

Representative Bradley G. Last proposes the following substitute bill:

EDUCATION MODIFICATIONS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne L. Niederhauser

House Sponsor: Bradley G. Last

LONG TITLE

General Description:

This bill enacts and amends provisions related to public education.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires the State Board of Education to designate low performing schools, subject to certain conditions;
- ▶ requires a local school board to take certain actions to turn around a low performing district school;
- ▶ requires a charter school authorizer and a charter school governing board to take certain actions to turn around a low performing charter school;
- ▶ directs the State Board of Education to:
 - select independent school turnaround experts, through a request for proposals process;
 - review and approve school turnaround plans submitted by a local school board or charter school governing board; and
 - make rules imposing certain consequences on a school district or charter school that fails to improve the school grade of a low performing school within a



26 certain amount of time;

27 ▶ creates the School Recognition and Reward Program to provide incentives to
28 schools and educators to improve the school grade of a low performing school;

29 ▶ creates the School Leadership Development Program to increase the number of
30 highly effective school leaders capable of initiating, achieving, and sustaining
31 school improvement efforts;

32 ▶ requires the State Board of Education to annually report to the Education Interim
33 Committee;

34 ▶ allows the State Board of Education to use certain nonlapsing funds, remaining at
35 the end of fiscal year 2015, for certain purposes; and

36 ▶ makes technical and conforming changes.

37 **Money Appropriated in this Bill:**

38 This bill appropriates in fiscal year 2016:

39 ▶ to the State Board of Education - State Office of Education - Initiative Programs, as
40 an ongoing appropriation:

41 • from the Education Fund, \$7,000,000.

42 **Other Special Clauses:**

43 This bill provides a special effective date.

44 **Utah Code Sections Affected:**

45 AMENDS:

46 **53A-1a-108.5**, as enacted by Laws of Utah 2002, Chapter 324

47 **53A-1a-510**, as last amended by Laws of Utah 2014, Chapter 363

48 **53A-17a-105**, as last amended by Laws of Utah 2013, Chapter 310

49 ENACTS:

50 **53A-1-1201**, Utah Code Annotated 1953

51 **53A-1-1202**, Utah Code Annotated 1953

52 **53A-1-1203**, Utah Code Annotated 1953

53 **53A-1-1204**, Utah Code Annotated 1953

54 **53A-1-1205**, Utah Code Annotated 1953

55 **53A-1-1206**, Utah Code Annotated 1953

56 **53A-1-1207**, Utah Code Annotated 1953

- 57 [53A-1-1208](#), Utah Code Annotated 1953
- 58 [53A-1-1209](#), Utah Code Annotated 1953
- 59 [53A-1-1210](#), Utah Code Annotated 1953

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

62 Section 1. Section [53A-1-1201](#) is enacted to read:

63 **Part 12. School Turnaround and Leadership Development Act**

64 **[53A-1-1201](#). Title.**

65 This part is known as the "School Turnaround and Leadership Development Act."

66 Section 2. Section [53A-1-1202](#) is enacted to read:

67 **[53A-1-1202](#). Definitions.**

68 As used in this part:

69 (1) "Board" means the State Board of Education.

70 (2) "Charter school authorizer" means the same as that term is defined in Section
71 [53A-1a-501.3](#).

72 (3) "District school" means a public school under the control of a local school board
73 elected under Title 20A, Chapter 14, Nomination and Election of State and Local School
74 Boards.

75 (4) "Educator" means the same as that term is defined in Section [53A-6-103](#).

76 (5) "Initial remedial year" means the year in which a district school or charter school is
77 designated as a low performing school under Section [53A-1-1203](#).

78 (6) "Low performing school" means a district school or charter school that has been
79 designated a low performing school by the board because the school is:

80 (a) in the lowest performing 3% of schools statewide according to the percentage of
81 possible points earned under the school grading system; and

82 (b) a low performing school according to other outcome-based measures as may be
83 defined in rules made by the board in accordance with Title 63G, Chapter 3, Utah
84 Administrative Rulemaking Act.

85 (7) "School grade" or "grade" means the letter grade assigned to a school under the
86 school grading system.

