

Land Trusts Protection and Advocacy Office Amendments

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Derrin R. Owens

House Sponsor: Jefferson S. Burton

LONG TITLE

Committee Note:

The Natural Resources, Agriculture, and Environment Interim Committee recommended this bill.

Legislative Vote: 13 voting for 0 voting against 6 absent

General Description:

9 This bill clarifies the Land Trusts Protection and Advocacy Office's role and implements
10 distribution accountability requirements for non-public education trust beneficiaries.

11 **Highlighted Provisions:**

This bill:

- defines terms;
- clarifies the authority and purpose of the advocacy office as the primary representative of trust beneficiaries;
- refines the duties of the advocacy office director;
- defines accountability requirements for use of trust distributions in response to a legislative audit;
- updates the composition of the nominating committees for the trustee boards; and
- makes technical and conforming changes.

21 Money Appropriated in this Bill:

None

23 Other Special Clauses:

This bill provides a special effective date.

25 Utah Code Sections Affected:

26 AMENDS:

53C-1-103, as last amended by Laws of Utah 2018, Chapter 448

53C-1-203, as last amended by Laws of Utah 2018, Chapters 415, 448

53C-1-301, as last amended by Laws of Utah 2025, Chapter 302

53C-1-303, as last amended by Laws of Utah 2025, Chapter 496

31 **53D-1-102**, as last amended by Laws of Utah 2019, Chapter 136
32 **53D-1-303**, as last amended by Laws of Utah 2018, Chapter 200
33 **53D-1-401**, as last amended by Laws of Utah 2018, Chapter 448
34 **53D-1-403**, as last amended by Laws of Utah 2018, Chapters 415, 448
35 **53D-1-501**, as last amended by Laws of Utah 2018, Chapter 448
36 **53D-2-102**, as enacted by Laws of Utah 2018, Chapter 448
37 **53F-9-201**, as last amended by Laws of Utah 2024, Chapter 268
38 **53G-7-1206**, as last amended by Laws of Utah 2025, Chapter 424

39 ENACTS:

40 **53D-2-301**, Utah Code Annotated 1953
41 **53D-2-302**, Utah Code Annotated 1953
42 **53D-2-303**, Utah Code Annotated 1953
43 **53D-2-304**, Utah Code Annotated 1953
44 **53D-2-401**, Utah Code Annotated 1953
45 **53D-2-402**, Utah Code Annotated 1953
46 **53D-2-501**, Utah Code Annotated 1953

47 REPEALS AND REENACTS:

48 **53D-2-201**, as last amended by Laws of Utah 2021, Chapter 336
49 **53D-2-202**, as enacted by Laws of Utah 2018, Chapter 448

50 RENUMBERS AND AMENDS:

51 **53D-2-601**, (Renumbered from 53D-2-204, as last amended by Laws of Utah 2019,
52 Chapter 191)

53 REPEALS:

54 **53D-2-203**, as last amended by Laws of Utah 2025, First Special Session, Chapter 9

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

56 Section 1. Section **53C-1-103** is amended to read:

57 **53C-1-103 . Definitions.**

58 As used in this title:

59 (1) "Administration" means the School and Institutional Trust Lands Administration.

60 (2) "Advocacy office" means the School and Institutional Trust Beneficiaries' Advocacy
61 Office, created in Section 53D-2-201.

62 [(2)] (3) "Board" or "board of trustees" means the School and Institutional Trust Lands
63 Board of Trustees.

65 [§3] (4) "Director" or "director of school and institutional trust lands" means the chief
66 executive officer of the School and Institutional Trust Lands Administration.

67 [(4)] (5) "Mineral" includes oil, gas, and hydrocarbons.

68 [(5)] (6) "Nominating committee" means the committee that nominates candidates for
69 positions and vacancies on the board.

70 [(6)] (7) "Policies" means statements applying to the administration that broadly prescribe a
71 future course of action and guiding principles.

72 [(7) "Primary beneficiary representative" means the the Land Trusts Protection and
73 Advocacy Office, created in Section 53D-2-201, acting as representative on behalf of the
74 following trusts:]

75 [(a) the trust established for common schools;]
76 [(b) the trust established for schools for the blind; and]
77 [(c) the trust established for schools for the deaf.]

78 (8) "School and institutional trust lands" or "trust lands" means those properties [granted by]
79 the United States grants in the Utah Enabling Act to the state and placed in trust under
80 Utah Constitution, Article XX, Section 2, and other lands transferred to the trust, which [
81 must] shall be managed for the [benefit of:] beneficiaries listed in Subsection
82 53D-2-201(2).
83 [(a) the state's public education system; or]
84 [(b) the institutions of the state which are designated by the Utah Enabling Act as
85 beneficiaries of trust lands.]

86 Section 2. Section **53C-1-203** is amended to read:

87 **53C-1-203 . Board of trustees nominating committee -- Composition --**

88 **Responsibilities -- Per diem and expenses.**

89 (1) There is established [an 11-] a nine-member board of trustees nominating committee.

90 [(2)(a)(i) Through July 30, 2018, the State Board of Education shall appoint five
91 members to the nominating committee from different geographical areas of the
92 state.]

93 [(ii) Beginning on August 1, 2018, the five members of the Land Trusts Protection
94 and Advocacy Committee, created in Section 53D-2-202, shall serve on the
95 nominating committee.]

96 [(b) The governor shall appoint five members to the nominating committee on or before
97 the December 1 of the year preceding the vacancy on the nominating committee as
98 follows:]

- [i](A) through July 30, 2018, one individual from a nomination list of at least two names of individuals knowledgeable about institutional trust lands submitted on or before the October 1 of the year preceding the vacancy on the nominating committee by the University of Utah and Utah State University on an alternating basis every four years; and]
- [B) beginning on August 1, 2018, one individual who is knowledgeable about real estate development;]
- [ii) one individual from a nomination list of at least two names submitted by the Utah Farm Bureau in consultation with the Utah Cattleman's Association and the Utah Wool Growers' Association on or before the October 1 of the year preceding the vacancy on the nominating committee;]
- [iii) one individual from a nomination list of at least two names submitted by the Utah Petroleum Association on or before the October 1 of the year preceding the vacancy on the nominating committee;]
- [iv) one individual from a nomination list of at least two names submitted by the Utah Mining Association on or before the October 1 of the year preceding the vacancy on the nominating committee; and]
- [v) one individual from a nomination list of at least two names submitted by the executive director of the Department of Natural Resources after consultation with statewide wildlife and conservation organizations on or before the October 1 of the year preceding the vacancy on the nominating committee.]

[e) The president of the Utah Association of Counties shall designate the chair of the Public Lands Steering Committee, who must be an elected county commissioner or councilor, to serve as the eleventh member of the nominating committee.]

(2)(a) The council chair of the School and Institutional Trust Beneficiaries' Advocacy Council, created in Section 53D-2-303, shall appoint three members to serve on the nominating committee contingent on the member's council membership.

(b) The governor shall appoint five members to the nominating committee on or before the December 1 of the year preceding the vacancy on the nominating committee as follows:

- (i) one individual who is knowledgeable about real estate development from a nomination the Governor's Office of Economic Opportunity submits on or before the October 1 of the year preceding the vacancy on the nominating committee;
- (ii) one individual from a nomination the Utah Farm Bureau submits in consultation

133 with the Utah Cattlemen's Association and the Utah Wool Growers Association on
134 or before the October 1 of the year preceding the vacancy on the nominating
135 committee;

136 (iii) one individual from a nomination the Utah Petroleum Association submits on or
137 before the October 1 of the year preceding the vacancy on the nominating
138 committee;

139 (iv) one individual from a nomination the Utah Mining Association submits on or
140 before the October 1 of the year preceding the vacancy on the nominating
141 committee; and

142 (v) one individual from a nomination the executive director of the Department of
143 Natural Resources submits after consultation with statewide wildlife and
144 conservation organizations on or before the October 1 of the year preceding the
145 vacancy on the nominating committee.

