

SB0104S02 compared with SB0104

~~{deleted text}~~ shows text that was in SB0104 but was deleted in SB0104S02.

inserted text shows text that was not in SB0104 but was inserted into SB0104S02.

DISCLAIMER: This document is provided to assist you in your comparison of the two bills. Sometimes this automated comparison will NOT be completely accurate. Therefore, you need to read the actual bills. This automatically generated document could contain inaccuracies caused by: limitations of the compare program; bad input data; or other causes.

Senator Lincoln Fillmore proposes the following substitute bill:

LOCAL EDUCATION LEVY STATE GUARANTEE

AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lincoln Fillmore

House Sponsor: _____

LONG TITLE

General Description:

This bill ~~{increases the number of increments the state guarantees for certain local education levies}~~ provides for an increase in the guaranteed amount per guaranteed local levy increment in certain circumstances.

Highlighted Provisions:

This bill:

- ~~{~~ → increases the number of increments the state guarantees for certain local education levies;
- ‡ ▶ provides for an increase in the guaranteed amount per guaranteed local levy increment in certain circumstances; and

SB0104S02 compared with SB0104

- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

53F-2-601, as last amended by Laws of Utah 2019, Chapter 186

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

Section 1. Section **53F-2-601** is amended to read:

53F-2-601. State guaranteed local levy increments -- Appropriation to increase number of guaranteed local levy increments -- No effect of change of minimum basic tax rate -- Voted and board local levy funding balance -- Use of guaranteed local levy increment funds.

(1) As used in this section:

(a) "Board local levy" means a local levy described in Section 53F-8-302.

(b) "Guaranteed local levy increment" means a local levy increment guaranteed by the state:

(i) for the board local levy, described in ~~(A)~~

~~(A) Subsections (2)(a)(ii)(A) and (2)(b)(ii)(B); or~~

~~(B) for a fiscal year beginning on July 1, 2020, 2021, or 2022, Subsections (2)(b)(ii)(B) through (D); and~~

~~(C) for a fiscal year beginning on or after July 1, 2023, Subsection (2)(c)(ii); or~~

(ii) for the voted local levy, described in ~~(A)~~

~~(A) Subsections (2)(a)(ii)(B) and (2)(b)(ii)(A);~~

~~(B) for a fiscal year beginning on July 1, 2020, 2021, or 2022, Subsection (2)(b)(ii)(A); and~~

~~(C) for a fiscal year beginning on or after July 1, 2023, Subsection (2)(c)(i);~~

(c) "Local levy increment" means .0001 per dollar of taxable value.

(d) (i) "Voted and board local levy funding balance" means the difference between:

SB0104S02 compared with SB0104

(A) the amount appropriated for the guaranteed local levy increments in a fiscal year;
and

(B) the amount necessary to fund in the same fiscal year the guaranteed local levy increments as determined under this section.

(ii) "Voted and board local levy funding balance" does not include appropriations described in Subsection (2)(b)(i).

(e) "Voted local levy" means a local levy described in Section 53F-8-301.

(2) (a) (i) In addition to the revenue collected from the imposition of a voted local levy or a board local levy, the state shall guarantee that a school district receives, subject to Subsections ~~§(2)(b)(ii)(C)~~ ~~§(2)(b)(ii)(E)~~ and (3)(a), for each guaranteed local levy increment, an amount sufficient to guarantee for a fiscal year that begins on July 1, 2018, \$43.10 per weighted pupil unit.

(ii) Except as provided in ~~§~~ Subsection ~~§ Subsections~~ (2)(b)(ii) ~~and (2)(c)~~, the number of local levy increments that are subject to the guarantee amount described in Subsection (2)(a)(i) are:

(A) for a board local levy, the first four local levy increments a local school board imposes under the board local levy; and

(B) for a voted local levy, the first 16 local levy increments a local school board imposes under the voted local levy.

(b) (i) Subject to future budget constraints and Subsection ~~§(2)(c)~~ ~~§(2)(d)~~, the Legislature shall annually appropriate money from the Local Levy Growth Account established in Section 53F-9-305 for purposes described in Subsection (2)(b)(ii).