87 (8) "School grading system" means the system established under Part 11, School

88 Grading Act, of assigning letter grades to schools.

89 (9) "Statewide assessment" means a test of student achievement in English language
90 arts, mathematics, or science, including a test administered in a computer adaptive format that
91 is administered statewide under Part 6, Achievement Tests.

92 Section 3. Section **53A-1-1203** is enacted to read:

93 **53A-1-1203. State Board of Education to designate low performing schools.**

94 On or before August 15, the board shall annually designate a school as a low
95 performing school if the school is:

96 (1) in the lowest performing 3% of schools statewide according to the percentage of
97 possible points earned under the school grading system; and

98 (2) a low performing school according to other outcome-based measures as may be
99 defined in rules made by the board in accordance with Title 63G, Chapter 3, Utah

100 Administrative Rulemaking Act.

101 Section 4. Section **53A-1-1204** is enacted to read:

102 **53A-1-1204. Required action to turn around a low performing district school.**

103 (1) On or before October 1 of an initial remedial year, a local school board of a low
104 performing school shall establish a school turnaround committee composed of the following
105 members:

106 (a) the local school board member who represents the voting district where the low
107 performing school is located;

108 (b) the school principal;

109 (c) three parents of students enrolled in the low performing school appointed by the
110 chair of the school community council;

111 (d) one teacher at the low performing school appointed by the principal; and

112 (e) one teacher at the low performing school appointed by the school district
113 superintendent.

114 (2) (a) Subject to Subsection (2)(b), on or before October 15 of an initial remedial year,
115 a local school board of a low performing school shall partner with the school turnaround
116 committee to select an independent school turnaround expert from the experts identified by the
117 board under Section [53A-1-1206](#).

118 (b) A local school board may not select an independent school turnaround expert that

119 is:

120 (i) the school district; or

121 (ii) an employee of the school district.

122 (3) A school turnaround committee shall partner with the independent school

123 turnaround expert selected under Subsection (2) to develop and implement a school turnaround
124 plan that includes:

125 (a) the findings of the analysis conducted by the independent school turnaround expert
126 described in Subsection [53A-1-1206\(1\)\(a\)](#);

127 (b) recommendations regarding changes to the low performing school's personnel,
128 culture, curriculum, assessments, instructional practices, governance, leadership, finances,
129 policies, or other areas that may be necessary to implement the school turnaround plan;

130 (c) measurable student achievement goals and objectives;

131 (d) a professional development plan that identifies a strategy to address problems of
132 instructional practice;

133 (e) a detailed budget specifying how the school turnaround plan will be funded;

134 (f) a plan to assess and monitor progress;

135 (g) a plan to communicate and report data on progress to stakeholders; and

136 (h) a timeline for implementation.

137 (4) A local school board of a low performing school shall:

138 (a) prioritize school district funding and resources to the low performing school; and

139 (b) grant the low performing school streamlined authority over staff, schedule, policies,
140 budget, and academic programs to implement the school turnaround plan.

141 (5) (a) On or before March 1 of an initial remedial year, a school turnaround committee
142 shall submit the school turnaround plan to the local school board for approval.

143 (b) Except as provided in Subsection (5)(c), on or before April 1 of an initial remedial
144 year, a local school board of a low performing school shall submit the school turnaround plan
145 to the board for approval.

146 (c) If the local school board does not approve the school turnaround plan submitted
147 under Subsection (5)(a), the school turnaround committee may appeal the disapproval in
148 accordance with rules made by the board as described in Subsection [53A-1-1206\(5\)](#).

149 Section 5. Section **53A-1-1205** is enacted to read:

150 53A-1-1205. Required action to terminate or turn around a low performing
151 charter school.

152 (1) On or before August 20 of an initial remedial year, a charter school authorizer of a
153 low performing school shall initiate a review to determine whether the charter school is in
154 compliance with the school's charter agreement described in Section 53A-1a-508, including the
155 school's established minimum standards for student achievement.

156 (2) If a low performing school is found to be out of compliance with the school's
157 charter agreement, the charter school authorizer may terminate the school's charter in
158 accordance with Section 53A-1a-510.

159 (3) A charter school authorizer shall make a determination on the status of a low
160 performing school's charter under Subsection (2) on or before September 15 of an initial
161 remedial year.

