

SCHOOL DISTRICT AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

LONG TITLE

General Description:

This bill amends and creates certain processes and requirements before and after changing school boundaries or closing schools.

Highlighted Provisions:

This bill:

- ▶ amends terms;
- ▶ amends and creates certain processes and requirements before and after changing school boundaries;
- ▶ requires a feasibility study before changing school boundaries or closing schools;
- ▶ requires a local school board to publish the feasibility study online and for public comment;
- ▶ amends the student population requirement for creating a new school district;
- ▶ provides that the transition teams may appoint an interim superintendent to oversee the formation of a new school district before a local school board election;
- ▶ prohibits school employees and school board members from using public resources for certain purposes;
- ▶ allows for use of a special election for the election of certain school board members;
- ▶ allows for a legislative body to resolve a disagreement regarding allocation of assets;
- ▶ increases the distribution amount of funds allowed for a new or remaining school district;
- ▶ allows for a legislative body to assist a new school district in securing funds for startup costs;
- ▶ prohibits an existing school district from terminating an employee who becomes employed by a new school district for that reason only; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

33 None

34 **Other Special Clauses:**

35 None

36 **Utah Code Sections Affected:**

37 AMENDS:

38 **53G-3-102**, as renumbered and amended by Laws of Utah 2018, Chapter 3

39 **53G-3-202**, as last amended by Laws of Utah 2023, Chapter 252

40 **53G-3-203**, as renumbered and amended by Laws of Utah 2018, Chapter 3

41 **53G-3-301**, as last amended by Laws of Utah 2023, Chapter 116

42 **53G-3-302**, as last amended by Laws of Utah 2019, Chapter 293

43 **53G-3-306**, as last amended by Laws of Utah 2019, Chapter 293

44 **53G-3-308**, as last amended by Laws of Utah 2019, Chapter 293

45 **53G-4-402**, as last amended by Laws of Utah 2023, Chapters 16, 252, 343, 352, and

46 435

47 **67-3-1**, as last amended by Laws of Utah 2023, Chapters 16, 330, 353, and 480

48

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

50 Section 1. Section **53G-3-102** is amended to read:

51 **53G-3-102. Definitions.**

52 As used in this chapter:

53 (1) "Allocation date" means[~~:~~] the date of the creation of a new school district.

54 [~~(a) June 20 of the second calendar year after the local school board general election~~

55 ~~date described in Subsection 53G-3-302(3)(a)(i); or]~~

56 [~~(b) another date that the transition teams under Section 53G-3-302 mutually agree to.]~~

57 (2) "Canvass date" means the date of the canvass of an election under Subsection

58 53G-3-301(5) at which voters approve the creation of a new school district under Section

59 53G-3-302.

60 (3) "Consolidation" means the merger of two or more school districts into a single

61 administrative unit.

62 (4) "Creation [~~election~~] date" means the date of the election under [~~Subsection~~

63 ~~53G-3-301(9)] Section 53G-3-301 at which voters approve the creation of a new school district~~

64 under Section 53G-3-302.

65 (5) "Divided school district," "existing district," or "existing school district" means a
66 school district from which a new district is created.

67 (6) "New district" or "new school district" means a school district created by voters
68 under Section 53G-3-301 or 53G-3-302.

69 (7) "Remaining district" or "remaining school district" means an existing district [~~after~~]
70 following the creation of a new district.

71 (8) "Restructuring" means the transfer of territory from one school district to another
72 school district.

73 Section 2. Section **53G-3-202** is amended to read:

74 **53G-3-202. School districts independent of municipal and county governments --**
75 **School district name -- Control of property.**

76 (1) (a) Each school district shall be controlled by its local school board and shall be
77 independent of municipal and county governments.

78 (b) The name of each school district created after May 1, 2000[;]:

79 (i) shall comply with [~~Subsection 17-50-103(2)(a).~~] Section 17-50-103; and

80 (ii) may not use the name of an existing school district.

81 (2) The local school board shall have direction and control of all school property in the
82 district and may enter into cooperative agreements with other local school boards to provide
83 educational services that best utilize resources for overall operation of the public school
84 system.

85 (3) (a) On or before 30 days after the day on which the creation of a new school district
86 occurs under Section 53G-3-301 or 53G-3-302, and in accordance with Section 67-1a-15, the
87 new school district shall be registered as a limited purpose entity by:

88 (i) the city legislative body in which the boundaries for the new district is entirely
89 located; or

90 (ii) the legislative bodies of all interlocal agreement participants in which the new
91 district is located.

92 [~~(a)~~] (b) Each school district shall register and maintain the school district's registration
93 as a limited purpose entity[;] in accordance with Section 67-1a-15.

94 [~~(b)~~] (c) A school district that fails to comply with [~~Subsection~~] Subsections (3)(a) and

95 (b) or Section 67-1a-15 is subject to enforcement by the state auditor[;] in accordance with
 96 Section 67-3-1.

97 Section 3. Section **53G-3-203** is amended to read:

98 **53G-3-203. Filing of notice and plat relating to school district boundary changes**
 99 **including creation, consolidation, division, or dissolution -- Recording requirements --**
 100 **Effective date.**

101 (1) The county legislative body shall[;],

102 [~~(a)~~] within 30 days after the day on which the creation, consolidation, division, or
 103 dissolution of a school district occurs, file with the lieutenant governor:

104 [~~(i)~~] (a) a copy of a notice of an impending boundary action, as defined in Section
 105 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and

106 [~~(ii)~~] (b) except in the case of a dissolution, a copy of an approved final local entity
 107 plat, as defined in Section 67-1a-6.5[; ~~and~~].

108 [~~(b)~~] (2) The county legislative body, upon the lieutenant governor's issuance of a
 109 certificate of boundary action under Section 67-1a-6.5, shall:

110 [~~(i)~~] (a) if the school district is or, in the case of dissolution, was located within the
 111 boundary of a single county, submit to the recorder of that county:

112 [~~(A)~~] (i) the original:

113 [~~(i)~~] (A) notice of an impending boundary action;

114 [~~(ii)~~] (B) certificate of boundary action; and

115 [~~(iii)~~] (C) except in the case of dissolution, approved final local entity plat; and

116 [~~(b)~~] (ii) if applicable, a certified copy of the resolution approving the boundary action;

117 or

118 [~~(ii)~~] (b) if the school district is or, in the case of a dissolution, was located within the
 119 boundaries of more than a single county:

120 [~~(A)~~] (i) submit to the recorder of one of those counties:

121 [~~(i)~~] (A) the original of the documents listed in Subsections [~~(1)(b)(i)(A)(i), (ii), and~~
 122 ~~(iii)~~] (2)(a)(i); and

123 [~~(ii)~~] (B) if applicable, a certified copy of the resolution approving the boundary action;

124 and

125 [~~(b)~~] (ii) submit to the recorder of each other county:

126 ~~[(H)]~~ (A) a certified copy of the documents listed in Subsections ~~[(1)(b)(i)(A)(I), (H),~~
127 ~~and (H)]~~ (2)(a)(i); and

128 ~~[(H)]~~ (B) if applicable, a certified copy of the resolution approving the boundary action.

129 ~~[(2)]~~ (3) (a) Upon the lieutenant governor's issuance of the certificate under Section
130 67-1a-6.5, the creation, consolidation, division, dissolution, or other change affecting the
131 boundary of a new or existing school district that was the subject of the action has legal effect.

132 (b) (i) As used in this Subsection ~~[(2)(b)]~~ (3)(b), "affected area" means:

133 (A) in the case of the creation of a school district, the area within the school district's
134 boundary;

135 (B) in the case of the consolidation of multiple school districts, the area within the
136 boundary of each school district that is consolidated into another school district;

137 (C) in the case of the division of a school district, the area within the boundary of the
138 school district created by the division; and

139 (D) in the case of an addition to an existing school district, the area added to the school
140 district.

141 (ii) ~~[The]~~ For purposes of assessing property within the school district, the effective
142 date of a boundary action, as that term is defined in Section 17-23-20, ~~[for purposes of~~
143 ~~assessing property within the school district]~~ is governed by Section 59-2-305.5.

144 (iii) ~~[Until the documents listed in Subsection (1)(b) are recorded in the office of the~~
145 ~~recorder of each county in which the property is located, a]~~ A school district may not levy or
146 collect a property tax on property within the affected area until the county legislative body
147 records the documents listed in Subsection (2) in the office of the recorder of each county in
148 which the property is located.

149 Section 4. Section **53G-3-301** is amended to read:

150 **53G-3-301. Creation of new school district -- Initiation of process -- Procedures to**
151 **be followed.**

152 (1) A new school district may be created from one or more existing school districts, as
153 provided in this section.

154 (2) ~~[The]~~ Subject to Subsection (3)(d), the process to create a new school district may
155 be initiated:

156 (a) through a citizens' initiative petition;

157 (b) at the request of the local school board of the existing district or districts to be
158 affected by the creation of the new district; or

159 (c) at the request of a city within the boundaries of the school district or at the request
160 of interlocal agreement participants~~[, pursuant to]~~ in accordance with Section 53G-3-302.

161 (3) (a) An initiative petition submitted under Subsection (2)(a) shall be signed by
162 registered voters residing within the geographical boundaries of the proposed new school
163 district in an amount equal to at least 15% of all votes cast within the geographic boundaries of
164 the proposed new school district for all candidates for president of the United States at the last
165 regular general election at which a president of the United States was elected.

166 (b) Each request or petition submitted under Subsection (2) shall:

167 (i) be filed with the clerk of each county in which any part of the proposed new school
168 district is located;

169 (ii) indicate the typed or printed name and current residence address of each governing
170 board member making a request, or registered voter signing a petition, as the case may be;

171 (iii) describe the proposed new school district boundaries; and

172 (iv) designate up to five signers of the petition or request as sponsors, one of whom
173 shall be designated as the contact sponsor, with the mailing address and telephone number of
174 each.

175 (c) The process described in Subsection (2)(a) may only be initiated once during any
176 four-year period.

177 (d) A new district may not be formed under Subsection (2) ~~[if the student population of~~
178 ~~the proposed new district is less than 3,000 or the existing district's student population would~~
179 ~~be less than 3,000 because of the creation of the new school district.]~~ if, because of the creation
180 of the new school district:

181 (i) the proposed new district's combined student population is less than 5,000 students
182 and more than 40,000 students; and

183 (ii) the existing district's combined student population would be less than 5,000
184 students.

