

PUBLIC EDUCATION BUDGET AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Dean Sanpei

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, 2015, and ending June 30, 2016, and modifies related budgetary provisions.

Highlighted Provisions:

This bill:

- ▶ extends, for an additional year, a provision that allows the number of weighted pupil units assigned to a charter school to be based on the higher of:
 - October 1 enrollment in the current school year; or
 - average daily membership in the prior school year plus growth;
- ▶ 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 intent language;
- ▶ establishes the value of the weighted pupil unit for fiscal year 2015-16 at:
 - \$2,837 for the special education and career and technology add-on programs;
 - and
 - \$3,092 for all other programs; and
- ▶ makes technical changes, including deleting outdated language.

Money Appropriated in this Bill:

This bill appropriates for fiscal year 2016:

- 30 ▶ \$635,000 from the General Fund;
- 31 ▶ \$7,000,000 from the Uniform School Fund;
- 32 ▶ \$246,430,500 from the Education Fund; and
- 33 ▶ \$24,983,100 from various sources as detailed in this bill.

34 **Other Special Clauses:**

35 This bill provides a special effective date.

36 **Utah Code Sections Affected:**

37 AMENDS:

38 **53A-1a-513**, as last amended by Laws of Utah 2013, Chapter 470

39 **Uncodified Material Affected:**

40 ENACTS UNCODIFIED MATERIAL



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

43 Section 1. Section **53A-1a-513** is amended to read:

44 **53A-1a-513. Funding for charter schools.**

45 (1) As used in this section:

46 (a) "Charter school students' average local revenues" means the amount determined as
47 follows:

48 (i) for each student enrolled in a charter school on the previous October 1, calculate the
49 district per pupil local revenues of the school district in which the student resides;

50 (ii) sum the district per pupil local revenues for each student enrolled in a charter
51 school on the previous October 1; and

52 (iii) divide the sum calculated under Subsection (1)(a)(ii) by the number of students
53 enrolled in charter schools on the previous October 1.

54 (b) "District local property tax revenues" means the sum of a school district's revenue
55 received from the following levies:

56 ~~[(i) (A) a voted levy imposed under Section 53A-17a-133;]~~

57 ~~[(B) a board levy imposed under Section 53A-17a-134;]~~

58 ~~[(C) a 10% of basic levy imposed under Section 53A-17a-145;]~~
59 ~~[(D) a tort liability levy imposed under Section 63G-7-704;]~~
60 ~~[(E) a capital outlay levy imposed under Section 53A-16-107; and]~~
61 ~~[(F) a voted capital outlay levy imposed under Section 53A-16-110; or]~~
62 ~~[(ii)(A)]~~ (i) a voted local levy imposed under Section 53A-17a-133;
63 ~~[(B)]~~ (ii) a board local levy imposed under Section 53A-17a-164, excluding revenues
64 expended for:
65 ~~[(H)]~~ (A) recreational facilities and activities authorized under Title 11, Chapter 2,
66 Playgrounds;
67 ~~[(H)]~~ (B) pupil transportation, up to the amount of revenue generated by a .0003 per
68 dollar of taxable value of the school district's board local levy; and
69 ~~[(H)]~~ (C) the K-3 Reading Improvement Program, up to the amount of revenue
70 generated by a .000121 per dollar of taxable value of the school district's board local levy; and
71 ~~[(E)]~~ (iii) a capital local levy imposed under Section 53A-16-113.
72 (c) "District per pupil local revenues" means an amount equal to the following, using
73 data from the most recently published school district annual financial reports and state
74 superintendent's annual report:
75 (i) district local property tax revenues; divided by
76 (ii) the sum of:
77 (A) a school district's average daily membership; and
78 (B) the average daily membership of a school district's resident students who attend
79 charter schools.
80 (d) "Resident student" means a student who is considered a resident of the school
81 district under Title 53A, Chapter 2, Part 2, District of Residency.
82 (e) "Statewide average debt service revenues" means the amount determined as
83 follows, using data from the most recently published state superintendent's annual report:
84 (i) sum the revenues of each school district from the debt service levy imposed under
85 Section 11-14-310; and

86 (ii) divide the sum calculated under Subsection (1)(e)(i) by statewide school district
87 average daily membership.