162 (4) If a charter school authorizer does not terminate a low performing school's charter
163 under Subsection (2), a charter school governing board of a low performing school shall:

164 (a) on or before October 1 of an initial remedial year, establish a school turnaround
165 committee composed of the following members:

166 (i) a member of the charter school governing board, appointed by the chair of the
167 charter school governing board;

168 (ii) the school principal;

169 (iii) three parents of students enrolled in the low performing school, appointed by the
170 chair of the charter school governing board; and

171 (iv) two teachers at the low performing school, appointed by the school principal; and

172 (b) subject to Subsection (5), on or before October 15 of an initial remedial year, in
173 partnership with the school turnaround committee, select an independent school turnaround
174 expert from the experts identified by the board under Section 53A-1-1206.

175 (5) A charter school governing board may not select a school turnaround expert that:

176 (i) is a member of the charter school governing board;

177 (ii) is an employee of the charter school; or

178 (iii) has a contract to operate the charter school.

179 (6) A school turnaround committee shall partner with the independent school
180 turnaround expert selected under Subsection (4)(b) to develop and implement a school

181 turnaround plan that includes the elements described in Subsection 53A-1-1204(3).

182 (7) (a) On or before March 1 of an initial remedial year, a school turnaround committee
183 shall submit the school turnaround plan to the charter school governing board for approval.

184 (b) Except as provided in Subsection (7)(c), on or before April 1 of an initial remedial
185 year, a charter school governing board of a low performing school shall submit the school
186 turnaround plan to the board for approval.

187 (c) If the charter school governing board does not approve the school turnaround plan
188 submitted under Subsection (7)(a), the school turnaround committee may appeal the
189 disapproval in accordance with rules made by the board as described in Subsection
190 53A-1-1206(5).

191 Section 6. Section 53A-1-1206 is enacted to read:

192 **53A-1-1206. State Board of Education to identify independent school turnaround**
193 **experts -- Review and approval of school turnaround plans -- Appeals process.**

194 (1) On or before August 30, the board shall identify two or more approved independent
195 school turnaround experts, through a request for proposals process, that a low performing
196 school may select from to partner with to:

197 (a) collect and analyze data on the low performing school's student achievement,
198 personnel, culture, curriculum, assessments, instructional practices, governance, leadership,
199 finances, and policies;

200 (b) recommend changes to the low performing school's culture, curriculum,
201 assessments, instructional practices, governance, finances, policies, or other areas based on
202 data collected under Subsection (1)(a);

203 (c) develop and implement, in partnership with the school turnaround committee, a
204 school turnaround plan that meets the criteria described in Subsection 53A-1-1204(3);

205 (d) monitor the effectiveness of a school turnaround plan through reliable means of
206 evaluation, including on-site visits, observations, surveys, analysis of student achievement data,
207 and interviews;

208 (e) provide ongoing implementation support and project management for a school
209 turnaround plan;

210 (f) provide high-quality professional development personalized for school staff that is
211 designed to build the:

- 212 (i) leadership capacity of the school principal; and
213 (ii) instructional capacity of school staff; and
214 (g) leverage support from community partners to coordinate an efficient delivery of
215 supports to students both inside and outside the classroom.
- 216 (2) In identifying independent school turnaround experts under Subsection (1), the
217 board shall identify experts that:
- 218 (a) have a credible track record of improving student academic achievement in public
219 schools with various demographic characteristics, as measured by statewide assessments;
220 (b) have experience designing, implementing, and evaluating data-driven instructional
221 systems in public schools;
222 (c) have experience coaching public school administrators and teachers on designing
223 data-driven school improvement plans;
224 (d) have experience working with the various education entities that govern public
225 schools;
226 (e) have experience delivering high-quality professional development in instructional
227 effectiveness to public school administrators and teachers;
228 (f) are willing to be compensated for professional services based on performance as
229 described in Subsection (3); and
230 (g) are willing to partner with any low performing school in the state, regardless of
231 location.
- 232 (3) (a) When awarding a contract to an independent school turnaround expert selected
233 by a local school board under Subsection 53A-1-1204(2) or by a charter school governing
234 board under Subsection 53A-1-1205(4)(b), the board shall ensure that a contract between the
235 board and the independent school turnaround expert specifies that the board will:
- 236 (i) pay an independent school turnaround expert no more than 50% of the expert's
237 professional fees at the beginning of the independent school turnaround expert's work for the
238 low performing school; and
239 (ii) pay the remainder of the independent school turnaround expert's professional fees
240 upon the independent school turnaround expert successfully helping a low performing school
241 improve the low performing school's grade within three school years after a school is
242 designated a low performing school.

