

1 **School District Modifications**  
2025 GENERAL SESSION  
STATE OF UTAH  
**Chief Sponsor: Keith Grover**

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2  
3 **LONG TITLE**

4 **General Description:**

5 This bill addresses creation of new school districts and the transition process from divided  
6 to new school districts.

7 **Highlighted Provisions:**

8 This bill:

- 9 ▶ defines terms;
- 10 ▶ enacts dates regarding the redistricting of local school board districts after the creation  
11 of certain new school districts;
- 12 ▶ amends the duties of the Office of the Legislative Auditor General to include certain  
13 involvement in the transition process from divided to new school districts;
- 14 ▶ extends, by an additional year, the rights of transferred employees regarding salary and  
15 benefits;
- 16 ▶ reduces the body of voters whose approval is required to create a new school district to  
17 voters within the proposed new school district;
- 18 ▶ reduces the threshold for interlocal participants to propose a new school district to a  
19 majority of municipalities that are participants in the interlocal agreement;
- 20 ▶ allows municipal legislative bodies to create a new school district from within the area  
21 of a divided school district remaining after an election that created a new school district;
- 22 ▶ amends certain deadlines for the duties of municipal legislative bodies, county  
23 legislative bodies, local school boards, and other entities under certain circumstances after the  
24 creation of a new school district;
- 25 ▶ enacts provisions regarding the transition from a divided school district to new and  
26 reorganized new school districts, including:
- 27 • school district employee and other personnel issues;
  - 28 • records of the divided school district;
  - 29 • certain feasibility studies and seismic safety evaluations;
  - 30 • certain reports and plans regarding the transition and the allocation of funds,  
31 property, assets, and liabilities;

- 32           • the actual transfer of funds, property, assets, and liabilities; and  
33           • resolution of disputes between school districts through the Office of the Legislative  
34 Auditor General;
- 35           ▸ prohibits a government entity from charging a fee for certain requests related to the  
36 school district creation and transition processes; and  
37           ▸ makes technical and conforming changes.

38 **Money Appropriated in this Bill:**

39       None

40 **Other Special Clauses:**

41       This bill provides a special effective date.

42       This bill resolution provides a retrospective operation.

43 **Utah Code Sections Affected:**

44 AMENDS:

45       **20A-14-201 (Effective upon governor's approval)**, as last amended by Laws of Utah  
46 2024, Third Special Session, Chapter 3

47       **36-12-15 (Effective upon governor's approval)**, as last amended by Laws of Utah 2024,  
48 Third Special Session, Chapter 3

49       **53G-3-102 (Effective upon governor's approval)**, as last amended by Laws of Utah  
50 2024, Third Special Session, Chapter 3

51       **53G-3-202 (Effective upon governor's approval)**, as last amended by Laws of Utah  
52 2024, Third Special Session, Chapter 3

53       **53G-3-205 (Effective upon governor's approval)**, as renumbered and amended by Laws  
54 of Utah 2018, Chapter 3

55       **53G-3-301 (Effective upon governor's approval)**, as last amended by Laws of Utah  
56 2024, Third Special Session, Chapter 3

57       **53G-3-301.1 (Effective upon governor's approval)**, as last amended by Laws of Utah  
58 2024, Third Special Session, Chapter 3

59       **53G-3-301.3 (Effective upon governor's approval)**, as last amended by Laws of Utah  
60 2024, Third Special Session, Chapter 3

61       **53G-3-301.4 (Effective upon governor's approval)**, as last amended by Laws of Utah  
62 2024, Third Special Session, Chapter 3

63       **53G-3-302 (Effective upon governor's approval) (Retrospective 11/04/24)**, as last  
64 amended by Laws of Utah 2024, Third Special Session, Chapter 3

65       **53G-3-303 (Effective upon governor's approval)**, as last amended by Laws of Utah

66 2024, Third Special Session, Chapter 3  
 67 **53G-3-305 (Effective upon governor's approval)**, as last amended by Laws of Utah  
 68 2024, Third Special Session, Chapter 3  
 69 **53G-3-307 (Effective upon governor's approval)**, as last amended by Laws of Utah  
 70 2024, Chapter 526  
 71 **63G-2-203 (Effective upon governor's approval)**, as last amended by Laws of Utah  
 72 2022, Chapter 128

73 ENACTS:

74 **53G-3-301.5 (Effective upon governor's approval)**, Utah Code Annotated 1953  
 75 **53G-3-301.6 (Effective upon governor's approval)**, Utah Code Annotated 1953

76

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

78 Section 1. Section **20A-14-201** is amended to read:

79 **20A-14-201 (Effective upon governor's approval). Boards of education -- School**  
 80 **board districts -- Creation -- Redistricting.**

- 81 (1) The county legislative body, for local school districts whose boundaries encompass  
 82 more than a single municipality, and the municipal legislative body, for local school  
 83 districts contained completely within a municipality, shall divide the local school district  
 84 into local school board districts as required under Subsection 20A-14-202(1).  
 85 (2) The county and municipal legislative bodies shall divide the school district so that the  
 86 local school board districts are substantially equal in population and are as contiguous  
 87 and compact as practicable.  
 88 (3) County and municipal legislative bodies shall redistrict local school board districts to  
 89 meet the population, compactness, and contiguity requirements of this section:  
 90 (a) at least once every 10 years;  
 91 (b) for a new school district or a reorganized new school district that is approved by the  
 92 voters at a regular general election under Section 53G-3-301.1, 53G-3-301.3, or  
 93 53G-3-301.4, before April 1 of the following year;  
 94 (c) for a new school district or a reorganized new school district that is created by  
 95 municipal legislative bodies or interlocal agreement participants from within a  
 96 reorganized new school district resulting from the 2024 regular general election  
 97 under Section 53G-3-301.5 or 53G-301.6, before May 1, 2025;  
 98 [(e)] (d) whenever school districts are consolidated;  
 99 [(d)] (e) whenever a school district loses more than 20% of the population of the entire

