1	LOCAL SCHOOL FUNDING OPTIONS
2	2015 GENERAL SESSION
3	STATE OF UTAH
4	Chief Sponsor: Norman K Thurston
5	Senate Sponsor:
6 7	LONG TITLE
8	General Description:
9	This bill creates the Block Grant Funding Pilot Program.
10	Highlighted Provisions:
11	This bill:
12	<ul><li>creates the Block Grant Funding Pilot Program (program);</li></ul>
13	<ul> <li>requires the State Board of Education to select qualifying local education agencies</li> </ul>
14	(LEA) to participate in the program;
15	<ul> <li>provides for an LEA that participates in the program to receive most state funding</li> </ul>
16	as a block grant for a certain period of time;
17	<ul> <li>provides an exception to certain program requirements for a certain period of time</li> </ul>
18	for an LEA that participates in the program;
19	<ul> <li>requires the State Board of Education to report to the Education Interim Committee</li> </ul>
20	on the status of the program; and
21	<ul><li>makes technical changes.</li></ul>
22	Money Appropriated in this Bill:
23	None
24	Other Special Clauses:
25	None
26	<b>Utah Code Sections Affected:</b>
27	AMENDS:



28	53A-15-104, as last amended by Laws of Utah 2014, Chapter 63
29	53A-15-105, as enacted by Laws of Utah 2008, Chapter 235
30	53A-17a-111, as last amended by Laws of Utah 2011, Chapter 342
31	53A-17a-112, as last amended by Laws of Utah 2011, Chapters 359 and 366
32	53A-17a-113, as last amended by Laws of Utah 2010, Chapter 3
33	53A-17a-120.5, as last amended by Laws of Utah 2010, Chapter 3
34	53A-17a-124.5, as last amended by Laws of Utah 2013, Chapter 299
35	53A-17a-127, as last amended by Laws of Utah 2011, Chapters 366 and 371
36	53A-17a-150, as last amended by Laws of Utah 2013, Chapter 466
37	53A-17a-154, as last amended by Laws of Utah 2010, Chapter 3
38	53A-17a-155, as last amended by Laws of Utah 2010, Chapter 3
39	53A-17a-159, as enacted by Laws of Utah 2008, Chapter 397
40	53A-17a-162, as last amended by Laws of Utah 2011, Chapter 330
41	53A-17a-165, as last amended by Laws of Utah 2014, Chapter 193
42	53A-17a-167, as last amended by Laws of Utah 2013, Chapter 466
43	53A-17a-168, as enacted by Laws of Utah 2012, Chapter 188
44	53A-21-202, as last amended by Laws of Utah 2010, Chapter 185
45	63I-1-253, as last amended by Laws of Utah 2014, Chapters 189, 226, and 412
46	ENACTS:
47	53A-17a-301, Utah Code Annotated 1953
48	<b>53A-17a-302</b> , Utah Code Annotated 1953
49 50	Be it enacted by the Legislature of the state of Utah:
51	Section 1. Section <b>53A-15-104</b> is amended to read:
52	53A-15-104. Critical Languages Program Pilot.
53	(1) (a) As used in this section, "critical languages" means those languages described in
54	the federal National Security Language Initiative, including Chinese, Arabic, Russian, Farsi,
55	Hindi, and Korean.
56	(b) The Legislature recognizes:
57	(i) the importance of students acquiring skills in foreign languages in order for them to
58	successfully compete in a global society; and

59	(ii) the academic, societal, and economic development benefits of the acquisition of
60	critical languages.
61	(2) (a) The State Board of Education, in consultation with the Utah Education and
62	Telehealth Network, shall develop and implement courses of study in the critical languages.
63	(b) A course may be taught:
64	(i) over the state's two-way interactive video conferencing system for video and audio
65	to students in the state's public education system;
66	(ii) through the Electronic High School;
67	(iii) through traditional instruction; or
68	(iv) by visiting guest teachers.
69	(3) (a) The courses authorized in Subsection (2) may use paraprofessionals in the
70	classroom who:
71	(i) are fluent in the critical language being taught; and
72	(ii) can provide reinforcement and tutoring to students on days and at times when they
73	are not receiving instruction under Subsection (2)(b).
74	(b) The State Board of Education, through the state superintendent of public
75	instruction, shall ensure that the paraprofessionals are fluent in the critical languages.
76	(4) The State Board of Education shall make rules on the critical languages courses
77	authorized under this section in accordance with Title 63G, Chapter 3, Utah Administrative
78	Rulemaking Act, to include:
79	(a) notification to school districts on the times and places of the course offerings; and
80	(b) instructional materials for the courses.
81	(5) The State Board of Education shall track and monitor the Critical Languages
82	Program and may expand the program to include more course offerings and other critical
83	languages, subject to student demand for the courses and available resources.
84	(6) (a) Subject to funding for the program, the State Board of Education shall establish
85	a pilot program for school districts and schools to initially participate in the Critical Language
86	Program that provides:
87	(i) up to \$6,000 per language per school, for up to 60 schools, for courses offered in

(ii) up to \$100 per student who completes a critical languages course; and

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critical languages;

90	(iii) up to an additional \$400 per foreign exchange student who completes a critical
91	languages course.
92	(b) If the available funding is insufficient to provide the amounts described under
93	Subsection (6)(a), the amounts provided shall be reduced pro rata so that the total provided
94	does not exceed the available funding.
95	(c) During the fiscal years that a school district or charter school receives state funding
96	as a block grant under Part 3, Block Grant Funding Pilot Program, the school district or charter
97	school may use the funding described in this Subsection (6) for any public education purpose.
98	Section 2. Section <b>53A-15-105</b> is amended to read:
99	53A-15-105. Dual Language Immersion Program Pilot.
100	(1) Subject to funding for the program, the State Board of Education shall establish a
101	pilot program for school districts and schools to initially participate in the Dual Language
102	Immersion Program.
103	(2) The program shall provide funds as an incentive to 15 qualifying schools for the
104	following languages:
105	(a) six pilots for Chinese;
106	(b) six pilots for Spanish;
107	(c) two pilots for French; and
108	(d) one pilot for Navajo.
109	(3) Subject to funding for the program, a qualifying school shall:
110	(a) receive up to \$18,000 per year for up to six years;
111	(b) establish an instructional model that uses 50% of instruction in English and 50% of
112	instruction in another language; and
113	(c) begin the instructional model described under Subsection (3)(b) in kindergarten or
114	grade 1 and add an additional grade each year.
115	(4) During the fiscal years that a school district or charter school receives state funding
116	as a block grant under Part 3, Block Grant Funding Pilot Program, the school district or charter
117	school may use the funding described in Subsection (3)(a) for any public education purpose.
118	Section 3. Section <b>53A-17a-111</b> is amended to read:
119	53A-17a-111. Weighted pupil units for programs for students with disabilities
120	District allocation.