146 (c) If the governor rejects a nomination under this section, notwithstanding the October
147 1 deadline described in Subsection (2)(b), the affected nominating organization shall
148 make a new submission.

149 (d) The president of the Utah Association of Counties shall designate the chair of the
150 Public Lands Steering Committee, who shall be an elected county commissioner or
151 councilor, to serve as the ninth member of the nominating committee.

152 (3)(a) Except as required by [Subsections] Subsection (3)(b)[and (d)], each member
153 shall serve a four-year term.

154 (b) The governor shall, at the time of appointment or reappointment, adjust the length of
155 terms to ensure that the terms of committee members the governor appoints are
156 staggered so that approximately half of the committee is appointed every two years.

157 (c) When a vacancy occurs in the membership for any reason, the replacement shall be
158 appointed for the unexpired term.

159 [(d) The term of a member of the nominating committee who is appointed under
160 Subsection (2)(a)(i) or (2)(b)(i)(A) shall end on July 30, 2018.]

161 (4) The nominating committee shall select a chair and vice chair from [its] the nominating
162 committee's membership by majority vote.

163 (5)(a) The nominating committee shall nominate at least two candidates for each
164 position or vacancy which occurs on the board of trustees except for the governor's
165 appointee under Subsection 53C-1-202(5).

166 (b) The nominations shall be by majority vote of the committee.

167 (6) A member may not receive compensation or benefits for the member's service, but may
168 receive per diem and travel expenses in accordance with:

169 (a) Section 63A-3-106;

170 (b) Section 63A-3-107; and

171 (c) rules[made by] the Division of Finance [pursuant to] makes in accordance with
172 Sections 63A-3-106 and 63A-3-107.

173 (7) The [Land Trusts Protection and Advocacy Office] advocacy office, created in Section
174 53D-2-201, shall provide staff support to the nominating committee.

175 (8) The nominating committee shall, by a majority vote, establish, amend, and publish
176 guidelines consistent with this section to govern the nominating process.

177 Section 3. Section **53C-1-301** is amended to read:

178 **53C-1-301 . Director -- Term -- Compensation -- Removal from office.**

179 (1)(a) The board, with the consent of the governor, shall select the director on the basis
180 of outstanding professional qualifications pertinent to the purposes and activities of
181 the trust.

182 (b) If the governor withdraws consent from a candidate agreed upon by the board, the
183 governor shall give reasons in writing to the board.

184 (2) The director shall serve a term of four years, or until a successor is selected and
185 qualified.

186 (3) When a vacancy occurs in the office of the director, the vacancy shall be filled [pursuant
187 to] in accordance with Subsection (1) for the remainder of the term.

188 (4)(a) The board:

189 (i) shall establish the compensation of the director; and

190 (ii) annually report the director's compensation to the Legislature.

191 (b) The compensation and performance of the director shall be examined each year as
192 part of the board's budget review process which may include responses from
193 interested parties, the director of the advocacy office, and the director of the School
194 and Institutional Trust Fund Office.

195 (5)(a) The board may remove the director from office for cause by a majority vote of the
196 board.

197 (b)(i) The governor may petition the board for removal of the director for cause.

198 (ii) The board shall hold a hearing on the governor's petition within 60 days after [its]
199 the petition's receipt.

200 (iii) If after the hearing the board finds by a preponderance of the evidence cause for

201 removal, it shall remove the director from office by a majority vote.

202 Section 4. Section **53C-1-303** is amended to read:

203 **53C-1-303 . Responsibilities of director -- Budget review -- Legal counsel --**

204 **Contract for services.**

205 (1) In carrying out the policies of the board of trustees and in establishing procedures and
206 rules, the director shall:

207 (a) take an oath of office before assuming any duties as the director;

208 (b) adopt procedures and rules necessary for the proper administration of matters
209 entrusted to the director by state law and board policy;

210 (c) submit to the board for [its] the board's review and concurrence on any rules
211 necessary for the proper management of matters entrusted to the administration;

212 (d) faithfully manage the administration under the policies [established by the board] the
213 board establishes;

214 (e) submit to the board for public inspection an annual management budget and financial
215 plan for operations of the administration and, after approval by the board, submit the
216 budget to the governor;

217 (f) direct and control the budget expenditures as finally authorized and appropriated;

218 (g) establish job descriptions and employ, within the limitation of the budget, staff
219 necessary to accomplish the purposes of the office subject to Section 53C-1-201;

220 (h) establish, in accordance with generally accepted principles of fund accounting, a
221 system to identify and account for the assets and vested interests of each beneficiary;

222 (i) complete an approximate valuation of the administration's entire land portfolio every
223 five years by estimating the value of no less than 10% of the administration's land
224 portfolio each year;

225 (j) notify the [primary beneficiary representative's designee regarding the trusts listed in
226 Subsection 53C-1-103(7)] advocacy office on major items that the director knows
227 may be useful to the [primary beneficiary representative's designee] advocacy office
228 in [protecting] representing beneficiary interests and rights;

229 (k) permit the [primary beneficiary representative's designee regarding a trust listed in
230 Subsection 53C-1-103(7)] advocacy office reasonable access to inspect records,
231 documents, and other trust property pertaining to that trust, provided that the [
232 primary beneficiary representative's designee] advocacy office shall maintain
233 confidentiality if confidentiality is required of the director;

234 (l) maintain appropriate records of trust activities to enable auditors appointed by

appropriate state agencies or the board to conduct periodic audits of trust activities;

(m) provide that all leases, contracts, and agreements be submitted to legal counsel for review of compliance with applicable law and fiduciary duties prior to execution and utilize the services of the attorney general as provided in Section 53C-1-305;

(n) keep the board, beneficiaries, governor, Legislature, and the public informed about the work of the director and administration by:

(i) submitting an annual report described in Section 53C-1-307; and

(ii) reporting to the board in a public meeting at least once during each calendar quarter; and

(o) respond in writing within a reasonable time to a request by the board or the ~~primary beneficiary representative's designee regarding a trust listed in Subsection 53C-1-103(7)~~ advocacy office for responses to questions on policies and practices affecting the management of the trust.

(2) The administration shall be the named party in substitution of the Division of ~~State Lands and Forestry~~ Forestry, Fire, and State Lands or [its] the Division of Forestry, Fire, and State Lands predecessor agencies, with respect to all documents affecting trust lands from the effective date of this act.

(3) The director may:

(a) with the consent of the state risk manager and the board, manage lands or interests in lands held by any other public or private party ~~pursuant to~~ in accordance with policies ~~established by~~ the board establishes and may make rules to implement these board policies;

(b) sue or be sued as the director of school and institutional trust lands;

(c) contract with other public agencies for personnel management services;

(d) contract with any public or private entity to make improvements to or upon trust lands and to carry out any of the responsibilities of the office, so long as the contract requires strict adherence to trust management principles, applicable law and regulation, and is subject to immediate suspension or termination for cause; and

(e) with the approval of the board enter into joint ventures and other business arrangements consistent with the purposes of the trust.

(4) Any application or bid required for the lease, permitting, or sale of lands in a competitive process or any request for review ~~pursuant to~~ in accordance with Section 53C-1-304 shall be considered filed or made on the date received by the appropriate administrative office, whether transmitted by United States mail or in any other manner.

269 Section 5. Section **53D-1-102** is amended to read:

270 **53D-1-102 . Definitions.**

271 As used in this chapter:

272 (1) "Account" means the School and Institutional Trust Fund Management Account, created
273 in Section 53D-1-203.

274 (2) "Advocacy office" means the School and Institutional Trust Beneficiaries' Advocacy
275 Office, created in Section 53D-2-201.

