

## SB0002S01 compared with SB0002

~~{deleted text}~~ shows text that was in SB0002 but was deleted in SB0002S01.

inserted text shows text that was not in SB0002 but was inserted into SB0002S01.

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Representative Steve Eliason proposes the following substitute bill:

### PUBLIC EDUCATION BUDGET AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Lyle W. Hillyard**

House Sponsor: Steve Eliason

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#### LONG TITLE

##### General Description:

This bill supplements or reduces appropriations otherwise provided for the support and operation of public education for the fiscal year beginning July 1, 2019, and ending June 30, 2020, and for the fiscal year beginning July 1, 2020, and ending June 30, 2021.

##### Highlighted Provisions:

This bill:

- ▶ provides appropriations for the use and support of school districts, charter schools, and state education agencies;
- ▶ ~~{sets}~~increases the value of the weighted pupil unit (WPU) by 6% over the value of the WPU for fiscal year 2020 to set the value at \$3,~~{710}~~745 for fiscal year 2021;
- ▶ adjusts the number of weighted pupil units to implement program changes in the Necessarily Existent Small Schools program;

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- ▶ provides appropriations for other purposes as described;
- ▶ amends and enacts provisions related to certain appropriations for public education, including:
  - youth in custody;
  - use of Minimum School Program balances;
  - charter school administration; and
  - the nonlapsing authority of the State Board of Education;
- ▶ makes technical and conforming changes; and
- ▶ provides intent language.

### Money Appropriated in this Bill:

This bill appropriates \$3,820,200 in operating and capital budgets for fiscal year 2020, all of which is from the Education Fund.

This bill appropriates ~~(\$230)~~\$263, ~~(+159,800)~~313,500 in operating and capital budgets for fiscal year 2021, including:

- ▶ ~~(\$203)~~\$236, ~~(+211)~~365, ~~(+600)~~300 from the Education Fund; and
- ▶ \$26,948,200 from various sources as detailed in this bill.

This bill appropriates \$22,350,000 in restricted fund and account transfers for fiscal year 2021, including:

- ▶ \$20,600,000 from the Education Fund; and
- ▶ \$1,750,000 from various sources as detailed in this bill.

### Other Special Clauses:

This bill provides a special effective date.

### Utah Code Sections Affected:

#### AMENDS:

**53E-1-202**, as enacted by Laws of Utah 2019, Chapter 324 and last amended by

Coordination Clause, Laws of Utah 2019, Chapter 223

**53E-3-503**, as last amended by Laws of Utah 2019, Chapters 186 and 187

**53F-2-205**, as last amended by Laws of Utah 2019, Chapter 186

**53F-2-301.5**, as last amended by Laws of Utah 2019, Chapter 408

**53F-2-304**, as last amended by Laws of Utah 2019, Chapter 186

**53F-2-306**, as last amended by Laws of Utah 2019, Chapters 186 and 408

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**53F-2-504**, as last amended by Laws of Utah 2019, Chapters 134, 186, and 283

**63J-1-602.2**, as last amended by Laws of Utah 2019, Chapters 136, 326, 468, and 469

ENACTS:

**53F-9-103**, Utah Code Annotated 1953

REPEALS:

**53F-2-414**, as last amended by Laws of Utah 2019, Chapters 136 and 408

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

Section 1. Section **53E-1-202** is amended to read:

**53E-1-202. Reports to and action required of the Public Education**

**Appropriations Subcommittee.**

(1) In accordance with applicable provisions and Section 68-3-14, the following recurring reports are due to the Public Education Appropriations Subcommittee:

(a) the State Superintendent's Annual Report by the state board described in Section 53E-1-203;

(b) the report described in Section 53E-10-703 by the Utah Leading through Effective, Actionable, and Dynamic Education director on research and other activities; and

(c) the report by the STEM Action Center Board described in Section 63N-12-208, including the information described in Section 63N-12-213 on the status of the computer science initiative.

(2) (a) The one-time report by the state board regarding cost centers and implementing activity based costing is due to the Public Education Appropriations Subcommittee in accordance with Section 53E-3-520.

(b) The occasional report, described in Section 53F-2-502 by the state board on the program evaluation of the dual language immersion program, is due to the Public Education Appropriations Subcommittee and in accordance with Section 68-3-14.

(3) In accordance with applicable provisions, the Public Education Appropriations Subcommittee shall complete the following:

(a) the evaluation described in Section 53F-2-410 of funding for at-risk students; and

~~[(b) the reviews of related to basic school programs as described in Section 53F-2-414;~~

~~and]~~

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~~(c)~~ (b) if required, the study described in Section 53F-4-304 of scholarship payments.