(1) The number of weighted pupil units for students with disabilities shall reflect the direct cost of programs for those students conducted in accordance with rules established by the State Board of Education in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

- (2) [Disability] (a) Except as provided in Subsection (2)(b), disability program money allocated to districts is restricted and shall be spent for the education of students with disabilities but may include expenditures for approved programs of services conducted for certified instructional personnel who have students with disabilities in their classes.
- (b) During the fiscal years that a school district or charter school receives state funding as a block grant under Part 3, Block Grant Funding Pilot Program, the school district or charter school:
- (i) except as provided in Subsection (2)(b)(ii), may use disability program money described in this section for any public education purpose; and
- (ii) shall comply with the Individuals with Disabilities Education Act Amendments of 1997, Pub. L. No. 105-17, and subsequent amendments.
- (3) The State Board of Education shall establish and strictly interpret definitions and provide standards for determining which students have disabilities and shall assist districts in determining the services that should be provided to students with disabilities.
- (4) Each year the board shall evaluate the standards and guidelines that establish the identifying criteria for disability classifications to assure strict compliance with those standards by the districts.
- (5) (a) Money appropriated to the State Board of Education for add-on WPUs for students with disabilities enrolled in regular programs shall be allocated to school districts as provided in this Subsection (5).
  - (b) Beginning on July 1, 2003, the State Board of Education shall:
- (i) use a district's average number of special education add-on weighted pupil units determined by the previous five year's average daily membership data as a foundation for the special education add-on appropriation; and
- (ii) implement a hold harmless provision for up to three years as needed to accomplish a phase-in period for school districts to accommodate the change in the special education add-on WPUs foundation formula.

(c) A district's special education add-on WPUs for the current year may not be less than the foundation special education add-on WPUs.

- (d) Growth WPUs shall be added to the prior year special education add-on WPUs, and growth WPUs shall be determined as follows:
- (i) The special education student growth factor is calculated by comparing S-3 total special education ADM of two years previous to the current year to the S-3 total special education ADM three years previous to the current year, not to exceed the official October total district growth factor from the prior year.
- (ii) When calculating and applying the growth factor, a district's S-3 total special education ADM for a given year is limited to 12.18% of the district's S-3 total student ADM for the same year.
- (iii) Growth ADMs are calculated by applying the growth factor to the S-3 total special education ADM of two years previous to the current year.
- (iv) Growth ADMs for each district are multiplied by 1.53 weighted pupil units and added to the prior year special education add-on WPU to determine each district's total allocation.
- (6) If money appropriated under this chapter for programs for students with disabilities does not meet the costs of districts for those programs, each district shall first receive the amount generated for each student with a disability under the basic program.
  - Section 4. Section **53A-17a-112** is amended to read:
- 53A-17a-112. Preschool special education appropriation -- Extended year program appropriation -- Appropriation for special education programs in state institutions -- Appropriations for stipends for special educators.
- (1) (a) Money appropriated to the State Board of Education for the preschool special education program shall be allocated to school districts to provide a free, appropriate public education to preschool students with a disability, ages three through five, except as provided in Subsection (6).
- (b) The money shall be distributed on the basis of the school district's count of preschool children with a disability for December 1 of the previous year, as mandated by federal law.
- (2) Money appropriated for the extended school year program for children with a

severe disability shall be limited to students with severe disabilities with education program goals identifying significant regression and recoupment disability as approved by the State Board of Education.

- (3) (a) Money appropriated for self-contained regular special education programs may not be used to supplement other school programs.
- (b) Money in any of the other restricted line item appropriations may not be reduced more than 2% to be used for purposes other than those specified by the appropriation, unless otherwise provided by law.
- (4) (a) The State Board of Education shall compute preschool funding by a factor of 1.47 times the current December 1 child count of eligible preschool aged three, four, and five-year-olds times the WPU value, limited to 8% growth over the prior year December 1 count.
- (b) The board shall develop guidelines to implement the funding formula for preschool special education, and establish prevalence limits for distribution of the money.
- (5) Of the money appropriated for Special Education State Programming, the State Board of Education shall distribute the revenue generated from 909 WPUs to school districts, charter schools, and the Utah Schools for the Deaf and the Blind for stipends to special educators for additional days of work pursuant to the requirements of Section 53A-17a-158.
- (6) During the fiscal years that a school district or charter school receives state funding as a block grant under Part 3, Block Grant Funding Pilot Program, the school district or charter school:
- (a) except as provided in Subsection (6)(b), may use money appropriated under this section for any public education purpose; and
- (b) shall comply with the Individuals with Disabilities Education Act Amendments of 1997, Pub. L. No. 105-17, and subsequent amendments.
  - Section 5. Section **53A-17a-113** is amended to read:
- 53A-17a-113. Weighted pupil units for career and technical education programs -- Funding of approved programs -- Performance measures -- Qualifying criteria.
- (1) (a) Money appropriated to the State Board of Education for approved career and technical education programs and the comprehensive guidance program:
- 213 (i) shall be allocated to eligible recipients as provided in Subsections (2), (3), (4), and

214	(5); and
215	(ii) except as provided in Subsections (1)(b) and (8), may not be used to fund programs
216	below the [ninth] grade 9 level.
217	[(b) Subsection (1)(a)(ii) does not apply to the following programs:]
218	(b) Funds appropriated to the State Board of Education for the following programs may
219	be used to fund programs below the grade 9 level:
220	(i) comprehensive guidance;
221	(ii) Technology-Life-Careers; and
222	(iii) work-based learning programs.
223	(2) (a) Weighted pupil units are computed for pupils in approved programs.
224	(b) (i) The board shall fund approved programs based upon hours of membership of
225	[9th through 12th grade] students in grades 9 through 12.
226	(ii) Subsection (2)(b)(i) does not apply to the following programs:
227	(A) comprehensive guidance;
228	(B) Technology-Life-Careers; and
229	(C) work-based learning programs.
230	(c) The board shall use an amount not to exceed 20% of the total appropriation under
231	this section to fund approved programs based on performance measures such as placement and
232	competency attainment defined in standards set by the board.
233	(d) Leadership organization funds shall constitute an amount not to exceed 1% of the
234	total appropriation under this section, and shall be distributed to each local educational agency
235	sponsoring career and technical education student leadership organizations based on the
236	agency's share of the state's total membership in those organizations.
237	(e) The board shall make the necessary calculations for distribution of the
238	appropriation to school districts and may revise and recommend changes necessary for
239	achieving equity and ease of administration.
240	(3) (a) Twenty weighted pupil units shall be computed for career and technical
241	education administrative costs for each district, except 25 weighted pupil units may be
242	computed for each district that consolidates career and technical education administrative
243	services with one or more other districts.
244	(b) Between 10 and 25 weighted pupil units shall be computed for each high school

conducting approved career and technical education programs in a district according to standards established by the board.

- (c) Forty weighted pupil units shall be computed for each district that operates an approved career and technical education center.
- (d) Between five and seven weighted pupil units shall be computed for each summer career and technical education agriculture program according to standards established by the board.
- (e) The board shall, by rule, establish qualifying criteria for districts to receive weighted pupil units under this Subsection (3).
- (4) (a) Money remaining after the allocations made under Subsections (2) and (3) shall be allocated using average daily membership in approved programs for the previous year.
- (b) A district that has experienced student growth in grades 9 through 12 for the previous year shall have the growth factor applied to the previous year's weighted pupil units when calculating the allocation of money under this Subsection (4).
- (5) Of the money allocated to comprehensive guidance programs pursuant to board rules, \$1,000,000 in grants shall be awarded to school districts or charter schools that:
  - (a) provide an equal amount of matching funds; and
  - (b) do not supplant other funds used for comprehensive guidance programs.
- (6) (a) The board shall establish rules for the upgrading of high school career and technical education programs.
- (b) The rules shall reflect career and technical training and actual marketable job skills in society.
- (c) The rules shall include procedures to assist school districts to convert existing programs which are not preparing students for the job market into programs that will accomplish that purpose.
  - (7) Programs that do not meet board standards may not be funded under this section.
- (8) During the fiscal years that a school district or charter school receives state funding as a block grant under Part 3, Block Grant Funding Pilot Program, the school district or charter school:
- 274 (a) may use funds appropriated under this section for any public education purpose; 275 and