276 [(2)] (3) "Advocacy office director" means the director of the [Land Trusts Protection and]
277 School and Institutional Trust Beneficiaries' Advocacy Office, appointed under [Section
278 53D-2-203] Section 53D-2-401.

279 [(3)] (4) "Beneficiaries":

280 (a) means those listed in Subsection 53D-2-201(3) for whose benefit the trust fund is
281 managed and preserved, consistent with the enabling act, the Utah Constitution, and
282 state law; and

283 (b) does not include other government institutions or agencies, the public at large, or the
284 general welfare of the state.

285 [(4)] (5) "Board" means the board of trustees established in Section 53D-1-301.

286 [(5)] (6) "Director" means the director of the office.

287 [(6)] (7) "Enabling act" means the act of Congress, dated July 16, 1894, enabling the people
288 of Utah to form a constitution and state government and to be admitted into the Union.

289 [(7)] "Land Trusts Protection and Advocacy Office" or "advocacy office" means the Land
290 Trusts Protection and Advocacy Office created in Section 53D-2-201.]

291 (8) "Nominating committee" means the committee established under Section 53D-1-501.

292 (9) "Office" means the School and Institutional Trust Fund Office, created in Section
293 53D-1-201.

294 (10) "Trust fund" means money derived from:

295 (a) the sale or use of land granted to the state under Sections 6, 8, and 12 of the [
296 enabling act] Utah Enabling Act;

297 (b) proceeds referred to in Section 9 of the enabling act from the sale of public land; and
298 (c) revenue and assets referred to in Utah Constitution, Article X, Section 5, Subsections

299 (1)(c), (e), and (f).

300 Section 6. Section **53D-1-303** is amended to read:

301 **53D-1-303 . Board authority and duties.**

302 (1) The board has broad policymaking authority over the office and the trust fund.

303 (2)(a) The board shall establish policies for the management of:

304 (i) the office, including:

305 (A) an investment management code of conduct and associated compliance policy;

306 (B) a policy for the strategic allocation of trust fund assets;

307 (C) a soft dollar policy; and

308 (D) a policy articulating the board's investment philosophy for trust fund assets;

309 and

310 (ii) the trust fund.

311 (b) Policies that the board adopts shall:

312 (i) be consistent with the enabling act, the Utah Constitution, and other applicable state law;

314 (ii) reflect undivided loyalty to the beneficiaries consistent with fiduciary duties;

315 (iii) be designed to prudently optimize trust fund returns and increase the value of the trust fund, consistent with the balancing of short-term and long-term interests, so that the fiduciary duty of intergenerational equity is met;

317 (iv) be designed to maintain the integrity of the trust fund and prevent the misapplication of money in the trust fund;

319 (v) enable the board to oversee the activities of the office; and

321 (vi) otherwise be in accordance with standard trust principles as provided by state law.

322 (3) The board shall:

323 (a) establish a conflict of interest policy for the office and board members;

324 (b) establish policies governing the evaluation, selection, and monitoring of independent custodial arrangements;

326 (c) ensure that the office is managed according to law;

327 (d) establish bylaws to govern the board;

328 (e) establish the compensation of the director;

329 (f) annually examine the compensation and performance of the director as part of the board's budget review process which may include responses from:

331 (i) interested parties;

332 (ii) the advocacy office director; and

333 (iii) the director of the School and Institutional Trust Lands Administration;

334 (g) annually report the director's compensation to the Legislature; and

335 (h)(i) adopt policies to provide for annual training of board members regarding [their] the board member's duties and responsibilities; and

(ii) ensure that any training described in Subsection (3)(h)(i) complies with Title 63G, Chapter 22, State Training and Certification Requirements.

(4) The board may:

(a) after conferring with the director:

- (i) hire one or more consultants to advise the board, director, or office on issues affecting the management of the trust fund; and

(ii) pay compensation to any consultant hired under Subsection (4)(a)(i), subject to budgetary constraints; and

(b) submit to the director a written question or set of questions concerning policies and practices affecting the management of the trust fund.

Section 7. Section **53D-1-401** is amended to read:

53D-1-401 . Appointment of director -- Qualifications -- Nature of employment --

Removal by petition.

(1) [The office shall be managed by a director] A director shall manage the office.

(2) If there is a vacancy in the director position, the board shall appoint an individual as director.

(3) The board shall ensure that an individual appointed as director possesses:

(a) outstanding professional qualifications pertinent to the prudent investment of trust fund money; and

(b) expertise in institutional investment management.

(4) The director is an at-will employee who [may be removed by] the board may remove at any time with or without cause.

(5) The state treasurer, as board chair, may consult about the appointment of the director with the chair of the School and Institutional Trust Beneficiaries' Advocacy Council, pursuant to Subsection 53D-2-303(4)(b).

[5](a) The advocacy office director may submit a written petition to the board requesting the board to remove the director for cause, explained in the petition.

[b) The board shall hold a hearing on a petition under Subsection (5)(a) within 45 days after receiving the petition.]

[e] If, after holding a hearing, the board finds by a preponderance of the evidence that there is cause for removing the director, the board shall remove the director.]

Section 8. Section **53D-1-403** is amended to read:

53D-1-403 . Reports.

(1) At least annually, the director shall report in person to the Legislative Management

371 Committee, the governor, and the advocacy office, concerning the office's investments,
372 performance, estimated distributions, and other activities.

373 (2) The director shall report to the board concerning the work of the director and the
374 investment activities and other activities of the office:

375 (a) in a public meeting at least [six] four times per year; and
376 (b) as [~~otherwise requested by~~] the board requests.

377 (3)[(a) ~~Before November 1 of each year, the~~ The director shall[: annually post a report
378 for the general public on the office website concerning the office's investments,
379 performance, estimated distributions, and other activities.

380 [(i) ~~submit a written report to school community councils, created under Section~~
381 ~~53G-7-1202, and charter trust land councils, established under Section 53G-7-1205,~~
382 ~~concerning the office's investments, performance, estimated distributions, and~~
383 ~~other activities; and]~~

384 [(ii) ~~post the written report described in Subsection (3)(a)(i) on the office's website.~~]
385 [(b) ~~A report under Subsection (3)(a) shall be prepared in simple language designed to~~
386 ~~be understood by the general public.~~]

387 (4) The director shall provide to the board:

388 [(a) ~~monthly written reports on the activities of the office;~~]
389 [(b)] (a) quarterly financial reports; and
390 [(e)] (b) any other report [~~requested by~~] the board requests.

391 (5) The director shall:

392 (a) invite the advocacy office director to attend any meeting at which the director gives a
393 report under this section; and
394 (b) provide the advocacy office director:
395 (i) a copy of any written report prepared under this section; and
396 (ii) any other report [~~requested by~~] the advocacy office director requests.

397 Section 9. Section **53D-1-501** is amended to read:

398 **53D-1-501 . Nominating committee -- Membership -- Terms -- Vacancies --**

399 **Compensation.**

400 (1) There is established a School and Institutional Trust Fund Nominating Committee.

401 (2) The seven-member nominating committee consists of:

402 (a) [~~four~~] five members[~~, appointed by~~] the state treasurer appoints upon
403 recommendation by the advocacy office director[~~, each of whom is a member of a~~
404 ~~respected professional investment organization;~~] including:

405 (i) four individuals with experience in the field of institutional investment or
406 endowments, who belong to a respected professional investment organization, or
407 who previously served on the School and Institutional Trust Fund Office's Board
408 of Trustees; and

409 (ii) one investment officer who administers a public institutional investment fund or
410 public university endowment in the state; and

411 (b) two members of the School and Institutional Trust Beneficiaries' Advocacy Council
412 the advocacy council chair appoints, contingent on the member's council membership.

413 [(b) the chief investment officer of the University of Utah endowment;]
414 [(e) the chief investment officer of the Utah State University endowment; and]
415 [(d) the advocacy office director.]