243 (b) In negotiating a contract with an independent school turnaround expert, the board
244 shall offer:

245 (i) differentiated amounts of funding based on student enrollment; and

246 (ii) a higher amount of funding for schools that are in the lowest performing 1% of
247 schools statewide according to the percentage of possible points earned under the school
248 grading system.

249 (4) The board shall:

250 (a) review a school turnaround plan submitted for approval under Subsection
251 53A-1-1204(5)(b) or under Subsection 53A-1-1205(7)(b) within 30 days of submission;

252 (b) approve a school turnaround plan that:

253 (i) is timely;

254 (ii) is well-developed; and

255 (iii) meets the criteria described in Subsection 53A-1-1204(3); and

256 (c) subject to legislative appropriations, provide funding to a low performing school for
257 interventions identified in an approved school turnaround plan if the local school board or
258 charter school governing board provides matching funds or an in-kind contribution of goods or
259 services in an amount equal to the funding the low performing school would receive from the
260 board.

261 (5) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
262 the board shall make rules to establish an appeals process for:

263 (i) a low performing district school that is not granted approval from the district
264 school's local school board under Subsection 53A-1-1204(5)(b);

265 (ii) a low performing charter school that is not granted approval from the charter
266 school's charter school governing board under Subsection 53A-1-1205(7)(b); and

267 (iii) a local school board or charter school governing board that is not granted approval
268 from the board under Subsection 53A-1-1206(4)(b).

269 (b) The board shall ensure that rules made under Subsection (5)(a) require an appeals
270 process described in:

271 (i) Subsections (5)(a)(i) and (ii) to be resolved on or before April 1 of the initial
272 remedial year; and

273 (ii) Subsection (5)(a)(iii) to be resolved on or before May 15 of the initial remedial

274 year.

275 (6) The board shall balance the need to prioritize funding appropriated by the
276 Legislature to contract with highly qualified independent school turnaround experts with the
277 need to set aside funding for:

278 (a) interventions to facilitate the implementation of a school turnaround plan under
279 Subsection [53A-1-1206\(4\)\(c\)](#); and

280 (b) the School Recognition and Reward Program created under Section [53A-1-1208](#).
281 Section 7. Section **53A-1-1207** is enacted to read:

282 **53A-1-1207. Consequences for failing to improve the school grade of a low**
283 **performing school.**

284 (1) As used in this section, "high performing charter school" means a charter school
285 that:

286 (a) satisfies all requirements of state law and board rules;

287 (b) meets or exceeds standards for student achievement established by the charter
288 school's charter school authorizer; and

289 (c) has received at least a "B" grade under the school grading system in the previous
290 two school years.

291 (2) (a) A low performing school that does not improve the low performing school's
292 grade by at least one letter grade within three school years after the day on which the school is
293 designated a low performing school may petition the board for an extension to continue school
294 improvement efforts for up to two years.

295 (b) The board may only grant an extension under Subsection (2)(a) if the low
296 performing school has increased the number of points awarded under the school grading
297 system by at least:

298 (i) 25% for a school that is not a high school; and

299 (ii) 10% for a high school.

300 (c) The board may extend the contract of an independent school turnaround expert of a
301 low performing school that is granted an extension under this Subsection (2).

302 (d) A school that has been granted an extension under this Subsection (2) is eligible
303 for:

304 (i) continued funding under Subsection [53A-1-1206\(4\)\(c\)](#); and

305 (ii) the School Recognition and Reward Program under Section 53A-1-1208.
306 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
307 board shall make rules establishing consequences for a low performing school that:
308 (a) (i) does not improve the school's grade within three school years after the day on
309 which the school is designated a low performing school; and
310 (ii) is not granted an extension under Subsection (2); or
311 (b) (i) is granted an extension under Subsection (2); and
312 (ii) does not improve the school's grade within two school years after the day on which
313 the low performing school is granted an extension.
314 (4) The board shall ensure that the rules established under Subsection (3) include a
315 mechanism for:
316 (a) restructuring a district school that may include:
317 (i) contract management;
318 (ii) conversion to a charter school; or
319 (iii) state takeover; and
320 (b) restructuring a charter school that may include:
321 (i) termination of a school's charter;
322 (ii) closure of a charter school; or
323 (iii) transferring operation and control of the charter school to:
324 (A) a high performing charter school; or
325 (B) the school district in which the charter school is located.
326 Section 8. Section **53A-1-1208** is enacted to read:
327 **53A-1-1208. School Recognition and Reward Program.**
328 (1) As used in this section, "eligible school" means a low performing school that:
329 (a) improves the school's grade by at least one grade level within three school years
330 after the day on which the school is designated a low performing school; or
331 (b) (i) has been granted an extension under Subsection 53A-1-1207(2); and
332 (ii) improves the school's grade by at least one grade level within the extension period.
333 (2) The School Recognition and Reward Program is created to provide incentives to
334 schools and educators to improve the school grade of a low performing school.
335 (3) Subject to appropriations by the Legislature, upon the annual release of school

336 grades by the board, the board shall distribute a reward equal to:

337 (a) for an eligible school that improves the eligible school's grade one grade level:

338 (i) \$100 per tested student; and

339 (ii) \$1,000 per educator;

340 (b) for an eligible school that improves the eligible school's grade two grade levels:

341 (i) \$200 per tested student; and

342 (ii) \$2,000 per educator;

343 (c) for an eligible school that improves the eligible school's grade three grade levels:

344 (i) \$300 per tested student; and

345 (ii) \$3,000 per educator; and

346 (d) for an eligible school that improves the eligible school's grade four grade levels:

347 (i) \$500 per tested student; and

348 (ii) \$5,000 per educator.

349 (4) The principal of an eligible school that receives a reward under Subsection (3), in
350 consultation with the educators at the eligible school, may determine how to use the money in
351 the best interest of the school, including providing bonuses to educators.

352 (5) If the number of qualifying eligible schools exceeds available funds, the board may
353 reduce the amounts specified in Subsection (3).

354 Section 9. Section **53A-1-1209** is enacted to read:

355 **53A-1-1209. School Leadership Development Program.**

356 (1) As used in this section, "school leader" means a school principal or assistant
357 principal.

358 (2) There is created the School Leadership Development Program to increase the
359 number of highly effective school leaders capable of initiating, achieving, and sustaining
360 school improvement efforts.

361 (3) The board shall identify one or more providers, through a request for proposals
362 process, to develop or provide leadership development training for school leaders that:

363 (a) may provide in-depth training in proven strategies to turn around low performing
364 schools;

365 (b) may emphasize hands-on and job-embedded learning;

366 (c) aligns with the state's leadership standards established by board rule;

367 (d) reflects the needs of a school district or charter school where a school leader serves;
368 (e) may include training on using student achievement data to drive decisions;
369 (f) may develop skills in implementing and evaluating evidence-based instructional
370 practices; and

371 (g) may develop skills in leading collaborative school improvement structures,
372 including professional learning communities.

373 (4) Subject to legislative appropriations, the State Board of Education shall provide
374 incentive pay to a school leader who:

375 (a) completes leadership development training under this section; and

376 (b) agrees to work, for at least five years, in a school that received an "F" grade or "D"
377 grade under the school grading system in the school year previous to the first year the school
378 leader:

379 (i) completes leadership development training; and

380 (ii) begins to work, or continues to work, in a school described in Subsection (4)(b).

381 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
382 board shall make rules specifying:

383 (a) eligibility criteria for a school leader to participate in the School Leadership
384 Development Program;

385 (b) application procedures for the School Leadership Development Program;

386 (c) criteria for selecting school leaders from the application pool; and

387 (d) procedures for awarding incentive pay under Subsection (4).

388 Section 10. Section **53A-1-1210** is enacted to read:

389 **53A-1-1210. Reporting requirement.**

390 On or before November 30 of each year, the board shall report to the Education Interim
391 Committee on the provisions of this part.

392 Section 11. Section **53A-1a-108.5** is amended to read:

393 **53A-1a-108.5. School improvement plan.**

394 (1) (a) Each school community council shall annually evaluate the school's [~~U-PASS~~]
395 statewide achievement test results and use the evaluations in developing a school improvement
396 plan.