276	(b) is not subject to the requirements described in Subsection (1), (3), (5), or (7).
277	Section 6. Section <b>53A-17a-120.5</b> is amended to read:
278	53A-17a-120.5. Appropriation for concurrent enrollment.
279	(1) Money appropriated to the State Board of Education for concurrent enrollment shall
280	be allocated as follows:
281	(a) the money shall first be allocated proportionally, based upon student credit hour
282	delivered, between courses that are:
283	(i) taught by public school educators; and
284	(ii) taught by college or university faculty;
285	(b) from the money allocated under Subsection (1)(a)(i):
286	(i) 60% of the money shall be allocated to local school boards and charter schools; and
287	(ii) 40% of the money shall be allocated to the State Board of Regents; and
288	(c) from the money allocated under Subsection (1)(a)(ii):
289	(i) 40% of the money shall be allocated to local school boards and charter schools; and
290	(ii) 60% of the money shall be allocated to the State Board of Regents.
291	(2) The State Board of Education shall make rules providing that a school participating
292	in the concurrent enrollment programs offered under Section 53A-15-101 shall receive an
293	allocation from the money described in Subsection (1) as provided in Section 53A-15-101.
294	(3) The State Board of Regents shall make rules providing that an institution of higher
295	education participating in the concurrent enrollment programs offered under Section
296	53A-15-101 shall receive an allocation from the money described in Subsection (1) as provided
297	in the rules.
298	(4) Subject to budget constraints, the Legislature shall annually increase the money
299	appropriated to the State Board of Education for concurrent enrollment based on:
300	(a) enrollment growth in concurrent enrollment from additional students enrolled,
301	courses offered, and credit hours taken; and
302	(b) the percentage increase in the value of the weighted pupil unit.
303	(5) (a) The State Board of Education and the State Board of Regents shall annually
304	report to the Public Education Appropriations Subcommittee:
305	(i) an accounting of the money appropriated for concurrent enrollment; and
306	(ii) a justification of the split described in Subsections (1)(a) and (b).

(b) The State Board of Regents shall annually report to the Higher Education
Appropriations Subcommittee on concurrent enrollment participation and growth, including data on what higher education tuition would have been charged for the hours of concurrent enrollment credit granted.
(6) [In] (a) Except as provided in Subsection (6)(b), in order to qualify for funds under this section, a concurrent enrollment program shall comply with the requirements described in Section 53A-15-101, including rules adopted in accordance with Subsection 53A-15-101(3).

- (b) During the fiscal years that a school district or charter school receives state funding under Part 3, Block Grant Funding Pilot Program, the school district or charter school may use funds appropriated under this section for any public education purpose.
  - Section 7. Section **53A-17a-124.5** is amended to read:

## 53A-17a-124.5. Appropriation for class size reduction.

- (1) [Money] Except as provided in Subsection (9), funds appropriated to the State Board of Education for class size reduction shall be used to reduce the average class size in kindergarten through [the eighth] grade 8 in the state's public schools.
- (2) Each <u>school</u> district or charter school shall receive its allocation based upon prior year average daily membership in kindergarten through grade 8 plus growth as determined under Subsection 53A-17a-106(3) as compared to the total prior year average daily membership in kindergarten through grade 8 plus growth of school districts and charter schools that qualify for an allocation pursuant to Subsection (8).
- (3) (a) A <u>school</u> district may use its allocation to reduce class size in any one or all of the grades referred to under this section, except as otherwise provided in Subsection (3)(b).
- (b) (i) Each <u>school</u> district or charter school shall use 50% of its allocation to reduce class size in any one or all of grades kindergarten through grade 2, with an emphasis on improving student reading skills.
- (ii) If a <u>school</u> district's or charter school's average class size is below 18 in grades kindergarten through grade 2, it may petition the state board for, and the state board may grant, a waiver to use its allocation under Subsection (3)(b)(i) for class size reduction in the other grades.
- (4) [Schools] A school may use nontraditional innovative and creative methods to reduce class sizes with this appropriation and may use part of their allocation to focus on class

size reduction for specific groups, such as at risk students, or for specific blocks of time during the school day.

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- (5) (a) A school district or charter school may use up to 20% of its allocation under Subsection (1) for capital facilities projects if such projects would help to reduce class size.
- (b) If a school district's or charter school's student population increases by 5% or 700 students from the previous school year, the school district or charter school may use up to 50% of any allocation it receives under this section for classroom construction.
- (6) This appropriation is to supplement any other appropriation made for class size reduction.
- (7) The Legislature shall provide for an annual adjustment in the appropriation authorized under this section in proportion to the increase in the number of students in the state in kindergarten through grade eight.
- (8) (a) To qualify for class size reduction money, a school district or charter school shall submit:
- (i) a plan for the use of the school district's or charter school's allocation of class size reduction money to the State Board of Education; and
- (ii) beginning with the 2014-15 school year, a report on the school district's or charter school's use of class size reduction money in the prior school year.
- (b) The plan and report required pursuant to Subsection (8)(a) shall include the following information:
  - (i) (A) the number of teachers employed using class size reduction money;
  - (B) the amount of class size reduction money expended for teachers; and
- (C) if supplemental school district or charter school funds are expended to pay for teachers employed using class size reduction money, the amount of the supplemental money;
  - (ii) (A) the number of paraprofessionals employed using class size reduction money;
  - (B) the amount of class size reduction money expended for paraprofessionals; and
- (C) if supplemental school district or charter school funds are expended to pay for paraprofessionals employed using class size reduction money, the amount of the supplemental money; and
  - (iii) the amount of class size reduction money expended for capital facilities.
- 368 (c) In addition to submitting a plan and report on the use of class size reduction money,

369 a school district or charter school shall annually submit a report to the State Board of Education 370 that includes the following information: 371 (i) the number of teachers employed using K-3 Reading Improvement Program money 372 received pursuant to Sections 53A-17a-150 and 53A-17a-151; 373 (ii) the amount of K-3 Reading Improvement Program money expended for teachers; (iii) the number of teachers employed in kindergarten through grade 8 using Title I 374 375 money; 376 (iv) the amount of Title I money expended for teachers in kindergarten through grade 377 8; and (v) a comparison of actual average class size by grade in grades kindergarten through 8 378 379 in the school district or charter school with what the average class size would be without the 380 expenditure of class size reduction, K-3 Reading Improvement Program, and Title I money. 381 (d) The information required to be reported in Subsections (8)(b)(i)(A) through (C). 382 (8)(b)(ii)(A) through (C), and (8)(c) shall be categorized by a teacher's or paraprofessional's 383 teaching assignment, such as the grade level, course, or subject taught. 384 (e) The State Board of Education may make rules specifying procedures and standards 385 for the submission of: 386 (i) a plan and a report on the use of class size reduction money as required by this 387 section; and 388 (ii) a report required under Subsection (8)(c). 389 (f) Based on the data contained in the class size reduction plans and reports submitted 390 by school districts and charter schools, and data on average class size, the State Board of 391 Education shall annually report to the Education Interim Committee on the impact of class size 392 reduction, K-3 Reading Improvement Program, and Title I money on class size. 393 (9) During the fiscal years that a school district or charter school receives state funding 394 under Part 3, Block Grant Funding Pilot Program, the school district or charter school: 395 (a) may use funds received under this section for any public education purpose; and 396 (b) is not subject to the requirements in Subsection (3), (5), or (8). 397 Section 8. Section **53A-17a-127** is amended to read:

53A-17a-127. Eligibility for state-supported transportation -- Approved bus

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routes -- Additional local tax.