Section 2. Section **53E-3-503** is amended to read:

### **53E-3-503. Education of individuals in custody of or receiving services from certain state agencies -- Establishment of coordinating council -- Advisory councils.**

(1) (a) The state board is directly responsible for the education of all individuals who are:

(i) (A) younger than 21 years old; or

(B) eligible for special education services as described in Chapter 7, Part 2, Special Education Program; and

(ii) (A) receiving services from the Department of Human Services;

(B) in the custody of an equivalent agency of a Native American tribe recognized by the United States Bureau of Indian Affairs and whose custodial parent resides within the state; or

(C) being held in a juvenile detention facility.

(b) The state board shall:

(i) make rules to provide for the distribution of funds for the education of individuals described in Subsection (1)(a)[-]; and

(ii) expend funds appropriated for the education of youth in custody in the following order of priority:

(A) for students in a facility described in Subsection (1)(a)(ii) who are not included in an LEA's average daily membership; and

(B) for students in a facility described in Subsection (1)(a)(ii) who are included in an LEA's average daily membership and who may benefit from additional educational support services.

(c) Subject to future budget constraints, the amount appropriated for the education of youth in custody under this section shall increase annually based on the following:

(i) the percentage of enrollment growth of students in kindergarten through grade 12; and

(ii) changes to the value of the weighted pupil unit as defined in Section 53F-4-301.

(2) Subsection (1)(a)(ii)(B) does not apply to an individual taken into custody for the primary purpose of obtaining access to education programs provided for youth in custody.

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(3) The state board shall, where feasible, contract with school districts or other appropriate agencies to provide educational, administrative, and supportive services, but the state board shall retain responsibility for the programs.

(4) The Legislature shall establish and maintain separate education budget categories for youth in custody or who are under the jurisdiction of the following state agencies:

(a) detention centers and the Divisions of Juvenile Justice Services and Child and Family Services;

(b) the Division of Substance Abuse and Mental Health; and

(c) the Division of Services for People with Disabilities.

(5) (a) The Department of Human Services and the state board shall appoint a coordinating council to plan, coordinate, and recommend budget, policy, and program guidelines for the education and treatment of persons in the custody of the Division of Juvenile Justice Services and the Division of Child and Family Services.

(b) The Department of Human Services and the state board may appoint similar councils for those in the custody of the Division of Substance Abuse and Mental Health or the Division of Services for People with Disabilities.

(6) A school district contracting to provide services under Subsection (3) shall establish an advisory council to plan, coordinate, and review education and treatment programs for individuals held in custody in the district.

Section 3. Section **53F-2-205** is amended to read:

**53F-2-205. Powers and duties of state board to adjust Minimum School Program allocations -- Use of remaining funds at the end of a fiscal year.**

(1) As used in this section:

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

(b) "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

(iv) Minimum School Program.

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(2) Except as provided in Subsection (3) or (5), if the number of weighted pupil units in a program is underestimated, the state 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 state 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 guaranteed local levy increments as defined in Section 53F-2-601, 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 allocated to charter schools, if the state supplement is less than the amount prescribed by Section 53F-2-704; ~~[or]~~

(d) to fund the cost of the salary supplements described in Section 53F-2-504; or

~~[(d)]~~ (e) to support a school district with a loss in student enrollment as provided in Section 53F-2-207.

(4) If local contributions from the minimum basic tax rate imposed under Section 53F-2-301 or 53F-2-301.5, as applicable, are overestimated, the state 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 53F-2-301 or 53F-2-301.5, as applicable, are underestimated, the state 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 state-supported school program in which the number of weighted pupil units is underestimated; and

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(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 state board shall reduce the state guarantee per weighted pupil unit provided under the local levy state guarantee program described in Section 53F-2-601, 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) Money appropriated to the state board is nonlapsing, including appropriations to the Minimum School Program and all agencies, line items, and programs under the jurisdiction of the state board.

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

Section 4. Section **53F-2-301.5** is amended to read:

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

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

(2) As used in this section:

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

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

(i) the rate floor; and

(ii) the WPU value rate.

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

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

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

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

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

(i) equal to the sum of:

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

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

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

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

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

(g) "Rate floor" means a rate that is the greater of:

(i) a .0016 tax rate; or

(ii) the minimum basic tax rate.

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

(i) "WPU value amount" means an amount that is:

(i) equal to the product of:

(A) the total cost to the basic school program to increase the WPU value over the WPU value in the prior fiscal year; and

(B) the percentage share of local revenue to the cost of the basic school program in the prior fiscal year; and

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

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

(3) (a) The minimum basic local amount for the fiscal year that begins on July 1, [2019] 2020, is [~~\$490,684,600~~] \$547,952,600 in revenue statewide.