397 (b) In evaluating [~~U-PASS~~] statewide achievement test results and developing a school

398 improvement plan, a school community council may not have access to data that reveal the
399 identity of students.

400 (2) [~~Each~~] A school community council shall develop a school improvement plan
401 [~~shall~~] that:

402 (a) [~~identify~~] identifies the school's most critical academic needs;

403 (b) [~~recommend~~] recommends a course of action to meet the identified needs;

404 (c) [~~list~~] lists any programs, practices, materials, or equipment that the school will need
405 to implement its action plan to have a direct impact on the instruction of students and result in
406 measurable increased student performance; and

407 (d) [~~describe~~] describes how the school intends to enhance or improve academic
408 achievement, including how financial resources available to the school, such as School LAND
409 Trust Program money received under Section [53A-16-101.5](#) and state and federal grants, will
410 be used to enhance or improve academic achievement.

411 (3) [~~The~~] Although a school improvement plan [~~shall focus~~] focuses on the school's
412 most critical academic needs [~~but~~], the plan may include other actions to enhance or improve
413 academic achievement and the community environment for students.

414 (4) The school principal shall make available to the school community council the
415 school budget and other data needed to develop the school improvement plan.

416 (5) The school improvement plan [~~shall be~~] is subject to the approval of the local
417 school board of the school district in which the school is located.

418 (6) A school community council may develop a multiyear school improvement plan,
419 but the plan must be presented to and approved annually by the local school board.

420 (7) Each school shall:

421 (a) implement the school improvement plan as developed by the school community
422 council and approved by the local school board;

423 (b) provide ongoing support for the council's plan; and

424 (c) meet local school board reporting requirements regarding performance and
425 accountability.

426 (8) The school community council of a low performing school, as defined in Section
427 [53A-1-1202](#), shall develop a school improvement plan that is consistent with the school
428 turnaround plan developed by the school turnaround committee under Chapter 1, Part 12,

429 School Turnaround and Leadership Development Act.

430 Section 12. Section **53A-1a-510** is amended to read:

431 **53A-1a-510. Termination of a charter.**

432 (1) Subject to the requirements of Subsection (3), a charter school authorizer may
433 terminate a school's charter for any of the following reasons:

- 434 (a) failure of the charter school to meet the requirements stated in the charter;
- 435 (b) failure to meet generally accepted standards of fiscal management;
- 436 (c) subject to Subsection (8), failure to make adequate yearly progress under the No
437 Child Left Behind Act of 2001, 20 U.S.C. Sec. 6301 et seq.;

438 (d) (i) designation as a low performing school under Chapter 1, Part 11, School
439 Grading Act; and

440 (ii) failure to improve the school's grade under the conditions described in Chapter 1,
441 Part 12, School Turnaround and Leadership Development Act;

442 [~~(d)~~] (e) violation of requirements under this part or another law; or

443 [~~(e)~~] (f) other good cause shown.

444 (2) (a) The authorizer shall notify the following of the proposed termination in writing,
445 state the grounds for the termination, and stipulate that the governing board may request an
446 informal hearing before the authorizer:

- 447 (i) the governing board of the charter school; and
- 448 (ii) if the charter school is a qualifying charter school with outstanding bonds issued in
449 accordance with Chapter 20b, Part 2, Charter School Credit Enhancement Program, the Utah
450 Charter School Finance Authority.

451 (b) Except as provided in Subsection (2)(e), the authorizer shall conduct the hearing in
452 accordance with Title 63G, Chapter 4, Administrative Procedures Act, within 30 days after
453 receiving a written request under Subsection (2)(a).

454 (c) If the authorizer, by majority vote, approves a motion to terminate a charter school,
455 the governing board of the charter school may appeal the decision to the State Board of
456 Education.

457 (d) (i) The State Board of Education shall hear an appeal of a termination made
458 pursuant to Subsection (2)(c).

459 (ii) The State Board of Education's action is final action subject to judicial review.

