

SB0244S01 compared with SB0244

~~{deleted text}~~ shows text that was in SB0244 but was deleted in SB0244S01.

inserted text shows text that was not in SB0244 but was inserted into SB0244S01.

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Senator Lincoln Fillmore proposes the following substitute bill:

SCHOOL FUNDING PROVISIONS

2016 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lincoln Fillmore

House Sponsor: _____

LONG TITLE

General Description:

This bill amends school funding provisions.

Highlighted Provisions:

This bill:

~~{ → } repeals language requiring a school district to pay a portion of school district revenues for each resident student of the school district who is enrolled in a charter school;~~

- {
- ▶ amends the state contribution guarantee amount for the voted and board local levies;
 - ▶ enacts language governing the use of guarantee funds for the voted and board local levies; and
 - ▶ makes technical and conforming amendments.

Money Appropriated in this Bill:

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~~{This bill appropriates:~~

~~→ to the State Board of Education -- Minimum School Program -- Voted and Board Local Levy Program, as an ongoing appropriation:~~

~~• from the Education Fund, \$21,400,000.} None~~

Other Special Clauses:

~~{ None }~~ This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

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

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

~~{ 53A-17a-133, as last amended by Laws of Utah 2015, Chapter 287~~

53A-17a-134, as last amended by Laws of Utah 2013, Chapter 178

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

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

Section 1. Section ~~{53A-1a-513}~~ 53A-17a-133 is amended to read:

~~{ 53A-1a-513. Funding for charter schools:~~

~~(1) As used in this section:~~

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

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

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

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

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

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

~~(ii) a board local levy imposed under Section 53A-17a-164, excluding revenues expended for:~~

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- ~~—— (A) recreational facilities and activities authorized under Title 11, Chapter 2, Playgrounds;~~
- ~~—— (B) pupil transportation, up to the amount of revenue generated by a .0003 per dollar of taxable value of the school district's board local levy; and~~
- ~~—— (C) the K-3 Reading Improvement Program, up to the amount of revenue generated by a .000121 per dollar of taxable value of the school district's board local levy; and~~
- ~~—— (iii) a capital local levy imposed under Section 53A-16-113.~~
- ~~—— (c) "District per pupil local revenues" means an amount equal to the following, using data from the most recently published school district annual financial reports and state superintendent's annual report:~~
 - ~~—— (i) district local property tax revenues; divided by~~
 - ~~—— (ii) the sum of:~~
 - ~~—— (A) a school district's average daily membership; and~~
 - ~~—— (B) the average daily membership of a school district's resident students who attend charter schools.~~
 - ~~—— (d) "Resident student" means a student who is considered a resident of the school district under Title 53A, Chapter 2, Part 2, District of Residency.~~
 - ~~—— (e) "Statewide average debt service revenues" means the amount determined as follows, using data from the most recently published state superintendent's annual report:~~
 - ~~—— (i) sum the revenues of each school district from the debt service levy imposed under Section 11-14-310; and~~
 - ~~—— (ii) divide the sum calculated under Subsection (1)(e)(i) by statewide school district average daily membership.~~
- ~~—— (2) (a) Charter schools shall receive funding as described in this section, except Subsections (3) through (8) do not apply to charter schools described in Subsection (2)(b).~~
- ~~—— (b) Charter schools authorized by local school boards that are converted from district schools or operate in district facilities without paying reasonable rent shall receive funding as prescribed in Section 53A-1a-515.~~
- ~~—— (3) (a) Except as provided in Subsections (3)(b) and (3)(c), a charter school shall receive state funds, as applicable, on the same basis as a school district receives funds.~~
- ~~—— (b) For the 2015-16 school year, the number of weighted pupil units assigned to a~~

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~~charter school for the kindergarten and grades 1 through 12 programs of the Basic School Program shall be:~~

~~—— (i) based on the higher of:~~

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

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

~~—— (ii) weighted as provided in Subsection (3)(c).~~

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

~~—— (i) .55 for kindergarten pupils;~~

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

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

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

~~—— [(4) (a) (i) A school district shall allocate a portion of school district revenues for each resident student of the school district who is enrolled in a charter school on October 1 equal to 25% of the district per pupil local revenues.]~~

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

~~—— [(b) The State Board of Education shall:]~~

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

~~—— [(ii) remit the money to the student's charter school.]~~

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

~~—— [(i) unrestricted revenues available to the school district; or]~~

~~—— [(ii) the revenue sources listed in Subsection (1)(b) based on the portion of the allocations to charter schools attributed to each of the revenue sources listed in Subsection (1)(b).]~~