(b) The preliminary estimate for the minimum basic tax rate for the fiscal year that begins on July 1, [2019] 2020, is [~~.001588~~] .001576.



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(4) (a) The WPU value amount for the fiscal year that begins on July 1, [2019] 2020, is [~~\$18,800,000~~] \$20,600,000 in revenue statewide.

(b) The preliminary estimate for the WPU value rate for the fiscal year that begins on July 1, [2019] 2020, is [~~.000061~~] .000060.

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

(i) the minimum basic tax rate; and

(ii) the WPU value rate.

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

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

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

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

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

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

(i) the minimum basic tax rate;

(ii) the basic levy increment rate;

(iii) the equity pupil tax rate; and

(iv) the WPU value rate.

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

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school program for the school district.

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

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

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

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

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

Section 5. Section **53F-2-304** is amended to read:

**53F-2-304. Necessarily existent small schools -- Computing additional weighted pupil units -- Consolidation of small schools.**

(1) As used in this section, "necessarily existent small schools funding balance" means the difference between:

(a) the amount appropriated for the necessarily existent small schools program in a fiscal year; and

(b) the amount distributed to school districts for the necessarily existent small schools program in the same fiscal year.

(2) (a) Upon application by a local school board, the state board shall, in consultation with the local school board, classify schools in the school district as necessarily existent small schools, in accordance with this section and state board rules adopted under Subsection (3).

(b) An application must be submitted to the state board before April 2, and the state board must report a decision to a local school board before June 2.

(3) The state board shall adopt standards and make rules to:

(a) govern the approval of necessarily existent small schools consistent with principles of efficiency and economy that serve the purpose of eliminating schools where consolidation is feasible by participation in special school units; and

(b) ensure that school districts are not building secondary schools in close proximity to

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one another where economy and efficiency would be better served by one school meeting the needs of secondary students in a designated geographical area.

(4) A one or two-year secondary school that has received necessarily existent small school money under this section [~~prior to~~] before July 1, 2000, may continue to receive [~~such~~] the money in subsequent years.

(5) The state board shall prepare and publish objective standards and guidelines for determining which small schools are necessarily existent after consultation with local school boards.

(6) (a) Additional weighted pupil units for schools classified as necessarily existent small schools shall be computed using regression formulas adopted by the state board.

(b) The regression formulas establish the following maximum sizes for funding under the necessarily existent small school program:

(i) an elementary school	160
(ii) a one or two-year secondary school	300
(iii) a three-year secondary school	450
(iv) a four-year secondary school	500
(v) a six-year secondary school	600

(c) Schools with fewer than 10 students shall receive the same add-on weighted pupil units as schools with 10 students.

(d) The state board shall prepare and distribute an allocation table based on the regression formula to each school district.

(7) (a) To avoid penalizing a school district financially for consolidating the school district's small schools, additional weighted pupil units may be allowed a school district each year, not to exceed two years.

(b) The additional weighted pupil units may not exceed the difference between what the school district receives for a consolidated school and what the school district would have received for the small schools had the small schools not been consolidated.

(8) (a) The state board may allocate up to 200 weighted pupil units to support schools that:

(i) have isolating conditions, as defined by the state board, including geographic isolation; and

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(ii) do not qualify for necessarily existent small schools funding due to formula limitations.

(b) The state board shall review funding allocations under this Subsection (8) at least once every five calendar years.

~~[(8)]~~ (9) Subject to legislative appropriation, the state board shall give first priority from an appropriation made under this section to funding an expense approved by the state board as described in Subsection 53G-6-305(3)(a).

~~[(9)]~~ (10) (a) Subject to Subsection ~~[(9)]~~ (10)(b) and after a distribution made under Subsection ~~[(8)]~~ (9), the state board may distribute a portion of necessarily existent small schools funding in accordance with a formula adopted by the state board that considers the tax effort of a local school board.

(b) The amount distributed in accordance with Subsection ~~[(9)]~~ (10)(a) may not exceed the necessarily existent small schools fund in balance of the prior fiscal year.

~~[(10)]~~ (11) A local school board may use the money allocated under this section for maintenance and operation of school programs or for other school purposes as approved by the state board.