88 (2) (a) Charter schools shall receive funding as described in this section, except
89 Subsections (3) through (8) do not apply to charter schools described in Subsection (2)(b).

90 (b) Charter schools authorized by local school boards that are converted from district
91 schools or operate in district facilities without paying reasonable rent shall receive funding as
92 prescribed in Section 53A-1a-515.

93 (3) (a) Except as provided in Subsections (3)(b) and (3)(c), a charter school shall
94 receive state funds, as applicable, on the same basis as a school district receives funds.

95 (b) For the [~~2013-14 and 2014-15 school years~~] 2015-16 school year, the number of
96 weighted pupil units assigned to a charter school for the kindergarten and grades 1 through 12
97 programs of the Basic School Program shall be:

98 (i) based on the higher of:

99 (A) October 1 enrollment in the current school year; or

100 (B) average daily membership in the prior school year plus growth as determined under
101 Section 53A-17a-106; and

102 (ii) weighted as provided in Subsection (3)(c).

103 (c) In distributing funds under Chapter 17a, Minimum School Program Act, to charter
104 schools, charter school pupils shall be weighted, where applicable, as follows:

105 (i) .55 for kindergarten pupils;

106 (ii) .9 for pupils in grades 1 through 6;

107 (iii) .99 for pupils in grades 7 through 8; and

108 (iv) 1.2 for pupils in grades 9 through 12.

109 (4) (a) (i) A school district shall allocate a portion of school district revenues for each
110 resident student of the school district who is enrolled in a charter school on October 1 equal to
111 25% of the lesser of:

112 (A) district per pupil local revenues; or

113 (B) charter school students' average local revenues.

114 (ii) Nothing in this Subsection (4)(a) affects the school bond guarantee program
115 established under Chapter 28, Utah School Bond Guaranty Act.

116 (b) The State Board of Education shall:

117 (i) deduct an amount equal to the allocation provided under Subsection (4)(a) from
118 state funds the school district is authorized to receive under Chapter 17a, Minimum School
119 Program Act; and

120 (ii) remit the money to the student's charter school.

121 (c) Notwithstanding the method used to transfer school district revenues to charter
122 schools as provided in Subsection (4)(b), a school district may deduct the allocations to charter
123 schools under this section from:

124 (i) unrestricted revenues available to the school district; or

125 (ii) the revenue sources listed in Subsection (1)(b) based on the portion of the
126 allocations to charter schools attributed to each of the revenue sources listed in Subsection
127 (1)(b).

128 (d) (i) Subject to future budget constraints, the Legislature shall provide an
129 appropriation for charter schools for each student enrolled on October 1 to supplement the
130 allocation of school district revenues under Subsection (4)(a).

131 (ii) Except as provided in Subsection (4)(d)(iii), the amount of money provided by the
132 state for a charter school student shall be the sum of:

133 (A) charter school students' average local revenues minus the allocation of school
134 district revenues under Subsection (4)(a); and

135 (B) statewide average debt service revenues.

136 (iii) If the total of a school district's allocation for a charter school student under
137 Subsection (4)(a) and the amount provided by the state under Subsection (4)(d)(ii) is less than
138 \$1427, the state shall provide an additional supplement so that a charter school receives at least
139 \$1427 per student under this Subsection (4).

140 (iv) (A) If the appropriation provided under this Subsection (4)(d) is less than the
141 amount prescribed by Subsection (4)(d)(ii) or (4)(d)(iii), the appropriation shall be allocated

142 among charter schools in proportion to each charter school's enrollment as a percentage of the
143 total enrollment in charter schools.

144 (B) If the State Board of Education makes adjustments to Minimum School Program
145 allocations as provided under Section 53A-17a-105, the allocation provided in Subsection
146 (4)(d)(iv)(A) shall be determined after adjustments are made under Section 53A-17a-105.

147 (e) Of the money provided to a charter school under this Subsection (4), 10% shall be
148 expended for funding school facilities only.