- 100 school district to another school district;
- 101 ~~[(e)]~~ (f) whenever a school district loses more than 50% of the population of a local  
102 school board district to another school district;
- 103 ~~[(f)]~~ (g) whenever a school district receives new residents equal to at least 20% of the  
104 population of the school district at the time of the last redistricting because of a  
105 transfer of territory from another school district; and
- 106 ~~[(g)]~~ (h) whenever it is necessary to increase the membership of a board as a result of  
107 changes in student membership under Section 20A-14-202.
- 108 (4) If a school district receives territory containing less than 20% of the population of the  
109 transferee district at the time of the last redistricting, the local school board may assign  
110 the new territory to one or more existing school board districts.
- 111 (5) Except as provided in Subsection 53G-3-302(1)(b)(ii), redistricting does not affect the  
112 right of any school board member to complete the term for which the member was  
113 elected.
- 114 (6)(a) After redistricting, representation in a local school board district shall be  
115 determined as provided in this Subsection (6).
- 116 (b) If, after redistricting, only one board member whose term extends beyond  
117 redistricting lives within a local school board district, that board member shall  
118 represent that local school board district.
- 119 (c) If, after redistricting, two or more members whose terms extend beyond redistricting  
120 live within a local school board district, the members involved shall select one  
121 member by lot to represent the local school board district.
- 122 (d) The other members shall serve at-large for the remainder of their terms.
- 123 (e) The at-large board members shall serve in addition to the designated number of  
124 board members for the board in question for the remainder of their terms.
- 125 (f) If there is no board member living within a local school board district whose term  
126 extends beyond redistricting, the seat shall be treated as vacant and filled as provided  
127 in this part.
- 128 (7)(a) If, before an election affected by redistricting, the county or municipal legislative  
129 body that conducted the redistricting determines that one or more members shall be  
130 elected to terms of two years to meet this part's requirements for staggered terms, the  
131 legislative body shall determine by lot which of the redistricted local school board  
132 districts will elect members to two-year terms and which will elect members to  
133 four-year terms.

- 134 (b) All subsequent elections are for four-year terms.
- 135 (8) Within 10 days after any local school board district boundary change, the county or  
136 municipal legislative body making the change shall send an accurate map or plat of the  
137 boundary change to the Utah Geospatial Resource Center created under Section  
138 63A-16-505.
- 139 (9) Subsections (4) through (7) do not apply to a redistricting that occurs under Subsection  
140 (3)(b).
- 141 Section 2. Section **36-12-15** is amended to read:
- 142 **36-12-15 (Effective upon governor's approval). Office of the Legislative Auditor**  
143 **General established -- Qualifications -- Powers, functions, and duties -- Reporting**  
144 **-- Criminal penalty -- Employment.**
- 145 (1) As used in this section:
- 146 (a) "Audit action" means an audit, examination, investigation, or review of an entity  
147 conducted by the office.
- 148 (b) "Entity" means:
- 149 (i) a government organization; or  
150 (ii) a receiving organization.
- 151 (c) "Government organization" means:
- 152 (i) a state branch, department, or agency; or  
153 (ii) a political subdivision, including a county, municipality, special district, special  
154 service district, school district, interlocal entity as defined in Section 11-13-103,  
155 or any other local government unit.
- 156 (d) "Office" means the Office of the Legislative Auditor General.
- 157 (e) "Receiving organization" means an organization that receives public funds that is not  
158 a government organization.
- 159 (2) There is created the Office of the Legislative Auditor General as a permanent staff  
160 office for the Legislature.
- 161 (3) The legislative auditor general shall be a licensed certified public accountant or certified  
162 internal auditor with at least seven years of experience in the auditing or public  
163 accounting profession, or the equivalent, prior to appointment.
- 164 (4) The legislative auditor general shall appoint and develop a professional staff within  
165 budget limitations.
- 166 (5) The office shall exercise the constitutional authority provided in Utah Constitution,  
167 Article VI, Section 33.

- 168 (6) Under the direction of the legislative auditor general, the office shall:
- 169 (a) conduct comprehensive and special purpose audits, examinations, investigations, or  
170 reviews of entity funds, functions, and accounts;
- 171 (b) prepare and submit a written report on each audit action to the Audit Subcommittee  
172 created in Section 36-12-8 and make the report available to all members of the  
173 Legislature within 75 days after the audit action is completed;
- 174 (c) monitor, conduct a risk assessment of, or audit any efficiency evaluations that the  
175 legislative auditor general determines necessary, in accordance with Title 63J,  
176 Chapter 1, Part 9, Government Performance Reporting and Efficiency Process, and  
177 legislative rule;
- 178 (d) create, manage, and report to the Audit Subcommittee a list of high risk programs  
179 and operations that:
- 180 (i) threaten public funds or programs;
- 181 (ii) are vulnerable to inefficiency, waste, fraud, abuse, or mismanagement; or  
182 (iii) require transformation;
- 183 (e) monitor and report to the Audit Subcommittee the health of a government  
184 organization's internal audit functions;
- 185 (f) make recommendations to increase the independence and value added of internal  
186 audit functions throughout the state;
- 187 (g) implement a process to track, monitor, and report whether the subject of an audit has  
188 implemented recommendations made in the audit report;
- 189 (h) establish, train, and maintain individuals within the office to conduct investigations  
190 and represent themselves as lawful investigators on behalf of the office;
- 191 (i) establish policies, procedures, methods, and standards of audit work and  
192 investigations for the office and staff;
- 193 (j) prepare and submit each audit and investigative report independent of any influence  
194 external of the office, including the content of the report, the conclusions reached in  
195 the report, and the manner of disclosing the legislative auditor general's findings;
- 196 (k) prepare and submit the annual budget request for the office; and  
197 (l) perform other duties as prescribed by the Legislature.
- 198 (7) In conducting an audit action of an entity, the office may include a determination of any  
199 or all of the following:
- 200 (a) the honesty and integrity of any of the entity's fiscal affairs;
- 201 (b) the accuracy and reliability of the entity's internal control systems and specific

- 202 financial statements and reports;
- 203 (c) whether or not the entity's financial controls are adequate and effective to properly  
204 record and safeguard the entity's acquisition, custody, use, and accounting of public  
205 funds;
- 206 (d) whether the entity's administrators have complied with legislative intent;
- 207 (e) whether the entity's operations have been conducted in an efficient, effective, and  
208 cost efficient manner;
- 209 (f) whether the entity's programs have been effective in accomplishing intended  
210 objectives; and
- 211 (g) whether the entity's management control and information systems are adequate and  
212 effective.
- 213 (8)(a) If requested by the office, each entity that the legislative auditor general is authorized to  
214 audit under Utah Constitution,  
215 Article VI, Section 33, or this section shall, notwithstanding any other provision of law  
216 except as provided in Subsection (8)(b), provide the office with access to information,  
217 materials, or resources the office determines are necessary to conduct an audit, examination,  
218 investigation, or review, including:
- 219 (i) the following in the possession or custody of the entity in the format identified by  
220 the office:
- 221 (A) a record, document, and report; and  
222 (B) films, tapes, recordings, and electronically stored information;
- 223 (ii) entity personnel; and  
224 (iii) each official or unofficial recording of formal or informal meetings or  
225 conversations to which the entity has access.
- 226 (b) To the extent compliance would violate federal law, the requirements of Subsection  
227 (8)(a) do not apply.
- 228 (9)(a) In carrying out the duties provided for in this section and under Utah  
229 Constitution, Article VI, Section 33, the legislative auditor general may issue a subpoena to  
230 access information, materials, or resources in accordance with Chapter 14, Legislative  
231 Subpoena Powers.
- 232 (b) The legislative auditor general may issue a subpoena, as described in Subsection  
233 (9)(a), to a financial institution or any other entity to obtain information as part of an  
234 investigation of fraud, waste, or abuse, including any suspected malfeasance,  
235 misfeasance, or nonfeasance involving public funds.

