

**Representative Francis D. Gibson** proposes the following substitute bill:

**SCHOOL FUNDING AMENDMENTS**

2016 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Howard A. Stephenson**

House Sponsor: Steve Eliason

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**LONG TITLE**

**General Description:**

This bill amends provisions related to school district property taxes and charter school funding.

**Highlighted Provisions:**

This bill:

- ▶ amends the definition of "district local property tax revenues" to include school district revenues expended for recreational facilities and revenues received from certain state guarantees;
- ▶ defines terms;
- ▶ amends provisions that require a school district to allocate a certain portion of school district tax revenues for charter schools;
- ▶ amends charter school facility expenditures provisions;
- ▶ amends provisions related to the board local levy;
- ▶ creates a levy for charter school funding;
- ▶ provides for the distribution of revenues from the levy for charter school funding;
- ▶ establishes the Charter School Levy Account;
- ▶ requires certain notice on the charter school funding levy; and
- ▶ makes technical corrections.



26 **Money Appropriated in this Bill:**

27 None

28 **Other Special Clauses:**

29 This bill provides a special effective date.

30 **Utah Code Sections Affected:**

31 AMENDS:

32 **53A-1a-513**, as last amended by Laws of Utah 2015, Chapters 64 and 380

33 **53A-17a-105**, as last amended by Laws of Utah 2015, Chapter 449

34 **53A-17a-164**, as last amended by Laws of Utah 2013, Chapters 178 and 313

35 **63I-2-253**, as last amended by Laws of Utah 2015, Chapters 258, 418, and 456

36 ENACTS:

37 **53A-1a-513.1**, Utah Code Annotated 1953

38 **53A-1a-513.2**, Utah Code Annotated 1953

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

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

42 **53A-1a-513. Funding for charter schools.**

43 (1) As used in this section:

44 (a) "Basic program" means the same as that term is defined in Section 53A-17a-103.

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

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

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

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

53 (c) "Charter school levy per pupil revenues" means the same as that term is defined in  
54 Section 53A-1a-513.1.

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

- 57 (i) a voted local levy imposed under Section [53A-17a-133](#);
- 58 (ii) a board local levy imposed under Section [53A-17a-164](#), excluding revenues  
59 expended for:
- 60 ~~[(A) recreational facilities and activities authorized under Title 11, Chapter 2,~~  
61 ~~Playgrounds;]~~
- 62 ~~[(B)]~~ (A) pupil transportation, up to the amount of revenue generated by a .0003 per  
63 dollar of taxable value of the school district's board local levy; and
- 64 ~~[(C)]~~ (B) the K-3 Reading Improvement Program, up to the amount of revenue  
65 generated by a .000121 per dollar of taxable value of the school district's board local levy;  
66 ~~[and]~~
- 67 (iii) a capital local levy imposed under Section [53A-16-113](#)~~[-];~~ and
- 68 (iv) a guarantee described in Section [53A-17a-133](#), [53A-17a-164](#), [53A-21-202](#), or  
69 [53A-21-302](#).
- 70 ~~[(e)]~~ (e) "District per pupil local revenues" means ~~[an amount equal to the following]~~,  
71 using data from the most recently published school district annual financial reports and state  
72 superintendent's annual report~~[-]~~, an amount equal to ~~[(f)]~~ district local property tax revenues~~[-]~~  
73 divided by ~~[(f)]~~ the sum of:
- 74 ~~[(A)]~~ (i) a school district's average daily membership; and
- 75 ~~[(B)]~~ (ii) the average daily membership of a school district's resident students who  
76 attend charter schools.
- 77 ~~[(d)]~~ (f) "Resident student" means a student who is considered a resident of the school  
78 district under Title 53A, Chapter 2, Part 2, District of Residency.
- 79 ~~[(e)]~~ (g) "Statewide average debt service revenues" means the amount determined as  
80 follows, using data from the most recently published state superintendent's annual report:
- 81 (i) sum the revenues of each school district from the debt service levy imposed under  
82 Section [11-14-310](#); and
- 83 (ii) divide the sum calculated under Subsection (1)~~[(e)]~~~~(f)]~~(g)(i) by statewide school  
84 district average daily membership.
- 85 (2) (a) Charter schools shall receive funding as described in this section, except  
86 Subsections (3) through (8) do not apply to charter schools described in Subsection (2)(b).
- 87 (b) Charter schools authorized by local school boards that are converted from district

88 schools or operate in district facilities without paying reasonable rent shall receive funding as  
89 prescribed in Section 53A-1a-515.