416 (3) An individual appointed as a member of the nominating committee under Subsection
417 (2)(a) shall be appointed based on the individual's expertise, contacts, or connections in:
418 (a) investment finance;
419 (b) institutional asset management;
420 (c) trust administration; or
421 (d) the practice of law in the areas of capital markets, securities law, trusts, foundations,
422 endowments, investment finance, institutional asset management, or trust
423 administration.

424 (4) The term of a member appointed under Subsection (2)(a) is four years.

425 (5) A nominating committee member shall serve until a successor is appointed and
426 qualified.

427 (6)(a) If a member appointed under Subsection (2)(a) leaves office, the vacancy shall be
428 filled in the same manner as the initial appointment under Subsection (2)(a).
429 (b) An individual appointed to fill a vacancy under Subsection (6)(a) serves the
430 remainder of the unexpired term.

431 (7) A member of the nominating committee may not receive compensation or benefits for
432 the member's service, but may receive per diem and travel expenses in accordance with:
433 (a) Section 63A-3-106;
434 (b) Section 63A-3-107; and
435 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
436 63A-3-107.

437 (8) The advocacy office shall provide staff support to the nominating committee.

438 (9) The nominating committee shall, by a majority vote, establish, amend, and publish

439 guidelines consistent with this section to govern the nominating process.

440 Section 10. Section **53D-2-102** is amended to read:

441 **CHAPTER 2. School and Institutional Trust Beneficiaries' Advocacy Act**

442 **53D-2-102 . Definitions.**

443 As used in this chapter:

444 (1) "Advocacy [e]committee] council" means the [Land Trusts Protection and Advocacy
445 Committee] School and Institutional Trust Beneficiaries' Advocacy Council, created in [
446 Section 53D-2-202] Section 53D-2-302.

447 (2) "Advocacy director" means the director of the advocacy office, appointed as described
448 in [Section 53D-2-203] Section 53D-2-302.

449 (3) "Advocacy office" means the [Land Trusts Protection and] School and Institutional Trust
450 Beneficiaries' Advocacy Office, created in Section 53D-2-201.

451 (4) "Institutional beneficiary" means a trust beneficiary that is not subject to the School
452 LAND Trust Program.

453 (5) "Interests" means the trust beneficiaries' interests listed in Subsection 53D-2-201(5).

454 (6) "Rights" means the trust beneficiaries' rights listed in Subsection 53D-2-201(4).

455 [(4) "School and institutional trust" or "trust" includes:]

456 [(a) school and institutional trust lands, as defined in Section 53C-1-103, and related
457 assets; and]

458 [(b) funds and investments of school and institutional trust land revenue, as described in
459 Title 53D, Chapter 1, School and Institutional Trust Fund Management Act.]

460 (7) "School and institutional trust" or "trust" means the respective trusts declared in the
461 Utah Constitution, Article XX, Section 2, under which the state is to hold, as school and
462 institutional trust lands, the lands granted under Sections 6, 8, and 12 of the Utah
463 Enabling Act for the respective beneficiaries and purposes stated in the Utah Enabling
464 Act, other lands that may be added to those trusts, and pursuant to which the state holds
465 in trusts the funds and investments described in Title 53D, Chapter 1, School and
466 Institutional Trust Fund Management Act.

467 [(5) "School and Institutional Trust System" means:]

468 [(a) the School and Institutional Trust Lands Administration, described in Title 53C,
469 School and Institutional Trust Lands Management Act;]

470 [(b) the School and Institutional Trust Fund Office, described in Title 53D, Chapter 1,
471 School and Institutional Trust Fund Management Act;]

472 [(c) the Land Trusts Protection and Advocacy Office, described in this chapter; and]

[**(d) the School LAND Trust Program, described in Sections 53F-2-404 and 53G-7-1206.**]

474 (8) "School LAND Trust Program" means the program at the State Board of Education
475 which administers trust distributions to public schools, described in Sections 53F-2-404
476 and 53G-7-1206.

477 [(6)] (9)(a) "Trust beneficiaries" means [those for whose benefit the school and
478 institutional trust is managed and preserved, as required by:]

479 [a] the Utah Enabling Act;]

480 [b) the Utah Constitution; and]

481 (e) state law.] the schools and institutions listed in Subsection 53D-2-201(3).

482 (b) "Trust beneficiaries" does not include:

483 (i) other institutions or agencies;

484 (ii) the public at large; or

485 (iii) the general welfare of the state.

486 (10) "Trustee agencies" means:

487 (a) the School and Institutional Trust Lands Administration, described in Title 53C,
488 School and Institutional Trust Lands Management Act; and

489 (b) the School and Institutional Trust Fund Office, described in Title 53D, Chapter 1,
490 School and Institutional Trust Fund Management Act.

491 (11) "Trustee boards" means:

492 (a) the School and Institutional Trust Lands Administration Board of Trustees, and
493 (b) the School and Institutional Trust Fund Office Board of Trustees.

494 Section 11. Section **53D-2-201** is repealed and reenacted to read:

Part 2. School and Institutional Trust Beneficiaries' Advocacy Office

53D-2-201 . Advocacy office -- Office creation -- Trust beneficiaries and liaisons

497 -- Beneficiary interests and rights.

498 (1) There is created the School and Institutional Trust Beneficiaries' Advocacy Office with
499 delegated agent authority to:

500 (a) represent the trust beneficiaries by performing the duties set forth in this chapter; and
501 (b) advocate for, monitor, and preserve the trust beneficiaries' rights and interests.

502 (2) Notwithstanding Subsection (1), a trust beneficiary may choose to re

503 beneficiary in any specific issue or matter as described in this chapter.

504 (3) Trust beneficiaries and the trust beneficiaries' principal liaisons are:

505 (a) public schools, represented by the staff member who administers the School LAND

506 Trust Program created in Section 53G-7-1206:

507 (b) Schools for the Deaf, described in Subsection 53E-8-201(1)(a), represented by the
508 superintendent for the State Board of Education, or the superintendent's designee;
509 (c) Schools for the Blind, described in Subsection 53E-8-201(1)(b), represented by the
510 superintendent for the State Board of Education, or the superintendent's designee;
511 (d) University of Utah, represented by the president of the University of Utah or the
512 president's designee;
513 (e) College of Mines and Earth Sciences, described in Section 53H-4-208, represented
514 by the Dean of Science at the University of Utah, or the dean's designee;
515 (f) College of Education, described in Section 53C-3-105, represented by the chair of the
516 Utah Council of Education Deans, or the chair's designee;
517 (g) Utah State University, represented by the president of Utah State University or the
518 president's designee;
519 (h) Miners' Hospital for Disabled Miners, described in Section 53H-4-207, represented
520 by the director of the Craig H. Neilsen Rehabilitation Hospital, or the director's
521 designee;
522 (i) Utah State Hospital, represented by the superintendent of the Utah State Hospital,
523 created in Section 26B-1-201, or the superintendent's designee;
524 (j) Division of Juvenile Justice and Youth Services, represented by the director of the
525 Division of Juvenile Justice and Youth Services, created in Section 80-5-103, or the
526 director's designee;
527 (k) reservoirs, represented by the director of the Division of Water Resources, created in
528 Section 73-10-18, or the director's designee; and
529 (l) public buildings, represented by the executive director of the Capitol Preservation
530 Board, created in Section 63O-2-201.

531 (4) Trust beneficiary rights include:

532 (a) the rights recognized in Section 53C-1-102; and
533 (b) applicable rights of a trust beneficiary under Utah trust law, including the right to:
534 (i) information related to the trust beneficiary's respective trust;
535 (ii) timely notice of significant trust activities;
536 (iii) distribution of funds as established in law;
537 (iv) receive regular accountings;
538 (v) impartial treatment; and
539 (vi) challenge actions or decisions deemed unlawful or not in the trust beneficiary's
540 best interests.