- 236 (10) To preserve the professional integrity and independence of the office:
- 237 (a) no legislator or public official may urge the appointment of any person to the office;
- 238 and
- 239 (b) the legislative auditor general may not be appointed to serve on any board, authority,
- 240 commission, or other agency of the state during the legislative auditor general's term
- 241 as legislative auditor general.
- 242 (11)(a) The following records in the custody or control of the legislative auditor general
- 243 are protected records under Title 63G, Chapter 2, Government Records Access and
- 244 Management Act:
- 245 (i) records and audit work papers that would disclose information relating to
- 246 allegations of personal misconduct, gross mismanagement, or illegal activity of a
- 247 past or present governmental employee if the information or allegation cannot be
- 248 corroborated by the legislative auditor general through other documents or
- 249 evidence, and the records relating to the allegation are not relied upon by the
- 250 legislative auditor general in preparing a final audit report;
- 251 (ii) records and audit workpapers that would disclose the identity of a person who,
- 252 during the course of a legislative audit, communicated the existence of:
- 253 (A) unethical behavior;
- 254 (B) waste of public funds, property, or personnel; or
- 255 (C) a violation or suspected violation of a United States, Utah state, or political
- 256 subdivision law, rule, ordinance, or regulation, if the person disclosed on the
- 257 condition that the identity of the person be protected;
- 258 (iii) before an audit is completed and the final audit report is released, records or
- 259 drafts circulated to a person who is not an employee or head of an entity for
- 260 review, response, or information;
- 261 (iv) records that would disclose:
- 262 (A) an outline;
- 263 (B) all or part of an audit survey, audit risk assessment plan, or audit program; or
- 264 (C) other procedural documents necessary to fulfill the duties of the office; and
- 265 (v) requests for audits, if disclosure would risk circumvention of an audit.
- 266 (b) The provisions of Subsection (11)(a) do not prohibit the disclosure of records or
- 267 information to a government prosecutor or peace officer if those records or
- 268 information relate to a violation of the law by an entity or entity employee.
- 269 (c) A record, as defined in Section 63G-2-103, created by the office in a closed meeting



- 270 held in accordance with Section 52-4-205:
- 271 (i) is a protected record, as defined in Section 63G-2-103;
- 272 (ii) to the extent the record contains information:
- 273 (A) described in Section 63G-2-302, is a private record; or
- 274 (B) described in Section 63G-2-304, is a controlled record; and
- 275 (iii) may not be reclassified by the office.
- 276 (d) The provisions of this section do not limit the authority otherwise given to the
- 277 legislative auditor general to maintain the private, controlled, or protected record
- 278 status of a shared record in the legislative auditor general's possession or classify a
- 279 document as public, private, controlled, or protected under Title 63G, Chapter 2,
- 280 Government Records Access and Management Act.
- 281 (12) The legislative auditor general shall:
- 282 (a) be available to the Legislature and to the Legislature's committees for consultation on
- 283 matters relevant to areas of the legislative auditor general's professional competence;
- 284 (b) conduct special audits as requested by the Audit Subcommittee;
- 285 (c) report immediately to the Audit Subcommittee any apparent violation of penal
- 286 statutes disclosed by the audit of an entity and furnish to the Audit Subcommittee all
- 287 information relative to the apparent violation;
- 288 (d) report immediately to the Audit Subcommittee any apparent instances of
- 289 malfeasance or nonfeasance by an entity officer or employee disclosed by the audit of
- 290 an entity; and
- 291 (e) make any recommendations to the Audit Subcommittee with respect to the alteration
- 292 or improvement of the accounting system used by an entity.
- 293 (13) If the legislative auditor general conducts an audit of an entity that has previously been
- 294 audited and finds that the entity has not implemented a recommendation made by the
- 295 legislative auditor general in a previous audit report, the legislative auditor general shall
- 296 report to the Audit Subcommittee that the entity has not implemented the
- 297 recommendation.
- 298 (14) Before each annual general session, the legislative auditor general shall:
- 299 (a) prepare an annual report that:
- 300 (i) summarizes the audits, examinations, investigations, and reviews conducted by the
- 301 office since the last annual report; and
- 302 (ii) evaluate and report the degree to which an entity that has been the subject of an
- 303 audit has implemented the audit recommendations;

- 304 (b) include in the report any items and recommendations that the legislative auditor  
305 general believes the Legislature should consider in the annual general session; and  
306 (c) deliver the report to the Legislature and to the appropriate committees of the  
307 Legislature.
- 308 (15)(a) If the chief officer of an entity has actual knowledge or reasonable cause to  
309 believe that there is misappropriation of the entity's public funds or assets, or another  
310 entity officer has actual knowledge or reasonable cause to believe that the chief  
311 officer is misappropriating the entity's public funds or assets, the chief officer or,  
312 alternatively, the other entity officer, shall immediately notify, in writing:
- 313 (i) the office;
  - 314 (ii) the attorney general, county attorney, or district attorney; and
  - 315 (iii)(A) for a state government organization, the chief executive officer;  
316 (B) for a political subdivision government organization, the legislative body or  
317 governing board; or  
318 (C) for a receiving organization, the governing board or chief executive officer  
319 unless the chief executive officer is believed to be misappropriating the funds  
320 or assets, in which case the next highest officer of the receiving organization.
- 321 (b) As described in Subsection (15)(a), the entity chief officer or, if applicable, another  
322 entity officer, is subject to the protections of Title 67, Chapter 21, Utah Protection of  
323 Public Employees Act.
- 324 (c) If the Office of the Legislative Auditor General receives a notification under  
325 Subsection (15)(a) or other information of misappropriation of public funds or assets  
326 of an entity, the office shall inform the Audit Subcommittee.
- 327 (d) The attorney general, county attorney, or district attorney shall notify, in writing, the  
328 Office of the Legislative Auditor General whether the attorney general, county  
329 attorney, or district attorney pursued criminal or civil sanctions in the matter.
- 330 (16)(a) An actor commits interference with a legislative audit if the actor uses force,  
331 violence, intimidation, or engages in any other unlawful act with a purpose to  
332 interfere with:
- 333 (i) a legislative audit action; or
  - 334 (ii) the office's decisions relating to:
    - 335 (A) the content of the office's report;
    - 336 (B) the conclusions reached in the office's report; or
    - 337 (C) the manner of disclosing the results and findings of the office.