185 (4) (a) (i) A signer of a petition described in Subsection (2)(a) may withdraw or, once
186 withdrawn, reinstate the signer's signature at any time before the filing of the petition by filing
187 a written statement requesting for withdrawal or reinstatement with the county clerk no later

188 than three business days after the day on which the petition is filed with the county clerk.

189 (ii) A statement described in Subsection (4)(a)(i) shall comply with the requirements
190 described in Subsection 20A-1-1003(2).

191 (iii) The county clerk shall use the procedures described in Subsection 20A-1-1003(3)
192 to determine whether to remove or reinstate an individual's signature from a petition after
193 receiving a timely, valid statement.

194 (b) For a petition described in Subsection (2)(a), the county clerk shall use the
195 procedures described in Section 20A-1-1002 to determine whether the petition has been signed
196 by the required number of registered voters residing within the geographical boundaries of the
197 proposed new school district.

198 (5) Within 45 days after the day on which a petition described in Subsection (2)(a) is
199 filed, or five business days after the day on which a request described in Subsection (2)(b) or
200 (c) is filed, the clerk of each county with which the request or petition is filed shall:

201 (a) determine whether the request or petition complies with Subsections (2) and (3), as
202 applicable; and

203 (b) (i) if the county clerk determines that the request or petition complies with the
204 applicable requirements:

205 (A) certify the request or petition and deliver the certified request or petition to the
206 county legislative body; and

207 (B) mail or deliver written notification of the certification to the contact sponsor; or

208 (ii) if the county clerk determines that the request or petition fails to comply with any
209 of the applicable requirements, reject the request or petition and notify the contact sponsor in
210 writing of the rejection and reasons for the rejection.

211 (6) (a) If the county clerk fails to certify or reject a request or petition within the time
212 specified in Subsection (5), the request or petition is considered to be certified.

213 (b) (i) If the county clerk rejects a request or petition, the person that submitted the
214 request or petition may amend the request or petition to correct the deficiencies for which the
215 request or petition was rejected, and refile the request or petition.

216 (ii) Subsection (3)(c) does not apply to a request or petition that is amended and refiled
217 after having been rejected by a county clerk.

218 (c) (i) [~~If, on or before December 1,~~] Within 10 days after the day on which a county

219 legislative body receives a request from a local school board under Subsection (2)(b) or a
220 petition under Subsection (2)(a) that is certified by the county clerk[-], the county legislative
221 body shall request that the state auditor conduct a feasibility study to determine:

222 (A) the financial viability of the proposed new school district;

223 (B) the financial impact on each existing school district within the boundaries of the
224 proposed new school district; and

225 (C) the impact of the tax burden upon taxpayers within the proposed new school
226 district boundaries.

227 ~~[(i) the county legislative body shall appoint an ad hoc advisory committee, as~~
228 ~~provided in Subsection (7), on or before January 1;]~~

229 ~~[(ii) the ad hoc advisory committee shall submit its report and recommendations to the~~
230 ~~county legislative body, as provided in Subsection (7), on or before July 1; and]~~

231 ~~[(iii) if the legislative body of each county with which a request or petition is filed~~
232 ~~approves a proposal to create a new district, each legislative body shall submit the proposal to~~
233 ~~the respective county clerk to be voted on by the electors of each existing district at the regular~~
234 ~~general or municipal general election held in November.]~~

235 (ii) The state auditor shall provide the feasibility study to the county legislative body on
236 or before 60 days after the day on which the county legislative body requests the feasibility
237 study.

238 (iii) A school district, district employee, or local school board member shall, within
239 five business days after the day on which the state auditor submits a written request for
240 information, provide the state auditor with the requested information at no cost.

241 ~~[(7)(a) The legislative body of each county with which a request or petition is filed~~
242 ~~shall appoint an ad hoc advisory committee to review and make recommendations on a request~~
243 ~~for the creation of a new school district submitted under Subsection (2)(a) or (b).]~~

244 ~~[(b) The advisory committee shall:]~~

245 ~~[(i) seek input from:]~~

246 ~~[(A) those requesting the creation of the new school district;]~~

247 ~~[(B) the local school board and school personnel of each existing school district;]~~

248 ~~[(C) those citizens residing within the geographical boundaries of each existing school~~
249 ~~district;]~~

250 ~~[(D) the state board; and]~~
 251 ~~[(E) other interested parties;]~~
 252 ~~[(ii) review data and gather information on at least:]~~
 253 ~~[(A) the financial viability of the proposed new school district;]~~
 254 ~~[(B) the proposal's financial impact on each existing school district;]~~
 255 ~~[(C) the exact placement of school district boundaries; and]~~
 256 ~~[(D) the positive and negative effects of creating a new school district and whether the~~
 257 ~~positive effects outweigh the negative if a new school district were to be created; and]~~
 258 ~~[(iii) make a report to the county legislative body in a public meeting on the~~
 259 ~~committee's activities, together with a recommendation on whether to create a new school~~
 260 ~~district.]~~
 261 ~~[(8)]~~ (7) (a) For a request or petition submitted under Subsection ~~[(2)(a) or (b)]~~ (3)(a)
 262 ~~or (b),[:]~~
 263 ~~[(a) The]~~ the county legislative body shall provide for a ~~[45]~~ 20-day public comment
 264 period on the ~~[report and recommendation to begin on the day the report is given under~~
 265 ~~Subsection (7)(b)(iii)]~~ feasibility study described in Subsection (6)(c) to begin on the day the
 266 county legislative body receives the study.
 267 (b) Within 14 days after the end of the comment period, the legislative body of each
 268 county with which a request or petition is filed shall ~~[vote on the creation of the proposed new~~
 269 ~~school district.]~~
 270 ~~[(c) The proposal is approved if a majority of the members of the legislative body of~~
 271 ~~each county with which a request or petition is filed votes in favor of the proposal.]~~
 272 ~~[(d) If the proposal is approved, the legislative body of each county with which a~~
 273 ~~request or petition is filed shall]~~ submit the proposal to the county clerk to be voted on:
 274 (i) by the legal voters of each existing school district affected by the proposal;
 275 (ii) in accordance with the procedures and requirements applicable to a regular general
 276 election under Title 20A, Election Code; and
 277 (iii) at the next regular general election or municipal general election, whichever is
 278 first.
 279 ~~[(e)]~~ (iv) Creation of the new school district shall occur if a majority of the electors
 280 within both the proposed school district and each remaining school district voting on the

281 proposal vote in favor of the creation of the new district.

282 ~~[(f)]~~ (v) Each county legislative body shall comply with the requirements of Section
283 53G-3-203.

284 ~~[(g) If a proposal submitted under Subsection (2)(a) or (b) to create a new district is
285 approved by the electors, the existing district's documented costs to study and implement the
286 proposal shall be reimbursed by the new district.]~~

287 ~~[(9)]~~ (8) (a) If a proposal submitted under Subsection (2)(c) is certified under
288 Subsection (5) or (6)(a), the legislative body of each county in which part of the proposed new
289 school district is located shall submit the proposal to the respective clerk of each county to be
290 voted on:

291 (i) by the legal voters residing within the proposed new school district boundaries;

292 (ii) in accordance with the procedures and requirements applicable to a regular general
293 election under Title 20A, Election Code; and

294 (iii) at the next regular general election or municipal general election, whichever is
295 first.

296 (b) (i) If a majority of the legal voters within the proposed new school district
297 boundaries voting on the proposal at an election under Subsection ~~[(9)(a)]~~ (8)(a) vote in favor
298 of the creation of the new district~~[-]~~, a new school district is created.

299 ~~[(A) each county legislative body shall comply with the requirements of Section
300 53G-3-203; and]~~

301 ~~[(B) upon the lieutenant governor's issuance of the certificate under Section 67-1a-6.5;
302 the new district is created.]~~

303 (ii) Notwithstanding the creation of a new district as provided in Subsection

304 ~~[(9)(b)(i)(B)]~~ (8)(b)(i):

305 (A) a new school district may not begin to provide educational services to the area
306 within the new district until July 1 of the ~~[second calendar]~~ year following the local school
307 board ~~[general]~~ election date ~~[described]~~ in accordance with Subsection 53G-3-302(3)(a)(i);

308 (B) a remaining district may not begin to provide educational services to the area
309 within the remaining district until the time specified in Subsection ~~[(9)(b)(ii)(A)]~~ (8)(b)(ii)(A);

310 and

311 (C) each existing district shall continue, until the time specified in Subsection

312 ~~[(9)(b)(ii)(A)] (8)(b)(ii)(A)~~, to provide educational services within the entire area covered by
313 the existing district.

314 (9) A remaining school district and a new school district shall enter into a shared
315 services agreement that permits students residing in each district access to attend a school that
316 serves students with disabilities within or without the school district:

317 (a) with an equal per student assessment; and

318 (b) without affecting services provided to other students.

319 (10) A school district employee or local school board member may not use public
320 resources to:

321 (a) advocate for or against a school district split;

322 (b) create a public issues committee; or

323 (c) conduct a survey.

324 (11) A school district employee or local school board member who violates Subsection
325 (6)(c)(iii) or (10) is subject to:

326 (a) enforcement by the state auditor in accordance with Section 67-3-1;

327 (b) disciplinary action in accordance with Section 53E-3-401; or

328 (c) disciplinary action as provided in school district or local school board rule.

329 Section 5. Section **53G-3-302** is amended to read:

330 **53G-3-302. Proposal initiated by a city or by interlocal agreement participants to**
331 **create a school district -- Boundaries -- Election of local school board members --**
332 **Allocation of assets and liabilities -- Startup costs -- Transfer of title.**

333 (1) (a) After ~~[conducting]~~ receiving a feasibility study, as described in Subsection
334 ~~(1)(b)~~, a city with a population of at least 50,000, as determined by the lieutenant governor
335 using the process described in Subsection 67-1a-2(3), may by majority vote of the legislative
336 body, submit for voter approval a measure to create a new school district with boundaries
337 contiguous with that city's boundaries[;] and in accordance with Section 53G-3-301.