541 (5) Trust beneficiary interests include:
542 (a) those recognized in Section 53C-1-102;
543 (b) the proper and lawful management of trust lands, trust funds, and trust distributions;
544 (c) the preservation of trust beneficiary rights; and
545 (d) access to information regarding measurable performance by trustee agencies and the
546 advocacy office.

547 Section 12. Section **53D-2-202** is repealed and reenacted to read:

548 **53D-2-202 . Advocacy office -- Authority and responsibilities.**

549 (1) The advocacy office, acting with undivided loyalty to the trust beneficiaries, shall:
550 (a) represent the trust beneficiaries by:
551 (i) staying informed on the administration of the trust assets, budgets, policies, and
552 rules, including:
553 (A) significant School and Institutional Trust Lands Administration transactions;
554 and
555 (B) the School and Institutional Trust Fund Office investments and investment
556 policies;
557 (ii) communicating on the trust beneficiaries' behalf when appropriate and lawful,
558 unless a trust beneficiary notifies the advocacy office in writing that the
559 beneficiary will communicate on the beneficiary's own behalf involving a specific
560 issue or matter; and
561 (iii) reporting to trust beneficiaries and the Legislature, as described in Subsection
562 53D-2-402(2)(m);
563 (b) advocate on behalf of trust beneficiaries for:
564 (i) effective governance of the trusts;
565 (ii) proper management and optimal performance of trust assets;
566 (iii) efficient and lawful distribution of funds;
567 (iv) the trust beneficiaries' current and future best interests; and
568 (v) the safeguarding of the trust assets from the pursuit of another state purpose
569 which is inconsistent with the beneficiaries' rights and interests; and
570 (c) advise the trust beneficiaries by:
571 (i) assisting the trust beneficiaries' understanding of collective and respective
572 interests and rights;
573 (ii) monitoring complaint use of trust distributions by beneficiaries as described in
574 Section 53D-2-501;

- (iii) informing the trust beneficiaries of trust activities, proposals, and decisions; and
- (iv) facilitating resolutions of trust beneficiary disputes, as described in Subsection 53D-2-402(3)(b).

(2) The advocacy office, whether acting through the advocacy director or the advocacy council, or otherwise, does not have authority to nullify trustee agency actions, including trustee board actions.

Section 13. Section **53D-2-301** is enacted to read:

Part 3. School and Institutional Beneficiaries' Advocacy Office Governance

53D-2-301 . Advocacy office governance -- State treasurer role and duties.

(1) The advocacy council, established in Section 53D-2-302, and the state treasurer govern the advocacy office with separate and distinct responsibilities enumerated in this chapter.

(2) The state treasurer, acting in a fiduciary capacity to the trust beneficiaries, shall:

(a) appoint an advocacy director, as provided in Section 53D-2-401;

(b) oversee and provide administrative support to the advocacy office;

(c) verify compliance with reporting requirements for the advocacy director;

(d) submit an advocacy office budget to the Legislature; and

(e) have authority to approve a requested reduction in the annual distribution for an

institutional beneficiary under the conditions described in Subsection

after consultation with the trust beneficiary and the advocacy director.

A cause of action may not be maintained against the state treasurer for

omission made in the course of exercising a duty.

- (a) the act or omission is taken in good faith; and
- (b) the act or omission is taken in a manner the treasurer reasonably believes to be in the

best interests of the trust beneficiaries.

Section 14. Section **53D-2-302** is enacted to read:

53D-2-302 . Advocacy office governance -- Advocacy council creation, role, and

duties.

(1) There is created the School

The advocacy council shall

- (a) oversee the activities of the advocacy office and advise the advocacy director,
- (b) establish, update, and monitor the implementation of comprehensive strategic

planning for the advocacy office.

(c) submit advocacy director candidate names to the state treasurer subject to Subsection 52D.2, 481(1)(c)

609 (d) determine the advocacy director's compensation and annually review the
610 compensation and performance of the advocacy director as part of the council's
611 budget review process;
612 (e) make rules for the advocacy office in accordance with Title 63G, Chapter 3, Utah
613 Administrative Rulemaking Act;
614 (f) receive reports, including the annual report described in Subsection 53D-2-402(2)(m),
615 from the advocacy director;
616 (g) participate on the nominating committees of the trustee agencies as described in
617 Subsections 53C-1-203(2)(a) and 53D-1-501(2)(b); and
618 (h) develop policies and directives for the management of the advocacy office.

619 Section 15. Section **53D-2-303** is enacted to read:

620 **53D-2-303 . Advocacy council -- Membership -- Meetings.**

621 (1) The advocacy council shall consist of the following seven members:
622 (a) two individuals the School and Institutional Trust Lands Board of Trustees appoints;
623 (b) one individual the School and Institutional Trust Fund Board of Trustees appoints;
624 (c) one individual the state treasurer appoints;
625 (d) one State Board of Education staff member who administers the School LAND Trust
626 Program, designated as described in Section 53G-7-1206; and
627 (e) two individuals the advocacy council appoints with consent of the state treasurer,
628 including:
629 (i) one individual with experience relevant to trust beneficiary issues the advocacy
630 council chair nominates in consultation with the chairs of the trustee boards; and
631 (ii) one individual representing the institutional beneficiaries the advocacy council
632 chair nominates in consultation with the institutional beneficiaries.

633 (2) A member of the advocacy council:

634 (a) may not be:
635 (i) the state treasurer or a current employee of the state treasurer;
636 (ii) a member of the trustee boards;
637 (iii) an employee of the trustee agencies; or
638 (iv) an individual currently serving in a publicly elected office;
639 (b) shall have significant qualifications related to the purposes and activities of the
640 trusts, such as:
641 (i) expertise related to the duties and obligations of the member's respective
642 appointing entities; and

(ii) familiarity with lawmaking and legislative procedures; and

(c) shall demonstrate a willingness to commit time and loyalty to the purposes of the trust.

(3)(a) Except as provided in Subsections (3)(b) and (c), a member of the advocacy council shall:

(i) serve a four-year term;

(ii) begin service July 1 with staggered terms to ensure that approximately half of the advocacy council is appointed every two years; and

(iii) take an oath of office the state treasurer administers that states:

"I solemnly swear to carry out my duties as a member of the School and

Institutional Trust Beneficiaries' Advocacy Council with undivided loyalty to the trust beneficiaries, to the best of my abilities and consistent with the law."

(b) If a vacancy occurs during the course of an appointed member's term, the appointing entity shall immediately appoint a replacement for the unexpired term.

(c) Upon the expiration of a member's term, the individual is eligible for one consecutive reappointment by the respective appointing agency, except for the appointment described in Subsection (1)(d) which is held by virtue of the position.

(4)(a) Annually, the advocacy council shall elect:

(i) a chair; and

(ii) a vice-chair who shall perform the duties of the chair in the absence of the chair.

(b) The chair shall faithfully represent the will of the council to the extent the council's will is consistent with state law.

(c) The advocacy council chair may directly contact, or be directly contacted by, the chairs of the trustee boards on trust matters.

(5) By a majority vote, the advocacy council shall adopt and amend guidelines consistent with this section regarding council business and actions.

(6)(a) The advocacy council shall meet at least quarterly, at a time set by the chair.

(b) The chair or any two members of the advocacy council may call an additional meeting

(7)(a) A quorum for the transaction of business is five members of the advocacy council.

(b) Action by a majority of the quorum present constitutes an action of the advocacy council, except for the following actions which require a majority vote of the council as a whole:

(i) adopting resolutions:

677 (ii) approving administrative rules;
678 (iii) taking action on the request of a trustee agency; or
679 (iv) terminating the advocacy director as provided in Subsection 53D-2-401(5)(b).

680 (8) An advocacy council member may not receive compensation or benefits for the
681 member's service, but may receive per diem and travel expenses in accordance with:
682 (a) Section 63A-3-106;
683 (b) Section 63A-3-107; and
684 (c) rules the Division of Finance makes pursuant to Sections 63A-3-106 and 63A-3-107.

