

30 (2) As used in this section:

31 (a) "Basic levy increment rate" means a tax rate that will generate an amount of
32 revenue equal to \$75,000,000.

33 (b) "Combined basic rate" means a rate that is the sum of:

34 (i) the minimum basic tax rate; and

35 (ii) the WPU value rate.

36 (c) "Commission" means the State Tax Commission.

37 (d) "Equity pupil tax rate" means the tax rate that will generate an amount of revenue
38 equal to the amount generated by the equity pupil tax rate as defined in Section 53F-2-301.5 in
39 the fiscal year that begins July 1, 2022.

40 (e) "Minimum basic local amount" means an amount that is:

41 (i) equal to the sum of:

42 (A) the school districts' contribution to the basic school program the previous fiscal
43 year;

44 (B) the amount generated by the basic levy increment rate;

45 (C) the amount generated by the equity pupil tax rate; and

46 (D) the eligible new growth, as defined in Section 59-2-924 and rules of the State Tax
47 Commission multiplied by the minimum basic rate; and

48 (ii) set annually by the Legislature in Subsection (3)(a).

49 (f) "Minimum basic tax rate" means a tax rate certified by the commission that will
50 generate an amount of revenue equal to the minimum basic local amount described in
51 Subsection (3)(a).

52 (g) "Weighted pupil unit value" or "WPU value" means the amount established each
53 year in the enacted public education budget that is multiplied by the number of weighted pupil
54 units to yield the funding level for the basic school program.

55 (h) "WPU value amount" means an amount:

56 (i) that is equal to the product of:

57 (A) [~~the total cost to the basic school program to increase the WPU value over~~] the

58 WPU value [~~in the immediately preceding fiscal year~~] increase limit; and

59 (B) the percentage share of local revenue to the cost of the basic school program in the
60 immediately preceding fiscal year; and

61 (ii) set annually by the Legislature in Subsection (4)(a).

62 (i) "WPU value increase limit" means the lesser of:

63 (i) the total cost to the basic school program to increase the WPU value over the WPU
64 value in the prior fiscal year; or

65 (ii) the total cost to the basic school program to increase the WPU value by 4% over
66 the WPU value in the prior fiscal year.

67 ~~[(†)]~~ (j) "WPU value rate" means a tax rate certified by the commission that will
68 generate an amount of revenue equal to the WPU value amount described in Subsection (4)(a).

69 (3) (a) The minimum basic local amount for the fiscal year that begins on July 1, 2018,
70 is \$408,073,800 in revenue statewide.

71 (b) The preliminary estimate of the minimum basic tax rate for a fiscal year that begins
72 on July 1, 2018, is .001498.

73 (4) (a) The WPU value amount for the fiscal year that begins on July 1, 2018, is
74 \$18,650,000 in revenue statewide.

75 (b) The preliminary estimate of the WPU value rate for the fiscal year that begins on
76 July 1, 2018, is .000069.

77 (5) (a) On or before June 22, the commission shall certify for the year:

78 (i) the minimum basic tax rate; and

79 (ii) the WPU value rate.

80 (b) The estimate of the minimum basic tax rate provided in Subsection (3)(b) and the
81 estimate of the WPU value rate provided in Subsection (4)(b) are based on a forecast for
82 property values for the next calendar year.

83 (c) The certified minimum basic tax rate described in Subsection (5)(a)(i) and the
84 certified WPU value rate described in Subsection (5)(a)(ii) are based on property values as of
85 January 1 of the current calendar year, except personal property, which is based on values from

86 the previous calendar year.

87 (6) (a) To qualify for receipt of the state contribution toward the basic school program
88 and as a school district's contribution toward the cost of the basic school program for the school
89 district, each local school board shall impose the combined basic rate.

90 (b) (i) The state is not subject to the notice requirements of Section 59-2-926 before
91 imposing the tax rates described in this Subsection (6).