338 (b) ~~[(i) The determination of all matters relating to the scope, adequacy, and other~~
339 ~~aspects of a feasibility study under Subsection (1)(a) is within the exclusive discretion of the~~
340 ~~city's legislative body.]~~

341 (i) The city legislative body proposing to create a new school district under Subsection
342 (1)(a) shall request that the state auditor conduct a feasibility study to determine:

343 (A) the financial viability of the proposed new school district;

344 (B) the financial impact on each existing school district within the boundaries of the
345 proposed new school district; and

346 (C) the impact of the tax burden on taxpayers within the proposed new school district
347 boundaries.

348 (ii) The state auditor shall provide the feasibility study to the city legislative body on or
349 before 60 days after the date on which the city legislative body requests the feasibility study.

350 (iii) An existing school district, district employee, or local school board member shall,
351 within five business days after the day on which the state auditor submits a written request for
352 information, provide the state auditor with all requested information at no cost.

353 (c) An inadequacy of a feasibility study under Subsection ~~[(1)(a)]~~ (1)(b)(i) may not be
354 the basis of a legal action or other challenge to:

355 ~~[(A)]~~ (i) an election for voter approval of the creation of a new school district; or

356 ~~[(B)]~~ (ii) the creation of the new school district.

357 (2) (a) By majority vote of the legislative body, a city of any class, a town, or a county,
358 may, together with one or more other cities, towns, or the county enter into an interlocal
359 agreement, in accordance with Title 11, Chapter 13, Interlocal Cooperation Act, for the purpose
360 of submitting for voter approval to the legal voters residing within the proposed new school
361 district boundary a measure to create a new school district.

362 (b) ~~[(1)]~~ In accordance with Section 53G-3-301, interlocal agreement participants under
363 Subsection (2)(a) may submit a proposal for voter approval if:

364 ~~[(A)]~~ (i) ~~[the interlocal agreement participants conduct]~~ the state auditor conducts a
365 feasibility study ~~[prior to]~~ as described in Subsection (2)(c) before submitting the proposal to
366 the county;

367 ~~[(B)]~~ (ii) the combined population within the proposed new school district boundaries
368 is at least 50,000;

369 (iii) the combined student population is no less than 5,000 students and no more than
370 40,000 students;

371 ~~[(C)]~~ (iv) the new school district boundaries:

372 ~~[(1)]~~ (A) are contiguous;

373 ~~[(2)]~~ (B) do not completely surround or otherwise completely geographically isolate a

374 portion of an existing school district that is not part of the proposed new school district from
375 the remaining part of that existing school district, except as provided in Subsection [(2)(d)(iii);]
376 (2)(m);

377 [(HH)] (C) include the entire boundaries of each participant city or town, except as
378 provided in Subsection [(2)(d)(ii);] (2)(l); and

379 [(FV)] (D) subject to Subsection [(2)(b)(ii);] (2)(f), do not cross county lines; and

380 [(D)] (v) the combined population within the proposed new school district of interlocal
381 agreement participants that have entered into an interlocal agreement proposing to create a new
382 school district is at least 80% of the total population of the proposed new school district.

383 (c) The legislative bodies of the interlocal agreement participants seeking to create a
384 new school district under Subsection (2)(a) shall request that the state auditor conduct a
385 feasibility study to determine:

386 (i) the financial viability of the proposed new school district;

387 (ii) the financial impact on each existing school district within the proposed new
388 school district boundaries; and

389 (iii) the impact of the tax burden on taxpayers within the proposed new school district
390 boundaries.

391 (d) The state auditor shall provide the feasibility study to the legislative bodies of the
392 interlocal agreement participants on or before 60 days after the date on which the legislative
393 bodies of the interlocal agreement participants request the feasibility study.

394 (e) An existing school district, district employee, or local school board member shall,
395 within five business days after the day on which the state auditor submits a written request for
396 information, provide the state auditor with all requested information at no cost.

397 [(ii)] (f) The determination of [~~all matters relating to the scope, adequacy, and other~~
398 ~~aspects of a feasibility study under Subsection (2)(b)(i)(A), including whether to conduct]~~
399 whether to request the state auditor to conduct a new feasibility study or revise a previous
400 feasibility study due to a change in the proposed new school district boundaries, is within the
401 exclusive discretion of the legislative bodies of the interlocal agreement participants that enter
402 into an interlocal agreement to submit for voter approval a measure to create a new school
403 district.

404 [(iii)] (g) An inadequacy of a feasibility study under Subsection [(2)(b)(i)(A)] (2)(c)

405 may not be the basis of a legal action or other challenge to:

406 ~~[(A)]~~ (i) an election for voter approval of the creation of a new school district; or

407 ~~[(B)]~~ (ii) the creation of the new school district.

408 ~~[(iv)]~~ (h) For purposes of determining whether the boundaries of a proposed new

409 school district cross county lines under Subsection ~~[(2)(b)(i)(C)(IV)]~~ (2)(b)(iv)(D):

410 ~~[(A)]~~ (i) a municipality located in more than one county and entirely within the

411 boundaries of a single school district is considered to be entirely within the same county as

412 other participants in an interlocal agreement under Subsection (2)(a) if more of the

413 municipality's land area and population is located in that same county than outside the county;

414 and

415 ~~[(B)]~~ (ii) a municipality located in more than one county that participates in an

416 interlocal agreement under Subsection (2)(a) with respect to some but not all of the area within

417 the municipality's boundaries on the basis of the exception stated in Subsection ~~[(2)(d)(ii)(B)]~~

418 (2)(l)(ii) may not be considered to cross county lines.

419 ~~[(e)]~~ (i) ~~[(i)]~~ A county may only participate in an interlocal agreement under this

420 Subsection (2) for the unincorporated areas of the county.

421 ~~[(ii)]~~ (j) Boundaries of a new school district created under this section may include:

422 ~~[(A)]~~ (i) a portion of one or more existing school districts; and

423 ~~[(B)]~~ (ii) a portion of the unincorporated area of a county, including a portion of a

424 township.

425 ~~[(d)]~~ (k) ~~[(i)]~~ As used in ~~[this Subsection (2)(d)]~~ Subsections (2)(k) through (n):

426 ~~[(A)]~~ (i) "Isolated area" means an area with a combined student population of less than

427 5,000 students that[;]

428 ~~[(f)]~~ is entirely within the boundaries of a municipality that, except for that area[;];

429 (A) is entirely within a school district different than the school district in which the

430 area is located; and

431 ~~[(H)]~~

432 (B) would, because of the creation of a new school district from the existing district in

433 which the area is located, become completely geographically isolated.

434 ~~[(B)]~~ (ii) "Municipality's school district" means the school district that includes all of

435 the municipality in which the isolated area is located except the isolated area.

436 [(ii)] (1) Notwithstanding Subsection [(2)(b)(i)(C)(H)] (2)(b)(iv)(C), a municipality
 437 may be a participant in an interlocal agreement under Subsection (2)(a) with respect to some
 438 but not all of the area within the municipality's boundaries if:

439 [(A)] (i) the portion of the municipality proposed to be included in the new school
 440 district would, if not included, become an isolated area upon the creation of the new school
 441 district; or

442 [(B)] (ii) [(H)] (A) the portion of the municipality proposed to be included in the new
 443 school district is within the boundaries of the same school district that includes the other
 444 interlocal agreement participants; and

445 [(H)] (B) the portion of the municipality proposed to be excluded from the new school
 446 district is within the boundaries of a school district other than the school district that includes
 447 the other interlocal agreement participants.

448 [(iii)-(A)] (m) Notwithstanding Subsection [(2)(b)(i)(C)(H)] (2)(b)(iv)(B), interlocal
 449 agreement participants may submit a proposal to the legal voters residing within the proposed
 450 new school district boundaries to create a new school district [~~may be submitted for voter~~
 451 ~~approval pursuant to~~] in accordance with an interlocal agreement under Subsection (2)(a), even
 452 though the new school district boundaries would create an isolated area, if:

453 [(H)] (i) the potential isolated area is contiguous to one or more of the interlocal
 454 agreement participants;

455 [(H)] (ii) the interlocal participants submit a written request to the municipality in
 456 which the potential isolated area is located, requesting the municipality to enter into an
 457 interlocal agreement under Subsection (2)(a) that proposes to submit for voter approval a
 458 measure to create a new school district that includes the potential isolated area; and

459 [(H)] (iii) [90] 60 days after the interlocal agreement participants submit a request
 460 under Subsection [(2)(d)(iii)(A)(H) is submitted] (2)(m)(ii), the municipality has not entered
 461 into an interlocal agreement as requested in the request.

462 [(B)] (n) (i) Each municipality receiving a request under Subsection [(2)(d)(iii)(A)(H)]
 463 (2)(m)(ii) shall hold one or more public hearings to allow input from the public and affected
 464 school districts regarding whether or not the municipality should enter into an interlocal
 465 agreement with respect to the potential isolated area.

466 [(C)-(H)] (ii) This [~~Subsection (2)(d)(iii)(C)] subsection applies if:~~

467 ~~[(Aa)]~~ (A) a new school district is created under this section after a measure is
 468 submitted to voters ~~[based on the authority of Subsection (2)(d)(iii)(A)]~~ in accordance with
 469 Subsection (2)(m); and

470 ~~[(Bb)]~~ (B) the creation of the new school district results in an isolated area.

471 ~~[(H)]~~ (iii) The isolated area shall, on July 1 of the ~~[second calendar]~~ year following the
 472 local school board ~~[general]~~ election date described in Subsection (3)(a)(i), become part of the
 473 municipality's school district.

474 ~~[(HH)]~~ (iv) Unless the isolated area is the only remaining part of the existing district, the
 475 process described in Subsection (4) shall be modified to:

476 ~~[(Aa)]~~ (A) include a third transition team, appointed by the local school board of the
 477 municipality's school district, to represent that school district; and

478 ~~[(Bb)]~~ (B) require allocation of the existing district's assets and liabilities among the
 479 new district, the remaining district, and the municipality's school district.