- 338 (b) A violation of Subsection (16)(a) is a class B misdemeanor.
- 339 (17)(a) The office may require any current employee, or any applicant for employment,  
340 to submit to a fingerprint-based local, regional, and criminal history background  
341 check as an ongoing condition of employment.
- 342 (b) An employee or applicant for employment shall provide a completed fingerprint card  
343 to the office upon request.
- 344 (c) The office shall require that an individual required to submit to a background check  
345 under this Subsection (17) also provide a signed waiver on a form provided by the  
346 office that meets the requirements of Subsection 53-10-108(4).
- 347 (d) For a noncriminal justice background search and registration in accordance with  
348 Subsection 53-10-108(13), the office shall submit to the Bureau of Criminal  
349 Identification:
- 350 (i) the employee's or applicant's personal identifying information and fingerprints for  
351 a criminal history search of applicable local, regional, and national databases; and  
352 (ii) a request for all information received as a result of the local, regional, and  
353 nationwide background check.
- 354 (18) Subject to prioritization of the Legislative Audit Subcommittee, the Office of the  
355 Legislative Auditor General shall[-] :
- 356 (a) conduct a feasibility study [under Section 53G-3-301.1, 53G-3-301.3, or 53G-3-301.4.]  
357 that an entity requests under Title 53G, Chapter 3, Part 3, Creating a New School  
358 District; and
- 359 (b) accept and maintain submissions and resolve disputes between local school boards in  
360 accordance with Section 53G-3-302.
- 361 Section 3. Section **53G-3-102** is amended to read:
- 362 **53G-3-102 (Effective upon governor's approval). Definitions.**
- 363 As used in this chapter:
- 364 (1) "Allocation date" means:
- 365 (a) July 1 of the second calendar year following the local school board election date as  
366 described in Section 53G-3-302; or
- 367 (b) another date to which the new local school board and reorganized school board agree.
- 368 (2) "Creation date" means: [-]
- 369 (a) the date on which voters approve the creation of a new school district under Section  
370 53G-3-301.1, 53G-3-301.3, or 53G-3-301.4[-] , for any new school district and any  
371 reorganized new school district resulting from the election that created the new

- 372 school district;
- 373 (b) the date on which a municipal legislative body creates a new school district under
- 374 Section 53G-3-301.5; or
- 375 (c) the date on which participants in an interlocal agreement create a new school district
- 376 under Section 53G-3-301.6.
- 377 (3) "Divided school district" means:
- 378 (a) an existing school district from which a new school district is created under Section
- 379 53G-3-301.1, 53G-3-301.3, ~~[or]~~ 53G-3-301.4, 53G-3-301.5, or 53G-3-301.6; and
- 380 (b) an existing school district from which a reorganized new school district is created.
- 381 (4)~~(a)~~ "Feasibility study" means a study:
- 382 ~~(i)~~ (a) ~~[conducted by]~~ that one of the following conducts:
- 383 ~~(A)~~ (i) a school district, municipal legislative body, or interlocal agreement
- 384 participants~~[before July 1, 2024]~~; or
- 385 ~~(B)~~ (ii) the Office of the Legislative Auditor General, subject to prioritization by the
- 386 Legislative Audit Subcommittee; and
- 387 ~~(ii)~~ (b) to determine:
- 388 ~~(A)~~ (i) the financial viability for a new school district and reorganized new school
- 389 district that is contained within the boundaries of a divided school district;
- 390 ~~(B)~~ (ii) the financial impact on a new school district and reorganized new school
- 391 district that is contained within the boundaries of a divided school district; and
- 392 ~~(C)~~ (iii) the impact of the tax burden on taxpayers within the boundaries of the
- 393 proposed new school district.
- 394 (5) "Interlocal agreement participant" means a public agency, as that term is defined in
- 395 Section 11-13-103, that enters into an agreement with one or more other public agencies
- 396 for the purpose described in and in accordance with Title 11, Chapter 13, Interlocal
- 397 Cooperation Act.
- 398 (6) "Isolated area" means an area that:
- 399 (a) is entirely within the boundaries of an existing school district;
- 400 (b) is contiguous to the proposed new school district;
- 401 (c) has a combined student population of fewer than 5,000 students; and
- 402 (d) because of the creation of a new school district from the existing district in which the
- 403 area is located, would become completely geographically isolated.
- 404 (7) "Municipality" means the same as that term is defined in Section 10-1-104.
- 405 (8) "New school district" means a school district created under Section 53G-3-301.1,

406 53G-3-301.3, ~~[or]~~ 53G-3-301.4, 53G-3-301.5, or 53G-3-301.6.

407 (9) "Public hearing" means the same as that term is defined in Section 10-9a-103.

408 ~~[(9)]~~ (10) "Reorganized new school district" means the remaining portion of the divided  
 409 school district after:

410 (a) voters approve the creation of a new school district under [Subsection] Section  
 411 53G-3-301.1, 53G-3-301.3, or 53G-3-301.4[-] , when:

412 (i) the entire geographical area of the reorganized new school district is not included  
 413 in a proposal for the new school district; or

414 (ii) the entire geographical area of the reorganized new school district is:

415 (A) included in a proposal for a new school district that voters do not approve; and

416 (B) within the boundaries of an existing district that contains an area that is  
 417 included in the new district for which voters approve the creation; or

418 (b) the creation of a new school district from a reorganized new school district under  
 419 Section 53G-3-301.5 or 53G-3-301.6.

420 Section 4. Section **53G-3-202** is amended to read:

421 **53G-3-202 (Effective upon governor's approval). School districts independent of**  
 422 **municipal and county governments -- School district name -- Control of**  
 423 **property.**

424 (1)(a) ~~[Each school district shall be controlled by its-]~~ Except for the duties described in  
 425 Section 53G-3-302, each school district is:

426 (i) under the control of the district's local school board; and~~[-shall be-]~~

427 (ii) independent of municipal and county governments.