~~—— [(d) (i)] (4) (a) Subject to future budget constraints, the Legislature shall provide an~~

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appropriation [for charter schools] for each charter student enrolled on October 1 [to supplement the allocation of school district revenues under Subsection (4)(a). (ii) Except as provided in Subsection (4)(d)(iii), the amount of money provided by the state for a charter school student shall be] equal to the sum of:

——— [(A)] (i) ~~charter school students' average local revenues [minus the allocation of school district revenues under Subsection (4)(a)]; and~~

——— [(B)] (ii) ~~statewide average debt service revenues.~~

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

——— [(iv) (A)] (b) (i) ~~If the appropriation provided under this Subsection (4)[(d)] is less than the amount prescribed by Subsection [(4)(d)(ii) or (4)(d)(iii)] (4)(a), the appropriation shall be allocated among charter schools in proportion to each charter school's enrollment as a percentage of the total enrollment in charter schools:~~

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

——— [(c)] (c) ~~Of the money provided to a charter school under this Subsection (4), 10% shall be expended for funding school facilities only:~~

——— (5) ~~Charter schools are eligible to receive federal funds if they meet all applicable federal requirements and comply with relevant federal regulations:~~

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

——— (7) (a) ~~Notwithstanding Subsection (3), a charter school is not eligible to receive state transportation funding:~~

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

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

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

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

~~—— (b) The State Board of Education shall coordinate the distribution of federal money appropriated to help fund costs for establishing and maintaining charter schools within the state:~~

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

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

~~—— Section 2. Section 53A-17a-105 is amended to read:~~

~~—— **53A-17a-105. Powers and duties of State Board of Education to adjust Minimum School Program allocations -- Use of remaining funds at the end of a fiscal year:**~~

~~—— (1) For purposes of this section:~~

~~—— (a) "Board" means the State Board of Education:~~

~~—— (b) "ESEA" means the Elementary and Secondary Education Act of 1965, 20 U.S.C. Sec. 6301 et seq:~~

~~—— (c) "LEA" means:~~

~~—— (i) a school district; or~~

~~—— (ii) a charter school:~~

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

~~—— (i) Basic Program;~~

~~—— (ii) Related to Basic Programs;~~

~~—— (iii) Voted and Board Levy Programs; or~~

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~~——(iv) Minimum School Program:~~

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

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

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

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

~~——(i) local contributions to the voted local levy program or board local levy program are overestimated; or~~

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

~~——(c) to support the [state supplement to local property taxes] appropriation allocated to charter schools, if the [state supplement] appropriation is less than the amount prescribed by Subsection 53A-1a-513(4); or~~

~~——(d) to support a school district with a loss in student enrollment as provided in Section 53A-17a-139.~~

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

~~——(5) If local contributions from the minimum basic tax rate imposed under Section 53A-17a-135 are underestimated, the board shall:~~

~~——(a) spend the excess local contributions for the purposes specified in Subsection (3), giving priority to supporting the value of the weighted pupil unit in programs within the basic~~

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~~state-supported school program in which the number of weighted pupil units is underestimated; and~~

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

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

~~—— (a) local contributions to the voted local levy program or board local levy program are overestimated; or~~

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

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

~~—— (i) the state loses flexibility due to the [U.S.] United States Department of Education's rejection of the state's renewal application for flexibility under the ESEA; and~~

~~—— (ii) the state is required to fully implement the requirements of Title I of the ESEA, as amended by the No Child Left Behind Act of 2001.~~

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

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

~~—— (8) Money appropriated to the board is nonlapsing.~~

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

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~~Section 3. Section 53A-17a-133 is amended to read:~~

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

(1) As used in this section, "voted and board local levy funding balance" means the difference between:

(a) the amount appropriated for the voted and board local levy program in a fiscal year; and

(b) the amount necessary to provide the state guarantee per weighted pupil unit as determined under this section and Section 53A-17a-164 in the same fiscal year.

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

(3) (a) (i) To impose a voted local levy, a majority of the electors of a district voting at an election in the manner set forth in Subsections (9) and (10) must vote in favor of a special tax.

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

(b) Except as provided in Subsection (3)(c), in order to receive state support the first year, a district must receive voter approval no later than December 1 of the year prior to implementation.

(c) Beginning on or after January 1, 2012, a school district may receive state support in accordance with Subsection (4) without complying with the requirements of Subsection (3)(b) if the local school board imposed a tax in accordance with this section during the taxable year beginning on January 1, 2011 and ending on December 31, 2011.