Section 6. Section **53F-2-306** is amended to read:

**53F-2-306. Weighted pupil units for small school district administrative costs --  
Appropriation for charter school administrative costs.**

(1) Administrative costs weighted pupil units are computed for a small school district and distributed to the small school district in accordance with the following schedule:

### Administrative Costs Schedule

School District Enrollment as of October 1	Weighted Pupil Units
1 - 500 students	95
501 - 1,000 students	80
1,001 - 2,000 students	70
2,001 - 5,000 students	60

(2) (a) Except as provided in Subsection (2)(b), money appropriated to the state board for charter school administrative costs shall be distributed to charter schools in the amount of \$100 for each charter school student in enrollment.

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(b) (i) If money appropriated for charter school administrative costs is insufficient to provide the amount per student prescribed in Subsection (2)(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.

(ii) If the state board makes adjustments to Minimum School Program allocations under Section 53F-2-205, the allocation provided in Subsection (2)(b)(i) shall be determined after adjustments are made under Section 53F-2-205.

(iii) For fiscal year [~~2020~~] 2021, the state board shall distribute [~~\$40,000~~] a minimum of \$45,000 to each charter school that enrolls fewer than [~~400~~] 450 students.

(c) Charter school governing boards are encouraged to identify and use cost-effective methods of performing administrative functions, including contracting for administrative services with the State Charter School Board as provided in Section 53G-5-202.

(3) Charter schools are not eligible for funds for administrative costs under Subsection (1).

Section 7. Section **53F-2-504** is amended to read:

### **53F-2-504. Teacher Salary Supplement Program.**

(1) As used in this section:

(a) "Eligible teacher" means a teacher who:

(i) has a qualifying educational background or qualifying teaching background;

(ii) has a supplement-approved assignment that corresponds to the teacher's qualifying educational background or qualifying teaching background;

(iii) qualifies for the teacher's supplement-approved assignment in accordance with state board rule; and

(iv) is a new employee or received at least a satisfactory rating on the teacher's most recent evaluation.

(b) "Field of computer science" means:

(i) computer science; or

(ii) computer information technology.

(c) "Field of science" means:

(i) integrated science;

(ii) chemistry;

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- (iii) physics;
- (iv) physical science; or
- (v) general science.
- (d) "License" means the same as that term is defined in Section 53E-6-102.
- (e) "Qualifying educational background" means:
  - (i) for a teacher who is assigned a secondary school level mathematics course:
    - (A) a bachelor's degree major, master's degree, or doctoral degree in mathematics; or
    - (B) a bachelor's degree major, master's degree, or doctoral degree that has course requirements that are substantially equivalent to the course requirements for a bachelor's degree major, master's degree, or doctoral degree in mathematics;
  - (ii) for a teacher who is assigned a grade 7 or 8 integrated science course, chemistry course, or physics course:
    - (A) a bachelor's degree major, master's degree, or doctoral degree in a field of science; or
    - (B) a bachelor's degree major, master's degree, or doctoral degree that has course requirements that are substantially equivalent to the course requirements of those required for a bachelor's degree major, master's degree, or doctoral degree in a field of science;
  - (iii) for a teacher who is assigned a computer science course:
    - (A) a bachelor's degree major, master's degree, or doctoral degree in a field of computer science; or
    - (B) a bachelor's degree major, master's degree, or doctoral degree that has course requirements that are substantially equivalent to the course requirements of those required for a bachelor's degree major, master's degree, or doctoral degree in a field of computer science; or
  - (iv) for a teacher who is assigned to teach special education, a bachelor's degree major, master's degree, or doctoral degree in special education.
- (f) "Qualifying teaching background" means the teacher has been teaching the same supplement-approved assignment in Utah public schools for at least 10 years.
- (g) "Supplement-approved assignment" means an assignment to teach:
  - (i) a secondary school level mathematics course;
  - (ii) integrated science in grade 7 or 8;
  - (iii) chemistry;

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- (iv) physics;
- (v) computer science; or
- (vi) special education.

(2) (a) Subject to future budget constraints, the Legislature shall:

(i) annually appropriate money to the Teacher Salary Supplement Program to maintain annual salary supplements for eligible teachers provided in previous years; and

(ii) provide salary supplements to new recipients.

(b) Money appropriated for the Teacher Salary Supplement Program shall include money for the following employer-paid benefits:

- (i) retirement;
- (ii) workers' compensation;
- (iii) Social Security; and
- (iv) Medicare.

(3) (a) The annual salary supplement for an eligible teacher who is assigned full-time to a supplement-approved assignment is \$4,100 and funded through an appropriation described in Subsection (2).

(b) An eligible teacher who is assigned part-time to a supplement-approved assignment shall receive a partial salary supplement based on the number of hours worked in the supplement-approved assignment.