480 ~~[(IV)]~~ (C) The existing district shall ~~[continue to provide educational services to the~~
 481 ~~isolated area until July 1 of the [second calendar] year following the local school board general~~
 482 ~~election date described in Subsection (3)(a)(i).~~

483 (3) (a) If voters approve a proposal under this section ~~[is approved by voters]~~:

484 (i) the legislative body shall hold an election ~~[shall be held]~~ at the next regular general
 485 election, or at a special election in accordance with Section 20A-1-203, to elect:

486 (A) members to the local school board of the existing school district whose terms are
 487 expiring;

488 (B) all members to the local school board of the new school district; and

489 (C) all members to the local school board of the remaining district;

490 (ii) the assets and liabilities of the existing school district shall be divided between the
 491 remaining school district and the new school district as provided in Subsection (5) and Section
 492 53G-3-307;

493 (iii) transferred employees shall be treated in accordance with Sections 53G-3-205 and
 494 53G-3-308;

495 (iv) ~~[(A)]~~ an individual residing within the boundaries of a new school district at the
 496 time the new school district is created may, for six school years after the creation of the new
 497 school district, elect to enroll in a secondary school located outside the boundaries of the new

498 school district if:

499 ~~[(H)]~~ (A) the individual resides within the boundaries of that secondary school as of the
500 day before the new school district is created; ~~[and]~~

501 ~~[(H)]~~ (B) the individual would have been eligible to enroll in that secondary school had
502 the new school district not been created; and

503 ~~[(B)]~~ (C) the school district in which the secondary school is located shall provide
504 educational services, including, if provided before the creation of the new school district,
505 busing, to each individual making an election under Subsection ~~[(3)(a)(iv)(A)]~~ (3)(a)(iv) for
506 each school year for which the individual makes the election; and

507 (v) within one year ~~[after]~~ following the new district begins providing educational
508 services, the superintendent of each remaining district affected and the superintendent of the
509 new district shall meet, together with the state superintendent, to determine if further boundary
510 changes should be proposed in accordance with Section 53G-3-501.

511 (b) (i) The terms of the initial members of the local school board of the new district and
512 remaining district shall be staggered and adjusted by the county legislative body so that
513 approximately half of the local school board is elected every two years.

514 (ii) The term of a member of the existing local school board, including a member
515 elected under Subsection (3)(a)(i)(A), terminates on July 1 of the ~~[second year after]~~ year
516 following the local school board ~~[general]~~ election date described in Subsection (3)(a)(i),
517 regardless of when the term would otherwise have terminated.

518 (iii) Notwithstanding the existence of a local school board for the new district and a
519 local school board for the remaining district under Subsection (3)(a)(i), the local school board
520 of the existing district shall continue, until the time specified in ~~[Subsection~~
521 ~~53G-3-301(9)(b)(ii)(A);]~~ Subsection 53G-3-301(8)(b)(ii)(A), to function and exercise authority
522 as a local school board to the extent necessary to continue to provide educational services to
523 the entire existing district.

524 (iv) An individual may not simultaneously serve as or be elected to be a member of the
525 local school board of an existing district and a member of the local school board of:

526 (A) a new district; or

527 (B) a remaining district.

528 (4) (a) Within 45 days ~~[after]~~ following the canvass date for the election at which

529 voters approve the creation of a new district:

530 (i) members of the existing local school board who reside within the area of the
531 remaining district shall appoint a transition team to represent the remaining district [~~shall be~~
532 ~~appointed by the members of the existing local school board who reside within the area of the~~
533 ~~remaining district,~~] in consultation with:

534 (A) the legislative bodies of all municipalities in the area of the remaining district; and

535 (B) the legislative body of the county in which the remaining district is located, if the
536 remaining district includes one or more unincorporated areas of the county; and

537 (ii) another transition team to represent the new district shall be appointed by:

538 (A) [~~for~~] the city legislative body in which the boundaries for a new district are entirely
539 located [~~entirely within the boundaries of a single city, the legislative body of that city~~]; or

540 (B) [~~for each other new district,~~] the legislative bodies of all interlocal agreement
541 participants in which the boundaries of the new district are located.

542 (iii) Any disagreements as to the disposition of school property shall be resolved by the
543 city legislative body or legislative bodies of interlocal agreement participants.

544 (b) The local school board of the existing school district shall, within 60 days [~~after~~]
545 following the canvass date for the election at which voters approve the creation of a new
546 district:

547 (i) prepare an inventory of the existing district's:

548 (A) assets, both tangible and intangible, real and personal; and

549 (B) liabilities; and

550 (ii) deliver a copy of the inventory to each of the transition teams.

551 (c) The transition teams appointed under Subsection (4)(a) shall:

552 (i) determine the allocation of the existing district's assets and, except for indebtedness
553 under Section 53G-3-307, liabilities between the remaining district and the new district in
554 accordance with Subsection (5);

555 (ii) prepare a written report detailing how the existing district's assets and, except for
556 indebtedness under Section 53G-3-307, liabilities are to be allocated; and

557 (iii) deliver a copy of the written report to:

558 (A) the local school board of the existing district;

559 (B) the local school board of the remaining district; and

- 560 (C) the local school board of the new district.
- 561 (d) The transition teams shall determine the allocation under Subsection (4)(c)(i) and
562 deliver the report required under Subsection (4)(c)(ii) before August 1 of the year following the
563 election at which voters approve the creation of a new district, unless that deadline is extended
564 by the mutual agreement of:
- 565 (i) the local school board of the existing district; and
- 566 (ii) (A) the city legislative body [~~of the city~~] in which the new district is located, for a
567 new district located entirely within a single city; or
- 568 (B) the legislative bodies of all interlocal agreement participants, for each other new
569 district.
- 570 (e) (i) All costs and expenses of the transition team that represents a remaining district
571 shall be borne by the remaining district.
- 572 (ii) All costs and expenses of the transition team that represents a new district shall
573 initially be borne by:
- 574 (A) the city whose legislative body appoints the transition team, if the transition team
575 is appointed by the legislative body of a single city; or
- 576 (B) the interlocal agreement participants, if the transition team is appointed by the
577 legislative bodies of interlocal agreement participants.
- 578 (iii) The new district may, to a maximum of [~~\$500,000~~] \$2,500,000, reimburse the city
579 or interlocal agreement participants for:
- 580 (A) transition team costs and expenses; and
- 581 (B) startup costs and expenses incurred by the city or interlocal agreement participants
582 on behalf of the new district.
- 583 (f) The transition teams appointed under Subsection (4)(a) or (2)(n)(iv) may:
- 584 (i) appoint an interim superintendent to oversee the formation and operation of the new
585 school district until a local school board is elected in accordance with Section 53G-3-302; and
- 586 (ii) assist the existing school board with an inventory as described in Subsection (4)(b).
- 587 (5) (a) As used in this Subsection (5):
- 588 (i) "Associated property" means furniture, equipment, or supplies located in or
589 specifically associated with a physical asset.
- 590 (ii) (A) "Discretionary asset or liability" means [~~except as provided in Subsection~~

591 ~~(5)(a)(ii)(B)~~,] an asset or liability that is not tied to a specific project, school, student, or
592 employee by law or school district accounting practice.

593 (B) "Discretionary asset or liability" does not include a physical asset, associated
594 property, a vehicle, or bonded indebtedness.

595 (iii) (A) "Nondiscretionary asset or liability" means~~[, except as provided in Subsection~~
596 ~~(5)(a)(iii)(B)~~,] an asset or liability that is tied to a specific project, school, student, or employee
597 by law or school district accounting practice.

598 (B) "Nondiscretionary asset or liability" does not include a physical asset, associated
599 property, a vehicle, or bonded indebtedness.

600 (iv) "Physical asset" means a building, land, or water right together with revenue
601 derived from the lease or use of the building, land, or water right.

602 (b) Except as provided in Subsection (5)(c), the transition teams appointed under
603 Subsection (4)(a) shall allocate all assets and liabilities the existing district owns on the
604 allocation date, both tangible and intangible, real and personal, to the new district and
605 remaining district as follows:

606 (i) a physical asset and associated property shall be allocated to the school district in
607 which the physical asset is located;

608 (ii) a discretionary asset or liability shall be allocated between the new district and
609 remaining district in proportion to the student populations of the school districts;

610 (iii) a nondiscretionary asset shall be allocated to the school district where the project,
611 school, student, or employee to which the nondiscretionary asset is tied will be located;

612 (iv) vehicles used for pupil transportation shall be allocated:

613 (A) according to the transportation needs of schools, as measured by the number and
614 assortment of vehicles used to serve transportation routes serving schools within the new
615 district and remaining district; and

616 (B) in a manner that gives each school district a fleet of vehicles for pupil
617 transportation that is equivalent in terms of age, condition, and variety of carrying capacities;
618 and

619 (v) other vehicles shall be allocated:

620 (A) in proportion to the student populations of the school districts; and

621 (B) in a manner that gives each district a fleet of vehicles that is similar in terms of age,

622 condition, and carrying capacities.

623 (c) By mutual agreement, the transition teams may allocate an asset or liability in a
624 manner different than the allocation method specified in Subsection (5)(b).

625 (6) (a) As used in this Subsection (6):

626 (i) "New district startup costs" means:

627 (A) costs and expenses incurred by a new district in order to prepare to begin providing
628 educational services on July 1 of the [~~second calendar~~] year following the local school board
629 general election date described in Subsection (3)(a)(i); and

630 (B) the costs and expenses of the transition team that represents the new district.

631 (ii) "Remaining district startup costs" means:

632 (A) costs and expenses [~~incurred by a remaining district in order to:~~] that a district
633 incurs to

634 [~~(H)~~] make necessary adjustments to deal with the impacts resulting from the creation of
635 the new district[;] and to

636 [~~(H)~~] prepare to provide educational services within the remaining district once the new
637 district begins providing educational services within the new district; and

638 (B) the costs and expenses of the transition team that represents the remaining district.

639 (b) (i) [~~By~~] On or before January 1 of the year following [~~the local school board~~
640 ~~general election date described in Subsection (3)(a)(i)] the creation of a new school district, the
641 existing district shall make half of the undistributed reserve from [~~its~~] the existing district's
642 General Fund, to a maximum of [~~\$9,000,000~~] \$30,000,000, available for the use of the
643 remaining district and the new district, as provided in this Subsection (6).~~

644 (ii) The existing district may make additional funds available for the use of the
645 remaining district and the new district beyond the amount specified in Subsection (6)(b)(i)
646 through an interlocal agreement.