149 (5) Charter schools are eligible to receive federal funds if they meet all applicable
150 federal requirements and comply with relevant federal regulations.

151 (6) The State Board of Education shall distribute funds for charter school students
152 directly to the charter school.

153 (7) (a) Notwithstanding Subsection (3), a charter school is not eligible to receive state
154 transportation funding.

155 (b) The board shall also adopt rules relating to the transportation of students to and
156 from charter schools, taking into account Sections 53A-2-210 and 53A-17a-127.

157 (c) The governing body of the charter school may provide transportation through an
158 agreement or contract with the local school board, a private provider, or with parents.

159 (8) (a) (i) In accordance with Section 53A-1a-513.5, the State Charter School Board
160 may allocate grants for start-up costs to charter schools from money appropriated for charter
161 school start-up costs.

162 (ii) The governing board of a charter school that receives money from a grant under
163 Section 53A-1a-513.5 shall use the grant for expenses for planning and implementation of the
164 charter school.

165 (b) The State Board of Education shall coordinate the distribution of federal money
166 appropriated to help fund costs for establishing and maintaining charter schools within the
167 state.

168 (9) (a) A charter school may receive, hold, manage and use any devise, bequest, grant,
169 endowment, gift, or donation of any property made to the school for any of the purposes of this

170 part.

171 (b) It is unlawful for any person affiliated with a charter school to demand or request
172 any gift, donation, or contribution from a parent, teacher, employee, or other person affiliated
173 with the charter school as a condition for employment or enrollment at the school or continued
174 attendance at the school.

175 Section 2. **One-time appropriation for classroom supplies.**

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

178 (a) who are licensed personnel;

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

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

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

183 (2) (a) The State Board of Education shall distribute money appropriated for teacher
184 supplies and materials to classroom teachers in school districts, the Utah Schools for the Deaf
185 and the Blind, and charter schools on the basis of the number of classroom teachers in each
186 school as compared to the total number of classroom teachers.

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

188 (i) \$250 for a teacher on salary schedule steps one through three teaching in
189 kindergarten through grade 6 or preschool handicapped;

190 (ii) \$200 for a teacher on salary schedule steps one through three teaching in grades 7
191 through 12;

192 (iii) \$175 for a teacher on salary schedule step four or higher teaching in kindergarten
193 through grade 6 or preschool handicapped; and

194 (iv) \$150 for a teacher on salary schedule step four or higher teaching in grades 7
195 through 12.

196 (c) If the appropriation is not sufficient to provide to each teacher the full amount
197 allowed under Subsection (2)(b), teachers on salary schedule steps one through three shall

198 receive the full amount allowed with the remaining money apportioned to all other teachers.

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

201 **Section 3. Operating and capital budgets -- FY 2016 appropriations for state**
202 **education agencies, school districts, and charter schools -- Value of the weighted pupil**
203 **unit.**

204 (1) Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act,
205 for the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following sums of
206 money are appropriated from resources not otherwise appropriated, or reduced from amounts
207 previously appropriated, out of the funds or accounts indicated. These sums of money are in
208 addition to any amounts previously appropriated for fiscal year 2016.

209 (2) The value of each weighted pupil unit (WPU) for fiscal year 2015-16 is increased
210 from the value of the WPU for fiscal year 2015-16 established in S.B. 1, Public Education Base
211 Budget Amendments, and set at:

212 (a) \$2,837 for:

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

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

215 (b) \$3,092 for all other programs.

216 STATE BOARD OF EDUCATION - MINIMUM SCHOOL PROGRAM

217 ITEM 1 To State Board of Education - Minimum School Program - Basic School Program

218	From Uniform School Fund	(3,000,000)
219	From Uniform School Fund, One-time	10,000,000
220	From Education Fund	123,960,200
221	From Education Fund, One-time	(10,000,000)
222	From Local Revenue	8,462,600
223	From Beginning Nonlapsing Appropriation Balances	18,473,900
224	From Closing Nonlapsing Appropriation Balances	(18,473,900)