460 (e) (i) If the authorizer proposes to terminate the charter of a qualifying charter school
461 with outstanding bonds issued in accordance with Chapter 20b, Part 2, Charter School Credit
462 Enhancement Program, the authorizer shall conduct a hearing described in Subsection (2)(b)
463 120 days or more after notifying the following of the proposed termination:

- 464 (A) the governing board of the qualifying charter school; and
- 465 (B) the Utah Charter School Finance Authority.

466 (ii) Prior to the hearing described in Subsection (2)(e)(i), the Utah Charter School
467 Finance Authority shall meet with the authorizer to determine whether the deficiency may be
468 remedied in lieu of termination of the qualifying charter school's charter.

469 (3) An authorizer may not terminate the charter of a qualifying charter school with
470 outstanding bonds issued in accordance with Chapter 20b, Part 2, Charter School Credit
471 Enhancement Program, without mutual agreement of the Utah Charter School Finance
472 Authority and the authorizer.

473 (4) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
474 the State Board of Education shall make rules that require a charter school to report any threats
475 to the health, safety, or welfare of its students to the State Charter School Board in a timely
476 manner.

477 (b) The rules under Subsection (4)(a) shall also require the charter school report to
478 include what steps the charter school has taken to remedy the threat.

479 (5) Subject to the requirements of Subsection (3), the authorizer may terminate a
480 charter immediately if good cause has been shown or if the health, safety, or welfare of the
481 students at the school is threatened.

482 (6) If a charter is terminated during a school year, the following entities may apply to
483 the charter school's authorizer to assume operation of the school:

- 484 (a) the school district where the charter school is located;
- 485 (b) the governing board of another charter school; or
- 486 (c) a private management company.

487 (7) (a) If a charter is terminated, a student who attended the school may apply to and
488 shall be enrolled in another public school under the enrollment provisions of Chapter 2, Part 2,
489 District of Residency, subject to space availability.

490 (b) Normal application deadlines shall be disregarded under Subsection (7)(a).

491 (8) Subject to the requirements of Subsection (3), an authorizer may terminate a charter
492 pursuant to Subsection (1)(c) under the same circumstances that local educational agencies are
493 required to implement alternative governance arrangements under 20 U.S.C. Sec. 6316.

494 Section 13. Section **53A-17a-105** is amended to read:

495 **53A-17a-105. Powers and duties of State Board of Education to adjust Minimum**
496 **School Program allocations -- Use of remaining funds at the end of a fiscal year.**

497 (1) For purposes of this section:

498 (a) "Board" means the State Board of Education.

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

501 (c) "LEA" means:

502 (i) a school district; or

503 (ii) a charter school.

504 (d) "Program" means a program or allocation funded by a line item appropriation or
505 other appropriation designated as:

506 (i) Basic Program;

507 (ii) Related to Basic Programs;

508 (iii) Voted and Board Levy Programs; or

509 (iv) Minimum School Program.

510 ~~[(1)]~~ (2) Except as provided in Subsection ~~[(2)]~~ (3) or ~~[(4)]~~ (5), if the number of
511 weighted pupil units in a program is underestimated, the ~~[State Board of Education]~~ board shall
512 reduce the value of the weighted pupil unit in that program so that the total amount paid for the
513 program does not exceed the amount appropriated for the program.

514 ~~[(2)]~~ (3) If the number of weighted pupil units in a program is overestimated, the ~~[State~~
515 ~~Board of Education]~~ board shall spend excess money appropriated for the following purposes
516 giving priority to the purpose described in Subsection ~~[(2)]~~ (3)(a):

517 (a) to support the value of the weighted pupil unit in a program within the basic
518 state-supported school program in which the number of weighted pupil units is underestimated;

519 (b) to support the state guarantee per weighted pupil unit provided under the voted
520 local levy program established in Section 53A-17a-133 or the board local levy program
521 established in Section 53A-17a-164, if:

522 (i) local contributions to the voted local levy program or board local levy program are
523 overestimated; or

524 (ii) the number of weighted pupil units within school districts qualifying for a
525 guarantee is underestimated;

526 (c) to support the state supplement to local property taxes allocated to charter schools,
527 if the state supplement is less than the amount prescribed by Subsection 53A-1a-513(4); or

528 (d) to support a school district with a loss in student enrollment as provided in Section
529 53A-17a-139.