428 (b) The name of each school district created after May 1, 2000, including a reorganized  
 429 new school district, shall[-] :

430 (i) comply with Section 17-50-103[-] ; and

431 (ii) be a name that another school district has not previously chosen and recorded.

432 (2) The local school board~~[-shall have-] :~~

433 (a) has direction and control of all school property in the district; and[-]

434 (b) may enter into cooperative agreements with other local school boards to provide  
 435 educational services that best [utilize] use resources for overall operation of the public  
 436 school system.

437 (3)(a) On or before 30 days following the day on which the creation of a new school  
 438 district occurs under Section 53G-3-301.1, 53G-3-301.3, ~~[or]~~ 53G-3-301.4,  
 439 53G-3-301.5, or 53G-3-301.6, and in accordance with Section 67-1a-15, the

440 following shall register a new school district~~[-shall be registered]~~ as a limited purpose  
441 entity~~[-by]~~:

442 (i) the municipal legislative body of the municipality in which the boundaries for the  
443 new school district ~~[is]~~ are entirely located; or

444 (ii) the legislative body of interlocal agreement participants in which the new school  
445 district is located.

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

448 (c) A school district that fails to comply with Subsections (3)(a) and (b) or Section  
449 67-1a-15 is subject to enforcement by the state auditor in accordance with Section  
450 67-3-1.

451 Section 5. Section **53G-3-205** is amended to read:

452 **53G-3-205 (Effective upon governor's approval). Rights of transferred**  
453 **employees -- Salary during first two years -- Leave and tenure benefits.**

454 (1) If a school employee is transferred from one district to another because of district  
455 consolidation, creation, or restructuring, the employee's salary may not be less, during  
456 the first ~~[year]~~ two years after the transfer, than ~~[it]~~ the employee's salary would have  
457 been had the transfer not taken place.

458 (2) The district to which an employee is transferred under Subsection (1) shall credit the  
459 employee with all accumulated leave and tenure recognized by the district from which  
460 the employee was transferred.

461 (3) If the district to which an employee is transferred does not have a leave benefit which  
462 reasonably corresponds to one the employee seeks to transfer, that district shall  
463 compensate the employee for the benefit on the same basis as would have been done had  
464 the employee retired.

465 Section 6. Section **53G-3-301** is amended to read:

466 **53G-3-301 (Effective upon governor's approval). Creation of new school district**  
467 **-- Initiation of process -- Procedures to be followed.**

468 (1) A new school district may be created from one or more existing school districts, as  
469 provided in this chapter.

470 (2) The process to create a new school district may be initiated:

471 (a) through a citizens' petition in accordance with Section 53G-3-301.1;

472 (b) at the request of a municipality within the boundaries of the school district in  
473 accordance with Section 53G-3-301.3;~~[-or]~~

- 474 (c) at the request of interlocal agreement participants in accordance with Section  
475 53G-3-301.4[~~;~~];
- 476 (d) through an action of a municipal legislative body within a reorganized new school  
477 district under Section 53G-3-301.5; or
- 478 (e) through an action of interlocal agreement participants within a reorganized new  
479 school district under Section 53G-10-301.6.
- 480 (3) [~~Except as provided in Sections 53G-3-301.3 and 53G-3-301.4, a~~] A request or petition  
481 under Subsection (2) may not form a new school district unless the new school district  
482 boundaries and the reorganized new school district boundaries:
- 483 (a) are contiguous;
- 484 (b) do not create an isolated area, as defined in Section 53G-3-102; and
- 485 (c) include the entire boundaries of each participant municipality or town, unless the  
486 excluded portion of the municipality or town is not within the divided school district.
- 487 (4) For each new school district, each county legislative body shall comply with the notice  
488 and plat filing requirements of Section 53G-3-203.
- 489 (5) If a new school district is created, the new district shall reimburse the reorganized new  
490 district's documented costs to study and implement the proposal in proportion to the  
491 student population of each school district.
- 492 (6) An inadequacy of a feasibility study, as defined in Section 53G-3-102, may not be the  
493 basis of a legal action or other challenge to:
- 494 (a) an election for voter approval of the creation of a new school district; or
- 495 (b) the creation of the new school district.
- 496 (7) Notwithstanding the creation of a new district as provided in this part:
- 497 (a) a new school district and a reorganized new school district may not begin to provide  
498 educational services to the area within the new school district and reorganized new  
499 school district until July 1 of the second calendar year following the local school  
500 board election date as described in Section 53G-3-301.1, 53G-3-301.3, [~~or~~]  
501 53G-3-301.4, 53G-3-301.5, or 53G-3-301.6; and
- 502 (b) the divided school district shall continue, until the time specified in Subsection (7)(a),  
503 to provide educational services within the entire area covered by the divided school  
504 district.
- 505 (8) A new school district and a reorganized new school district shall enter into a shared  
506 services agreement that permits students residing in each [~~new~~]school district access to  
507 attend a school that serves students with disabilities within or outside of each school

508 district boundary:

509 (a) for up to five years after the day on which the new school district commences  
510 educational services;

511 (b) for actual costs of services provided to students; and

512 (c) without affecting services provided to other students.

513 (9) The process described in Subsection (2) may not be initiated [~~more than once during~~  
514 ~~any two-year period.~~] if voters have voted on an identical proposal in either of the  
515 previous two general elections.

516 Section 7. Section **53G-3-301.1** is amended to read:

517 **53G-3-301.1 (Effective upon governor's approval). Creation of a new school**  
518 **district -- Citizens' petition -- Procedures to be followed.**

519 (1) Citizens may file a petition to create a new school district in accordance with this  
520 section and Section 53G-3-301.

521 (2)(a) The county clerk shall ensure that a petition described in Subsection (1) is signed  
522 by registered voters residing within the geographical boundaries of the proposed new  
523 school district in an amount equal to at least 10% of all votes cast within the  
524 geographic boundaries of the proposed new school district for all candidates for  
525 president of the United States at the last regular general election at which a president  
526 of the United States was elected.

527 (b) The sponsors of a petition described in Subsection (1) shall file the petition with the  
528 clerk of each county in which any part of the proposed new school district is located.

529 (c) The petition sponsors shall ensure that the petition described in Subsection (1):

530 (i) indicates the typed or printed name and current residence address of each voter  
531 who signs the petition;

532 (ii) describes the proposed new school district boundaries; and

533 (iii) designates up to five signers of the petition as sponsors, designating one as the  
534 contact sponsor, with the mailing address and telephone number of each.