(4) The state board shall:

(a) create an online application system for a teacher to apply to receive a salary supplement through the Teacher Salary Supplement Program;

(b) determine if a teacher is an eligible teacher;

(c) verify, as needed, the determinations made under Subsection (4)(b) with school district and school administrators; and

(d) certify a list of eligible teachers.

(5) (a) An eligible teacher shall apply to the state board before the conclusion of a school year to receive the salary supplement authorized in this section.

(b) An eligible teacher may apply to the state board, after verification that the requirements under this section have been satisfied, to receive a salary supplement after the completion of:

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(i) the school year as an annual award; or

(ii) a semester or trimester as a partial award based on the portion of the school year that has been completed.

(6) (a) The state board shall establish and administer an appeal process for a teacher to follow if the teacher applies for a salary supplement and does not receive a salary supplement under Subsection (8).

(b) (i) The appeal process established in Subsection (6)(a) shall allow a teacher to appeal eligibility as an eligible teacher with a qualifying educational background on the basis that the teacher has a degree or degree major with course requirements that are substantially equivalent to the qualifying educational background associated with the teacher's supplement-approved assignment.

(ii) A teacher shall provide transcripts and other documentation to the state board in order for the state board to determine if the teacher has a degree or degree major with course requirements that are substantially equivalent to the qualifying educational background associated with the teacher's supplement-approved assignment.

(c) (i) The appeal process established under Subsection (6)(a) shall allow a teacher to appeal eligibility as an eligible teacher with a qualifying teaching background on the basis that the teacher has a qualifying teaching background.

(ii) The teacher shall provide to the state board evidence to verify that the teacher has a qualifying teaching background.

(7) (a) The state board shall distribute money appropriated to the Teacher Salary Supplement Program to school districts and charter schools for the Teacher Salary Supplement Program in accordance with the provisions of this section.

(b) The state board shall include the employer-paid benefits described under Subsection (2)(b) in the amount of each salary supplement.

(c) The employer-paid benefits described under Subsection (2)(b) are an addition to the salary supplement limits described under Subsection (3).

(8) (a) Money received from the Teacher Salary Supplement Program shall be used by a school district or charter school to provide a salary supplement equal to the amount specified in Subsection (3) for each eligible teacher.

(b) The salary supplement is part of an eligible teacher's base pay, subject to eligible



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teacher's qualification as an eligible teacher every year, semester, or trimester.

(9) Notwithstanding the provisions of this section, if the appropriation for the program is insufficient to cover the costs associated with salary supplements, the state board ~~shall~~ may distribute the funds in the Teacher Salary Supplement Program on a pro rata basis.

Section 8. Section **53F-9-103** is enacted to read:

### **53F-9-103. Nonlapsing funds.**

All appropriations to the state board are nonlapsing, including appropriations to the Minimum School Program and all agencies, line items, and programs under the jurisdiction of the state board.

Section 9. Section **63J-1-602.2** is amended to read:

### **63J-1-602.2. List of nonlapsing appropriations to programs.**

Appropriations made to the following programs are nonlapsing:

- (1) The Legislature and ~~its~~ the Legislature's committees.
- (2) The State Board of Education, including all appropriations to agencies, line items, and programs under the jurisdiction of the State Board of Education, in accordance with Section 53F-9-103.

~~(2)~~ (3) The Percent-for-Art Program created in Section 9-6-404.

~~(3)~~ (4) The LeRay McAllister Critical Land Conservation Program created in Section 11-38-301.

~~(4)~~ (5) Dedicated credits accrued to the Utah Marriage Commission as provided under Subsection 17-16-21(2)(d)(ii).

~~(5)~~ (6) The Trip Reduction Program created in Section 19-2a-104.

~~(6)~~ (7) The Division of Wildlife Resources for the appraisal and purchase of lands under the Pelican Management Act, as provided in Section 23-21a-6.

~~(7)~~ (8) The primary care grant program created in Section 26-10b-102.

~~(8)~~ (9) Sanctions collected as dedicated credits from Medicaid provider under Subsection 26-18-3(7).

~~(9)~~ (10) The Utah Health Care Workforce Financial Assistance Program created in Section 26-46-102.

~~(10)~~ (11) The Rural Physician Loan Repayment Program created in Section 26-46a-103.

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~~[(11)]~~ (12) The Opiate Overdose Outreach Pilot Program created in Section 26-55-107.

~~[(12)]~~ (13) Funds that the Department of Alcoholic Beverage Control retains in accordance with Subsection 32B-2-301(7)(a) or (b).

~~[(13)]~~ (14) The General Assistance program administered by the Department of Workforce Services, as provided in Section 35A-3-401.