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

92 (b) For the 2015-16 school year, the number of weighted pupil units assigned to a  
93 charter school for the kindergarten and grades 1 through 12 programs of the Basic School  
94 Program shall be:

95 (i) based on the higher of:

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

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

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

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

102 (i) .55 for kindergarten pupils;

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

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

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

106 (4) (a) (i) A school district shall allocate a portion of school district revenues for each  
107 resident student of the school district who is enrolled in a charter school on the previous  
108 October 1 equal to 25% of the district per pupil local revenues[-] excluding the amount of  
109 revenues:

110 (A) described in Subsection (1)(d)(iv) collected by the district; and

111 (B) expended by the school district for recreational facilities and activities authorized  
112 under Title 11, Chapter 2, Playgrounds.

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

115 (b) The State Board of Education shall:

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

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

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

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

124 (ii) the revenue sources listed in Subsection (1)~~[(b)]~~ ~~Ĥ~~→ ~~[(e)]~~ (d) ←~~Ĥ~~ based on the  
124a portion of the

125 allocations to charter schools attributed to each of the revenue sources listed in Subsection  
126 (1)~~[(b)]~~ ~~Ĥ~~→ ~~[(e)]~~ (d) ←~~Ĥ~~ .

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

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

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

134 (B) statewide average debt service revenues.

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

139 (iv) (A) If the appropriation provided under this Subsection (4)(d) is less than the  
140 amount prescribed by Subsection (4)(d)(ii) or (4)(d)(iii), the appropriation shall be allocated  
141 among charter schools in proportion to each charter school's enrollment as a percentage of the  
142 total enrollment in charter schools.

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

146 (e) ~~[(f)]~~ (i) Except as provided in Subsection (4)(e)(ii), of the money provided to a  
147 charter school under this Subsection (4), 10% shall be expended for funding school facilities  
148 only.

149 (ii) Subsection (4)(e)(i) does not apply to an online charter school.

150 (f) This Subsection (4) is repealed July 1, 2017.

151 (5) (a) As described in Section 53A-1a-513.1, the State Board of Education shall  
152 distribute charter school levy per pupil revenues to charter schools.

153 (b) (i) Subject to future budget constraints, the Legislature shall provide an  
154 appropriation for charter schools for each charter school student enrolled on October 1 to  
155 supplement the allocation of charter school levy per pupil revenues described in Subsection  
156 (5)(a).

157 (ii) Except as provided in Subsection (5)(b)(iii), the amount of money provided by the  
158 state for a charter school student shall be the sum of:

159 (A) charter school students' average local revenues minus the charter school levy per  
160 pupil revenues; and

161 (B) statewide average debt service revenues.

162 (iii) If the total of charter school levy per pupil revenues and the amount provided by  
163 the state under Subsection (5)(b)(ii) is less than \$1,427, the state shall provide an additional  
164 supplement so that a charter school receives at least \$1,427 per student under this Subsection  
165 (5).

166 (iv) (A) If the appropriation provided under this Subsection (5)(b) is less than the  
167 amount prescribed by Subsection (5)(b)(ii) or (5)(b)(iii), the appropriation shall be allocated  
168 among charter schools in proportion to each charter school's enrollment as a percentage of the  
169 total enrollment in charter schools.

170 (B) If the State Board of Education makes adjustments to Minimum School Program  
171 allocations as provided under Section 53A-17a-105, the allocation provided in Subsection  
172 (5)(b)(iv)(A) shall be determined after adjustments are made under Section 53A-17a-105.

173 (c) (i) Of the money provided to a charter school under this Subsection (5), 10% shall  
174 be expended for funding school facilities only.

175 (ii) Subsection (5)(c)(i) does not apply to an online charter school.

176 (d) This Subsection (5) is effective July 1, 2017.

