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School District Seismic Safety and Maintenance

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Keith Grover

House Sponsor:

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3	LONG TITLE
4	General Description:
5	This bill enacts provisions for the transition from a divided school district to new and
6	reorganized new school districts regarding certain seismic safety and deferred maintenance
7	evaluations.
8	Highlighted Provisions:
9	This bill:
10	 enacts provisions for the transition from a divided school district to new and reorganized
11	new school districts regarding certain seismic safety and deferred maintenance
12	evaluations.
13	Money Appropriated in this Bill:
14	None
15	Other Special Clauses:
16	None
17	Utah Code Sections Affected:
18	AMENDS:
19	53G-3-302, as last amended by Laws of Utah 2024, Third Special Session, Chapter 3
20	
21	Be it enacted by the Legislature of the state of Utah:
22	Section 1. Section 53G-3-302 is amended to read:
23	53G-3-302 . Election of local school board members Allocation of assets and
24	liabilities Startup costs Transfer of title.
25	(1)(a) If voters approve a proposal to create a new school district under this part:
26	(i) the legislative body of each county where all or a part of the new school district
27	and the reorganized new school district are located shall hold elections during the
28	year immediately following the year in which the voters approve the proposal to
29	elect members to the local school board of the new school district and the
30	reorganized new school district, as follows:

31	(A) the filing period for a declaration of candidacy will be the same as the filing
32	period for a municipal election;
33	(B) the primary election will be held on the same day as the municipal primary
34	election; and
35	(C) the general election will be held on the same day as the municipal general
36	election;
37	(ii) the new school district and reorganized new school district shall divide the assets
38	and liabilities of the divided school district between the new school district and
39	the reorganized new school district as provided in Subsection (3) and Section
40	53G-3-307;
41	(iii) transferred employees shall be treated in accordance with Sections 53G-3-205
42	and 53G-3-308;
43	(iv) an individual residing within the boundaries of a new school district or
44	reorganized new school district at the time the new school district is created may,
45	for six school years following the creation of the new school district, elect to
46	enroll in a secondary school located outside the boundaries of the reorganized new
47	school district if:
48	(A) the individual resides within the boundaries of that secondary school as of the
49	day before the new school district is created; and
50	(B) the individual would have been eligible to enroll in that secondary school had
51	the new school district not been created;
52	(v) the reorganized new school district in which the secondary school is located shall
53	provide educational services, including, if provided before the creation of the new
54	school district, busing to each individual making an election under Subsection
55	(1)(a)(iv) for each school year for which the individual makes the election; and
56	(vi) within one year following the date on which the new school district begins
57	providing educational services, the superintendent of each affected school district
58	shall meet, together with the state superintendent, to determine if further boundary
59	changes should take place in accordance with Section 53G-3-501.
60	(b)(i) The county or municipal legislative bodies that conduct redistricting for the
61	new school district and the reorganized new school district shall, at the meeting
62	where the county or municipal legislative bodies adopt the final redistricting
63	maps, adjust the initial terms of the board members for the new school district and
64	the reorganized new school district, by lot, so that approximately half of the board

65	members on each board will have an initial term of three years with the other
66	members having an initial term of five years.
67	(ii) The term of a member of the divided school district local school board terminates
68	on January 1 of the year following the allocation date.
69	(iii) Notwithstanding the existence of the new school district local school board and
70	the reorganized new school district local school board under Subsection (1)(a)(i),
71	the divided school district local school board shall continue to function and
72	exercise authority as a local school board until the allocation date to the extent
73	necessary to continue to provide educational services to the entire divided school
74	district.
75	(iv) An individual may simultaneously serve as or be elected to be a member of the
76	local school board of a divided school district and a member of the local school
77	board of:
78	(A) a new school district; or
79	(B) a reorganized new school district.
80	(2)(a) The divided school district local school board shall, within 60 days after the
81	creation date:
82	(i) prepare an inventory of the divided school district's:
83	(A) assets, both tangible and intangible, real and personal; and
84	(B) liabilities; and
85	(ii) deliver a copy of the inventory to the Office of the Legislative Auditor General.
86	(b) Following the local school board election date described in Subsection (1)(a), the
87	new school district and reorganized new school district local school boards shall:
88	(i) request a copy of the inventory described in Subsection (2)(a) from the Office of
89	the Legislative Auditor General;
90	(ii) determine the allocation of the divided school district's assets and, except for
91	indebtedness under Section 53G-3-307, liabilities of the new school district and
92	reorganized new school district in accordance with Subsection (3);
93	(iii) prepare a written report detailing the allocation under Subsection (2)(b)(ii); and
94	(iv) deliver a copy of the written report to the Office of the Legislative Auditor
95	General and the divided school district local board.
96	(c) The new school district and reorganized new school district local boards shall
97	determine the allocation under Subsection (2)(b) and deliver the report required under
98	Subsection (2)(b) on or before July 1 of the year following the school board election