~~[(14)]~~ (15) A new program or agency that is designated as nonlapsing under Section 36-24-101.

~~[(15)]~~ (16) The Utah National Guard, created in Title 39, Militia and Armories.

~~[(16)]~~ (17) The State Tax Commission under Section 41-1a-1201 for the:

(a) purchase and distribution of license plates and decals; and

(b) administration and enforcement of motor vehicle registration requirements.

~~[(17)]~~ (18) The Search and Rescue Financial Assistance Program, as provided in Section 53-2a-1102.

~~[(18)]~~ (19) The Motorcycle Rider Education Program, as provided in Section 53-3-905.

~~[(19)]~~ (20) The State Board of Regents for teacher preparation programs, as provided in Section 53B-6-104.

~~[(20)]~~ (21) The Medical Education Program administered by the Medical Education Council, as provided in Section 53B-24-202.

~~[(21)]~~ ~~The State Board of Education, as provided in Section 53F-2-205.]~~

(22) The Division of Services for People with Disabilities, as provided in Section 62A-5-102.

(23) The Division of Fleet Operations for the purpose of upgrading underground storage tanks under Section 63A-9-401.

(24) The Utah Seismic Safety Commission, as provided in Section 63C-6-104.

(25) Appropriations to the Department of Technology Services for technology innovation as provided under Section 63F-4-202.

(26) The Office of Administrative Rules for publishing, as provided in Section 63G-3-402.

(27) The Utah Science Technology and Research Initiative created in Section 63M-2-301.

(28) The Governor's Office of Economic Development to fund the Enterprise Zone

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Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.

(29) Appropriations to fund the Governor's Office of Economic Development's Rural Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program.

(30) The Department of Human Resource Management user training program, as provided in Section 67-19-6.

(31) A public safety answering point's emergency telecommunications service fund, as provided in Section 69-2-301.

(32) The Traffic Noise Abatement Program created in Section 72-6-112.

(33) The Judicial Council for compensation for special prosecutors, as provided in Section 77-10a-19.

(34) A state rehabilitative employment program, as provided in Section 78A-6-210.

(35) The Utah Geological Survey, as provided in Section 79-3-401.

(36) The Bonneville Shoreline Trail Program created under Section 79-5-503.

(37) Adoption document access as provided in Sections 78B-6-141, 78B-6-144, and 78B-6-144.5.

(38) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent Defense Commission.

(39) The program established by the Division of Facilities Construction and Management under Subsection 63A-5-228(3) under which state agencies receive an appropriation and pay lease payments for the use and occupancy of buildings owned by the Division of Facilities Construction and Management.

### **Section 10. Repealer.**

This bill repeals:

**Section 53F-2-414, Review of related to basic school programs.**

### **Section 11. Fiscal Year 2020 Appropriations.**

The following sums of money are appropriated for the fiscal year beginning July 1, 2019, and ending June 30, 2020. These are additions to amounts previously appropriated for fiscal year 2020.

#### **Section 11(a). Operating and Capital Budgets**

Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the

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Legislature appropriates the following sums of money from the funds or accounts indicated for the use and support of the government of the state of Utah.

PUBLIC EDUCATION

STATE BOARD OF EDUCATION - MINIMUM SCHOOL PROGRAM

ITEM 1 To State Board of Education - Minimum School Program - Related to Basic School Programs

From Education Fund, One-Time 3,500,200

Schedule of Programs:

Teacher Salary Supplement 3,820,200

Student Health and Counseling Support Program (320,000)

STATE BOARD OF EDUCATION

ITEM 2 To State Board of Education - MSP Categorical Program Administration

From Education Fund, One-Time 320,000

Schedule of Programs:

Student Health and Counseling Support Program 320,000

**Section 12. Fiscal Year 2021 Appropriations.**

(1) The following sums of money are appropriated for the fiscal year beginning July 1, 2020, and ending June 30, 2021. These are additions to amounts previously appropriated for fiscal year 2021.

(2) The value of each weighted pupil unit (WPU) for fiscal year 2021 is increased from the value of the WPU for fiscal year 2021 established in H.B. 1, Public Education Base Budget Amendments, 2020 General Session, and set at \$3,~~710~~745.

**Section 12(a). Operating and Capital Budgets.**

Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the Legislature appropriates the following sums of money from the funds or accounts indicated for the use and support of the government of the state of Utah.