535 (3)(a)(i) A signer of a petition described in Subsection (1) may withdraw or, once  
536 withdrawn, reinstate the signer's signature by filing a written statement requesting  
537 for withdrawal or reinstatement with the county clerk no later than three business  
538 days after the day on which the petition is filed with the county clerk.

539 (ii) A statement described in Subsection (3)(a)(i) shall comply with the requirements  
540 described in Subsection 20A-1-1003(2).

541 (iii) The county clerk shall use the procedures described in Subsection 20A-1-1003(3)



- 542 to determine whether to remove or reinstate an individual's signature from a  
543 petition after receiving a timely, valid statement.
- 544 (b) The county clerk shall use the procedures described in Section 20A-1-1002 to  
545 determine whether the petition has been signed by the required number of registered  
546 voters residing within the geographical boundaries of the proposed new school  
547 district.
- 548 (4) Within 14 days after the day on which a petition described in Subsection (1) is filed, the  
549 clerk of each county with which the request or petition is filed shall:
- 550 (a) determine whether the petition complies with Subsections (2) and (3), as applicable,  
551 and Section 53G-3-301; and
- 552 (b)(i) if the county clerk determines that the request or petition complies with the  
553 applicable requirements:
- 554 (A) certify the petition and deliver the certified petition to the county legislative  
555 body; and
- 556 (B) mail or deliver written notification of the certification to the contact sponsor;  
557 or
- 558 (ii) if the county clerk determines that the petition fails to comply with any of the  
559 applicable requirements, reject the petition and notify the contact sponsor in  
560 writing of the rejection and reasons for the rejection.
- 561 (5)(a) If the county clerk fails to certify or reject a petition within the time specified in  
562 Subsection (4), the petition is considered to be certified.
- 563 (b) If the county clerk rejects a petition, the individual who submitted the petition may  
564 amend the petition to correct the deficiencies for which the county clerk rejected the  
565 petition and refile the petition.
- 566 (6) Within 10 days after the day on which a county legislative body receives a certified  
567 petition as described in Subsection (4) or (5), the county legislative body shall request[  
568 ~~that the Legislative Audit Subcommittee consider prioritizing~~] a feasibility study[, as  
569 ~~that term is defined in Section 53G-3-102~~].
- 570 (7)(a) The county legislative body shall:
- 571 (i) provide for a [~~45-day~~] 30-day public comment period to begin on the day the  
572 county legislative body receives the study under Subsection (6); and
- 573 (ii) hold at least two public hearings[~~, as defined in Section 10-9a-103,~~] on the study  
574 and recommendations.
- 575 (b) Within five business days after the day on which the public comment period ends,

576 the legislative body of each county with which a petition is filed shall vote on the  
577 creation of the proposed new school district.

578 (c) A county legislative body approves a petition proposing a new school district if a  
579 majority of the members of the legislative body vote in favor of the petition.

580 (8)(a) Within five business days after the day on which a county legislative body  
581 approves a petition proposing a new school district under Subsection (7), the county  
582 legislative body shall provide notice of the approval and a copy of the petition to  
583 which the approval relates to the county clerk of each county described in Subsection  
584 (2)(b).

585 (b) If each county described in Subsection (2)(b) approves a petition proposing a new  
586 school district, the county clerks of the counties shall submit the proposal for the  
587 creation of a new school district to all legal voters in the [~~existing school district~~]  
588 proposed new school district for approval or rejection at the next regular general  
589 election that is at least 65 days after the day on which all of the counties described in  
590 Subsection (2)(b) have complied with Subsection (8)(a).

591 (c) The new school district proposed in the petition and the reorganized new school  
592 district are created if a majority of the voters in the [~~existing~~] proposed new school  
593 district vote in favor of creating the new school district.

594 Section 8. Section **53G-3-301.3** is amended to read:

595 **53G-3-301.3 (Effective upon governor's approval). Creation of a new school**  
596 **district -- Request by a municipality -- Procedures to be followed.**

597 (1) [A] Except for the creation of a new school district within a reorganized new school  
598 district in accordance with Section 53G-3-301.5, a municipality located within the  
599 boundaries of a school district may file a request to create a new school district in  
600 accordance with this section and Section 53G-3-301.

601 (2)(a) The municipality shall file the request to create a new school district with the  
602 clerk of each county in which any part of the proposed new school district is located.

603 (b) The filing municipality shall ensure that the request described in Subsection (2)(a):

604 (i) indicates the typed or printed and current residence address of each governing  
605 board member making the request;

606 (ii) describes the proposed new school district boundaries; and

607 (iii) designates up to five signers of the request as sponsors, including one as the  
608 contact sponsor, with the mailing address and telephone number of each.

609 (3) Within five business days after the day on which a request described in Subsection (2) is

- 610 filed, the clerk of each county with which the request is filed shall:
- 611 (a) determine whether the request complies with Subsection (2) and Section 53G-3-301;
- 612 and
- 613 (b)(i) if the county clerk determines that the request complies with the applicable
- 614 requirements:
- 615 (A) certify the request and deliver the certified request to the municipality and
- 616 each county legislative body; and
- 617 (B) mail or deliver written notification of the certification to the contact sponsor;
- 618 or
- 619 (ii) if the county clerk determines that the request fails to comply with any of the
- 620 applicable requirements, reject the request and notify the contact sponsor in
- 621 writing of the rejection and reasons for the rejection.
- 622 (4)(a) If the county clerk fails to certify or reject the request within the time specified in
- 623 Subsection (3), the request is considered to be certified.
- 624 (b) If the county clerk rejects the request, the municipality that submitted the request
- 625 may amend the request to correct the deficiencies for which the county clerk rejected
- 626 the request and refile the request.
- 627 (5)~~[(a)]~~ Within 10 days after the day on which a municipal legislative body receives a
- 628 certification as described in Subsection (3) or (4), a municipal legislative body shall
- 629 request ~~[that the Legislative Audit Subcommittee consider prioritizing]~~ a feasibility
- 630 study~~[-, as that term is defined in Section 53G-3-102].~~
- 631 ~~[(b) For the year 2024, the municipal legislative body may use a feasibility study that~~
- 632 ~~the municipal legislative body conducted before July 1, 2024, if:]~~
- 633 ~~[(i) the feasibility study contains the determinations described in Section 53G-3-102;~~
- 634 ~~and]~~
- 635 ~~[(ii) the municipality receives a report and recommendation regarding the feasibility~~
- 636 ~~study in a public meeting.]~~
- 637 (6)(a) The municipal legislative body shall:
- 638 (i) provide for a 30-day public comment period to begin ~~[-]~~
- 639 ~~[(A)]~~ on the day the study is presented to the municipal legislative body under
- 640 Subsection (5); ~~[or] and~~
- 641 ~~[(B) if the municipal legislative body uses a feasibility study described in~~
- 642 ~~Subsection (5)(b), on July 1, 2024; and]~~
- 643 (ii) hold at least two public hearings~~[-, as defined in Section 10-9a-103,]~~ on the study