647 (c) The existing district shall make the money under Subsection (6)(b) available to the
648 remaining district and the new district proportionately based on student population.

649 (d) The money made available under Subsection (6)(b) may be accessed and spent by:

650 (i) [~~for the remaining district,~~] the local school board of the remaining district; and

651 (ii) [~~for the new district,~~] the local school board of the new district, or the interim
652 superintendent if the local school board has not been elected.

653 (e) (i) The remaining district may use its portion of the money made available under
654 Subsection (6)(b) to pay for remaining district startup costs.

655 (ii) The new district may use its portion of the money made available under Subsection
656 (6)(b) to pay for new district startup costs.

657 (f) Nothing in this Subsection (6) prevents interlocal agreement participants or a
658 municipality from assisting the new district by:

659 (i) entering into a loan agreement with the new district; or

660 (ii) assisting the new district in securing a line of credit.

661 (7) (a) The existing district shall transfer title or, if applicable, partial title of property
662 to the new school district in accordance with the allocation of property by the transition teams,
663 as stated in the report under Subsection (4)(c)(ii).

664 (b) The existing district shall complete each transfer of title or, if applicable, partial
665 title to real property and vehicles by July 1 of the [~~second calendar~~] year following the local
666 school board [~~general~~] election date described in Subsection (3)(a)(i), except as that date is
667 changed by the mutual agreement of:

668 (i) the local school board of the existing district;

669 (ii) the local school board of the remaining district; and

670 (iii) the local school board of the new district.

671 (c) The existing district shall complete the transfer of all property not included in
672 Subsection (7)(b) [~~by November 1 of the second calendar year after the local school board~~
673 ~~general election date~~] within 60 days after the day on which the local school board election
674 date, as described in Subsection (3)(a)(i), occurs.

675 (8) Except as provided in Subsections (6) and (7), [~~after the creation election date~~] an
676 existing school district may not transfer or agree to transfer title to district property beginning
677 on the day the new school district is created without the prior consent of:

678 (a) the legislative body of the city in which the boundaries for the new district [is] are
679 entirely located[~~, for a new district located entirely within a single city~~]; or

680 (b) the legislative bodies of all interlocal agreement participants[~~, for each other new~~
681 ~~district~~] in which the boundaries of the new district are located.

682 (9) A school district employee or local school board member may not use public
683 resources to:

684 (a) advocate for or against a school district split;

685 (b) create a public issues committee; or

686 (c) conduct a survey.

687 (10) A school district employee or local school board member who violates Subsection

688 (1)(b)(iii), (2)(e), or (9) is subject to:

689 (a) enforcement by the state auditor, in accordance with Section 67-3-1;

690 (b) disciplinary action, in accordance with Section 53E-3-401; or

691 (c) disciplinary action, as provided in school district or local school board rule.

692 ~~[(9)]~~ (11) This section does not apply to the creation of a new district initiated through
693 a citizens' initiative petition or at the request of a local school board under Section 53G-3-301.

694 Section 6. Section **53G-3-306** is amended to read:

695 **53G-3-306. Transfer of school property to new school district.**

696 (1) (a) (i) On July 1 of the year following the local school board elections [~~for a new~~
697 ~~district created pursuant to a citizens' initiative petition or local school board request under~~
698 ~~Section 53G-3-301 and an existing district as provided in Section 53G-3-305]~~ as described in
699 Section 53G-3-302, the local school board of the existing district shall convey and deliver to
700 the local school board of the new district all school property which the new district is entitled
701 to receive as of the allocation date, as that term is defined in Section 53G-3-102.

702 (ii) Any disagreements as to the disposition of school property shall be resolved by the
703 county legislative body.

704 (iii) Subsection (1)(a)(ii) does not apply to disagreements between transition teams
705 about the proper allocation of property under Subsection 53G-3-302(4).

706 (b) An existing district shall transfer property to a new district created under Section
707 53G-3-302 in accordance with Section 53G-3-302.

708 (2) Title vests in the new local school board, including all rights, claims, and causes of
709 action to or for the property, for the use or the income from the property, for conversion,
710 disposition, or withholding of the property, or for any damage or injury to the property~~[-]~~ on the
711 day the new school district is created.

712 (3) ~~[The]~~ The interim school superintendent, appointed in accordance with Section
713 53G-3-302, or the new local school board may bring and maintain actions to recover, protect,
714 and preserve the property and rights of the district's schools and to enforce contracts.

715 Section 7. Section **53G-3-308** is amended to read:

716 **53G-3-308. Employees of a new district.**

717 (1) Upon the creation of a new district:

718 (a) an employee of an existing district who is employed at a school that is transferred to
719 the new district shall become an employee of the new district; and

720 (b) the local school board of the new district shall:

721 (i) have discretion in the hiring of all other staff;

722 (ii) adopt the personnel policies and practices of the existing district, including salary
723 schedules and benefits; and

724 (iii) enter into agreements with employees of the new district, or their representatives,
725 that have the same terms as those in the negotiated agreements between the existing district and
726 its employees.

727 (2) (a) Subject to Subsection (2)(b), an employee of a school district from which a new
728 district is created who becomes an employee of the new district shall retain the same status as a
729 career or provisional employee with accrued seniority and accrued benefits.

730 (b) Subsection (2)(a) applies to:

731 (i) employees of an existing district who are transferred to a new district [~~pursuant to~~]
732 as described in Subsection (1)(a); and

733 (ii) employees of a school district from which a new district is created who are hired by
734 the new district within one year of the date of the creation of the new district.

735 (3) An employee who is transferred to a new district [~~pursuant to~~] in accordance with
736 Subsection (1)(a) and is rehired by the existing district within one year of the date of the
737 creation of the new district shall, when rehired by the existing district, retain the same status as
738 a career or provisional employee with accrued seniority and accrued benefits.

739 (4) The local school board of the existing district may not dismiss an employee of the
740 existing district who is transferred to the new district for the sole reason that the employee
741 becomes an employee of the new district.

742 Section 8. Section **53G-4-402** is amended to read:

743 **53G-4-402. Powers and duties generally.**

744 (1) A local school board shall:

745 (a) implement the core standards for Utah public schools using instructional materials

746 that best correlate to the core standards for Utah public schools and graduation requirements;

747 (b) administer tests, required by the state board, which measure the progress of each
748 student, and coordinate with the state superintendent and state board to assess results and create
749 plans to improve the student's progress, which shall be submitted to the state board for
750 approval;

751 (c) use progress-based assessments as part of a plan to identify schools, teachers, and
752 students that need remediation and determine the type and amount of federal, state, and local
753 resources to implement remediation;

754 (d) for each grading period and for each course in which a student is enrolled, issue a
755 grade or performance report to the student:

756 (i) that reflects the student's work, including the student's progress based on mastery,
757 for the grading period; and

758 (ii) in accordance with the local school board's adopted grading or performance
759 standards and criteria;

760 (e) develop early warning systems for students or classes failing to make progress;

761 (f) work with the state board to establish a library of documented best practices,
762 consistent with state and federal regulations, for use by the special districts;

763 (g) implement training programs for school administrators, including basic
764 management training, best practices in instructional methods, budget training, staff
765 management, managing for learning results and continuous improvement, and how to help
766 every [child] student achieve optimal learning in basic academic subjects; and

767 (h) ensure that the local school board meets the data collection and reporting standards
768 described in Section 53E-3-501.

769 (2) Local school boards shall spend Minimum School Program funds for programs and
770 activities for which the state board has established minimum standards or rules under Section
771 53E-3-501.

772 (3) (a) A local school board may purchase, sell, and make improvements on school
773 sites, buildings, and equipment, and construct, erect, and furnish school buildings.

774 (b) School sites or buildings may only be conveyed or sold on local school board
775 resolution affirmed by at least two-thirds of the school board members.

776 (4) (a) A local school board may participate in the joint construction or operation of a

777 school attended by students residing within the district and students residing in other districts
778 either within or outside the state.

779 (b) Any agreement for the joint operation or construction of a school shall:

780 (i) be signed by the president of the local school board of each participating district;

781 (ii) include a mutually agreed upon pro rata cost; and

782 (iii) be filed with the state board.

783 (5) A local school board may establish, locate, and maintain elementary, secondary,
784 and applied technology schools.

785 (6) A local school board may enter into cooperative agreements with other local school
786 boards to provide educational services that best utilize resources for the overall operation of the
787 school districts, including shared transportation services.

788 (7) ~~[An]~~ Local school boards shall ensure than an agreement under Subsection (6)
789 ~~[shall]~~:

790 (a) ~~[be]~~ is signed by the president of the local school board of each participating
791 district;

792 (b) ~~[specify]~~ specifies the resource being shared;

793 (c) ~~[include]~~ includes a mutually agreed upon pro rata cost;

794 (d) ~~[include]~~ includes the duration of the agreement; and

795 (e) ~~[be]~~ is filed with the state board.

796 (8) Except as provided in Section 53E-3-905, a local school board may enroll children
797 in school who are at least five years old before September 2 of the year in which admission is
798 sought.

799 (9) A local school board:

800 (a) may establish and support school libraries; and

801 (b) shall provide an online platform:

802 (i) through which a parent is able to view the title, author, and a description of any
803 material the parent's child borrows from the school library, including a history of borrowed
804 materials, either using an existing online platform that the LEA uses or through a separate
805 platform; and

806 (ii) (A) for a school district with 1,000 or more enrolled students, no later than August
807 1, 2024; and

808 (B) for a school district with fewer than 1,000 enrolled students, no later than August
809 1, 2026.

810 (10) A local school board may collect damages for the loss, injury, or destruction of
811 school property.

812 (11) A local school board may authorize guidance and counseling services for students
813 and the student's parents before, during, or following school enrollment.

814 (12) (a) A local school board shall administer and implement federal educational
815 programs in accordance with Title 53E, Chapter 3, Part 8, Implementing Federal or National
816 Education Programs.

817 (b) Federal funds are not considered funds within the school district budget under
818 Chapter 7, Part 3, Budgets.

819 (13) (a) A local school board may organize school safety patrols and adopt policies
820 under which the patrols promote student safety.

821 (b) A student appointed to a safety patrol shall be at least 10 years old and have written
822 parental consent for the appointment.