92 (ii) (A) Except as provided in Subsection (6)(b)(ii)(B), the state is subject to the notice
93 requirements of Section 59-2-926 if the state authorizes a tax rate that exceeds the tax rates
94 described in this Subsection (6).

95 (B) For a calendar year that begins on January 1, 2018, the state is not subject to the
96 notice and public hearing requirements of Section 59-2-926 if the state authorizes a combined
97 basic rate that exceeds the tax rates authorized in this section.

98 (7) (a) The state shall contribute to each school district toward the cost of the basic
99 school program in the school district an amount of money that is the difference between the
100 cost of the school district's basic school program and the sum of revenue generated by the
101 school district by the following:

- 102 (i) the combined basic rate;
- 103 (ii) the basic levy increment rate; and
- 104 (iii) the equity pupil tax rate.

105 (b) (i) If the difference described in Subsection (7)(a) equals or exceeds the cost of the
106 basic school program in a school district, no state contribution shall be made to the basic
107 school program for the school district.

108 (ii) The proceeds of the difference described in Subsection (7)(a) that exceed the cost
109 of the basic school program shall be paid into the Uniform School Fund as provided by law and
110 by the close of the fiscal year in which the proceeds were calculated.

111 (8) Upon appropriation by the Legislature, the Division of Finance shall deposit an
112 amount equal to the proceeds generated statewide:

113 (a) by the basic levy increment rate into the Minimum Basic Growth Account created

114 in Section 53F-9-302;

115 (b) by the equity pupil tax rate into the Local Levy Growth Account created in Section
116 53F-9-305; and

117 (c) by the WPU value rate into the Teacher and Student Success Account created in
118 Section 53F-9-306.

119 (9) After July 1, 2022, but before November 30, 2022, the Public Education
120 Appropriations Subcommittee:

121 (a) shall review the WPU value rate, the impact of revenues generated by the WPU
122 value rate on public education funding, and whether local school boards should continue to
123 levy the WPU value rate; and

124 (b) may recommend an increase, repeal, or continuance of the WPU value rate.

125 Section 2. Section 53F-2-301.5 is amended to read:

126 **53F-2-301.5. Minimum basic tax rate for a fiscal year that begins on July 1, 2018,**
127 **2019, 2020, 2021, or 2022.**

128 (1) The provisions of this section are in effect for a fiscal year that begins before July 1,
129 2023.

130 (2) As used in this section:

131 (a) "Basic levy increment rate" means a tax rate that will generate an amount of
132 revenue equal to \$75,000,000.

133 (b) "Combined basic rate" means a rate that is the sum of:

134 (i) the rate floor; and

135 (ii) the WPU value rate.

136 (c) "Commission" means the State Tax Commission.

137 (d) "Equity pupil tax rate" means the tax rate that is:

138 (i) calculated by subtracting the minimum basic tax rate from the rate floor; or

139 (ii) zero, if the rate calculated in accordance with Subsection (2)(d)(i) is zero or less.

140 (e) "Minimum basic local amount" means an amount that is:

141 (i) equal to the sum of:

- 142 (A) the school districts' contribution to the basic school program the previous fiscal
143 year;
- 144 (B) the amount generated by the basic levy increment rate; and
- 145 (C) the eligible new growth, as defined in Section 59-2-924 and rules of the State Tax
146 Commission multiplied by the minimum basic tax rate; and
- 147 (ii) set annually by the Legislature in Subsection (3)(a).
- 148 (f) "Minimum basic tax rate" means a tax rate certified by the commission that will
149 generate an amount of revenue equal to the minimum basic local amount described in
150 Subsection (3)(a).
- 151 (g) "Rate floor" means a rate that is the greater of:
- 152 (i) a .0016 tax rate; or
- 153 (ii) the minimum basic tax rate.
- 154 (h) "Weighted pupil unit value" or "WPU value" means the amount established each
155 year in the enacted public education budget that is multiplied by the number of weighted pupil
156 units to yield the funding level for the basic school program.
- 157 (i) "WPU value amount" means an amount that is:
- 158 (i) equal to the product of:
- 159 (A) [~~the total cost to the basic school program to increase the WPU value over~~] the
160 WPU value [~~in the prior fiscal year~~] increase limit; and
- 161 (B) the percentage share of local revenue to the cost of the basic school program in the
162 prior fiscal year; and
- 163 (ii) set annually by the Legislature in Subsection (4)(a).
- 164 (j) "WPU value increase limit" means the lesser of:
- 165 (i) the total cost to the basic school program to increase the WPU value over the WPU
166 value in the prior fiscal year; or
- 167 (ii) the total cost to the basic school program to increase the WPU value by 4% over
168 the WPU value in the prior fiscal year.
- 169 [(f)] (k) "WPU value rate" means a tax rate certified by the commission that will