(1)	A student eligible	e for state-supported	transportation means:
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- (a) a student enrolled in kindergarten through grade six who lives at least 1-1/2 miles from school;
- (b) a student enrolled in grades seven through 12 who lives at least two miles from school; and
- (c) a student enrolled in a special program offered by a school district and approved by the State Board of Education for trainable, motor, multiple-disability, or other students with severe disabilities who are incapable of walking to school or where it is unsafe for students to walk because of their disabling condition, without reference to distance from school.
- (2) If a school district implements double sessions as an alternative to new building construction, with the approval of the State Board of Education, those affected elementary school students residing less than 1-1/2 miles from school may be transported one way to or from school because of safety factors relating to darkness or other hazardous conditions as determined by the local school board.
- (3) (a) The State Board of Education shall distribute transportation money to school districts based on:
  - (i) an allowance per mile for approved bus routes;
  - (ii) an allowance per hour for approved bus routes; and
  - (iii) a minimum allocation for each school district eligible for transportation funding.
- (b) The State Board of Education shall distribute appropriated transportation funds based on the prior year's eligible transportation costs as legally reported under Subsection 53A-17a-126(3).
- (c) The State Board of Education shall annually review the allowance per mile and the allowance per hour and adjust the allowances to reflect current economic conditions.
- (4) (a) Approved bus routes for funding purposes shall be determined on fall data collected by October 1.
- (b) Approved route funding shall be determined on the basis of the most efficient and economic routes.
- (5) A transportation advisory committee with representation from local school superintendents, business officials, school district transportation supervisors, and the state superintendent's staff shall serve as a review committee for addressing school transportation

and needs, including recommended approved bus routes.

- 432 (6) During the fiscal years that a school district or charter school receives state funding
   433 under Part 3, Block Grant Funding Pilot Program, the school district or charter school may use
   434 funding provided under this section for any public education purpose.
  - [(6)] (7) (a) Except as provided in Subsection [(6)] (7)(e), a local school board may provide for the transportation of students regardless of the distance from school, from:
    - (i) general funds of the district; and
    - (ii) a tax rate not to exceed .0003 per dollar of taxable value imposed on the district.
  - (b) A local school board may use revenue from the tax described in Subsection [<del>(6)</del>] (7)(a)(ii) to pay for transporting students and for the replacement of school buses.
  - (c) (i) If a local school board levies a tax under Subsection [(6)] (7)(a)(ii) of at least .0002, the state may contribute an amount not to exceed 85% of the state average cost per mile, contingent upon the Legislature appropriating funds for a state contribution.
  - (ii) The state superintendent's staff shall distribute the state contribution according to rules enacted by the State Board of Education.
  - (d) (i) The amount of state guarantee money which a school district would otherwise be entitled to receive under Subsection [(6)] (7)(c) 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 due to changes in property valuation.
  - (ii) Subsection [(6)] (7)(d)(i) applies for a period of two years following the change in the certified tax rate.
  - (e) Beginning January 1, 2012, a local school board may not impose a tax in accordance with this Subsection  $\left[\frac{(6)}{(7)}\right]$  (7).
  - [(7)] (8) (a) (i) If a local school board expends an amount of revenue equal to at least .0002 per dollar of taxable value of the school district's board local levy imposed under Section 53A-17a-164 for the uses described in Subsection [(6)] (7)(b), the state may contribute an amount not to exceed 85% of the state average cost per mile, contingent upon the Legislature appropriating funds for a state contribution.
  - (ii) The state superintendent's staff shall distribute the state contribution according to rules enacted by the State Board of Education.
    - (b) (i) The amount of state guarantee money that a school district would otherwise be

462 entitled to receive under Subsection [(7)] (8)(a) may not be reduced for the sole reason that the 463 district's levy is reduced as a consequence of changes in the certified tax rate under Section 464 59-2-924 due to changes in property valuation. 465 (ii) Subsection [(7)] (8)(b)(i) applies for a period of two years following the change in 466 the certified tax rate. 467 Section 9. Section **53A-17a-150** is amended to read: 468 53A-17a-150. K-3 Reading Improvement Program. 469 (1) As used in this section: 470 (a) "Board" means the State Board of Education. 471 (b) "Five domains of reading" include phonological awareness, phonics, fluency, 472 comprehension, and vocabulary. 473 (c) "Program" means the K-3 Reading Improvement Program. 474 (d) "Program money" means: 475 (i) school district revenue allocated to the program from other money available to the school district, except money provided by the state, for the purpose of receiving state funds 476 477 under this section: and 478 (ii) money appropriated by the Legislature to the program. 479 (2) The K-3 Reading Improvement Program consists of program money and is created 480 to supplement other school resources to achieve the state's goal of having third graders reading 481 at or above grade level. 482 (3) Subject to future budget constraints, the Legislature may annually appropriate 483 money to the K-3 Reading Improvement Program. 484 (4) (a) [To] Except as provided in Subsection (4)(e), to receive program money, a 485 school district or charter school [must] shall submit a plan to the board for reading proficiency 486 improvement that incorporates the following components: 487 (i) assessment; 488 (ii) intervention strategies; 489 (iii) professional development for classroom teachers in kindergarten through grade 490 three; 491 (iv) reading performance standards; and

(v) specific measurable goals that include the following:

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(A) a growth goal for each school within a school district and each charter school based upon student learning gains as measured by benchmark assessments administered pursuant to Section 53A-1-606.6; and (B) a growth goal for each school district and charter school to increase the percentage of third grade students who read on grade level from year to year as measured by the third grade reading test administered pursuant to Section 53A-1-603. (b) The board shall provide model plans which a school district or charter school may use, or the school district or charter school may develop its own plan. (c) Plans developed by a school district or charter school shall be approved by the board. (d) The board shall develop uniform standards for acceptable growth goals that a school district or charter school adopts as described in this Subsection (4). (e) During the fiscal years that a school district or charter school receives state funding under Part 3, Block Grant Funding Pilot Program, the school district or charter school may receive funding under this section without submitting a plan under Subsection (4)(a). (5) (a) There is created within the K-3 Reading Achievement Program three funding programs: (i) the Base Level Program: (ii) the Guarantee Program; and (iii) the Low Income Students Program. (b) The board may use no more than \$7,500,000 from an appropriation described in Subsection (3) for computer-assisted instructional learning and assessment programs. (6) Money appropriated to the board for the K-3 Reading Improvement Program and not used by the board for computer-assisted instructional learning and assessments as described in Subsection (5)(b), shall be allocated to the three funding programs as follows: (a) 8% to the Base Level Program; (b) 46% to the Guarantee Program; and (c) 46% to the Low Income Students Program.

(7) (a) [To] Except as provided in Subsection (7)(c), to participate in the Base Level

Program, a school district or charter school shall submit a reading proficiency improvement

plan to the board as provided in Subsection (4) and must receive approval of the plan from the

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(b) (i) Each school district qualifying for Base Level Program funds and the qualifying elementary charter schools combined shall receive a base amount.

