

**Senator Millie M. Peterson** proposes to substitute the following bill:

**SCHOOL DISTRICT SIZE**

2000 GENERAL SESSION

STATE OF UTAH

**Sponsor: David N. Cox**

AN ACT RELATING TO PUBLIC EDUCATION; PROVIDING A MECHANISM FOR THE CREATION OF A NEW SCHOOL DISTRICT; PROVIDING FOR THE TRANSFER OF PROPERTY TO AND THE ASSUMPTION OF INDEBTEDNESS BY THE NEW SCHOOL DISTRICT; AND PROVIDING FOR THE ELECTION OF BOARD MEMBERS.

This act affects sections of Utah Code Annotated 1953 as follows:

ENACTS:

**53A-2-102.5**, Utah Code Annotated 1953

**53A-2-102.7**, Utah Code Annotated 1953

**53A-2-102.9**, Utah Code Annotated 1953

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

Section 1. Section **53A-2-102.5** is enacted to read:

**53A-2-102.5. Creation of new school district -- Resolution by school board members -- Petition by electors -- Election.**

(1) A new school district may be created from an existing school district if:

(a) (i) a majority of the school board members of an existing school district with an enrollment of at least 50,000 students approve and present to the county legislative body of the affected county a resolution to divide the district into two new school districts of not less than 20,000 students per district; or

(ii) 10% of the qualified electors from each of the local school board districts within a school district with an enrollment of at least 50,000 students sign and present a petition to the county legislative body of the affected county to divide the school district into two new school

26 districts of not less than 20,000 students per district;

27 (b) a copy of the petition or resolution is filed with the State Board of Education for review  
28 and assessment by the board, and the findings are published prior to the next general election; and

29 (c) the resolution or petition is voted on at the next general election, beginning with the  
30 general election held in the year 2002.

31 (2) The election required under Subsection (1)(c) shall be conducted in accordance with  
32 Title 20A, Election Code.

33 (3) Creation of a new school district from an existing district shall occur if a majority of  
34 the electors within the existing school district voting on the question favor the creation of a new  
35 district.

36 (4) The petition or resolution voted on at the election shall include the following  
37 information:

38 (a) an accurate description of the proposed geographical boundaries of the new school  
39 districts;

40 (b) the assessed valuation of property within the affected districts; and

41 (c) the district's current bonded indebtedness.

42 (5) An election may not be held under this section if the existing school district has unused  
43 voter authorization for bonds.

44 Section 2. Section **53A-2-102.7** is enacted to read:

45 **53A-2-102.7. Transfer of property to new school district -- Rights and obligations**  
46 **of new school board -- Outstanding indebtedness.**

47 (1) (a) On July 1 following the approval of the creation of a new school district under  
48 Section 53A-2-102.5, the local school board of the district from which the new district was created  
49 shall convey and deliver to the school board of the new district all school property which the new  
50 district is entitled to.

51 (b) Title vests in the new school board, including all rights, claims, and causes of action  
52 to or for the property, for the use or the income from the property, for conversion, disposition, or  
53 withholding of the property, or for any damage or injury to the property.

54 (c) The new board may bring and maintain actions to recover, protect, and preserve the  
55 property and rights of the district's schools and to enforce contracts.

56 (d) The new board shall assume and be liable for all outstanding debts and obligations that

57 attach to the transferred property.

58 (e) The intangible property of the existing school district shall be prorated between it and  
59 the new district on the same basis used to determine the amount of bonded indebtedness to be  
60 assumed by the new district.

61 (2) (a) If the existing school district has outstanding bonded indebtedness for the payment  
62 of principal and interest on the indebtedness at the time the new district is established, the  
63 indebtedness shall be prorated between the existing district and the new district in the same  
64 proportion as the assessed valuation of taxable property in the existing district bears to the assessed  
65 valuation of taxable property in the new district.

66 (b) The valuation shall be determined according to the assessment rolls of the county in  
67 which the existing school district is located as they exist at the time of the establishment of the new  
68 district.

69 (c) The new district shall levy a tax on the property within the new district for the payment  
70 of its portion of the principal and interest on the indebtedness.

71 (d) Voter approval of the creation of the new district constitutes an approval of the  
72 assumption of indebtedness under this section.

73 Section 3. Section **53A-2-102.9** is enacted to read:

74 **53A-2-102.9. School board membership -- Elections -- Terms.**

75 (1) Upon the creation of a new school district under this chapter, the county legislative  
76 body, or municipal legislative body in a city district, shall reapportion the affected school districts  
77 pursuant to Section 20A-14-201.

78 (2) (a) Except as otherwise provided in this section, board membership in the affected  
79 school districts is determined under Sections 20A-1-511, 20A-14-201, and 20A-14-202.

80 (b) If there are less than two school board members who reside in a newly created  
81 five-member school district or less than three school board members who reside in a  
82 seven-member district, then the county legislative body in a five-member district or the municipal  
83 legislative body in a seven-member district shall call a special election for the purpose of electing  
84 additional members to the school board.

85 (c) (i) Three members of a five-member board and four members of a seven-member board  
86 in the affected districts shall serve initial terms of four years.

87 (ii) Two members of a five-member board and three members of a seven-member board

88 in the affected districts shall serve initial terms of two years.

89 (iii) All subsequent terms are for four years.