823 (c) Safety patrol members may not direct vehicular traffic or be stationed in a portion
824 of a highway intended for vehicular traffic use.

825 (d) Liability may not attach to a school district, its employees, officers, or agents, or to
826 a safety patrol member, a parent of a safety patrol member, or an authorized volunteer assisting
827 the program by virtue of the organization, maintenance, or operation of a school safety patrol.

828 (14) (a) A local school board may on its own behalf, or on behalf of an educational
829 institution for which the local school board is the direct governing body, accept private grants,
830 loans, gifts, endowments, devises, or bequests that are made for educational purposes.

831 (b) The contributions made under Subsection (14)(a) are not subject to appropriation
832 by the Legislature.

833 (15) (a) A local school board may appoint and fix the compensation of a compliance
834 officer to issue citations for violations of Subsection 76-10-105(2)(b).

835 (b) A person may not be appointed to serve as a compliance officer without the
836 person's consent.

837 (c) A teacher or student may not be appointed as a compliance officer.

838 (16) A local school board shall adopt bylaws and policies for the local school board's

839 own procedures.

840 (17) (a) A local school board shall make and enforce policies necessary for the control
841 and management of the district schools.

842 (b) Local school board policies shall be in writing, filed, and referenced for public
843 access.

844 (18) A local school board may hold school on legal holidays other than Sundays.

845 (19) (a) A local school board shall establish for each school year a school traffic safety
846 committee to implement this Subsection (19).

847 (b) The committee shall be composed of one representative of:

848 (i) the schools within the district;

849 (ii) the Parent Teachers' Association of the schools within the district;

850 (iii) the municipality or county;

851 (iv) state or local law enforcement; and

852 (v) state or local traffic safety engineering.

853 (c) The committee shall:

854 (i) receive suggestions from school community councils, parents, teachers, and others,
855 and recommend school traffic safety improvements, boundary changes to enhance safety, and
856 school traffic safety program measures;

857 (ii) review and submit annually to the Department of Transportation and affected
858 municipalities and counties a child access routing plan for each elementary, middle, and junior
859 high school within the district;

860 (iii) ~~consult~~ in consultation with the Utah Safety Council and the Division of Family
861 Health Services ~~and~~, provide training to all students in kindergarten through grade 6, within
862 the district, on school crossing safety and use; and

863 (iv) help ensure the district's compliance with rules made by the Department of
864 Transportation under Section 41-6a-303.

865 (d) The committee may establish subcommittees as needed to assist in accomplishing
866 the committee's duties under Subsection (19)(c).

867 (20) (a) A local school board shall adopt and implement a comprehensive emergency
868 response plan to prevent and combat violence in the local school board's public schools, on
869 school grounds, on ~~its~~ school vehicles, and in connection with school-related activities or

870 events.

871 (b) The local school board shall ensure that the plan [shall]:

872 (i) [~~include~~] includes prevention, intervention, and response components;

873 (ii) [~~be~~] is consistent with the [~~student conduct and discipline policies~~] student
874 discipline and conduct policies required for school districts under [~~Chapter 11, Part 2,~~

875 ~~Miscellaneous Requirements~~] Chapter 8, Part 2, School Discipline and Conduct Plans;

876 (iii) [~~require~~] requires professional learning for all district and school building staff on
877 the staff's roles in the emergency response plan;

878 (iv) [~~provide~~] provides for coordination with local law enforcement and other public
879 safety representatives in preventing, intervening, and responding to violence in the areas and
880 activities referred to in Subsection (20)(a); and

881 (v) [~~include~~] includes procedures to notify a student who is off campus at the time of a
882 school violence emergency because the student is:

883 (A) participating in a school-related activity; or

884 (B) excused from school for a period of time during the regular school day to
885 participate in religious instruction at the request of the student's parent.

886 (c) The state board, through the state superintendent, shall develop comprehensive
887 emergency response plan models that local school boards may use, where appropriate, to
888 comply with Subsection (20)(a).

889 (d) A local school board shall, by July 1 of each year, certify to the state board that its
890 plan has been practiced at the school level and presented to and reviewed by its teachers,
891 administrators, students, and the student's parents and local law enforcement and public safety
892 representatives.

893 (21) (a) A local school board may adopt an emergency response plan for the treatment
894 of sports-related injuries that occur during school sports practices and events.

895 (b) The plan may be implemented by each secondary school in the district that has a
896 sports program for students.

897 (c) The plan may:

898 (i) include emergency personnel, emergency communication, and emergency
899 equipment components;

900 (ii) require professional learning on the emergency response plan for school personnel

901 who are involved in sports programs in the district's secondary schools; and

902 (iii) provide for coordination with individuals and agency representatives who:

903 (A) are not employees of the school district; and

904 (B) would be involved in providing emergency services to students injured while
905 participating in sports events.

906 (d) The local school board, in collaboration with the schools referred to in Subsection
907 (21)(b), may review the plan each year and make revisions when required to improve or
908 enhance the plan.

909 (e) The state board, through the state superintendent, shall provide local school boards
910 with an emergency plan response model that local school boards may use to comply with the
911 requirements of this Subsection (21).

912 (22) A local school board shall do all other things necessary for the maintenance,
913 prosperity, and success of the schools and the promotion of education.

914 (23) (a) Before closing a school or changing the boundaries of a school, a local school
915 board shall:

916 (i) perform a feasibility study to determine:

917 (A) options to avoid closing a school or changing the boundaries of a school;

918 (B) the projected impact of affected students' test scores;

919 (C) the number of affected Title I students;

920 (D) the likelihood of parental and teacher support; and

921 (E) the projected class sizes for the affected districts;

922 (ii) [at least 90] after conducting a feasibility study, and on or before 180 days before

923 [approving] the day on which the local school board approves the school closure or school

924 boundary change, provide notice that the local school board is considering the closure or
925 boundary change to:

926 (A) parents of students enrolled in the school, using the same form of communication
927 the local school board regularly uses to communicate with parents;

928 (B) parents of students enrolled in other schools within the school district that may be
929 affected by the closure or boundary change, using the same form of communication the local
930 school board regularly uses to communicate with parents; and

931 (C) the governing council and the mayor of the municipality in which the school is

932 located;

933 ~~[(ii) provide an opportunity for public comment on the proposed school closure or~~
934 ~~school boundary change during at least two public local school board meetings; and]~~

935 (iii) publish the feasibility study described in Subsection (23)(a)(i) on the school
936 district website;

937 (iv) provide a copy of the feasibility study described in Subsection (23)(a)(i) to the
938 governing council and the mayor of the municipality in which the proposed school closure or
939 school boundary changes is located; and

940 ~~[(iii)]~~ (v) hold [a public hearing] at least two public hearings, as defined in Section
941 10-9a-103, and provide:

942 (A) public notice of the public [hearing as described in] hearings, in accordance with
943 Subsection (23)(b)[-]; and

944 (B) an opportunity for public comment on the feasibility study and the proposed school
945 closure or school boundary change.

946 (b) ~~[The]~~ A local school board shall:

947 (i) ensure that the notice of [a public hearing] public hearings required under
948 Subsection [(23)(a)(iii) shall] (23)(a)(v)[-]

949 ~~[(i) indicate]~~ indicates the:

950 (A) school or schools under consideration for closure or boundary change; and
951 (B) the date, time, and location of the public [hearing] hearings;

952 (ii) [for] at least 10 days before the day [of the public hearing, be published] on which
953 each public hearing occurs, publish the notice of the public hearing for the school district in
954 which the school is located, as a class A notice under Section 63G-30-102; and

955 (iii) at least 30 days before the [public hearing described in Subsection (23)(a)(iii); be
956 provided as described in Subsections (23)(a)(i)] day on which the public hearings occur,
957 provide notice of the hearings in the same manner as the notice of consideration under
958 Subsections (23)(a)(ii) and (v).

959 (c) An inadequacy of a feasibility study under Subsection (23)(a)(i) may not be the
960 basis of a legal action or other challenge to:

961 (i) an election for voter approval of the creation of a new school district; or
962 (ii) the creation of the new school district.

963 (24) A local school board may implement a facility energy efficiency program
964 established under Title 11, Chapter 44, Performance Efficiency Act.

965 (25) A local school board may establish or partner with a certified youth court in
966 accordance with Section 80-6-902 or establish or partner with a comparable restorative justice
967 program, in coordination with schools in that district. A school may refer a student to a youth
968 court or a comparable restorative justice program in accordance with Section 53G-8-211.

969 (26) (a) As used in this Subsection (26):

970 (i) "Learning material" means any learning material or resource used to deliver or
971 support a student's learning, including textbooks, reading materials, videos, digital materials,
972 websites, and other online applications.

973 (ii) (A) "Instructional material" means learning material that a local school board
974 adopts and approves for use within the LEA.

975 (B) "Instructional material" does not include learning material used in a concurrent
976 enrollment, advanced placement, or international baccalaureate program or class or another
977 class with required instructional material that is not subject to selection by the local school
978 board.

979 (iii) "Supplemental material" means learning material that:

980 (A) an educator selects for classroom use; and

981 (B) a local school board has not considered and adopted, approved, or prohibited for
982 classroom use within the LEA.

983 (b) A local school board shall:

984 (i) make instructional material that the school district uses readily accessible and
985 available for a parent to view;

986 (ii) annually notify a parent of a student enrolled in the school district of how to access
987 the information described in Subsection (26)(b)(i); and

988 (iii) include on the school district's website information about how to access the
989 information described in Subsection (26)(b)(i).

990 (c) In selecting and approving instructional materials for use in the classroom, a local
991 school board shall:

992 (i) establish an open process, involving educators and parents of students enrolled in
993 the LEA, to review and recommend instructional materials for board approval; and

994 (ii) ensure that under the process described in Subsection (26)(c)(i), the board:

995 (A) before the meetings described in Subsection (26)(c)(ii)(B), posts the recommended
996 learning material online to allow for public review or, for copyrighted material, makes the
997 recommended learning material available at the LEA for public review;

998 (B) before adopting or approving the recommended instructional materials, holds at
999 least two public meetings on the recommendation that provides an opportunity for educators
1000 whom the LEA employs and parents of students enrolled in the LEA to express views and
1001 opinions on the recommendation; and

1002 (C) adopts or approves the recommended instructional materials in an open and regular
1003 board meeting.