170 generate an amount of revenue equal to the WPU value amount described in Subsection (4)(a).

171 (3) (a) The minimum basic local amount for the fiscal year that begins on July 1, 2019,
172 is \$490,684,600 in revenue statewide.

173 (b) The preliminary estimate for the minimum basic tax rate for the fiscal year that
174 begins on July 1, 2019, is .001588.

175 (4) (a) The WPU value amount for the fiscal year that begins on July 1, 2019, is
176 \$18,800,000 in revenue statewide.

177 (b) The preliminary estimate for the WPU value rate for the fiscal year that begins on
178 July 1, 2019, is .000061.

179 (5) (a) On or before June 22, the commission shall certify for the year:

180 (i) the minimum basic tax rate; and

181 (ii) the WPU value rate.

182 (b) The estimate of the minimum basic tax rate provided in Subsection (3)(b) and the
183 estimate of the WPU value rate provided in Subsection (4)(b) is based on a forecast for
184 property values for the next calendar year.

185 (c) The certified minimum basic tax rate described in Subsection (5)(a)(i) and the
186 certified WPU value rate described in Subsection (5)(a)(ii) are based on property values as of
187 January 1 of the current calendar year, except personal property, which is based on values from
188 the previous calendar year.

189 (6) (a) To qualify for receipt of the state contribution toward the basic school program
190 and as a school district's contribution toward the cost of the basic school program for the school
191 district, a local school board shall impose the combined basic rate.

192 (b) (i) The state is not subject to the notice requirements of Section [59-2-926](#) before
193 imposing the tax rates described in this Subsection (6).

194 (ii) The state is subject to the notice requirements of Section [59-2-926](#) if the state
195 authorizes a tax rate that exceeds the tax rates described in this Subsection (6).

196 (7) (a) The state shall contribute to each school district toward the cost of the basic
197 school program in the school district an amount of money that is the difference between the

198 cost of the school district's basic school program and the sum of the revenue generated by the
199 school district by the following:

- 200 (i) the minimum basic tax rate;
- 201 (ii) the basic levy increment rate;
- 202 (iii) the equity pupil tax rate; and
- 203 (iv) the WPU value rate.

204 (b) (i) If the difference described in Subsection (7)(a) equals or exceeds the cost of the
205 basic school program in a school district, no state contribution shall be made to the basic
206 school program for the school district.

207 (ii) The proceeds of the difference described in Subsection (7)(a) that exceed the cost
208 of the basic school program shall be paid into the Uniform School Fund as provided by law and
209 by the close of the fiscal year in which the proceeds were calculated.

210 (8) Upon appropriation by the Legislature, the Division of Finance shall deposit an
211 amount equal to the proceeds generated statewide:

212 (a) by the basic levy increment rate into the Minimum Basic Growth Account created
213 in Section 53F-9-302;

214 (b) by the equity pupil tax rate into the Local Levy Growth Account created in Section
215 53F-9-305; and

216 (c) by the WPU value rate into the Teacher and Student Success Account created in
217 Section 53F-9-306.