177 ~~[(5)]~~ (6) Charter schools are eligible to receive federal funds if they meet all applicable  
178 federal requirements and comply with relevant federal regulations.

179 ~~[(6)]~~ (7) The State Board of Education shall distribute funds for charter school students  
180 directly to the charter school.

181 [7] (8) (a) Notwithstanding Subsection (3), a charter school is not eligible to receive  
182 state transportation funding.

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

185 (c) The governing [body] board of the charter school may provide transportation  
186 through an agreement or contract with the local school board, a private provider, or [with]  
187 parents.

188 [8] (9) (a) (i) In accordance with Section 53A-1a-513.5, the State Charter School  
189 Board may allocate grants for start-up costs to charter schools from money appropriated for  
190 charter school start-up costs.

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

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

197 [9] (10) (a) A charter school may receive, hold, manage and use any devise, bequest,  
198 grant, endowment, gift, or donation of any property made to the school for any of the purposes  
199 of this part.

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

204 Section 2. Section 53A-1a-513.1 is enacted to read:

205 **53A-1a-513.1. Charter school levy.**

206 (1) As used in this section:

207 (a) "Board" means the State Board of Education.

208 (b) "Charter School Levy Account" means the Charter School Levy Account created in

209 Section 53A-1a-513.2.

210 (c) "Charter school levy per district revenues" means the product of:

211 (i) a school district's district per pupil local revenues; and

212 (ii) the number of charter school students in the school district who are resident  
 213 students.

214 (d) "Charter school levy per pupil revenues" means an amount equal to the following:

215 (i) charter school levy total local revenues for a given fiscal year, adjusted if necessary  
 216 as described in Subsection (4); divided by

217 (ii) the number of students enrolled in a charter school on October 1 of the prior school  
 218 year.

219 (e) "Charter school levy revenues" means the charter school levy revenues generated by  
 220 a charter school levy rate described in Subsection (2)(b)(i).

221 (f) "Charter school levy total local revenues" means the sum of charter school levy per  
 222 district revenues for every school district in the state for the same given fiscal year.

223 (g) "District per pupil local revenues" means the same as that term is defined in Section  
 224 53A-1a-513.

225 (h) "Resident student" means the same as that term is defined in Section 53A-1a-513.

226 (2) (a) Beginning with the taxable year beginning on January 1, 2017, the state shall  
 227 annually impose a charter school levy as described in this Subsection (2).

228 (b) (i) For each school district, ~~H~~ before June 22, the State Tax  
 228a Commission shall  
 229 certify a rate for the charter school levy described in Subsection (2)(a) to generate an amount of  
 230 revenue within a school district equal to 25% of the charter school levy per district revenues  
 231 excluding the amount of revenues:

232 (A) described in Subsection 53A-1a-513(1)(d)(iv); and

233 (B) expended by the school district for recreational facilities and activities authorized  
 234 under Title 11, Chapter 2, Playgrounds.

235 (ii) To calculate a charter school levy rate for a school district, the State Tax  
 236 Commission shall use the calculation method described in Subsection 59-2-924(3)(c)(ii).

237 (c) The charter school levy shall be separately stated on a tax notice.

238 (3) (a) A county treasurer shall collect the charter school levy revenues for all school  
 239 districts located within the county treasurer's county and remit the money monthly to the state  
 240 treasurer.

241 (b) The state treasurer shall deposit the charter school levy revenues received from a  
 242 county treasurer ~~H~~ into ~~H~~ the Charter School Levy Account.



243 (4) (a) For each charter school student, the board shall distribute the charter school per  
 244 pupil levy revenues from the ~~Ĥ~~→ [~~charter school levy account~~] **Charter School Levy Account** ←Ĥ  
 244a to the student's charter school in  
 245 accordance with this Subsection (4).

246 (b) For a given fiscal year, if the actual charter school levy total local revenues are  
 247 more than the estimated charter school levy total local revenues the board shall:

248 (i) deduct the amount of revenue that exceeds the estimated charter school levy total  
 249 local revenues from the actual charter school levy total local revenues; and

250 (ii) use the remaining amount to calculate the charter school per pupil levy revenues.