- 644 and recommendation.
- 645 (b) Within 14 days after the day on which the public comment period ends, the  
646 municipal legislative body shall vote on the creation of the proposed new school  
647 district.
- 648 (c) A municipal legislative body approves a proposal if a majority of the municipal  
649 legislative body vote in favor of the proposal.
- 650 (d) Within five business days after the day on which the municipal legislative body  
651 approves a request proposing the creation of a new school district, the municipal  
652 legislative body shall notify the legislative body and the county clerk of each county  
653 described in Subsection (2)(a).
- 654 (7) The county clerks of the counties described in Subsection (2)(a) shall submit the  
655 proposal for the creation of a new school district to all legal voters residing within the  
656 proposed new school district boundaries for approval or rejection at the next regular  
657 general election that is a least 65 days after the day on which the municipal legislative  
658 body complies with Subsection (6)(d).
- 659 (8) The new school district described in the request and the reorganized new school district  
660 are created if a majority of the voters in the proposed new school district boundaries  
661 vote in favor of creating the new school district.
- 662 (9) Nothing in this section prevents a municipality from assisting the new school district or  
663 reorganized new school district, including by:
- 664 (a) entering into a loan agreement with the new school district or reorganized new  
665 school district; or
- 666 (b) assisting the new school district or reorganized new school district in securing a line  
667 of credit.
- 668 Section 9. Section **53G-3-301.4** is amended to read:
- 669 **53G-3-301.4 (Effective upon governor's approval). Creation of a new school**  
670 **district -- By interlocal agreement participants -- Procedures to follow.**
- 671 (1)(a) On or after April 30, 2024, interlocal agreement participants may file a request  
672 proposing the creation of a new school district in accordance with this section and  
673 Section 53G-3-301.
- 674 (b) A municipality may not:
- 675 (i) enter into more than one interlocal agreement for the purpose of submitting for  
676 voter approval, in the same election, a proposal to create a new school district  
677 under this part; or

- 678 (ii) participate in a request under this section and submit a request under Section  
679 53G-3-301.3 for the same election.
- 680 (c) A municipality may not withdraw from an interlocal agreement under this part,  
681 unless, before August 1 of the year in which the interlocal agreement participants file  
682 the request under Subsection (1)(a):
- 683 (i) the municipality votes, via the legislative body of the municipality, to withdraw  
684 from the interlocal agreement; and
- 685 (ii) a majority of all municipalities that are participants in the interlocal agreement  
686 vote to withdraw from the interlocal agreement, via a separate vote of the  
687 legislative body of each municipality.
- 688 (d) If a majority of all municipalities that are participants in the interlocal agreement  
689 vote to withdraw from the interlocal agreement under Subsection (1)(a), the request is  
690 void and the interlocal agreement participants may not participate in a new or a  
691 revised request until the following year.
- 692 (2)(a) Except as provided in Subsection (3), by a majority vote of each legislative body,  
693 the legislative body of a municipality, together with at least one other municipality,  
694 may enter into an interlocal agreement in accordance with Title 11, Chapter 13,  
695 Interlocal Cooperation Act, for the purpose of submitting for voter approval a  
696 measure to create a new school district if the new school district boundaries comply  
697 with the requirements of Section 53G-3-301.
- 698 (b) A county may only participate in an interlocal agreement under this Subsection (2)  
699 for the unincorporated areas of the county.
- 700 (c) Boundaries of a new school district created under this section may include:
- 701 (i) a portion of one or more existing school districts; and  
702 (ii) a portion of the unincorporated area of a county.
- 703 (3)(a) As used in this Subsection (3), "municipality's school district" means the school  
704 district that includes all of the municipality in which the isolated area is located  
705 except the isolated area~~[, as that term is defined in Section 53G-3-102]~~.
- 706 (b) Notwithstanding Subsection 53G-3-301(3), a municipality may be a participant in an  
707 interlocal agreement under Subsection (2)(a) with respect to some but not all of the  
708 area within the municipality's boundaries if:
- 709 (i) the portion of the municipality proposed to be included in the new school district  
710 would, if not included, become an isolated area upon the creation of the new  
711 school district; or

- 712 (ii)(A) the portion of the municipality proposed to be included in the new school  
713 district is within the boundaries of the same school district that includes the  
714 other interlocal agreement participants; and
- 715 (B) the portion of the municipality proposed to be excluded from the new school  
716 district is within the boundaries of a school district other than the school  
717 district that includes the other interlocal agreement participants.
- 718 (c)(i) Notwithstanding Subsection 53G-3-301(3), interlocal agreement participants  
719 may submit a proposal to the legal voters residing within the proposed new school  
720 district boundaries to create a new school district in accordance with an interlocal  
721 agreement under Subsection (2)(a), even though the new school district  
722 boundaries would create an isolated area,~~[-as that term is defined in Section~~  
723 ~~53G-3-102,-]if:~~
- 724 (A) the potential isolated area is contiguous to one or more of the interlocal  
725 agreement participants;
- 726 (B) the interlocal participants submit a written request to the municipality in  
727 which the potential isolated area is located, requesting the municipality to enter  
728 into an interlocal agreement under Subsection (2)(a) that proposes to submit for  
729 voter approval a proposal to create a new school district that includes the  
730 potential isolated area; and
- 731 (C) the municipality, to which the interlocal agreement participants submitted a  
732 request under Subsection (3)(c)(i)(B), did not respond to the written request  
733 within 30 days after the day on which the request was submitted.
- 734 (ii) Each municipality receiving a request under Subsection (3)(c)(i) shall hold at  
735 least two public hearings to allow input from the public and affected school  
736 districts regarding whether the municipality should enter into an interlocal  
737 agreement with respect to the potential isolated area.
- 738 (iii) A municipal legislative body approves a proposal to enter into an interlocal  
739 agreement with respect to the potential isolated area if a majority of the municipal  
740 legislative body votes in favor of the proposal.
- 741 (d)(i) The isolated area described in this Subsection (3) shall, on July 1 of the second  
742 calendar year following the local school board general election date described in  
743 Section 53G-3-302, become part of the municipality's school district.
- 744 (ii) The divided district shall continue to provide educational services to the isolated  
745 area until July 1 of the second calendar year following the local school board