- (ii) The base amount for the qualifying elementary charter schools combined shall be allocated among each school in an amount proportionate to:
- (A) each existing charter school's prior year fall enrollment in grades kindergarten through grade three; and
- (B) each new charter school's estimated fall enrollment in grades kindergarten through grade three.
- (c) During the fiscal years that a school district or charter school receives state funding under Part 3, Block Grant Funding Pilot Program, the school district or charter school may participate in the Base Level Program without:
  - (i) submitting a reading improvement plan to the board; or
  - (ii) receiving board approval of a reading improvement plan.
- (8) (a) A school district that applies for program money in excess of the Base Level Program funds shall choose to first participate in either the Guarantee Program or the Low Income Students Program.
- (b) A school district must fully participate in either the Guarantee Program or the Low Income Students Program before it may elect to either fully or partially participate in the other program.
- (c) To fully participate in the Guarantee Program, a school district shall allocate to the program money available to the school district, except money provided by the state, equal to the amount of revenue that would be generated by a tax rate of .000056.
- (d) To fully participate in the Low Income Students Program, a school district shall allocate to the program money available to the school district, except money provided by the state, equal to the amount of revenue that would be generated by a tax rate of .000065.
- (e) (i) The board shall verify that a school district allocates the money required in accordance with Subsections (8)(c) and (d) before it distributes funds in accordance with this section.
- (ii) The State Tax Commission shall provide the board the information the board needs in order to comply with Subsection (8)(e)(i).

(9) (a) Except as provided in Subsection (9)(c), a school district that fully participates in the Guarantee Program shall receive state funds in an amount that is:

- (i) equal to the difference between \$21 times the district's total WPUs and the revenue the school district is required to allocate under Subsection (8)(c) to fully participate in the Guarantee Program; and
  - (ii) not less than \$0.

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- (b) Except as provided in Subsection (9)(c), an elementary charter school shall receive under the Guarantee Program an amount equal to \$21 times the school's total WPUs.
- (c) The board may adjust the \$21 guarantee amount described in Subsections (9)(a) and (b) to account for actual appropriations and money used by the board for computer-assisted instructional learning and assessments.
- (10) The board shall distribute Low Income Students Program funds in an amount proportionate to the number of students in each school district or charter school who qualify for free or reduced price school lunch multiplied by two.
- (11) A school district that partially participates in the Guarantee Program or Low Income Students Program shall receive program funds based on the amount of school district revenue allocated to the program as a percentage of the amount of revenue that could have been allocated if the school district had fully participated in the program.
- (12) (a) [A] Except as provided in Subsection (12)(d), a school district or charter school shall use program money for reading proficiency improvement interventions in grades kindergarten through grade 3 that have proven to significantly increase the percentage of students reading at grade level, including:
  - (i) reading assessments; and
    - (ii) focused reading remediations that may include:
  - (A) the use of reading specialists;
- 580 (B) tutoring;
- (C) before or after school programs;
- 582 (D) summer school programs; or
- 583 (E) the use of reading software; or
- 584 (F) the use of interactive computer software programs for literacy instruction and assessments for students.

(b) A school district or charter school may use program money for portable technology devices used to administer reading assessments.

- (c) Program money may not be used to supplant funds for existing programs, but may be used to augment existing programs.
- (d) During the fiscal years that a school district or charter school receives state funding under Part 3, Block Grant Funding Pilot Program, the school district or charter school may use funds appropriated under this section for any public education purpose.
- (13) (a) Each school district and charter school shall annually submit a report to the board accounting for the expenditure of program money in accordance with its plan for reading proficiency improvement.
- (b) On or before the November meeting of the Education Interim Committee of each year, the board shall report a summary of the reading improvement program expenditures of each school district and charter school.
- (c) [Hf] Except as provided in Subsection (13)(d), if a school district or charter school uses program money in a manner that is inconsistent with Subsection (12), the school district or charter school is liable for reimbursing the board for the amount of program money improperly used, up to the amount of program money received from the board.
- (d) During the fiscal years that a school district or charter school receives state funding under Part 3, Block Grant Funding Pilot Program, the school district or charter school may use funds appropriated under this section for any public education purpose.
  - (14) (a) The board shall make rules to implement the program.
- (b) (i) The rules under Subsection (14)(a) shall require each school district or charter school to annually report progress in meeting school and school district goals stated in the school district's or charter school's plan for student reading proficiency.
- (ii) If a school does not meet or exceed the school's goals, the school district or charter school shall prepare a new plan which corrects deficiencies. [The]
- (iii) Except as provided in Subsection (14)(b)(iv), the new plan must be approved by the board before the school district or charter school receives an allocation for the next year.
- (iv) During the fiscal years that a school district or charter school receives state funding under Part 3, Block Grant Funding Pilot Program, the school district or charter school shall receive an allocation for the next year regardless of board approval of the school district's plan

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- (15) (a) [Hf] Except as provided in Subsection (15)(b), if for two consecutive school years, a school district fails to meet its goal to increase the percentage of third grade students who read on grade level as measured by the third grade reading test administered pursuant to Section 53A-1-603, the school district shall terminate any levy imposed under Section 53A-17a-151 and may not receive money appropriated by the Legislature for the K-3 Reading Improvement Program.
- (b) During the fiscal years that a school district or charter school receives state funding under Part 3, Block Grant Funding Pilot Program, the school district or charter school may receive funds appropriated under this section if the school district or charter school fails to meet the school district's or charter school's goal under Subsection (15)(a).
- [(b)] (c) If for two consecutive school years, a charter school fails to meet its goal to increase the percentage of third grade students who read on grade level as measured by the third grade reading test administered pursuant to Section 53A-1-603, the charter school may not receive money appropriated by the Legislature for the K-3 Reading Improvement Program.
- (16) The board shall make an annual report to the Public Education Appropriations Subcommittee that:
  - (a) includes information on:
  - (i) student learning gains in reading for the past school year and the five-year trend;
- (ii) the percentage of third grade students reading on grade level in the past school year and the five-year trend;
- (iii) the progress of schools and school districts in meeting goals stated in a school district's or charter school's plan for student reading proficiency; and
- (iv) the correlation between third grade students reading on grade level and results of third grade language arts scores on a criterion-referenced test or computer adaptive test; and
- (b) may include recommendations on how to increase the percentage of third grade students who read on grade level.
  - Section 10. Section **53A-17a-154** is amended to read:
  - 53A-17a-154. Appropriation for school nurses.
- 646 (1) The State Board of Education shall distribute money appropriated for school nurses 647 to award grants to school districts and charter schools that:

648	[(1)] (a) provide an equal amount of matching funds; and
649	$\left[\frac{(2)}{(b)}\right]$ do not supplant other money used for school nurses.
650	(2) During the fiscal years that a school district or charter school receives state funding
651	as a block grant under Part 3, Block Grant Funding Pilot Program, the school district or charter
652	school may use the funding described in this section for any public education purpose.
653	Section 11. Section <b>53A-17a-155</b> is amended to read:
654	53A-17a-155. Appropriation for library books and electronic resources.
655	(1) The State Board of Education shall distribute money appropriated for library books
656	and electronic resources as follows:
657	(a) 25% shall be divided equally among all public schools; and
658	(b) 75% shall be divided among public schools based on each school's average daily
659	membership as compared to the total average daily membership.
660	(2) A school district or charter school may not use money distributed under Subsection
661	(1) to supplant other money used to purchase library books or electronic resources.
662	(3) During the fiscal years that a school district or charter school receives state funding
663	under Part 3, Block Grant Funding Pilot Program, the school district or charter school may use
664	funds appropriated under this section for any public education purpose.
665	Section 12. Section <b>53A-17a-159</b> is amended to read:
666	53A-17a-159. Utah Science Technology and Research Initiative Centers
667	Program.
668	(1) (a) The Utah Science Technology and Research Initiative (USTAR) Centers
669	Program is created to provide a financial incentive for charter schools and school districts to
670	adopt programs that result in a more efficient use of human resources and capital facilities.
671	(b) The potential benefits of the <u>USTAR Centers</u> Program include:
672	(i) increased compensation for math and science teachers by providing opportunities
673	for an expanded contract year which will enhance school districts' and charter schools' ability to
674	attract and retain talented and highly qualified math and science teachers;
675	(ii) increased capacity of school buildings by using buildings more hours of the day or
676	more days of the year, resulting in reduced capital facilities costs;
677	(iii) decreased class sizes created by expanding the number of instructional
678	opportunities in a year;