PUBLIC EDUCATION

STATE BOARD OF EDUCATION - MINIMUM SCHOOL PROGRAM

ITEM 3 To State Board of Education - Minimum School Program - Basic School Program

From Education Fund ~~138~~170,~~923~~023,000

From Local Revenue 20,600,000

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### Schedule of Programs:

<u>Kindergarten</u>	<del>4,586,081</del> , <del>800,600</del>
<u>Grades 1-12</u>	<del>107,129,081</del> , <del>870,900</del> , <del>400</del>
<u>Foreign Exchange</u>	<del>58,69,400</del> , <del>900</del>
<u>Necessarily Existent Small Schools (<del>388</del> <u>386</u> WPU's)</u>	3, <del>171</del> , <u>518</u> , <del>500</del> , <u>200</u>
<u>Professional Staff</u>	<del>10,12,069</del> , <del>049,900</del>
<u>Administrative Costs</u>	<del>269,322,700</del>
<u>Special Education - Add-on</u>	<del>15,18,379,600</del> , <del>413,900</del>
<u>Special Education - Self-Contained</u>	2, <del>354</del> , <u>817,800</u>
<u>Special Education - Preschool</u>	2, <del>013</del> , <u>409,400</u> , <del>200</del>
<u>Special Education - Extended School Year</u>	<del>81,97,400</del>
<u>Special Education - Impact Aid</u>	<del>366,438,700</del> , <u>800</u>
<u>Special Education - Intensive Services</u>	<del>141,500</del> , <u>169,400</u>
<u>Special Education - Extended Year for Special Educators</u>	<del>161,800</del> , <u>193,600</u>
<u>Career and Technical Education - Add-on</u>	<del>5,6,179</del> , <u>198,800</u> , <del>300</del>
<u>Class Size Reduction</u>	<del>7,9,542</del> , <u>025,800</u> , <del>900</del>

### ITEM 4 To State Board of Education - Minimum School Program - Related to Basic School

#### Programs

<u>From Education Fund</u>	<del>38,40,718</del> , <u>763,100</u> , <u>400</u>
<u>From Education Fund, One-Time</u>	250,000
<u>From Uniform School Fund Rest. - Trust Distribution Account</u>	6,166,000

### Schedule of Programs:

<u>Pupil Transportation To and From School</u>	<del>9,10,981</del> , <u>977,14</u>
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	<del>00</del> <u>700</u>
<u>Enhancement for At-Risk Students</u>	2, <del>367</del> <u>841</u> , <del>600</del> <u>1</u>
	<u>00</u>
<u>Youth in Custody</u>	26, <del>498,600</del> <u>753,80</u>
	<u>0</u>
<u>Adult Education</u>	<del>717</del> <u>860</u> , <del>200</del> <u>600</u>
<u>Enhancement for Accelerated Students</u>	1, <del>277</del> <u>332</u> , <del>500</del> <u>9</u>
	<u>00</u>
<u>Centennial Scholarship Program</u>	<del>13</del> <u>16</u> , <del>700</del> <u>400</u>
<u>Concurrent Enrollment</u>	5, <del>508,200</del> <u>627,000</u>
<u>School Land Trust Program</u>	6,166,000
<u>Charter School Local Replacement</u>	(14,426,100)
<u>Charter School Administration</u>	250,000
<u>Teacher Salary Supplement</u>	3,300,000
<u>Beverly Taylor Sorenson Elem. Arts Learning Program</u>	4,000,000
<u>Student Health and Counseling Support Program</u>	(520,000)

The Legislature intends that the State Board of Education use up to \$409,000 in balances in the Charter School Administration program to provide a minimum of \$45,000 to each charter school that enrolls fewer than 450 students in fiscal year 2021.

STATE BOARD OF EDUCATION - SCHOOL BUILDING PROGRAMS

ITEM 5 To State Board of Education - School Building Programs - Capital Outlay Programs

Under Item 48 in H.B. 1, Public Education Base Budget Amendments, 2020 General Session, the Legislature intends that the State Board of Education:

(1) study the distribution formulas for the Capital Outlay Foundation Program created in Section 53F-3-202 and Capital Outlay Enrollment Growth Program created in Section 53F-3-203, including:

(a) addressing the impact on the Capital Outlay Foundation Program formula distribution associated with the equal weighting of local property tax revenues from school district Capital and Debt Service levies, including whether adjusting the balance would provide for a broader distribution among school districts;

(b) addressing how to adjust distribution formulas to improve equity and distribution to

## SB0002S01 compared with SB0002

a wider array of school districts;

(c) addressing whether using a WPU-based formula like the Voted and Board Local Levy Guarantee could improve distributional equity among districts; and

(d) making recommendations on potential statutory changes; and

(2) report to the Public Education Appropriations Subcommittee on the study described in Subsection (1) on or before September 30, 2020.