99	date, unless that deadline is extended by mutual agreement of the new school district
100	and reorganized new school district local boards.
101	(3)(a) As used in this Subsection (3):
102	(i) "Associated property" means furniture, equipment, or supplies located in or
103	specifically associated with a physical asset.
104	(ii)(A) "Discretionary asset or liability" means, except as provided in Subsection
105	(3)(a)(ii)(B), an asset or liability that is not tied to a specific project, school,
106	student, or employee by law or school district accounting practice.
107	(B) "Discretionary asset or liability" does not include a physical asset, associated
108	property, a vehicle, or bonded indebtedness.
109	(iii)(A) "Nondiscretionary asset or liability" means, except as provided in
110	Subsection (3)(a)(iii)(B), an asset or liability that is tied to a specific project,
111	school, student, or employee by law or school district accounting practice.
112	(B) "Nondiscretionary asset or liability" does not include a physical asset,
113	associated property, a vehicle, or bonded indebtedness.
114	(iv) "Physical asset" means a building, land, or water right together with revenue
115	derived from the lease or use of the building, land, or water right.
116	(b) Except as provided under Subsection (3)(c), the new school district and reorganized
117	new school district local school boards shall allocate all assets and liabilities the
118	divided school district owns on the allocation date, both tangible and intangible, real
119	and personal as follows:
120	(i) a physical asset and associated property asset shall be allocated to the school
121	district in which the physical asset is located;
122	(ii) a discretionary asset or liability shall be allocated between the new school district
123	and reorganized new school district in proportion to the student population of the
124	school districts;
125	(iii) vehicles used for pupil transportation shall be allocated:
126	(A) according to the transportation needs of schools, as measured by the number
127	and assortment of vehicles used to serve eligible state supported transportation
128	routes serving schools within the new school district and the reorganized new
129	school district; and
130	(B) in a manner that gives each school district a fleet of vehicles for pupil
131	transportation that is equivalent in terms of age, condition, and variety of
132	carrying capacities; and

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133	(iv) other vehicles shall be allocated:
134	(A) in proportion to the student population of the school districts; and
135	(B) in a manner that gives each district a fleet of vehicles that is similar in terms
136	of age, condition, and carrying capacities.
137	(c) By mutual agreement, the new school district and reorganized new school district
138	local school boards may allocate an asset or liability in a manner different than the
139	allocation method specified in Subsection (3)(b).
140	(4)(a) As used in this Subsection (4):
141	(i) "New school district startup costs" means the costs and expenses incurred by a
142	new school district in order to prepare to begin providing educational services on
143	July 1 of the second calendar year following the local school board election date
144	described in Subsection (1)(a)(i).
145	(ii) "Reorganized new school district startup costs" means the costs and expenses that
146	a reorganized new school district incurs to make necessary adjustments to deal
147	with the impacts resulting from the creation of the new school district and to
148	prepare to provide educational services within the reorganized new school district
149	once the new school district begins providing educational services within the new
150	school district.
151	(b) On or before January 1 of the year following the new local school board election date
152	described in Subsection (1)(a)(i), the divided school district shall make the
153	unassigned reserve funds from the divided school district's general fund available for
154	the use of the reorganized new school district and the new school district in
155	proportion to the student enrollment of each new school district.
156	(c) The divided school district may make additional funds available for the use of the
157	reorganized new school district and the new school district beyond the amount
158	specified in Subsection (4)(b) through an interlocal agreement.
159	(d) The following may access and spend money made available under Subsection (4)(b):
160	(i) the reorganized new school district local school board; and
161	(ii) the new school district local school board.
162	(e) The new school district and the reorganized new school district may use the money
163	made available under Subsection (4)(b) to pay for the new school district and
164	reorganized new school district startup costs.
165	(5)(a) The divided school district shall transfer title or, if applicable, partial title of
166	property to the new school district and the reorganized new school district in

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167	accordance with the allocation of property as stated in the report under Subsection
168	(2)(b)(iii).
169	(b) The divided school district shall complete each transfer of title or, if applicable,
170	partial title to real property and vehicles on or before one calendar year from the date
171	of the local school board election date described in Subsection (1)(a)(i), except as
172	that date is changed by the mutual agreement of:
173	(i) the local school board of the divided school district;
174	(ii) the local school board of the reorganized new school district; and
175	(iii) the local school board of the new school district.
176	(c) The divided school district shall complete the transfer of all property not included in
177	Subsection (5)(b) on or before November 1 of the calendar year following the local
178	school board election date described in Subsection (1)(a)(i).
179	(6) Except as provided in Subsection (5), a divided school district may not transfer or agree
180	to transfer title to district property beginning on the day the new school district or
181	reorganized new school district is created without the prior consent of:
182	(a) the legislative body of the municipality in which the boundaries for the new school
183	district or reorganized new school district are entirely located; or
184	(b) the legislative bodies of all interlocal agreement participants in which the boundaries
185	of the new school district or reorganized new school district are located.
186	(7)(a) If a school district has not conducted a seismic safety evaluation in accordance
187	with Section 53G-4-608 within 10 years before the creation date, on or before
188	December 31 of the year following the creation date, the state auditor shall perform
189	the seismic safety study and evaluation of each school district building within the
190	divided school district:
191	(i) with a construction date before the year 2000; and
192	(ii) that the divided school district uses as a school.
193	(b) The state auditor shall ensure that:
194	(i) a licensed structural engineer familiar with seismic codes conducts the seismic
195	safety evaluation described in Subsection (7)(a); and
196	(ii) the seismic safety evaluation provides an estimated cost for remediation or
197	replacement of each school district building that the evaluation shows to have a
198	seismic issue.
199	(c) On or before December 31 of the year following the creation date, the state auditor
200	shall perform a deferred maintenance study of the divided school district to determine:

201	(i) a description and location of each deferred maintenance item within the divided
202	school district; and
203	(ii) the estimated cost to remediate each deferred maintenance item.
204	(d) The state auditor shall deliver the studies described in this Subsection (7) to the local
205	school board of each new school district and reorganized new school district.

- 206 Section 2. Effective Date.
- 207 <u>This bill takes effect on May 7, 2025.</u>