679	(iv) appartunities for earlier high school graduation
	(iv) opportunities for earlier high school graduation;
680	(v) improved student college preparation;
681	(vi) increased opportunities to offer additional remedial and advanced courses in math
682	and science;
683	(vii) opportunities to coordinate high school and post-secondary math and science
684	education; and
685	(viii) the creation or improvement of science, technology, engineering, and math
686	centers (STEM Centers).
687	(2) [From] (a) Except as provided in Subsection (2)(b), from money appropriated for
688	the USTAR Centers Program, the State Board of Education shall award grants to charter
689	schools and school districts to pay for costs related to the adoption and implementation of the
690	program.
691	(b) During the fiscal years that a school district or charter school receives state funding
692	under Part 3, Block Grant Funding Pilot Program, the school district or charter school may use
693	funds appropriated under this section for any public education purpose.
694	(3) The State Board of Education shall:
695	(a) solicit proposals from the State Charter School Board and school districts for the
696	use of grant money to facilitate the adoption and implementation of the program; and
697	(b) award grants on a competitive basis.
698	(4) The State Charter School Board shall:
699	(a) solicit proposals from charter schools that may be interested in participating in the
700	USTAR Centers Program;
701	(b) prioritize the charter school proposals and consolidate them into the equivalent of a
702	single school district request; and
703	(c) submit the consolidated request to the State Board of Education.
704	(5) In selecting a grant recipient, the State Board of Education shall consider:
705	(a) the degree to which a charter school or school district's proposed adoption and
706	implementation of an extended year for math and science teachers achieves the benefits
707	described in Subsection (1);
708	(b) the unique circumstances of different urban, rural, large, small, growing, and

declining charter schools and school districts; and

710 (c) providing pilot programs in as many different school districts and charter schools as 711 possible.

- (6) (a) Except as provided in [Subsection] Subsections (6)(b) and (c), a school district or charter school may only use grant money to provide full year teacher contracts, part-time teacher contract extensions, or combinations of both, for math and science teachers.
- (b) Up to 5% of the grant money may be used to fund math and science field trips, textbooks, and supplies.
- (c) During the fiscal years that a school district or charter school receives state funding under Part 3, Block Grant Funding Pilot Program, the school district or charter school may use USTAR grant money appropriated under this section for any public education purpose.
  - (7) Participation in the USTAR Centers Program shall be:
  - (a) voluntary for an individual teacher; and

- (b) voluntary for a charter school or school district.
- (8) The State Board of Education shall make an annual report during the 2009, 2010, and 2011 interims to the Public Education Appropriations Subcommittee describing the program's impact on students and its effectiveness at achieving the benefits described in Subsection (1).
  - Section 13. Section **53A-17a-162** is amended to read:

## 53A-17a-162. Beverley Taylor Sorenson Elementary Arts Learning Program.

- (1) The Legislature finds that a strategic placement of arts in elementary education can impact the critical thinking of students in other core subject areas, including mathematics, reading, and science.
- (2) The Beverley Taylor Sorenson Elementary Arts Learning Program is created to enhance the social, emotional, academic, and arts learning of students in kindergarten through grade six by integrating arts teaching and learning into core subject areas.
- (3) From money appropriated for the Beverley Taylor Sorenson Elementary Arts Learning Program, the State Board of Education shall, after consulting with the Utah Arts Council and receiving their recommendations:
- (a) subject to Subsection [(6)] (7), establish a grant program to allow school districts and charter schools to hire 50 highly qualified, full-time arts specialists to be based at 50 schools;

(b) provide up to \$10,000 in one-time funds for each school arts specialist described under Subsection (3)(a) to purchase supplies and equipment;

- (c) establish a grant program to allow 10 school districts to hire art coordinators, provided that a qualifying school district provides matching funds in an amount equal to the grant amount; and
- (d) annually contract with an independent, qualified evaluator, selected through a request for proposals process, to evaluate the Beverley Taylor Sorenson Elementary Arts Learning Program.
- (4) Beverley Taylor Sorenson Elementary Arts Learning Program money may not be used to supplant funds for existing programs funded by the state, but shall be used to augment existing programs.
- (5) [Schools that participate] Except as provided in Subsection (6)(b), a school that participates in the Beverley Taylor Sorenson Elementary Arts Learning Program shall partner with [institutions] an institution of higher education that [award] awards elementary education degrees to obtain quality pre-service and in-service training, research, and leadership development for arts education.
- (6) During the fiscal years that a school district or charter school receives state funding under Part 3, Block Grant Funding Pilot Program, the school district or charter school:
  - (a) may use funds awarded under this section for any public education purpose; and
- (b) is not required to partner with an institution of higher education as described in Subsection (5).
- [(6)] (7) (a) Beginning with the 2011-12 school year, a school district or charter school may receive a grant under Subsection (3)(a) if the school district or charter school provides matching funds for 10% of the grant amount.
- (b) A qualifying school district or charter school under Subsection [(6)] (7)(a) shall increase its match amount by an additional 10% each subsequent year, until the school district or charter school provides matching funds in an amount equal to the grant amount.
- [<del>(7)</del>] (8) Beginning with the 2011-12 school year, the State Board of Education shall make funds available for additional schools to participate in the [Beverly] Beverley Taylor Sorenson Elementary Arts Learning Program, corresponding to the amount of the matching funds required from schools under Subsection [<del>(6)</del>] (7).

[ <del>(8)</del> ] <u>(9)</u> The State Board of Education shall, after consultation with the Utah Arts
Council, make an annual report during the 2009, 2010, and 2011 interims to the Education
Interim Committee describing the program's impact on students in kindergarten through grade
[six] 6.
Section 14. Section <b>53A-17a-165</b> is amended to read:
53A-17a-165. Enhancement for Accelerated Students Program.
(1) As used in this section, "eligible low-income student" means a student who:
(a) takes an Advanced Placement test;
(b) has applied for an Advanced Placement test fee reduction; and
(c) qualifies for a free or a lunch provided at reduced cost.
(2) The State Board of Education shall distribute money appropriated for the
Enhancement for Accelerated Students Program to school districts and charter schools
according to a formula adopted by the State Board of Education, after consultation with school
districts and charter schools.
(3) A distribution formula adopted under Subsection (2) may include an allocation of
money for:
(a) Advanced Placement courses;
(b) Advanced Placement test fees of eligible low-income students;
(c) gifted and talented programs, including professional development for teachers of
high ability students; and
(d) International Baccalaureate programs.
(4) The greater of 1.5% or \$100,000 of the appropriation for the Enhancement for
Accelerated Students Program may be allowed for International Baccalaureate programs.
(5) [A] (a) Except as provided in Subsection (5)(b), a school district or charter school
shall use money distributed under this section to enhance the academic growth of students
whose academic achievement is accelerated.
(b) During the fiscal years that a school district or charter school receives state funding
under Part 3, Block Grant Funding Pilot Program, the school district or charter school may us
funds appropriated under this section for any public education purpose.