(4) (a) In addition to the revenue a school district collects from the imposition of a levy pursuant to this section, the state shall contribute an amount sufficient to guarantee ~~‡‡~~\$33.27~~‡‡~~ ~~\$38.32‡~~ per weighted pupil unit for each .0001 of the first ~~[-.0016]~~.002 per dollar of taxable value.

(b) The same dollar amount guarantee per weighted pupil unit for the ~~[-.0016]~~.002 per dollar of taxable value under Subsection (4)(a) shall apply to the portion of the board local levy authorized in Section 53A-17a-164, so that the guarantee shall apply up to a total of .002 per dollar of taxable value if a school district levies a tax rate under ~~[both programs]~~ either

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program.

~~[(c) (i) Beginning July 1, ~~{}~~2015 ~~{}~~2016], the ~~{}~~\$33.27 ~~{}~~\$38.32] guarantee under Subsections (4)(a) and (b) shall be indexed each year to the value of the weighted pupil unit for the grades 1 through 12 program by making the value of the guarantee equal to ~~{}~~.011194 ~~{}~~.012393] times the value of the prior year's weighted pupil unit for the grades 1 through 12 program.]~~

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

~~[(iii) In addition to funds appropriated under Subsections (4)(c)(i) and (ii), and subject]~~

~~(c) Subject to future budget constraints, to increase the ~~{}~~state guarantee rates~~{}~~ number of tax increments guaranteed by the state described in Subsections (4)(a) ~~{}~~(b)~~{}~~ and ~~{}~~(c)~~{}~~(b)~~{}~~(i)~~{}~~, the Legislature shall ~~{}~~on or after January 1, 2017,~~{}~~ annually appropriate an amount equal to ~~{}~~1% of the prior year Basic School Program appropriation~~{}~~ one-third of the funds allocated for an increase in the weighted pupil unit value.~~

(d) (i) The amount of state guarantee money to which a school district would otherwise be entitled to receive under this Subsection (4) may not be reduced for the sole reason that the district's levy is reduced as a consequence of changes in the certified tax rate under Section 59-2-924 pursuant to changes in property valuation.

(ii) Subsection (4)(d)(i) applies for a period of five years following any such change in the certified tax rate.

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

(f) (i) If a voted and board local levy funding balance exists for the prior fiscal year, the State Board of Education shall:

(A) use the voted and board local levy funding balance to increase the value of the state guarantee per weighted pupil unit described in Subsection (4)(c) in the current fiscal year; and

(B) distribute the state contribution to the voted and board local levy programs to school districts based on the increased value of the state guarantee per weighted pupil unit

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described in Subsection (4)(f)(i)(A).

(ii) The State Board of Education shall report action taken under this Subsection (4)(f) to the Office of the Legislative Fiscal Analyst and the Governor's Office of [Planning Management and Budget.

(g) A local school board of a school district that receives funds from a guarantee described in Subsection (4)(a) may budget and expend the guarantee funds for any education purpose.

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

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

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

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

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

(a) the voted local levy is approved:

(i) in accordance with Subsections (9) and (10) on or after January 1, 2003; and

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

(b) for a voted local levy approved or modified in accordance with this section on or after January 1, 2009, the school district complies with the requirements of Subsection (8).

(7) Notwithstanding Section 59-2-919, a school district may levy a tax rate under this section that exceeds the certified tax rate without having to comply with the notice

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requirements of Section 59-2-919 if:

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

(b) the voted local levy was approved:

(i) in accordance with Subsections (9) and (10) on or after January 1, 2003; and

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

(c) for a voted local levy approved or modified in accordance with this section on or after January 1, 2009, the school district complies with requirements of Subsection (8).

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

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

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

(b) The election required by this Subsection (9) shall be held:

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

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

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

(c) Notwithstanding the requirements of Subsections (9)(a) and (b), beginning on or after January 1, 2012, a school district may levy a tax rate in accordance with this section without complying with the requirements of Subsections (9)(a) and (b) if the school district imposed a tax in accordance with this section at any time during the taxable year beginning on

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January 1, 2011, and ending on December 31, 2011.

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

Section 2. Section 53A-17a-134 is amended to read:

53A-17a-134. Board-approved leeway -- Purpose -- State support -- Disapproval.

(1) Except as provided in Subsection (9), a local school board may levy a tax rate of up to .0004 per dollar of taxable value to maintain a school program above the cost of the basic school program as follows:

(a) a local school board shall use the money generated by the tax for class size reduction within the school district;

(b) if a local school board determines that the average class size in the school district is not excessive, it may use the money for other school purposes but only if the board has declared the use for other school purposes in a public meeting prior to levying the tax rate; and

(c) a district may not use the money for other school purposes under Subsection (1)(b) until it has certified in writing that its class size needs are already being met and has identified the other school purposes for which the money will be used to the State Board of Education and the state board has approved their use for other school purposes.