225 Schedule of Programs:

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226	Kindergarten (-896 WPU)	735,300
227	Grades 1 - 12 (7,694 WPU)	90,405,400
228	Necessarily Existent Small Schools	1,122,800
229	Professional Staff (710 WPU)	8,560,300
230	Administrative Costs	180,600
231	Special Education - Add-on (2,143 WPU)	14,181,700
232	Special Education - Preschool (125 WPU)	1,556,900
233	Special Education - Self-contained (-360 WPU)	601,100
234	Special Education - Extended School Year	51,500
235	Special Education - State Programs (351 WPU)	1,434,100
236	Career and Technical Education - Add-on	4,375,300
237	(380 WPU)	
238	Class Size Reduction (499 WPU)	6,217,800
239	The Legislature intends that the State Board of Education develop minimum program	
240	standards, including maximum class size limits in kindergarten through grade 3, that local	
241	education agencies must meet in order to continue to receive Class Size Reduction funding.	
242	The Legislature also intends that the State Board of Education develop an estimate of the cost	
243	necessary to limit class sizes in kindergarten through grade 3, without impacting class sizes in	
244	grades 4 through 12. The Legislature also intends that the State Board of Education report the	
245	standards and estimated costs to the Education Interim Committee and the Public Education	
246	Appropriations Subcommittee by October 31, 2015.	
247	ITEM 2 To State Board of Education - Minimum School Program - Related to Basic School	
248	Programs	
249	From Education Fund	81,369,400
250	From Education Fund, One-time	16,400,000
251	From Interest and Dividends Account	2,149,300
252	From Beginning Nonlapsing Appropriation Balances	13,347,600
253	From Closing Nonlapsing Appropriation Balances	(13,347,600)

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254	Schedule of Programs:	
255	To and From School - Pupil Transportation	9,852,200
256	Flexible Allocation - WPU Distribution	23,106,600
257	Enhancement for At-Risk Students	1,304,600
258	Youth in Custody	1,065,500
259	Adult Education	523,400
260	Enhancement for Accelerated Students	232,800
261	Concurrent Enrollment	3,496,100
262	School LAND Trust Program	2,149,300
263	Charter School Local Replacement	25,015,000
264	Charter School Administration	83,200
265	K-3 Reading Improvement	2,600,000
266	Educator Salary Adjustments	3,430,000
267	USFR Teacher Salary Supplement Restricted	1,500,000
268	Account	
269	School Library Books and Electronic Resources	1,050,000
270	Matching Funds for School Nurses	60,000
271	Critical Languages and Dual Immersion	600,000
272	USTAR Centers (Year-Round Math and Science)	6,200,000
273	Teacher Supplies and Materials	6,000,000
274	Beverly Taylor Sorenson Elementary Arts	4,500,000
275	Civics Education - State Capitol Field Trips	150,000
276	K-12 Digital Literacy	5,000,000
277	Special Education - Intensive Services	2,000,000

278 The Legislature intends that the appropriation for the Flexible Allocation - WPU
279 Distribution program be distributed to school districts and charter schools on the basis of the
280 number of weighted pupil units in a school district or charter school compared to the total
281 number of weighted pupil units and that the State Board of Education provide for the reporting

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H.B. 2

282 of school district and charter school expenditures of the program money.

283 The Legislature intends that the State Board of Education review the Pupil
284 Transportation Allocation Formula and recommend ways to improve the formula to increase
285 efficiency, simplify allocation methodology to school districts, and provide incentives for
286 alternative transportation methods. The Legislature further intends that the State Board of
287 Education report its recommendations to the Education Interim Committee and the Public
288 Education Appropriations Subcommittee by October 31, 2015.

289 The Legislature intends that the State Board of Education and the State Board of
290 Regents provide joint recommendations on how to ensure that each concurrent enrollment
291 course is taught by a qualified instructor, that credits earned by students count towards major
292 and minor degree requirements at state colleges and universities, and that students are advised
293 on the transferability of credits to private and out of state institutions. The Legislature also
294 intends that these recommendations be reported to the Education Interim Committee and the
295 Public Education Appropriations Subcommittee by October 31, 2015.