251 (c) For a given fiscal year, if the actual charter school total local revenues are less than  
 252 the estimated charter school levy total local revenues, the board shall:

253 (i) if sufficient funds are available in the Charter School Levy Account, add an amount  
 254 of funds from the Charter School Levy Account to the charter school levy total local revenues  
 255 to equal the estimated charter school levy total local revenues; and

256 (ii) if sufficient funds are not available in the Charter School Levy Account, calculate  
 257 the charter school per pupil levy revenues using the actual amount of the charter school levy  
 258 total local revenues.

259 Section 3. Section **53A-1a-513.2** is enacted to read:

260 **53A-1a-513.2. Charter School Levy Account.**

261 (1) As used in this section, "account" means the Charter School Levy Account created  
 262 in this section.

263 (2) There is created within the Education Fund a restricted account known as the  
 264 "Charter School Levy Account."

265 (3) The account shall be funded by amounts deposited into the account in accordance  
 266 with Section [53A-1a-513.1](#).

267 (4) Upon appropriation from the Legislature, the State Board of Education shall  
 268 distribute funds from the account as described in Section [53A-1a-513.1](#).

269 (5) The account shall earn interest.

270 (6) Interest earned on the account shall be deposited into the account.

271 (7) Funds in the account are nonlapsing.

272 Section 4. Section **53A-17a-105** is amended to read:

273 **53A-17a-105. Powers and duties of State Board of Education to adjust Minimum**

274 **School Program allocations -- Use of remaining funds at the end of a fiscal year.**

275 (1) For purposes of this section:

276 (a) "Board" means the State Board of Education.

277 (b) "ESEA" means the Elementary and Secondary Education Act of 1965, 20 U.S.C.

278 Sec. 6301 et seq.

279 (c) "LEA" means:

280 (i) a school district; or

281 (ii) a charter school.

282 (d) "Program" means a program or allocation funded by a line item appropriation or  
283 other appropriation designated as:

284 (i) Basic Program;

285 (ii) Related to Basic Programs;

286 (iii) Voted and Board Levy Programs; or

287 (iv) Minimum School Program.

288 (2) Except as provided in Subsection (3) or (5), if the number of weighted pupil units  
289 in a program is underestimated, the board shall reduce the value of the weighted pupil unit in  
290 that program so that the total amount paid for the program does not exceed the amount  
291 appropriated for the program.

292 (3) If the number of weighted pupil units in a program is overestimated, the board shall  
293 spend excess money appropriated for the following purposes giving priority to the purpose  
294 described in Subsection (3)(a):

295 (a) to support the value of the weighted pupil unit in a program within the basic  
296 state-supported school program in which the number of weighted pupil units is underestimated;

297 (b) to support the state guarantee per weighted pupil unit provided under the voted  
298 local levy program established in Section [53A-17a-133](#) or the board local levy program  
299 established in Section [53A-17a-164](#), if:

300 (i) local contributions to the voted local levy program or board local levy program are  
301 overestimated; or

302 (ii) the number of weighted pupil units within school districts qualifying for a  
303 guarantee is underestimated;

304 (c) to support the state supplement to local property taxes allocated to charter schools,

305 if the state supplement is less than the amount prescribed by [~~Subsection~~] Section

306 [53A-1a-513](#)~~(4)~~; or

307 (d) to support a school district with a loss in student enrollment as provided in Section  
308 [53A-17a-139](#).

309 (4) If local contributions from the minimum basic tax rate imposed under Section  
310 [53A-17a-135](#) are overestimated, the board shall reduce the value of the weighted pupil unit for  
311 all programs within the basic state-supported school program so the total state contribution to  
312 the basic state-supported school program does not exceed the amount of state funds  
313 appropriated.

314 (5) If local contributions from the minimum basic tax rate imposed under Section  
315 [53A-17a-135](#) are underestimated, the board shall:

316 (a) spend the excess local contributions for the purposes specified in Subsection (3),  
317 giving priority to supporting the value of the weighted pupil unit in programs within the basic  
318 state-supported school program in which the number of weighted pupil units is underestimated;  
319 and

320 (b) reduce the state contribution to the basic state-supported school program so the  
321 total cost of the basic state-supported school program does not exceed the total state and local  
322 funds appropriated to the basic state-supported school program plus the local contributions  
323 necessary to support the value of the weighted pupil unit in programs within the basic  
324 state-supported school program in which the number of weighted pupil units is underestimated.