1004 (d) A local school board shall adopt a supplemental materials policy that provides
1005 flexible guidance to educators on the selection of supplemental materials or resources that an
1006 educator reviews and selects for classroom use using the educator's professional judgment,
1007 including whether any process or permission is required before classroom use of the materials
1008 or resources.

1009 (e) If an LEA contracts with another party to provide online or digital materials, the
1010 LEA shall include in the contract a requirement that the provider give notice to the LEA any
1011 time that the provider makes a material change to the content of the online or digital materials,
1012 excluding regular informational updates on current events.

1013 (f) Nothing in this Subsection (26) requires a local school board to review all learning
1014 materials used within the LEA.

1015 Section 9. Section **67-3-1** is amended to read:

1016 **67-3-1. Functions and duties.**

1017 (1) (a) The state auditor is the auditor of public accounts and is independent of any
1018 executive or administrative officers of the state.

1019 (b) The state auditor is not limited in the selection of personnel or in the determination
1020 of the reasonable and necessary expenses of the state auditor's office.

1021 (2) The state auditor shall examine and certify annually in respect to each fiscal year,
1022 financial statements showing:

1023 (a) the condition of the state's finances;

1024 (b) the revenues received or accrued;

- 1025 (c) expenditures paid or accrued;
- 1026 (d) the amount of unexpended or unencumbered balances of the appropriations to the
- 1027 agencies, departments, divisions, commissions, and institutions; and
- 1028 (e) the cash balances of the funds in the custody of the state treasurer.
- 1029 (3) (a) The state auditor shall:
- 1030 (i) audit each permanent fund, each special fund, the General Fund, and the accounts of
- 1031 any department of state government or any independent agency or public corporation as the law
- 1032 requires, as the auditor determines is necessary, or upon request of the governor or the
- 1033 Legislature;
- 1034 (ii) perform the audits in accordance with generally accepted auditing standards and
- 1035 other auditing procedures as promulgated by recognized authoritative bodies; and
- 1036 (iii) as the auditor determines is necessary, conduct the audits to determine:
- 1037 (A) honesty and integrity in fiscal affairs;
- 1038 (B) accuracy and reliability of financial statements;
- 1039 (C) effectiveness and adequacy of financial controls; and
- 1040 (D) compliance with the law.
- 1041 (b) If any state entity receives federal funding, the state auditor shall ensure that the
- 1042 audit is performed in accordance with federal audit requirements.
- 1043 (c) (i) The costs of the federal compliance portion of the audit may be paid from an
- 1044 appropriation to the state auditor from the General Fund.
- 1045 (ii) If an appropriation is not provided, or if the federal government does not
- 1046 specifically provide for payment of audit costs, the costs of the federal compliance portions of
- 1047 the audit shall be allocated on the basis of the percentage that each state entity's federal funding
- 1048 bears to the total federal funds received by the state.
- 1049 (iii) The allocation shall be adjusted to reflect any reduced audit time required to audit
- 1050 funds passed through the state to local governments and to reflect any reduction in audit time
- 1051 obtained through the use of internal auditors working under the direction of the state auditor.
- 1052 (4) (a) Except as provided in Subsection (4)(b), the state auditor shall, in addition to
- 1053 financial audits, and as the auditor determines is necessary, conduct performance and special
- 1054 purpose audits, examinations, and reviews of any entity that receives public funds, including a
- 1055 determination of any or all of the following:

- 1056 (i) the honesty and integrity of all the entity's fiscal affairs;
- 1057 (ii) whether the entity's administrators have faithfully complied with legislative intent;
- 1058 (iii) whether the entity's operations have been conducted in an efficient, effective, and
1059 cost-efficient manner;
- 1060 (iv) whether the entity's programs have been effective in accomplishing the intended
1061 objectives; and
- 1062 (v) whether the entity's management, control, and information systems are adequate,
1063 effective, and secure.
- 1064 (b) ~~[The]~~ Except as provided in Subsection (14)(c), the auditor may not conduct
1065 performance and special purpose audits, examinations, and reviews of any entity that receives
1066 public funds if the entity:
- 1067 (i) has an elected auditor; and
- 1068 (ii) has, within the entity's last budget year, had the entity's financial statements or
1069 performance formally reviewed by another outside auditor.
- 1070 (5) The state auditor:
- 1071 (a) shall administer any oath or affirmation necessary to the performance of the duties
1072 of the auditor's office; and
- 1073 (b) may:
- 1074 (i) subpoena witnesses and documents, whether electronic or otherwise; and
- 1075 (ii) examine into any matter that the auditor considers necessary.
- 1076 (6) The state auditor may require all persons who have had the disposition or
1077 management of any property of this state or its political subdivisions to submit statements
1078 regarding the property at the time and in the form that the auditor requires.
- 1079 (7) The state auditor shall:
- 1080 (a) except where otherwise provided by law, institute suits in Salt Lake County in
1081 relation to the assessment, collection, and payment of revenues against:
- 1082 (i) persons who by any means have become entrusted with public money or property
1083 and have failed to pay over or deliver the money or property; and
- 1084 (ii) all debtors of the state;
- 1085 (b) collect and pay into the state treasury all fees received by the state auditor;
- 1086 (c) perform the duties of a member of all boards of which the state auditor is a member

1087 by the constitution or laws of the state, and any other duties that are prescribed by the
1088 constitution and by law;

1089 (d) stop the payment of the salary of any state official or state employee who:

1090 (i) refuses to settle accounts or provide required statements about the custody and
1091 disposition of public funds or other state property;

1092 (ii) refuses, neglects, or ignores the instruction of the state auditor or any controlling
1093 board or department head with respect to the manner of keeping prescribed accounts or funds;
1094 or

1095 (iii) fails to correct any delinquencies, improper procedures, and errors brought to the
1096 official's or employee's attention;

1097 (e) establish accounting systems, methods, and forms for public accounts in all taxing
1098 or fee-assessing units of the state in the interest of uniformity, efficiency, and economy;

1099 (f) superintend the contractual auditing of all state accounts;

1100 (g) subject to Subsection (8)(a), withhold state allocated funds or the disbursement of
1101 property taxes from a state or local taxing or fee-assessing unit, if necessary, to ensure that
1102 officials and employees in those taxing units comply with state laws and procedures in the
1103 budgeting, expenditures, and financial reporting of public funds;

1104 (h) subject to Subsection (9), withhold the disbursement of tax money from any county,
1105 if necessary, to ensure that officials and employees in the county comply with Section
1106 59-2-303.1; and

1107 (i) withhold state allocated funds or the disbursement of property taxes from a local
1108 government entity or a limited purpose entity, as those terms are defined in Section 67-1a-15 if
1109 the state auditor finds the withholding necessary to ensure that the entity registers and
1110 maintains the entity's registration with the lieutenant governor, in accordance with Section
1111 67-1a-15.

1112 (8) (a) Except as otherwise provided by law, the state auditor may not withhold funds
1113 under Subsection (7)(g) until a state or local taxing or fee-assessing unit has received formal
1114 written notice of noncompliance from the auditor and has been given 60 days to make the
1115 specified corrections.

1116 (b) If, after receiving notice under Subsection (8)(a), a state or independent local
1117 fee-assessing unit that exclusively assesses fees has not made corrections to comply with state

1118 laws and procedures in the budgeting, expenditures, and financial reporting of public funds, the
1119 state auditor:

1120 (i) shall provide a recommended timeline for corrective actions;

1121 (ii) may prohibit the state or local fee-assessing unit from accessing money held by the
1122 state; and

1123 (iii) may prohibit a state or local fee-assessing unit from accessing money held in an
1124 account of a financial institution by filing an action in district court requesting an order of the
1125 court to prohibit a financial institution from providing the fee-assessing unit access to an
1126 account.

1127 (c) The state auditor shall remove a limitation on accessing funds under Subsection
1128 (8)(b) upon compliance with state laws and procedures in the budgeting, expenditures, and
1129 financial reporting of public funds.

1130 (d) If a local taxing or fee-assessing unit has not adopted a budget in compliance with
1131 state law, the state auditor:

1132 (i) shall provide notice to the taxing or fee-assessing unit of the unit's failure to
1133 comply;

1134 (ii) may prohibit the taxing or fee-assessing unit from accessing money held by the
1135 state; and

1136 (iii) may prohibit a taxing or fee-assessing unit from accessing money held in an
1137 account of a financial institution by:

1138 (A) contacting the taxing or fee-assessing unit's financial institution and requesting that
1139 the institution prohibit access to the account; or

1140 (B) filing an action in district court requesting an order of the court to prohibit a
1141 financial institution from providing the taxing or fee-assessing unit access to an account.

1142 (e) If the local taxing or fee-assessing unit adopts a budget in compliance with state
1143 law, the state auditor shall eliminate a limitation on accessing funds described in Subsection
1144 (8)(d).

1145 (9) The state auditor may not withhold funds under Subsection (7)(h) until a county has
1146 received formal written notice of noncompliance from the auditor and has been given 60 days
1147 to make the specified corrections.

1148 (10) (a) The state auditor may not withhold funds under Subsection (7)(i) until the state

1149 auditor receives a notice of non-registration, as that term is defined in Section 67-1a-15.

1150 (b) If the state auditor receives a notice of non-registration, the state auditor may
1151 prohibit the local government entity or limited purpose entity, as those terms are defined in
1152 Section 67-1a-15, from accessing:

1153 (i) money held by the state; and

1154 (ii) money held in an account of a financial institution by:

1155 (A) contacting the entity's financial institution and requesting that the institution
1156 prohibit access to the account; or

1157 (B) filing an action in district court requesting an order of the court to prohibit a
1158 financial institution from providing the entity access to an account.

1159 (c) The state auditor shall remove the prohibition on accessing funds described in
1160 Subsection (10)(b) if the state auditor received a notice of registration, as that term is defined in
1161 Section 67-1a-15, from the lieutenant governor.