(2) ~~[(a)]~~ The state shall contribute an amount sufficient to guarantee \$27.36 per weighted pupil unit for each .0001 per dollar of taxable value.

~~[(b)]~~ The guarantee shall increase in the same manner as provided for the voted local levy guarantee in Subsection 53A-17a-133(4)(c):~~]~~

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

(ii) Subsection (2)~~[(c)]~~ [(b)](i) applies for a period of five years following any such change in the certified tax rate.

~~[(d)]~~ [(c)] The guarantee provided under this section does not apply to:

(i) a board-authorized leeway in the first fiscal year the leeway is in effect, unless the leeway was approved by voters pursuant to Subsections (4) through (6); or

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(ii) the portion of a board-authorized leeway rate that is in excess of the board-authorized leeway rate that was in effect for the previous fiscal year.

(3) The levy authorized under this section is not in addition to the maximum rate of .002 authorized in Section 53A-17a-133, but is a board-authorized component of the total tax rate under that section.

(4) As an exception to Section 53A-17a-133, the board-authorized levy does not require voter approval, but the board may require voter approval if requested by a majority of the board.

(5) An election to consider disapproval of the board-authorized levy is required, if within 60 days after the levy is established by the board, referendum petitions signed by the number of legal voters required in Section 20A-7-301, who reside within the school district, are filed with the school district.

(6) (a) A local school board shall establish its board-approved levy by April 1 to have the levy apply to the fiscal year beginning July 1 in that same calendar year except that if an election is required under this section, the levy applies to the fiscal year beginning July 1 of the next calendar year.

(b) The approval and disapproval votes authorized in Subsections (4) and (5) shall occur at a general election in even-numbered years, except that a vote required under this section in odd-numbered years shall occur at a special election held on a day in odd-numbered years that corresponds to the general election date. The school district shall pay for the cost of a special election.

(7) (a) Modification or termination of a voter-approved leeway rate authorized under this section is governed by Section 53A-17a-133.

(b) A board-authorized leeway rate may be modified or terminated by a majority vote of the board subject to disapproval procedures specified in this section.

(8) A board levy election does not require publication of a voter information pamphlet.

(9) Beginning January 1, 2012, a local school board may not levy a tax in accordance with this section.

Section ~~4~~3. Section **53A-17a-164** is amended to read:

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

(1) Subject to the other requirements of this section, for a calendar year beginning on

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or after January 1, 2012, a local school board may levy a tax to fund the school district's general fund.

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

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

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

(3) (a) In addition to the revenue a school district collects from the imposition of a levy pursuant to this section, the state shall contribute an amount sufficient to guarantee that each .0001 of the first ~~1.0004~~ 1.002 per dollar of taxable value generates an amount equal to the state guarantee per weighted pupil unit described in Subsection 53A-17a-133(4).

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

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

(c) A local school board of a school district that receives funds from a guarantee described in Subsection (3)(a) may budget and expend the guarantee funds for any education purpose.

(4) A school district that imposes a board local levy in the calendar year beginning on January 1, 2012, is exempt from the public notice and hearing requirements of Section

SB0244S01 compared with SB0244

59-2-919 if the school district budgets an amount of ad valorem property tax revenue equal to or less than the sum of the following amounts:

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

- (i) a recreation levy imposed under Section 11-2-7;
- (ii) a transportation levy imposed under Section 53A-17a-127;
- (iii) a board-authorized levy imposed under Section 53A-17a-134;
- (iv) an impact aid levy imposed under Section 53A-17a-143;
- (v) the portion of a 10% of basic levy imposed under Section 53A-17a-145 that is

budgeted for purposes other than capital outlay or debt service;

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

(vii) a tort liability levy imposed under Section 63G-7-704; and

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

Section ~~5~~. **Appropriation:**

~~Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for the fiscal year beginning July 1, 2016, and ending June 30, 2017, the following sums of money are appropriated from resources not otherwise appropriated, or reduced from amounts previously appropriated, out of the funds or amounts indicated. These sums of money are in addition to amounts previously appropriated for fiscal year 2017.~~

~~To State Board of Education -- Minimum School Program --~~

~~Voted and Board Local Levy Program~~

~~From Education Fund \$21,400,000~~

~~Schedule of Programs:~~

~~Voted Local Levy \$16,650,000~~

~~Board Local Levy \$4,750,000~~

Legislative Review Note

Office of Legislative Research and General Counsel; 4. Effective date.

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This bill takes effect on July 1, 2017.