(6) (a) The State Board of Education shall develop performance criteria to measure the

effectiveness of the Enhancement for Accelerated Students Program and make an annual report

803 to the Public Education Appropriations Subcommittee on the effectiveness of the program. 804 (b) In the report required by Subsection (6)(a), the State Board of Education shall 805 include data showing the use and impact of money allocated for Advanced Placement test fees 806 of eligible low-income students. 807 Section 15. Section **53A-17a-167** is amended to read: 808 53A-17a-167. Early intervention program -- Enhanced kindergarten program --809 Educational technology. 810 (1) The State Board of Education shall, as described in Subsection [(4)] (5), distribute funds appropriated under this section for an enhanced kindergarten program described in 811 812 Subsection (2), to school districts and charter schools that apply for the funds. 813 (2) [A] (a) Except as provided in Subsection (3), a school district or charter school 814 shall use funds appropriated in this section to offer an early intervention program, delivered 815 through an enhanced kindergarten program that: 816 (a) is an academic program focused on building age-appropriate literacy and numeracy 817 skills; 818 (b) uses an evidence-based early intervention model; 819 (c) is targeted to at-risk students; and 820 (d) is delivered through additional hours or other means. 821 (3) During the fiscal years that a school district or charter school receives state funding 822 under Part 3, Block Grant Funding Pilot Program, the school district or charter school may use 823 funds appropriated under this section for any public education purpose. 824 [(3)] (4) A school district or charter school may not require a student to participate in 825 an enhanced kindergarten program described in Subsection (2). 826 [(4)] (5) The State Board of Education shall distribute funds appropriated under this 827 section for an enhanced kindergarten program described in Subsection (2) as follows: 828 (a) (i) the total allocation for charter schools shall be calculated by: 829 (A) dividing the number of charter school students by the total number of students in 830 the public education system in the prior school year; and 831 (B) multiplying the resulting percentage by the total amount of available funds; and

(ii) the amount calculated under this Subsection  $[\frac{(4)}{(5)}]$  (5)(a) shall be distributed to

charter schools with the greatest need for an enhanced kindergarten program, as determined by

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834 the State Board of Education in consultation with the State Charter School Board; 835 (b) each school district shall receive the amount calculated by: 836 (i) multiplying the value of the weighted pupil unit by 0.45; and 837 (ii) multiplying the result by 20; and 838 (c) the remaining funds, after the allocations described in Subsections [(4)] (5)(a) and 839  $\left[\frac{4}{4}\right]$  (b) are made, shall be distributed to applicant school districts by: 840 (i) determining the number of students eligible to receive free lunch in the prior school 841 vear for each school district; and 842 (ii) prorating the remaining funds based on the number of students eligible to receive 843 free lunch in each district. 844 [(5)] (6) In addition to an enhanced kindergarten program described in Subsection (2), 845 the early intervention program includes a component to address early intervention through the 846 use of an interactive computer software program. 847 [<del>(6)</del>] (7) (a) Subject to legislative appropriations, by September 1 of each year, the 848 State Board of Education shall select one or more technology providers, through a request for 849 proposals process, to provide an interactive computer software program for literacy instruction 850 and assessments for students in kindergarten through grade 3. 851 (b) The State Board of Education shall distribute licenses for an interactive computer 852 software program described in Subsection [(6)] (7)(a) to school districts and charter schools 853 that apply for the licenses. 854 (c) A school district or charter school that received a license described in Subsection 855 [<del>(6)</del>] (7)(b) during the prior year shall be given first priority to receive an equivalent license 856 during the current year. 857 (d) Licenses distributed to school districts and charter schools in addition to the 858 licenses described in Subsection [(6)] (7)(c) shall be distributed through a competitive process. 859 [<del>(7)</del>] (8) On or before November 1, 2013, and every year thereafter, the State Board of 860 Education shall report final testing data regarding an interactive computer software program 861 described in Subsection [(6)] (7), including student learning gains as a result of the interactive 862 computer software program, to: 863 (a) the Education Interim Committee; and 864 (b) the governor.

865	Section 16. Section <b>53A-17a-168</b> is amended to read:
866	53A-17a-168. Appropriation for Title 1 Schools in Improvement Paraeducators
867	Program.
868	(1) As used in this section:
869	(a) "Eligible school" means a Title 1 school that has not achieved adequate yearly
870	progress, as defined in the No Child Left Behind Act of 2001, 20 U.S.C. Sec. 6301 et seq., in
871	the same subject area for two consecutive years.
872	(b) "Paraeducator" means a school employee who:
873	(i) delivers instruction under the direct supervision of a teacher; and
874	(ii) meets the requirements under Subsection (3).
875	(c) "Program" means the Title 1 Schools in Improvement Paraeducators Program
876	created in this section.
877	(2) The program is created to provide funding for eligible schools to hire paraeducators
878	to provide additional instructional aid in the classroom to assist students in achieving academic
879	success and assist the school in exiting Title 1 school improvement status.
880	(3) A paraeducator who is funded under this section shall have:
881	(a) earned a secondary school diploma or a recognized equivalent;
882	(b) (i) completed at least two years with a minimum of 48 semester hours at an
883	accredited higher education institution;
884	(ii) obtained an associates or higher degree from an accredited higher education
885	institution; or
886	(iii) satisfied a rigorous state or local assessment about the individual's knowledge of,
887	and ability to assist in instructing students in reading, writing, and mathematics; and
888	(c) received large group-, small group-, and individual-level professional development
889	that is intensive and focused and covers curriculum, instruction, assessment, classroom and
890	behavior management, and teaming.
891	(4) The State Board of Education shall distribute money appropriated for the program
892	to eligible schools, in accordance with rules adopted by the board.
893	(5) During the fiscal years that a school district or charter school receives state funding
894	as a block grant under Part 3, Block Grant Funding Pilot Program, the school district or charter
895	school may use the funding described in Subsections (2) and (4) for any public education

896	purpose.
897	[(5)] (6) Funds appropriated under the program may not be used to supplant other
898	money used for paraeducators at eligible schools.
899	[(6)] (7) The State Board of Education shall submit an annual report to the
900	Legislature's Public Education Appropriations Subcommittee that includes information on:
901	(a) the amount of money distributed to each eligible school under this section;
902	(b) how many paraeducators were hired at each eligible school with program money;
903	(c) additional funding eligible schools used to supplement program money in hiring
904	paraeducators; and
905	(d) accountability measures, including test scores of students served by the program.
906	Section 17. Section <b>53A-17a-301</b> is enacted to read:
907	Part 3. Block Grant Funding Pilot Program
908	<b>53A-17a-301.</b> Definitions.
909	As used in this part:
910	(1) "Board" means the State Board of Education.
911	(2) "Local Education Agency" or "LEA" means:
912	(a) a school district; or
913	(b) a charter school.
914	(3) "Pilot LEA" means an LEA chosen by the board to participate in the program.
915	(4) "Program" means the Block Grant Funding Pilot Program.
916	Section 18. Section <b>53A-17a-302</b> is enacted to read:
917	53A-17a-302. Block Grant Funding Pilot Program Creation Administration
918	Evaluation.
919	(1) There is created the Block Grant Funding Pilot Program to give an LEA flexibility
920	in administering programs by providing state funding to the LEA as a block grant.
921	(2) (a) Except as provided in Subsection (2)(b), and subject to Subsection (6), a pilot
922	LEA shall receive, as a block grant to be used for any public education purpose, funding
923	appropriated through:
924	(i) the state-supported Minimum School Program described in Part 1, Minimum
925	School Program; and
926	(ii) the Capital Outlay Foundation Program described in Chapter 21 Part 2 Capital