1162 (11) Notwithstanding Subsection (7)(g), (7)(h), (7)(i), (8)(b), (8)(d), or (10)(b), the
1163 state auditor:

1164 (a) shall authorize a disbursement by a local government entity or limited purpose
1165 entity, as those terms are defined in Section 67-1a-15, or a state or local taxing or fee-assessing
1166 unit if the disbursement is necessary to:

1167 (i) avoid a major disruption in the operations of the local government entity, limited
1168 purpose entity, or state or local taxing or fee-assessing unit; or

1169 (ii) meet debt service obligations; and

1170 (b) may authorize a disbursement by a local government entity, limited purpose entity,
1171 or state or local taxing or fee-assessing unit as the state auditor determines is appropriate.

1172 (12) (a) The state auditor may seek relief under the Utah Rules of Civil Procedure to
1173 take temporary custody of public funds if an action is necessary to protect public funds from
1174 being improperly diverted from their intended public purpose.

1175 (b) If the state auditor seeks relief under Subsection (12)(a):

1176 (i) the state auditor is not required to exhaust the procedures in Subsection (7) or (8);
1177 and

1178 (ii) the state treasurer may hold the public funds in accordance with Section 67-4-1 if a
1179 court orders the public funds to be protected from improper diversion from their public

1180 purpose.

1181 (13) The state auditor shall:

1182 (a) establish audit guidelines and procedures for audits of local mental health and
1183 substance abuse authorities and their contract providers, conducted pursuant to Title 17,
1184 Chapter 43, Part 2, Local Substance Abuse Authorities, Title 17, Chapter 43, Part 3, Local
1185 Mental Health Authorities, Title 26B, Chapter 5, Health Care - Substance Use and Mental
1186 Health, and Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal
1187 Organizations, and Other Local Entities Act; and

1188 (b) ensure that those guidelines and procedures provide assurances to the state that:

1189 (i) state and federal funds appropriated to local mental health authorities are used for
1190 mental health purposes;

1191 (ii) a private provider under an annual or otherwise ongoing contract to provide
1192 comprehensive mental health programs or services for a local mental health authority is in
1193 compliance with state and local contract requirements and state and federal law;

1194 (iii) state and federal funds appropriated to local substance abuse authorities are used
1195 for substance abuse programs and services; and

1196 (iv) a private provider under an annual or otherwise ongoing contract to provide
1197 comprehensive substance abuse programs or services for a local substance abuse authority is in
1198 compliance with state and local contract requirements, and state and federal law.

1199 (14) (a) The state auditor may, in accordance with the auditor's responsibilities for
1200 political subdivisions of the state as provided in Title 51, Chapter 2a, Accounting Reports from
1201 Political Subdivisions, Interlocal Organizations, and Other Local Entities Act, initiate audits or
1202 investigations of any political subdivision that are necessary to determine honesty and integrity
1203 in fiscal affairs, accuracy and reliability of financial statements, effectiveness, and adequacy of
1204 financial controls and compliance with the law.

1205 (b) If the state auditor receives notice under Subsection 11-41-104(7) from the
1206 Governor's Office of Economic Opportunity on or after July 1, 2024, the state auditor may
1207 initiate an audit or investigation of the public entity subject to the notice to determine
1208 compliance with Section 11-41-103.

1209 (c) If the state auditor receives a request from a county legislative body, city legislative
1210 body, or legislative bodies of interlocal agreement participants to conduct a feasibility study

1211 under Section 53G-3-301 or 53G-3-302, the state auditor shall conduct the feasibility study in
1212 accordance with Subsection (1)(b) or Subsections (2)(c) and (d).

1213 (15) (a) The state auditor may not audit work that the state auditor performed before
1214 becoming state auditor.

1215 (b) If the state auditor has previously been a responsible official in state government
1216 whose work has not yet been audited, the Legislature shall:

1217 (i) designate how that work shall be audited; and

1218 (ii) provide additional funding for those audits, if necessary.

1219 (16) The state auditor shall:

1220 (a) with the assistance, advice, and recommendations of an advisory committee
1221 appointed by the state auditor from among special district boards of trustees, officers, and
1222 employees and special service district boards, officers, and employees:

1223 (i) prepare a Uniform Accounting Manual for Special Districts that:

1224 (A) prescribes a uniform system of accounting and uniform budgeting and reporting
1225 procedures for special districts under Title 17B, Limited Purpose Local Government Entities -
1226 Special Districts, and special service districts under Title 17D, Chapter 1, Special Service
1227 District Act;

1228 (B) conforms with generally accepted accounting principles; and

1229 (C) prescribes reasonable exceptions and modifications for smaller districts to the
1230 uniform system of accounting, budgeting, and reporting;

1231 (ii) maintain the manual under this Subsection (16)(a) so that the manual continues to
1232 reflect generally accepted accounting principles;

1233 (iii) conduct a continuing review and modification of procedures in order to improve
1234 them;

1235 (iv) prepare and supply each district with suitable budget and reporting forms; and

1236 (v) (A) prepare instructional materials, conduct training programs, and render other
1237 services considered necessary to assist special districts and special service districts in
1238 implementing the uniform accounting, budgeting, and reporting procedures; and

1239 (B) ensure that any training described in Subsection (16)(a)(v)(A) complies with Title
1240 63G, Chapter 22, State Training and Certification Requirements; and

1241 (b) continually analyze and evaluate the accounting, budgeting, and reporting practices

1242 and experiences of specific special districts and special service districts selected by the state
1243 auditor and make the information available to all districts.

1244 (17) (a) The following records in the custody or control of the state auditor are
1245 protected records under Title 63G, Chapter 2, Government Records Access and Management
1246 Act:

1247 (i) records that would disclose information relating to allegations of personal
1248 misconduct, gross mismanagement, or illegal activity of a past or present governmental
1249 employee if the information or allegation cannot be corroborated by the state auditor through
1250 other documents or evidence, and the records relating to the allegation are not relied upon by
1251 the state auditor in preparing a final audit report;

1252 (ii) records and audit workpapers to the extent the workpapers would disclose the
1253 identity of an individual who during the course of an audit, communicated the existence of any
1254 waste of public funds, property, or manpower, or a violation or suspected violation of a law,
1255 rule, or regulation adopted under the laws of this state, a political subdivision of the state, or
1256 any recognized entity of the United States, if the information was disclosed on the condition
1257 that the identity of the individual be protected;

1258 (iii) before an audit is completed and the final audit report is released, records or drafts
1259 circulated to an individual who is not an employee or head of a governmental entity for the
1260 individual's response or information;

1261 (iv) records that would disclose an outline or part of any audit survey plans or audit
1262 program; and

1263 (v) requests for audits, if disclosure would risk circumvention of an audit.

1264 (b) The provisions of Subsections (17)(a)(i), (ii), and (iii) do not prohibit the disclosure
1265 of records or information that relate to a violation of the law by a governmental entity or
1266 employee to a government prosecutor or peace officer.

1267 (c) The provisions of this Subsection (17) do not limit the authority otherwise given to
1268 the state auditor to classify a document as public, private, controlled, or protected under Title
1269 63G, Chapter 2, Government Records Access and Management Act.

1270 (d) (i) As used in this Subsection (17)(d), "record dispute" means a dispute between the
1271 state auditor and the subject of an audit performed by the state auditor as to whether the state
1272 auditor may release a record, as defined in Section 63G-2-103, to the public that the state

1273 auditor gained access to in the course of the state auditor's audit but which the subject of the
1274 audit claims is not subject to disclosure under Title 63G, Chapter 2, Government Records
1275 Access and Management Act.

1276 (ii) The state auditor may submit a record dispute to the State Records Committee,
1277 created in Section 63G-2-501, for a determination of whether the state auditor may, in
1278 conjunction with the state auditor's release of an audit report, release to the public the record
1279 that is the subject of the record dispute.

1280 (iii) The state auditor or the subject of the audit may seek judicial review of a State
1281 Records Committee determination under Subsection (17)(d)(ii), as provided in Section
1282 63G-2-404.

1283 (18) If the state auditor conducts an audit of an entity that the state auditor has
1284 previously audited and finds that the entity has not implemented a recommendation made by
1285 the state auditor in a previous audit, the state auditor shall notify the Legislative Management
1286 Committee through the Legislative Management Committee's audit subcommittee that the
1287 entity has not implemented that recommendation.

1288 (19) The state auditor shall, with the advice and consent of the Senate, appoint the state
1289 privacy officer described in Section 67-3-13.

1290 (20) Except as provided in Subsection (21), the state auditor shall report, or ensure that
1291 another government entity reports, on the financial, operational, and performance metrics for
1292 the state system of higher education and the state system of public education, including metrics
1293 in relation to students, programs, and schools within those systems.

1294 (21) (a) Notwithstanding Subsection (20), the state auditor shall conduct regular audits
1295 of:

1296 (i) the scholarship granting organization for the Special Needs Opportunity Scholarship
1297 Program, created in Section 53E-7-402;

1298 (ii) the State Board of Education for the Carson Smith Scholarship Program, created in
1299 Section 53F-4-302; and

1300 (iii) the scholarship program manager for the Utah Fits All Scholarship Program,
1301 created in Section 53F-6-402.

1302 (b) Nothing in this subsection limits or impairs the authority of the State Board of
1303 Education to administer the programs described in Subsection (21)(a).

1304 (22) The state auditor shall, based on the information posted by the Office of
1305 Legislative Research and General Counsel under Subsection 36-12-12.1(2), for each policy,
1306 track and post the following information on the state auditor's website:

1307 (a) the information posted under Subsections 36-12-12.1(2)(a) through (e);

1308 (b) an indication regarding whether the policy is timely adopted, adopted late, or not
1309 adopted;

1310 (c) an indication regarding whether the policy complies with the requirements
1311 established by law for the policy; and

1312 (d) a link to the policy.

1313 (23) (a) A legislator may request that the state auditor conduct an inquiry to determine
1314 whether a government entity, government official, or government employee has complied with
1315 a legal obligation directly imposed, by statute, on the government entity, government official,
1316 or government employee.

1317 (b) The state auditor may, upon receiving a request under Subsection (23)(a), conduct
1318 the inquiry requested.

1319 (c) If the state auditor conducts the inquiry described in Subsection (23)(b), the state
1320 auditor shall post the results of the inquiry on the state auditor's website.

1321 (d) The state auditor may limit the inquiry described in this Subsection (23) to a simple
1322 determination, without conducting an audit, regarding whether the obligation was fulfilled.

1323 Section 10. **Effective date.**

1324 This bill takes effect on May 1, 2024.