685 (9) The advocacy office shall provide staff support to the advocacy council.

686 (10) Advocacy council members shall annually complete a conflict-of-interest disclosure
687 statement, in accordance with the requirements of Title 67, Chapter 16, Utah Public
688 Officers' and Employees' Ethics Act.

689 Section 16. Section **53D-2-304** is enacted to read:

690 **53D-2-304 . Advocacy office -- Application of other law.**

691 (1) The advocacy office, council, and director shall comply with all applicable law for
692 government records according to Title 63G, Chapter 2, Government Records Access and
693 Management Act.

694 (2) The advocacy director:

695 (a) may attend committee meetings and closed sessions of trustee boards relating to
696 activities, policies, or transactions impacting trust beneficiaries unless attendance is
697 refused pursuant to:
698 (i) lawful privilege;
699 (ii) other law;
700 (iii) where the information is made strictly confidential under binding contract; or
701 (iv) discussions regarding personnel, character, or competence of an individual; and
702 (b) shall maintain the confidentiality of any information shared pursuant to Subsection
703 53C-1-303(1)(j) and Section 53D-1-202.

704 (3) Notwithstanding Section 52-4-204, and in addition to the reasons to close a meeting
705 under Section 52-4-205:

706 (a) the advocacy council may hold a closed meeting to discuss matters addressed in a
707 closed session of the trustee boards; and
708 (b) any information the advocacy director shares in the closed meeting from a closed
709 session of the trustee boards, is strictly limited to information that the advocacy
710 director can lawfully share with the advocacy council and may not include any

711 non-public information subject to a confidentiality agreement, or any information
712 shared in a closed session in accordance with Subsection 52-4-205(1)(a).

713 (4) The applicable statutes and the policies of the trustee boards govern trust beneficiaries'
714 direct access to meetings and records of the trustee agencies.

715 Section 17. Section **53D-2-401** is enacted to read:

716 **Part 4. School and Institutional Trust Beneficiaries' Advocacy Office Director**

717 **53D-2-401 . School and Institutional Trust Beneficiaries' Advocacy Office**

718 **director -- Appointment -- Removal.**

719 (1)(a) A director shall manage the advocacy office.

720 (b) If there is a vacancy in the advocacy director position, the advocacy council may
721 appoint an interim director and shall:

722 (i) consider and interview candidates who may qualify for appointment as the
723 advocacy director, as described in Subsection (1)(c);

724 (ii) determine the two most qualified candidates; and

725 (iii) submit the names of the two candidates described in Subsection (1)(b)(ii) to the
726 state treasurer as nominees for the advocacy director.

727 (c) A nominee for advocacy director shall have significant expertise and qualifications
728 relating to trust management and the duties of the advocacy office and the advocacy
729 director, which may include expertise in:

730 (i) business and finance;

731 (ii) lawmaking and legislative procedures;

732 (iii) economics;

733 (iv) natural resources;

734 (v) land development; or

735 (vi) communication and advocacy.

736 (d) The advocacy council chair may consult about the nominees for advocacy director
737 with the chairs of the trustee boards, as described in Subsection 53D-2-303(4)(b).

738 (2)(a) The state treasurer shall appoint one of the individuals described in Subsection
739 (1)(b)(iii) as the advocacy director.

740 (b) The state treasurer may return a submission of nominees to the advocacy council if:

741 (i) the treasurer determines that the submission is incomplete;

742 (ii) the submission contains unqualified candidates; or

743 (iii) the submission otherwise fails to comply with the requirements of this section.

744 (c) If the state treasurer declares that the state treasurer will not appoint either of the

745 nominees, the state treasurer and the advocacy council shall repeat the procedure for
746 nomination and appointment of an advocacy director until appointing a new
747 advocacy director, as provided in this section.

748 (3) Upon the appointment of an advocacy director, the state treasurer shall administer an
749 oath of office which states:

750 "I solemnly swear to carry out my duties as the Director of the School and
751 Institutional Trust Beneficiaries' Advocacy Office with undivided loyalty to the trust
752 beneficiaries, to the best of my abilities and consistent with the law."

753 (4) The advocacy director shall undergo an annual comprehensive performance review the
754 advocacy council conducts, which includes responses from interested parties and trustee
755 agency directors.

756 (5) The director is an at-will employee whom the advocacy council may remove at any time
757 with or without cause.

758 (6) The advocacy council may remove the advocacy director during a meeting that is not
759 closed, as described in Section 52-4-204, if:

760 (a) the advocacy council schedules the removal of the advocacy director on the agenda;
761 and
762 (b) a majority of the council votes to remove the advocacy director.

763 Section 18. Section **53D-2-402** is enacted to read:

764 **53D-2-402 . Advocacy director -- Powers and duties.**

765 (1) The advocacy director has broad authority to manage the responsibilities and duties of
766 the advocacy office in a prudent and professional manner, subject to advocacy council
767 oversight.

768 (2) To fulfill the responsibilities and duties of the advocacy office described in Section
769 53D-2-201, the advocacy director shall:

770 (a) maintain direct relationships and open communication with individuals who are key
771 to fulfilling the state's trustee obligations and duties related to the trusts;
772 (b) facilitate the cooperative formulation of protocols for interactions between the
773 advocacy office and trustee agencies, and the advocacy office and beneficiaries;
774 (c) identify and maintain a list of principal liaisons for each trust beneficiary to facilitate
775 orderly communication, representation, advocacy, and reporting;
776 (d) serve as an official intermediary through which information can be provided to or
777 received from trust beneficiaries and to which the trustee agencies can give notice to
778 a beneficiary;

- (e) seek necessary and accurate information regarding management of trust assets;
- (f) be permitted to attend any relevant trust presentation, discussion, meeting, or other gathering relating to activity, policy, or transactions impacting trust beneficiaries subject to the limitations of Subsection 53D-2-304(2);
- (g) monitor and, if necessary, recommend that the state auditor review activities involving trust assets or distributions;
- (h) promote accurate record keeping of all records relevant to each respective trust and distributions to trust beneficiaries;
- (i) report at least quarterly, or as requested, to the advocacy council and the state treasurer on the current activities of the advocacy office;
- (j) annually submit a proposed advocacy office budget to the state treasurer after consultation with the advocacy council;
- (k) develop training about trust principles in consultation with the trustee agencies to:
 - (i) annually conduct and document completion of the training for the advocacy council and advocacy office staff; and
 - (ii) make the training available for voluntary use by trustee agencies and elected officials;
- (l) report annually on advocacy office activity, a summary of each trust beneficiary's trust assets and use of distributions, and an overview of the respective responsibilities of trustee agencies to:
 - (i) the advocacy council;
 - (ii) the state treasurer;
 - (iii) all trust beneficiaries;
 - (iv) the trustee agencies;
 - (v) the State Board of Education;
 - (vi) the relevant appropriations subcommittee;
 - (vii) the governor's office; and
 - (viii) the general public by posting on the advocacy office website;
- (m) upon request, report in person to a trust beneficiary or the Legislature;
- (n) draft and submit proposed rules to the advocacy council for review and adoption;
- (o) respond to external and media requests for information related to trust beneficiaries' interests and rights;
- (p) speak on behalf of trust beneficiaries about activities related to the beneficiaries' trusts, unless a trust beneficiary notifies the advocacy office in writing that the trust

813 beneficiary will speak on the trust beneficiary's own behalf involving a specific issue
814 or matter;

815 (q) review proposed legislation that affects trust beneficiaries and advocate for
816 legislative changes that serve the best interests and rights of the trust beneficiaries;
817 (r) promote awareness of the trusts and trust principles described in Subsection
818 53C-1-102(2) to beneficiaries, stakeholders, elected officials, and the public; and
819 (s) facilitate an objective nomination process for trustee board positions pursuant to
820 Sections 53C-1-203 and 53D-1-501.