296 ITEM 3 To State Board of Education - Minimum School Program - Voted and Board Local
297 Levy Programs

298	From Education Fund	23,023,600
299	From Local Revenue	12,456,100
300	Schedule of Programs:	
301	Voted Local Levy Program	28,779,000
302	Board Local Levy Program	6,700,700

303 STATE BOARD OF EDUCATION

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

305	From Education Fund	1,545,000
306	From Education Fund, One-time	1,090,300
307	From General Fund Restricted - Mineral Lease	300
308	From General Fund Restricted - Substance Abuse Prevention	200
309	From Interest and Dividends Account	2,200

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310	From Revenue Transfers - Indirect Costs	2,265,400
311	Schedule of Programs:	
312	Assessment and Accountability	206,600
313	Educational Equity	(37,100)
314	Board and Administration	6,159,300
315	Business Services	58,400
316	Career and Technical Education	(388,200)
317	District Computer Services	(401,000)
318	Federal Elementary and Secondary Education Act	(166,300)
319	Law and Legislation	(28,500)
320	Public Relations	(12,700)
321	School Trust	(48,200)
322	Special Education	(183,600)
323	Teaching and Learning	(255,300)
324	The Legislature intends that the State Board of Education use any nonlapsing balances	
325	generated from the licensing of Student Assessment of Growth and Excellence (SAGE)	
326	questions to other states to develop additional assessment questions and provide professional	
327	learning for Utah educators.	
328	The Legislature intends that the State Board of Education use the revenue bond savings	
329	of \$264,700 from the Education Fund to support a portion of the State Board of Education's	
330	Risk Mitigation Plan.	
331	ITEM 5 To State Board of Education - Utah State Office of Education - Initiative Programs	
332	From General Fund, One-time	635,000
333	From Education Fund	50,000
334	From Education Fund, One-time	4,300,000
335	From Revenue Transfers - Indirect Costs	(31,100)
336	Schedule of Programs:	
337	Contracts and Grants	50,000

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338	Electronic High School	(14,300)	
339	Upstart Early Childhood Education	1,000,000	
340	ProStart Culinary Arts Program	300,000	
341	General Financial Literacy	(5,600)	
342	Carson Smith Scholarships	623,800	
343	Early Intervention	3,000,000	
344	ITEM 6 To State Board of Education - State Charter School Board		
345	From Education Fund		200,000
346	From Revenue Transfers - Indirect Costs		(49,100)
347	Schedule of Programs:		
348	State Charter School Board	150,900	
349	ITEM 7 To State Board of Education - Educator Licensing Professional Practices		
350	From Professional Practices Restricted Subfund		1,700
351	From Revenue Transfers - Indirect Costs		(106,800)
352	Schedule of Programs:		
353	Educator Licensing	(105,100)	
354	ITEM 8 To State Board of Education - State Office of Education - Child Nutrition		
355	From Federal Funds		(19,159,300)
356	From Revenue Transfers - Indirect Costs		(167,700)
357	Schedule of Programs:		
358	Child Nutrition	(19,327,000)	
359	ITEM 9 To State Board of Education - Child Nutrition - Federal Commodities		
360	From Federal Funds		19,159,300
361	Schedule of Programs:		
362	Child Nutrition - Federal Commodities	19,159,300	
363	ITEM 10 To State Board of Education - Fine Arts Outreach		
364	From Education Fund		100,000
365	From Education Fund, One-time		750,000

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366	Schedule of Programs:	
367	Professional Outreach Programs	600,000
368	Requests for Proposals	250,000
369	ITEM 11 To State Board of Education - Science Outreach	
370	From Education Fund	1,790,000
371	Schedule of Programs:	
372	Informal Science Education Enhancement	1,790,000
373	ITEM 12 To State Board of Education - Utah Schools for the Deaf and the Blind	
374	From Education Fund	1,200,000
375	From Education Fund, One-time	652,000
376	Schedule of Programs:	
377	Instructional Services	300,000
378	Support Services	1,552,000
379	Section 4. Effective date.	
380	<u>This bill takes effect on July 1, 2015.</u>	