325 (6) Except as provided in Subsection (3) or (5), the board shall reduce the guarantee  
326 per weighted pupil unit provided under the voted local levy program established in Section  
327 [53A-17a-133](#) or board local levy program established in Section [53A-17a-164](#), if:

328 (a) local contributions to the voted local levy program or board local levy program are  
329 overestimated; or

330 (b) the number of weighted pupil units within school districts qualifying for a  
331 guarantee is underestimated.

332 (7) (a) The board may use program funds as described in Subsection (7)(b) if:

333 (i) the state loses flexibility due to the U.S. Department of Education's rejection of the  
334 state's renewal application for flexibility under the ESEA; and

335 (ii) the state is required to fully implement the requirements of Title I of the ESEA, as

336 amended by the No Child Left Behind Act of 2001.

337 (b) Subject to the requirements of Subsections (7)(a) and (c), for fiscal year 2016, after  
338 any transfers or adjustments described in Subsections (2) through (6) are made, the board may  
339 use up to \$15,000,000 of excess money appropriated to a program, remaining at the end of  
340 fiscal year 2015, to mitigate a budgetary impact to an LEA due to the LEA's loss of flexibility  
341 related to implementing the requirements of Title I of the ESEA, as amended by the No Child  
342 Left Behind Act of 2001.

343 (c) In addition to the reporting requirement described in Subsection (9), the board shall  
344 report actions taken by the board under this Subsection (7) to the Executive Appropriations  
345 Committee.

346 (8) Money appropriated to the board is nonlapsing.

347 (9) The board shall report actions taken by the board under this section to the Office of  
348 the Legislative Fiscal Analyst and the Governor's Office of Management and Budget.

349 Section 5. Section **53A-17a-164** is amended to read:

350 **53A-17a-164. Board local levy -- State guarantee.**

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

354 (2) (a) For purposes of this Subsection (2), "combined rate" means the sum of:

355 (i) the rate imposed by a local school board under Subsection (1); and

356 (ii) the charter school levy rate, described in Section [53A-1a-513.1](#), for the local school  
357 board's school district.

358 ~~[(a)] (b) Except as provided in Subsection [(2)(b), a tax rate imposed by a school district~~  
359 ~~pursuant to this section] (2)(c), beginning on January 1, 2017, a school district's combined rate~~  
360 ~~may not exceed .0018 per dollar of taxable value in any calendar year.~~

361 ~~[(b) A tax rate imposed by a school district pursuant to this section]~~

362 (c) Beginning on January 1, 2017, a school district's combined rate may not exceed

363 .0025 per dollar of taxable value in any calendar year if, during the calendar year beginning on  
364 January 1, 2011, the school district's ~~combined~~ total tax rate for the following levies was  
365 greater than .0018 per dollar of taxable value:

366 (i) a recreation levy imposed under Section [11-2-7](#);