821 (3) The advocacy director may:

822 (a) advocate for or against ballot propositions which impact trust beneficiaries with an
823 exemption from Section 20A-11-1203 in such instances; and
824 (b) provide an impartial forum and facilitate informal resolution of a conflict or dispute
825 among affected trust beneficiaries upon the trust beneficiaries' consent, or upon
826 agreement among affected trust beneficiaries and trustee agencies.

827 (4) With regard to reviewing the activities described in Subsection (2)(g), the advocacy
828 director may have access to the financial reports and other data, subject to the limitations
829 of Subsection 53D-2-304(2).

830 Section 19. Section **53D-2-501** is enacted to read:

831 **Part 5. School and Institutional Trust Distribution Accountability**

832 **53D-2-501 . Trust distributions -- Disposition -- Trust beneficiary requirements** 833 **-- Advocacy office role.**

834 (1) The School and Institutional Trust Fund Office shall initiate trust distributions in the
835 state finance system and coordinate distribution announcements to trust beneficiaries
836 and the public.

837 (2) To preserve the confidence in and impact of each beneficiary's permanent fund, trust
838 beneficiaries are subject to uniform accountability measures for the use and reporting of
839 trust fund distributions.

840 (3) Trust distributions to public schools through the School LAND Trust Program are:
841 (a) subject to Sections 53F-2-404 and 53G-7-1206; and
842 (b) exempt from the accountability requirements described in Subsection (4).

843 (4) Each institutional beneficiary shall comply with accountability requirements for trust
844 distributions which include:
845 (a) maintaining clear records of distributions and expenditures within the institutional
846 beneficiary's institutional accounting and budgeting processes;

847 (b) annually convening an advisory group composed of stakeholders, including the
848 impacted end users to:
849 (i) adopt and review internal guidance for acceptable expenditures of trust
850 distributions; and
851 (ii) develop an annual spending plan for the estimated distributions;
852 (c) obtaining approval of the annual spending plan from the institution's governing body,
853 chief financial officer, or designee;
854 (d) contributing information and documentation for an annual report of trust beneficiary
855 distributions and uses the advocacy office publishes;
856 (e) investing any retained distributions, up to an amount equal to two prior years'
857 distributions, in a state approved fund;
858 (f) managing retained distributions which exceed the allowable amount in Subsection
859 (4)(e) by returning any excess to the respective permanent fund or seeking a
860 reduction in distribution per Subsection 53D-2-301(2)(e); and
861 (g) participating in periodic compliance reviews by the advocacy office.

862 (5) The advocacy council shall make rules to monitor, review, and advise the institutional
863 beneficiaries on the obligations described in Subsection (4).

864 (6) The advocacy council, advocacy director, and advocacy office do not have authority to
865 nullify decisions or actions of the School LAND Trust Program or an institutional
866 beneficiary.

867 (7) The advocacy office may not:

868 (a) perform formal audits; or
869 (b) modify distributions to trust beneficiaries.

870 (8) The advocacy office shall refer reports of fraud, waste, and abuse, or recurring
871 noncompliance on the reporting of or the allowable use of distributions by trust
872 beneficiaries to the state auditor for further action.

873 Section 20. Section **53D-2-601**, which is renumbered from Section 53D-2-204 is renumbered
874 and amended to read:

875 **Part 6. School and Institutional Trust Beneficiaries' Advocacy Account**

876 **[53D-2-204] 53D-2-601 . School and Institutional Trust Beneficiaries' Advocacy** 877 **Account -- Funding of advocacy office operations.**

878 (1) As used in this section:

879 (a) "Account" means the [Land Trusts Protection and] School and Institutional Trust
880 Beneficiaries' Advocacy Account created in this section.

881 (b) "School and Institutional Trust Fund Office director" or "SITFO director" means the
882 director of the School and Institutional Trust Fund Office, appointed under Section
883 53D-1-401.

884 (c) "Trust fund" means the same as that term is defined in Section 53D-1-102.

885 (d) "Trust fund earnings" means the same as that term is defined in Section 53D-1-203.

886 (2) There is created an enterprise fund known as the ~~Land Trusts Protection and~~ School
887 and Institutional Trust Beneficiaries' Advocacy Account.

888 (3) The account is funded by money deposited into the account as provided in Subsection
889 (4).

890 (4)(a) Except as provided in Subsection (4)(c), the ~~SITFO director~~ School and
891 Institutional Trust Fund Office shall deposit into the account a total amount of
892 money, taken proportionately from trust fund earnings according to the value of the
893 various funds established for the trust beneficiaries, that is equal to the annual
894 appropriation that the Legislature makes to the advocacy office.

895 (b) The advocacy office may use money in the account to pay for the advocacy office's
896 operating costs consistent with a budget submitted and approved pursuant to
897 Subsection 53D-2-301(2)(e).

898 (c) If the amount of money deposited into the account under Subsection (4)(a) in any
899 fiscal year exceeds the amount required by the advocacy office during that fiscal year
900 to fund advocacy office operations, the ~~SITFO~~ ~~director~~ School and Institutional
901 Trust Fund Office shall, in the following fiscal year, reduce the amount deposited
902 into the account under Subsection (4)(a) by the amount of the unspent appropriation.

903 Section 21. Section **53F-9-201** is amended to read:

53F-9-201 . Uniform School Fund -- Contents -- Trust Distribution Account.

904 (1) As used in this section:

905 (a) "Annual distribution calculation" means, for a given fiscal year, the average of:
906 (i) 5% of the average market value of the State School Fund for that fiscal year; and
907 (ii) the distribution amount for the prior fiscal year, multiplied by the sum of:
908 (A) one;
909 (B) the percent change in student enrollment from the school year two years prior
910 to the prior school year; and
911 (C) the actual total percent change of the consumer price index during the last 12
912 months as measured in June of the prior fiscal year.
913
914 (b) "Average market value of the State School Fund" means the results of a calculation

915 completed by the SITFO director each fiscal year that averages the value of the State
916 School Fund for the past 20 consecutive quarters ending in the prior fiscal year.

917 (c) "Consumer [price index]" Price Index" means the Consumer Price Index for All
918 Urban Consumers: All Items Less Food & Energy, as published by the Bureau of
919 Labor Statistics of the United States Department of Labor.

920 (d) "SITFO director" means the director of the School and Institutional Trust Fund
921 Office appointed under Section 53D-1-401.

922 (e) "State School Fund investment earnings distribution amount" or "distribution
923 amount" means, for a fiscal year, the lesser of:
924 (i) the annual distribution calculation; or
925 (ii) 5% of the average market value of the State School Fund.

926 (2) The Uniform School Fund, a special revenue fund, established by Utah Constitution,
927 Article X, Section 5, consists of:
928 (a) distributions derived from the investment of money in the permanent State School
929 Fund established by Utah Constitution, Article X, Section 5;
930 (b) money transferred to the fund under Title 67, Chapter 4a, Revised Uniform
931 Unclaimed Property Act;
932 (c) money transferred to the fund under Section 63J-1-207; and
933 (d) all other constitutional or legislative allocations to the fund, including:
934 (i) appropriations for the Minimum School Program, enrollment growth, and inflation
935 under Section 53F-9-201.1; and
936 (ii) revenues received by donation.

937 (3)(a) There is created within the Uniform School Fund a restricted account known as
938 the Trust Distribution Account.

939 (b) The Trust Distribution Account consists of:
940 (i) in accordance with Subsection (4), quarterly deposits of the State School Fund
941 investment earnings distribution amount from the prior fiscal year;
942 (ii) all interest earned on the Trust Distribution Account in the prior fiscal year; and
943 (iii) any unused appropriation for the administration of the School LAND Trust
944 Program, as described in Subsection 53F-2-404(1)(c).

