

1 **SCHOOL DISTRICT USE OF PROPERTY TAX REVENUE**

2 2020 FIFTH SPECIAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: V. Lowry Snow**

5 Senate Sponsor: Deidre M. Henderson

7 **LONG TITLE**

8 **General Description:**

9 This bill allows increased flexibility in a local school board's use of revenue from the
10 capital local levy.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ allows increased flexibility in a local school board's use of revenue from the capital
- 14 local levy; and
- 15 ▶ makes technical changes.

16 **Money Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 This bill provides a special effective date.

20 **Utah Code Sections Affected:**

21 AMENDS:

22 **53F-8-303 (Contingently Superseded 01/01/21)**, as last amended by Laws of Utah
23 2018, Chapters 281, 288, 456 and renumbered and amended by Laws of Utah 2018,
24 Chapter 2

25 **53F-8-303 (Contingently Effective 01/01/21)**, as last amended by Laws of Utah 2020,
26 Chapter 207



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

29 Section 1. Section **53F-8-303 (Contingently Superseded 01/01/21)** is amended to
30 read:

31 **53F-8-303 (Contingently Superseded 01/01/21). Capital local levy.**

32 (1) Subject to the other requirements of this section, a local school board may levy a
33 tax to fund the school district's:

- 34 (a) capital projects; or
- 35 (b) technology programs or projects.

36 (2) A tax rate imposed by a school district pursuant to this section may not exceed
37 .0030 per dollar of taxable value in any calendar year.

38 (3) For the fiscal years beginning on July 1, 2020, and July 1, 2021, a local school
39 board may transfer revenue from the school district's capital project fund to the school district's
40 general fund for the local school board's school district for operational expenses.

41 Section 2. Section **53F-8-303 (Contingently Effective 01/01/21)** is amended to read:

42 **53F-8-303 (Contingently Effective 01/01/21). Capital local levy.**

43 (1) As used in this section:

44 (a) "Cost of the basic program" means the cost of the programs described in Title 53F,
45 Chapter 2, Part 3, Basic Program (Weighted Pupil Units) in a school district.

46 (b) "Low-revenue year" means a fiscal year for which the Legislature appropriates
47 ongoing funding from the Public Education Economic Stabilization Restricted Account under
48 Subsection [53F-9-204\(3\)\(b\)](#).

49 (2) Subject to the other requirements of this section, a local school board may levy a
50 tax to fund the school district's:

- 51 (a) capital projects;
- 52 (b) technology programs or projects; or
- 53 (c) subject to Subsection (4), operational expenses for a low-revenue year.

54 (3) A tax rate imposed by a school district pursuant to this section may not exceed
55 .0030 per dollar of taxable value in any calendar year.

56 (4) ~~For~~ Except as provided in Subsection (6), for a low-revenue year, a local school
57 board may transfer an amount of revenue from the school district's capital project fund to the
58 school district's general fund for the local school board's school district for operational

59 expenses in an amount equal to:

60 (a) for a local school board in a county of the first, second, or third class, revenue
61 generated by up to .0002 per dollar of taxable value of the capital local levy; or

62 (b) for a local school board in a county of the fourth, fifth, or sixth class, up to the
63 lesser of:

64 (i) 10% of the cost of the basic program; or

65 (ii) 25% of the revenue that the school district's capital local levy generates.

66 (5) The state board shall notify local school boards, school district superintendents, and
67 business administrators in the event of a low-revenue year.

68 (6) For the fiscal years beginning on July 1, 2020, and July 1, 2021, a local school
69 board may transfer revenue from the school district's capital project fund to the school district's
70 general fund for the local school board's school district for operational expenses.

71 Section 3. **Effective date.**

72 If approved by two-thirds of all the members elected to each house, this bill takes effect
73 upon approval by the governor, or the day following the constitutional time limit of Utah
74 Constitution, Article VII, Section 8, without the governor's signature, or in the case of a veto,
75 the date of veto override.