### STATE BOARD OF EDUCATION

#### ITEM 6 To State Board of Education - Educator Licensing

From Education Fund (3,629,300)

Schedule of Programs:

Educator Licensing 170,700

STEM Endorsement Incentives (3,800,000)

#### ITEM 7 To State Board of Education - Fine Arts Outreach

From Education Fund 250,000

Schedule of Programs:

Provisional Program 250,000

#### ITEM 8 To State Board of Education - Initiative Programs

From Education Fund 19,007,500

From Education Fund, One-Time 2,688,500

Schedule of Programs:

Computer Science Initiatives 7,000,000

Contracts and Grants 2,401,500

General Financial Literacy 500,000

Intergenerational Poverty Interventions 1,001,100

Kindergarten Supplement Enrichment Program 3,000,000

Partnerships for Student Success 3,006,400

Strengthening Career and College Readiness (213,000)

UPSTART 5,000,000

#### ITEM 9 To State Board of Education - MSP Categorical Program Administration

From Education Fund 520,000

Schedule of Programs:

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<u>Student Health and Counseling Support Program</u>	<u>520,000</u>
<u>ITEM 10 To State Board of Education - Science Outreach</u>	
<u>From Education Fund</u>	<u>200,000</u>
<u>Schedule of Programs:</u>	
<u>Informal Science Education Enhancement</u>	<u>200,000</u>
<u>ITEM 11 To State Board of Education - State Administrative Office</u>	
<u>From Education Fund</u>	<u>1, <del>592,800</del> 601,200</u>
<u>From Education Fund, One-Time</u>	<u>3,200,000</u>
<u>Schedule of Programs:</u>	
<u>Financial Operations</u>	<u>650,700</u>
<u>Indirect Cost Pool</u>	<u>450,000</u>
<u>Statewide Online Education Program</u>	<u>3, <del>242</del> 250, <del>100</del> 5</u>
	<u>00</u>
<u>Student Support Services</u>	<u>450,000</u>

The Legislature intends that the State Board of Education:

- (1) evaluate the participation of home school and private school students in the Statewide Online Education Program, including:
- (a) ongoing funding levels;
  - (b) the mix between home and private school students;
  - (c) how to best manage future growth needs within appropriated funding; and
  - (d) the potential of using mechanisms to control costs, including implementing a fee structure or requiring private and home school students to enroll in a local education agency;
- and

(2) report recommendations to the Public Education Appropriations Subcommittee on the evaluation described in Subsection (1) before August 30, 2020.

ITEM 12 To State Board of Education - General System Support

<u>From Education Fund</u>	<u>(400,000)</u>
<u>Schedule of Programs:</u>	
<u>Student Achievement</u>	<u>50,000</u>
<u>Teaching and Learning</u>	<u>(450,000)</u>

The Legislature intends that the State Board of Education use any revenue or



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nonlapsing balances generated from the licensing of Readiness Improvement Success Empowerment (RISE) questions:

- (1) to develop additional assessment questions for all state assessments;
- (2) to provide professional learning for Utah educators; and
- (3) for risk mitigation expenditures.

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

From Education Fund 946,000

From Education Fund, One-Time 945,000

#### Schedule of Programs:

Administration 1,391,000

Utah State Instructional Materials Access Center 500,000

### SCHOOL AND INSTITUTIONAL TRUST FUND OFFICE

#### ITEM 14 To School and Institutional Trust Fund Office

From School and Institutional Trust Fund Management Account 182,200

#### Schedule of Programs:

School and Institutional Trust Fund Office 182,200

#### Section 12(b). **Restricted Fund and Account Transfers.**

The Legislature authorizes the State Division of Finance to transfer the following amounts between the following funds or accounts as indicated. Expenditures and outlays from the funds to which the money is transferred must be authorized by an appropriation.

### PUBLIC EDUCATION

#### ITEM 15 To Underage Drinking Prevention Program Restricted Account

From Liquor Control Fund 1,750,000

#### Schedule of Programs:

Underage Drinking Prevention Program

Restricted Account 1,750,000

#### ITEM 16 To Teacher and Student Success Account

From Education Fund 20,600,000

#### Schedule of Programs:

Teacher and Student Success Account 20,600,000

#### Section 13. **Effective date.**

## **SB0002S01 compared with SB0002**

(1) Except as provided in Subsection (2), this bill takes effect on July 1, 2020.

(2) If approved by two-thirds of all the members elected to each house, Section 11, Fiscal Year 2020 Appropriations, and Section 11(a), Operating and Capital Budgets, take effect upon approval by the governor, or the day following the constitutional time limit of Utah Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto, the date of veto override.