945 (4) If, at the end of a fiscal year, the Trust Distribution Account has a balance remaining
946 after subtracting the appropriation amount described in Subsection 53F-2-404(1)(a) for
947 the next fiscal year, the SITFO director shall, during the next fiscal year, apply the
948 amount of the remaining balance from the prior fiscal year toward the current fiscal

949 year's distribution amount by reducing a quarterly deposit to the Trust Distribution
950 Account by the amount of the remaining balance from the prior fiscal year.

951 (5) On or before October 1 of each year, the SITFO director shall:

952 (a) in accordance with this section, determine the distribution amount for the following
953 fiscal year; and

954 (b) report the amount described in Subsection (5)(a) as the funding amount, described in
955 Subsection 53F-2-404(1)(c), for the School LAND Trust Program, to:

956 (i) the State Treasurer;

957 (ii) the Legislative Fiscal Analyst;

958 (iii) the Division of Finance;

959 (iv) the director of the ~~[Land Trusts Protection and Advocacy Office]~~ School and
960 Institutional Trust Beneficiaries' Advocacy Office, appointed under ~~[Section~~
961 ~~53D-2-203]~~ Section 53D-2-401;

962 (v) the School and Institutional Trust Lands Administration created in Section
963 53C-1-201;

964 (vi) the state board; and

965 (vii) the Governor's Office of Planning and Budget.

966 (6) The School and Institutional Trust Fund Board of Trustees created in Section 53D-1-301
967 shall:

968 (a) annually review the distribution amount; and

969 (b) make recommendations, if necessary, to the Legislature for changes to the formula
970 for calculating the distribution amount.

971 (7) Upon appropriation by the Legislature, the SITFO director shall place in the Trust
972 Distribution Account funds for the School LAND Trust Program as described in
973 Subsections 53F-2-404(1)(a) and (c).

974 Section 22. Section **53G-7-1206** is amended to read:

975 **53G-7-1206 . School LAND Trust Program.**

976 (1) As used in this section:

977 (a) "Charter trust land council" means a council established by a charter school
978 governing board under Section 53G-7-1205.

979 (b) "Council" means a school community council or a charter trust land council.

980 (c) "LAND trust plan" means a school's plan to use School LAND Trust Program money
981 to implement a component of the school's success plan.

982 (d) "School community council" means a council established at a district school in

983 accordance with Section 53G-7-1202.

984 (e) "Teacher and student success plan" or "success plan" means the same as that term is
985 defined in Section 53G-7-1301.

986 (2) This section creates the School LAND (Learning And Nurturing Development) Trust
987 Program under the state board to:

988 (a) provide financial resources to public schools to enhance or improve student academic
989 achievement and implement a component of a district school or charter school's
990 teacher and student success plan; and

991 (b) involve parents of a school's students in decision making regarding the expenditure
992 of School LAND Trust Program money allocated to the school.

993 (3) To receive an allocation under Section 53F-2-404:

994 (a) a district school shall have established a school community council in accordance
995 with Section 53G-7-1202;

996 (b) a charter school shall have established a charter trust land council in accordance with
997 Section 53G-7-1205; and

998 (c) the school's principal shall provide a signed, written assurance that the school is in
999 compliance with Subsection (3)(a) or (b).

1000 (4)(a) A council shall create a program to use the school's allocation distributed under
1001 Section 53F-2-404 to implement a component of the school's success plan, including:

1002 (i) the school's identified most critical academic needs;

1003 (ii) a recommended action plan to meet the identified academic needs;

1004 (iii) a specific listing of any programs, practices, materials, or equipment that the
1005 school will need to implement the action plan to have a direct impact on the
1006 instruction of students and result in measurable increased student performance; and

1007 (iv) how each proposed expenditure in the action plan will be used to implement a
1008 component of the action plan to enhance or improve academic excellence at the
1009 school.

1010 (b)(i) A council shall create and vote to adopt a LAND trust plan in a meeting of the
1011 council at which a quorum is present.

1012 (ii) If a majority of the quorum votes to adopt a LAND trust plan, the LAND trust
1013 plan is adopted.

1014 (c) A council shall:

1015 (i) post a LAND trust plan that is adopted in accordance with Subsection (4)(b) on
1016 the School LAND Trust Program reporting website; and

- (ii) include with the LAND trust plan a report noting the number of council members who voted for or against the approval of the LAND trust plan and the number of council members who were absent for the vote.
- (d)(i) The local school board of a district school shall approve or disapprove a LAND trust plan.
 - (ii) If a local school board disapproves a LAND trust plan:
 - (A) the local school board shall provide a written explanation of why the LAND trust plan was disapproved and request the school community council who submitted the LAND trust plan to revise the LAND trust plan; and
 - (B) the school community council shall submit a revised LAND trust plan in response to a local school board's request under Subsection (4)(d)(ii)(A).
 - (iii) Once a LAND trust plan has been approved by a local school board, a school community council may amend the LAND trust plan, subject to a majority vote of the school community council and local school board approval.
- (e) A charter trust land council's LAND trust plan is subject to approval by the:
 - (i) charter school governing board; and
 - (ii) budget officer whom the charter school governing board appoints.
- (a) A district school or charter school shall:
 - (i) implement the program as approved;
 - (ii) provide ongoing support for the council's plan and responsibilities; and
 - (iii) meet state board reporting requirements regarding financial and performance accountability of the program.
- (b)(i) A district school or charter school shall prepare and post an annual report of the program on the School LAND Trust Program reporting website before the council submits a plan for the following year.
 - (ii) The report shall detail the use of program funds received by the school under this section and an assessment of the results obtained from the use of the funds.
 - (iii) A summary of the report shall be provided to parents of students who attend the school.

1051 provided with annual training on the requirements of this section.

1052 (8)(a) The state board shall provide annual training opportunities to the entities
1053 described in Subsection (8)(b) on:

1054 (i) the School LAND Trust Program;

1055 (ii) the responsibilities and formation of:

1056 (A) a school community council consistent with Section 53G-7-1202; or

1057 (B) a charter trust land council consistent with Section 53G-7-1205; and

1058 (iii) as applicable, council responsibilities as described in Section 53G-7-1203.

1059 (b) The state board shall provide the training to:

1060 (i) a local school board or a charter school governing board;

1061 (ii) a district business administrator or a charter business official;

1062 (iii) a school district or a charter school; and

1063 (iv) a school community council.

1064 (9) The state board shall annually review a school's compliance with applicable law,
1065 including rules adopted by the state board in accordance with Title 63G, Chapter 3, Utah
1066 Administrative Rulemaking Act, by:

1067 (a) reading each School LAND Trust Program plan submitted;

1068 (b) reviewing proposed expenditures to be made from School LAND Trust Program
1069 money; and

1070 (c) conducting an annual compliance review of an LEA using a sample of schools.

1071 (10) The superintendent shall calculate and initiate the annual School LAND Trust
1072 distribution to schools through the state board's finance system to each LEA as outlined
1073 in Section 53F-2-404.

1074 (11) The superintendent shall administer the School LAND Trust website to provide
1075 transparency and accountability to school communities and the public of School LAND
1076 Trust plans, reports, and expenditures of trust distributions.

1077 (12) The state board shall designate a staff member who administers the School LAND
1078 Trust Program to serve as a member of the ~~[Land Trusts Protection and Advocacy~~
1079 ~~Committee]~~ School and Institutional Trust Beneficiaries' Advocacy Council created
1080 under ~~[Section 53D-2-202]~~ Section 53D-2-302.

1081 Section 23. **Repealer.**

1082 This bill repeals:

1083 Section **53D-2-203, Land Trusts Protection and Advocacy Office director --**

1084 **Appointment -- Removal -- Power and duties.**

1085 Section 24. **Effective Date.**

1086 This bill takes effect on July 1, 2026.