- 367 (ii) a transportation levy imposed under Section 53A-17a-127;
- 368 (iii) a board-authorized levy imposed under Section 53A-17a-134;
- 369 (iv) an impact aid levy imposed under Section 53A-17a-143;
- 370 (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is
- 371 budgeted for purposes other than capital outlay or debt service;
- 372 (vi) a reading levy imposed under Section 53A-17a-151; and
- 373 (vii) a tort liability levy imposed under Section 63G-7-704.
- 374 (3) (a) In addition to the revenue a school district collects from the imposition of a levy
- 375 pursuant to this section, the state shall contribute an amount sufficient to guarantee that each
- 376 .0001 of the first .0004 per dollar of taxable value generates an amount equal to the state
- 377 guarantee per weighted pupil unit described in Subsection 53A-17a-133(4).
- 378 (b) (i) The amount of state guarantee money to which a school district would otherwise
- 379 be entitled to under this Subsection (3) may not be reduced for the sole reason that the district's
- 380 levy is reduced as a consequence of changes in the certified tax rate under Section 59-2-924
- 381 pursuant to changes in property valuation.
- 382 (ii) Subsection (3)(b)(i) applies for a period of five years following any changes in the
- 383 certified tax rate.
- 384 (4) A school district that imposes a board local levy in the calendar year beginning on
- 385 January 1, 2012, is exempt from the public notice and hearing requirements of Section
- 386 59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to
- 387 or less than the sum of the following amounts:
- 388 (a) the amount of revenue generated during the calendar year beginning on January 1,
- 389 2011, from the sum of the following levies of a school district:
- 390 (i) a recreation levy imposed under Section 11-2-7;
- 391 (ii) a transportation levy imposed under Section 53A-17a-127;
- 392 (iii) a board-authorized levy imposed under Section 53A-17a-134;
- 393 (iv) an impact aid levy imposed under Section 53A-17a-143;
- 394 (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is
- 395 budgeted for purposes other than capital outlay or debt service;
- 396 (vi) a reading levy imposed under Section 53A-17a-151; and
- 397 (vii) a tort liability levy imposed under Section 63G-7-704; and

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

399 (5) (a) For ~~the~~ a ~~calendar year beginning on~~ ~~or after~~ ~~January 1, 2017,~~

399a ~~and ending on December~~

400 ~~31, 2017,~~ the State Tax Commission shall ~~decrease~~ adjust ~~a~~ a board local levy rate  
400a imposed by a local

401 school board under this section by the amount necessary to offset the ~~increase~~ change ~~in~~  
401a revenues from

402 the charter school levy imposed under Section 53A-1a-513.1.

403 (b) A local school board is not required to comply with the notice and public hearing  
404 requirements of Section 59-2-919 for an offset described in Subsection (5)(a) to the ~~increase~~  
404a change ~~in~~

405 revenues from the charter school levy imposed under Section 53A-1a-513.1.

406 (c) A local school board may not increase a board local levy rate under this section  
407 before December 31, 2016, if the local school board did not give public notice on or before  
408 March 4, 2016, of the local school board's intent to increase the board local levy rate.

409 (d) ~~So long as the charter school levy rate does not exceed 25% of the charter~~  
409a ~~school levy per district revenues, a~~ local school board may not increase a board local levy rate  
409b under this section if

410 the ~~sole~~ purpose of increasing the board local levy rate is to ~~recapture~~ capture  
410a ~~revenue lost from~~ the

411 ~~decrease~~ revenues assigned to the charter school levy through the adjustment ~~in~~ a  
411a board local levy rate under Subsection (5)(a).

411b ~~(e) Before a local school board takes action to increase a board local levy rate~~  
411c ~~under this section, the local school board shall:~~

411d (i) ~~prepare a written statement that attests that the local school board is in compliance~~  
411e ~~with Subsection (5)(d);~~

411f (ii) ~~read the statement described in Subsection (5)(e)(i) during a local school board~~  
411g ~~public meeting where the local school board discusses increasing the board local levy rate; and~~

411h (iii) ~~send a copy of the statement described in Subsection (5)(e)(i) to the State Tax~~  
411i ~~Commission.~~

412 Section 6. Section 63I-2-253 is amended to read:

413 **63I-2-253. Repeal dates -- Titles 53, 53A, and 53B.**

414 (1) Section 53A-1-403.5 is repealed July 1, 2017.

415 (2) Subsection 53A-1-410(5) is repealed July 1, 2015.

416 (3) Section [53A-1-411](#) is repealed July 1, 2017.

417 (4) Subsection [53A-1a-513\(4\)](#) is repealed July 1, 2017.

418 [~~4~~] (5) Section [53A-1a-513.5](#) is repealed July 1, 2017.

419 [~~5~~] (6) Title 53A, Chapter 1a, Part 10, UPSTART, is repealed July 1, 2019.

420 [~~6~~] (7) Title 53A, Chapter 8a, Part 8, Peer Assistance and Review Pilot Program, is  
421 repealed July 1, 2017.

422 Section 7. **Effective date.**

423 This bill takes effect on July 1, 2016.