiable
321 performance measures associated with the activities of the State Charter School Board that
322 directly tie the achievements of the various programs to the incurred costs, and report its
323 findings to the Public Education Appropriations Subcommittee before the November 2013
324 Interim meeting.

325 ITEM 8 To State Board of Education - Educator Licensing Professional Practices

326 From Dedicated Credits Revenue (\$200)

327 From Professional Practices Restricted Subfund (\$439,300)

328 From Lapsing Balance \$203,800

329 Schedule of Programs:

330 Educator Licensing (\$235,700)

331 ITEM 9 To State Board of Education - State Office of Education - Child Nutrition

332 From Federal Funds \$100

333 Schedule of Programs:

334 Child Nutrition \$100

335 The Legislature intends that the Utah State Office of Education develop quantifiable
336 performance measures associated with the activities of the "Child Nutrition" line item that
337 directly tie the achievements of the various programs to the incurred costs, and report its

338 findings to the Public Education Appropriations Subcommittee before the November 2013
339 Interim meeting.

340 Item 10 To State Board of Education - Fine Arts Outreach

341 From Education Fund \$250,000

342 Schedule of Programs:

343 Professional Outreach Programs \$245,900

344 Subsidy Program \$4,100

345 ITEM 11 To State Board of Education - State Office of Education - Educational Contracts

346 The Legislature intends that the Utah State Office of Education address the notional
347 cost differentials per inmate for educational programs at the state prisons in comparison with
348 county jails and assess whether any potential savings exist, and report its findings to the Public
349 Education Appropriations Subcommittee before the November 2013 Interim meeting.

350 ITEM 12 To State Board of Education - Science Outreach

351 From Education Fund \$475,000

352 Schedule of Programs:

353 Informal Science Education Enhancement \$250,000

354 Requests for Proposals \$225,000

355 ITEM 13 To State Board of Education - Utah Schools for the Deaf and the Blind

356 From Education Fund (\$690,900)

357 Schedule of Programs:

358 Instructional Services (\$43,000)

359 Support Services (\$647,900)

360 The Legislature intends that the Utah Schools for the Deaf and the Blind develop
361 quantifiable performance measures associated with the programs within the "Utah Schools for
362 the Deaf and the Blind" line item that directly tie the achievements of the various programs to
363 the incurred costs, and report its findings to the Public Education Appropriations
364 Subcommittee before the November 2013 Interim meeting.

365 STATE BOARD OF EDUCATION

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| 366 | ITEM 14 To State Board of Education - Indirect Cost Pool | |
| 367 | From Dedicated Credits - Intragovernmental Revenue | \$4,302,100 |
| 368 | From Beginning Nonlapsing Appropriation Balances | (\$188,200) |
| 369 | From Closing Nonlapsing Appropriation Balances | \$188,200 |
| 370 | Schedule of Programs: | |
| 371 | Superintendent Indirect Cost Pool | \$4,302,100 |
| 372 | Section 6. Effective date. | |
| 373 | <u>This bill takes effect on July 1, 2013.</u> | |