927	Outlay Foundation Program.
928	(b) The following state funding sources are not included in a block grant described in
929	Subsection (2)(a):
930	(i) the School LAND Trust Program described in Section 53A-16-101.5; and
931	(ii) the Teacher Salary Supplement Program described in Section 53A-17a-156.
932	(3) On a competitive basis, an LEA may apply to the board, on or before August 1,
933	2015, to be selected as a pilot LEA.
934	(4) The board shall:
935	(a) determine requirements for an LEA's application to participate in the program;
936	(b) on or before November 1, 2015, select two or more qualified pilot LEAs to
937	participate in the program;
938	(c) determine the total funding a pilot LEA would receive under the regular funding
939	formula for the programs described in Subsection (2)(a) for each year of the pilot, and provide
940	that funding to a pilot LEA as a block grant;
941	(d) work with a pilot LEA to develop goals for using the block grant and assess
942	progress toward those goals; and
943	(e) determine reporting requirements for a pilot LEA.
944	(5) The board shall begin distributing funding as a block grant to a pilot LEA
945	beginning in the 2016-17 school year or the 2017-18 school year, and continuing for three
946	consecutive school years, except as provided in Subsection (9).
947	(6) A pilot LEA may not spend funds provided through the block grant in a way that
948	would violate:
949	(a) the Individuals with Disabilities Education Act Amendments of 1997, Pub. L. No.
950	105-17, and subsequent amendments;
951	(b) the No Child Left Behind Act of 2001, 20 U.S.C. Sec. 6301, et seq.; or
952	(c) any other federal law or regulation that governs special categorical funding.
953	(7) The board shall determine:
954	(a) qualifications for a selected pilot LEA;
955	(b) a formula that determines the amount of funding a pilot LEA receives for each year
956	based on:
957	(i) funding the LEA would have received through funding formulas for the

958	state-supported Minimum School Program and Capital Outlay Foundation Program;
959	(ii) anticipated growth in the pilot LEA in the pilot year; and
960	(iii) any other factor the board determines is appropriate; and
961	(c) performance information that the board requires a pilot LEA to report, including:
962	(i) goals for the program;
963	(ii) progress toward the goals; and
964	(iii) the impacts of the program on students and teachers.
965	(8) The board shall, as possible, exempt a pilot LEA from financial reporting
966	requirements.
967	(9) The board may cancel a pilot LEA's participation in the program before the end of
968	the program:
969	(a) if the pilot LEA requests removal from the program; or
970	(b) for good cause.
971	(10) (a) On or before November 1, 2015, and each year of the program, the board shall
972	report to the Education Interim Committee on the status of the program.
973	(b) The annual report to the Education Interim Committee described in Subsection
974	(10)(a) shall include a summary of accounting for each pilot LEA.
975	Section 19. Section <b>53A-21-202</b> is amended to read:
976	53A-21-202. Capital Outlay Foundation Program Distribution formulas
977	Allocations.
978	(1) (a) The State Board of Education shall determine the foundation guarantee level per
979	ADM that fully allocates the funds appropriated to the State Board of Education for
980	distribution under this section.
981	(b) In determining the foundation guarantee level per ADM and a school district's
982	allocation of funds under this part, the State Board of Education shall use data from the fiscal
983	year that is two years prior to the fiscal year the school district receives the allocation,
984	including the:
985	(i) number of pupils in average daily membership;
986	(ii) tax rates; and
987	(iii) derived net taxable value.
988	(2) By June 1, a county treasurer shall report to the State Board of Education the actual

989	collections of property taxes in the school districts located within the county treasurer's county
990	for the period beginning April 1 through the following March 31 immediately preceding that
991	June 1.
992	(3) If a qualifying school district imposes a combined capital levy rate that is greater
993	than or equal to the base tax effort rate, the State Board of Education shall allocate to the
994	qualifying school district an amount equal to the product of the following:
995	(a) the qualifying school district's ADM; and
996	(b) an amount equal to the difference between the following:
997	(i) the foundation guarantee level per ADM, as determined in accordance with
998	Subsection (1); and
999	(ii) the qualifying school district's property tax yield per ADM.
1000	(4) If a qualifying school district imposes a combined capital levy rate less than the
1001	base tax effort rate, the State Board of Education shall allocate to the qualifying school district
1002	an amount equal to the product of the following:
1003	(a) the qualifying school district's ADM;
1004	(b) an amount equal to the difference between the following:
1005	(i) the foundation guarantee level per ADM; and
1006	(ii) the qualifying school district's property tax yield per ADM; and
1007	(c) a percentage equal to:
1008	(i) the qualifying school district's combined capital levy rate; divided by
1009	(ii) the base tax effort rate.
1010	(5) (a) The State Board of Education shall allocate:
1011	(i) a minimum of \$200,000 to each small school district with a property tax base per
1012	ADM less than or equal to the statewide average property tax base per ADM;
1013	(ii) a minimum of \$100,000 to each small school district with a property tax base per
1014	ADM that is:
1015	(A) greater than the statewide average property tax base per ADM; and
1016	(B) less than or equal to two times the statewide average property tax base per ADM;
1017	and

(iii) a minimum of \$50,000 to each small school district with a property tax base per

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ADM that is:

- (A) greater than two times the statewide average property tax base per ADM; and
- (B) less than or equal to five times the statewide average property tax base per ADM.
- 1022 (b) The State Board of Education shall incorporate the minimum allocations described 1023 in Subsection (5)(a) in its calculation of the foundation guarantee level per ADM determined in 1024 accordance with Subsection (1).
- (6) During the fiscal years that a school district or charter school receives state funding
   as a block grant under Part 3, Block Grant Funding Pilot Program, the school district or charter
   school may use funding allocated under this section for any public education purpose.
- Section 20. Section **63I-1-253** is amended to read:
- 1029 **63I-1-253.** Repeal dates, Titles **53**, **53A**, and **53B**.
- The following provisions are repealed on the following dates:
- 1031 (1) Section 53-3-232, Conditional license, is repealed July 1, 2015.
- 1032 (2) Subsection 53-10-202(18) is repealed July 1, 2018.
- 1033 (3) Section 53-10-202.1 is repealed July 1, 2018.
- 1034 (4) Title 53A, Chapter 1a, Part 6, Public Education Job Enhancement Program, is repealed July 1, 2020.
- 1036 (5) Title 53A, Chapter 11, Part 15, School Safety Tip Line, is repealed July 1, 2015.
- 1037 (6) The State Instructional Materials Commission, created in Section 53A-14-101, is repealed July 1, 2016.
- 1039 (7) Subsections 53A-16-113(3) and (4) are repealed December 31, 2016.
- 1040 (8) Section 53A-16-114 is repealed December 31, 2016.
- 1041 (9) Section 53A-17a-163, Performance-based Compensation Pilot Program is repealed 1042 July 1, 2016.
- 1043 (10) Title 53A, Chapter 17a, Part 3, Block Grant Funding Pilot Program, is repealed 1044 July 1, 2020.
- 1045 [(10)] (11) Section 53B-24-402, Rural residency training program, is repealed July 1, 1046 2015.
- [(11)] (12) Subsection 53C-3-203(4)(b)(vii), which provides for the distribution of money from the Land Exchange Distribution Account to the Geological Survey for test wells, other hydrologic studies, and air quality monitoring in the West Desert, is repealed July 1,
- 1050 2020.

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Office of Legislative Research and General Counsel