(ii) The state board shall, for a fiscal year beginning on or after July 1, 2018, and subject to Subsection ~~§(2)(c)~~ ~~§(2)(d)~~, allocate funds appropriated under Subsection (2)(b)(i) in the following order of priority by increasing:

(A) by up to four increments the number of voted local levy guaranteed local levy increments above 16;

~~{ (B) for a fiscal year beginning on July 1, 2020, by up to [16] 17 increments the number of board local levy guaranteed local levy increments above four; [and]~~

~~— (C) for a fiscal year beginning on July 1, 2021, by up to 18 increments the number of board local levy guaranteed local levy increments above four;~~

SB0104S02 compared with SB0104

~~(D) for a fiscal year beginning on July 1, 2022, by up to 19 increments the number of board local levy guaranteed local levy increments above four; and~~

~~[(C)] (E) the guaranteed amount described in Subsection (2)(a)(i).~~

~~(c) For a fiscal year beginning on or after July 1, 2023, subject to future budget constraints and Subsection (2)(d), the Legislature shall appropriate money to increase, in the following order of priority:~~

~~† †(†)B) by up to {four}16 increments the number of {voted}board local levy guaranteed local levy increments above {16};~~

~~(ii) by up to 21 increments the number of board local levy guaranteed local levy increments above }four; and~~

~~†(†iii)C) the guaranteed amount described in Subsection (2)(a)(i).~~

~~††(c)†(d)† The number of guaranteed local levy increments under this Subsection (2) for a school district may not exceed ††20†† the following number of} guaranteed local levy increments, regardless of whether the guaranteed local levy increments are from the imposition of a voted local levy, a board local levy, or a combination of the two{†.†:~~

~~(i) for a fiscal year beginning on July 1, 2020, 21;~~

~~(ii) for a fiscal year beginning on July 1, 2021, 22;~~

~~(iii) for a fiscal year beginning on July 1, 2022, 23;~~

~~(iv) for a fiscal year beginning on July 1, 2023, 24;~~

~~(v) for a fiscal year beginning on July 1, 2024, 25;~~

~~(vi) for a fiscal year beginning on July 1, 2025, 30;~~

~~(vii) for a fiscal year beginning on July 1, 2026, 35;~~

~~(viii) for a fiscal year beginning on July 1, 2027, 40; and~~

~~(ix) for a fiscal year beginning on July 1, 2028, 45;~~

~~(c);~~

~~(d) (i) As used in this subsection, "cost for the guarantee" means the total cost for the guarantee described in this section, excluding the cost of the adjustments described in {Subsections}Subsection (2)(b)(ii)† and (2)(c)†.~~

~~(ii) In addition to an appropriation for the adjustment described in {Subsections}Subsection (2)(b)(ii)† and (2)(c)†, the Legislature shall annually appropriate an amount that is the greater of:~~

SB0104S02 compared with SB0104

(A) the cost for the guarantee for the upcoming fiscal year; or

(B) the amount appropriated for the cost for the guarantee for the current fiscal year.

(iii) From an appropriation described in Subsection (2)(~~f~~~~e~~~~r~~~~d~~)(ii)(B), the state board shall allocate an amount equal to the difference between the amounts described in Subsections (2)(~~f~~~~e~~~~r~~~~d~~)(ii)(A) and (B) to increase the guarantee amount for each guaranteed local levy increment.

(3) (a) The guarantee described in Subsection (2)(a)(i) is indexed each year to the value of the weighted pupil unit by making the value of the guarantee equal to .011962 times the value of the prior year's weighted pupil unit.

(b) The guarantee shall increase by .0005 times the value of the prior year's weighted pupil unit for each year subject to the Legislature appropriating funds for an increase in the guarantee.

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

(b) Subsection (4)(a) applies for a period of five years following a change in the certified tax rate as described in Subsection (4)(a).

(5) 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.

(6) (a) If a voted and board local levy funding balance exists for the prior fiscal year, the state board shall:

(i) use the voted and board local levy funding balance to increase the value of the state guarantee per weighted pupil unit described in Subsection (3)(a) in the current fiscal year; and

(ii) distribute guaranteed local levy increment funds to school districts based on the increased value of the state guarantee per weighted pupil unit described in Subsection (6)(a)(i).

(b) The state board shall report action taken under Subsection (6)(a) to the Office of the Legislative Fiscal Analyst and the Governor's Office of Management and Budget.

(7) A local school board of a school district that receives funds described in this section

SB0104S02 compared with SB0104

shall budget and expend the funds for public education purposes.