530 ~~[(3)]~~ (4) If local contributions from the minimum basic tax rate imposed under Section
531 53A-17a-135 are overestimated, the ~~[State Board of Education]~~ board shall reduce the value of
532 the weighted pupil unit for all programs within the basic state-supported school program so the
533 total state contribution to the basic state-supported school program does not exceed the amount
534 of state funds appropriated.

535 ~~[(4)]~~ (5) If local contributions from the minimum basic tax rate imposed under Section
536 53A-17a-135 are underestimated, the ~~[State Board of Education]~~ board shall:

537 (a) spend the excess local contributions for the purposes specified in Subsection ~~[(2)]~~
538 (3), giving priority to supporting the value of the weighted pupil unit in programs within the
539 basic state-supported school program in which the number of weighted pupil units is
540 underestimated; and

541 (b) reduce the state contribution to the basic state-supported school program so the
542 total cost of the basic state-supported school program does not exceed the total state and local
543 funds appropriated to the basic state-supported school program plus the local contributions
544 necessary to support the value of the weighted pupil unit in programs within the basic
545 state-supported school program in which the number of weighted pupil units is underestimated.

546 ~~[(5)]~~ (6) Except as provided in Subsection ~~[(2)]~~ (3) or ~~[(4)]~~ (5), the State Board of
547 Education shall reduce the guarantee per weighted pupil unit provided under the voted local
548 levy program established in Section 53A-17a-133 or board local levy program established in
549 Section 53A-17a-164, if:

550 (a) local contributions to the voted local levy program or board local levy program are
551 overestimated; or

552 (b) the number of weighted pupil units within school districts qualifying for a

553 guarantee is underestimated.

554 (7) (a) If a state loses flexibility due to nonrenewal of the state's flexibility waiver
555 under the ESEA and is required to fully implement the requirements of Title I of the ESEA, as
556 amended by the No Child Left Behind Act of 2001, the board may use program funds as
557 described in Subsection (7)(b).

558 (b) Subject to the requirements of Subsections (7)(a) and (c), for fiscal year 2016, after
559 any transfers or adjustments described in Subsections (2) through (6) are made, the board may
560 use up to \$15,000,000 of excess money appropriated to a program, remaining at the end of
561 fiscal year 2015, to mitigate a budgetary impact to an LEA due to the LEA's loss of flexibility
562 related to implementing the requirements of Title I of the ESEA, as amended by the No Child
563 Left Behind Act of 2001.

564 (c) In addition to the reporting requirement described in Subsection (9), the board shall
565 report actions taken by the board under this Subsection (7) to the Executive Appropriations
566 Committee.

567 ~~[(6)]~~ (8) Money appropriated to the [~~State Board of Education~~] board is nonlapsing.

568 ~~[(7)]~~ (9) The [~~State Board of Education~~] board shall report actions taken by the board
569 under this section to the Office of the Legislative Fiscal Analyst and the Governor's Office of
570 Management and Budget.

571 Section 14. **Appropriation.**

572 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, for
573 the fiscal year beginning July 1, 2015, and ending June 30, 2016, the following sums of money
574 are appropriated from resources not otherwise appropriated, or reduced from amounts
575 previously appropriated, out of the funds or accounts indicated. These sums of money are in
576 addition to any amounts previously appropriated for fiscal year 2016.

577 To State Board of Education - State Office of Education - Initiative Programs
578 From Education Fund \$7,000,000

579 Schedule of Programs:

580 Contracts and Grants - Low Performing Schools \$7,000,000

581 The Legislature intends that:

582 (1) the State Board of Education:

583 (a) may use up to \$500,000 of the appropriation under this section for the School

584 Leadership Development Program created under Section 53A-1-1209; and

585 (b) shall use the remaining funds in accordance with the direction provided in

586 Subsection 53A-1-1206(6); and

587 (2) the appropriations under this section are:

588 (a) ongoing; and

589 (b) non-lapsing.

590 **Section 15. Effective date.**

591 (1) Except as provided in Subsection (2), if approved by two-thirds of all the members
592 elected to each house, this bill takes effect upon approval by the governor, or the day following
593 the constitutional time limit of Utah Constitution, Article VII, Section 8, without the governor's
594 signature, or in the case of a veto, the date of veto override.

595 (2) Uncodified Section 14, Appropriation, takes effect on July 1, 2015.