- 746 general election date described in Section 53G-3-302.
- 747 (4)(a) Interlocal agreement participants shall file a request described in Subsection (1)
- 748 with the clerk of each county in which any part of the proposed new school district is
- 749 located.
- 750 (b) The filing interlocal agreement participants shall ensure that the request described in
- 751 Subsection (4)(a):
- 752 (i) indicates the typed or printed and current residence address of each governing
- 753 board member making a request;
- 754 (ii) describes the proposed new school district boundaries; and
- 755 (iii) designates up to five signers of the request as sponsors, including as the contact
- 756 sponsor, with the mailing address and telephone number of each.
- 757 (5) Within five business days after the day on which a request described in Subsection (4)(a)
- 758 is filed, the clerk of each county with which the request is filed shall:
- 759 (a) determine whether the request complies with this section and Section 53G-3-301; and
- 760 (b)(i) if the county clerk determines that the request complies with the applicable
- 761 requirements:
- 762 (A) certify the request and deliver the certified request to the legislative bodies of
- 763 the interlocal agreement participants; and
- 764 (B) mail or deliver written notification of the certification to the contact sponsor;
- 765 or
- 766 (ii) if the county clerk determines that the request fails to comply with any of the
- 767 applicable requirements, reject the request and notify the contact sponsor in
- 768 writing of the rejection and reasons for the rejection.
- 769 (6)(a) If the county clerk fails to certify or reject a request within the time specified in
- 770 Subsection (5), the request is considered to be certified.
- 771 (b) If the county clerk rejects a request, the interlocal agreement participants that
- 772 submitted the request may amend the request to correct the deficiencies for which the
- 773 county clerk rejected the request, and refile the request.
- 774 (7)~~(a)~~ Within 30 days after the day on which the contact sponsor receives certification
- 775 as described in Subsection (5) or (6), the contact sponsor shall request ~~that the~~
- 776 ~~Legislative Audit Subcommittee consider prioritizing~~ a feasibility study~~[-as that~~
- 777 ~~term is defined in Section 53G-3-102].~~
- 778 ~~[(b) For the year 2024, the interlocal agreement participants may use a feasibility study~~
- 779 ~~that interlocal agreement participants conducted before July 1, 2024, if:]~~

- 780           ~~[(i) the feasibility study contains the determinations described in Section 53G-3-102;~~  
781           ~~and]~~
- 782           ~~[(ii) the legislative bodies of the interlocal agreement participants receive a report and~~  
783           ~~recommendation regarding the feasibility study in a public meeting.]~~
- 784 (8)(a) The legislative bodies of the interlocal agreement participants, and each  
785           municipality within the geographic boundaries of the proposed new school district,  
786 shall:
- 787           (i) provide for a 30-day public comment period to begin [-:]  
788           ~~[(A)]~~ on the day on which the legislative bodies of the interlocal agreement  
789           participants receive ~~[the report under]~~ a feasibility study described in  
790           Subsection (7); ~~[or] and~~
- 791           ~~[(B) on July 1, 2024, if the municipal legislative body uses a feasibility study~~  
792           ~~described in Subsection (7)(b), regardless of whether the municipal legislative~~  
793           ~~body provided all or a portion of a public comment period in relation to the~~  
794           ~~feasibility study before July 1, 2024; and]~~
- 795           (ii) ~~[except as provided in Subsection (8)(d),]~~ hold at least two public hearings~~[-, as~~  
796           ~~defined in Section 10-9a-103,]~~ on the study and recommendation.
- 797           (b) Within 14 days after the day on which the public comment period ends, the  
798           legislative bodies of the interlocal agreement participants shall vote on the creation of  
799           the proposed new school district.
- 800           (c) The interlocal agreement participants approve a proposal if a majority of ~~[each of]~~  
801           the legislative bodies of municipalities that are participants in the interlocal agreement  
802           ~~participants' members]~~ vote in favor of the proposal.
- 803           ~~[(d) If the municipal legislative body uses a feasibility study described in Subsection~~  
804           ~~(7)(b), the number of public hearings required under Subsection (8)(a)(ii) is reduced~~  
805           ~~by the number of public hearings the municipal legislative body held on the~~  
806           ~~feasibility study before July 1, 2024.]~~
- 807 (9) Within five business days after the day on which the interlocal agreement participants  
808           approve a request proposing the creation of a new school district, the interlocal  
809           agreement participants shall notify the legislative body and the county clerk of each  
810           county described in Subsection (4)(a).
- 811 (10)(a) The county clerks of the counties described in Subsection (4)(a) shall submit the  
812           proposal for the creation of a new school district to all legal voters residing within the  
813           proposed new school district boundaries for approval or rejection at the next regular



- 814 general election that is at least 65 days after the day on which the interlocal  
815 agreement participants comply with Subsection (9).
- 816 (b) The new school district described in the request and the reorganized new school  
817 district are created if a majority of the voters in the proposed new school district  
818 boundaries vote in favor of creating the new school district.
- 819 (11) Nothing in this section prevents an interlocal agreement participant from assisting the  
820 new school district or reorganized new school district, including by:
- 821 (a) entering into a loan agreement with the new school district or reorganized new  
822 school district; or
- 823 (b) assisting the new school district or reorganized new school district in securing a line  
824 of credit.

825 Section 10. Section **53G-3-301.5** is enacted to read:

826 **53G-3-301.5 (Effective upon governor's approval). Creation of a new school**  
827 **district within a reorganized new school district by a municipality.**

- 828 (1)(a) Except as provided in Subsection (6), no later than 21 days after the creation date  
829 of a reorganized new school district, a municipality within the reorganized new  
830 school district may begin creating a new school district by:
- 831 (i) a majority vote of the legislative body; and  
832 (ii) filing a request to create a new school district with the clerk of each county in  
833 which any part of the proposed new school district is located.
- 834 (b) The filing municipality shall ensure that the request described in Subsection (1)(a):  
835 (i) indicates the typed or printed and current residence address of each governing  
836 board member making the request;  
837 (ii) describes the proposed new school district boundaries; and  
838 (iii) designates up to five signers of the request as sponsors, including one as the  
839 contact sponsor, with the mailing address and telephone number of each.
- 840 (c) Within five business days after the day on which a municipality files a request  
841 described in Subsection (1)(a), the clerk of each county in which the request is filed  
842 shall determine whether the request complies with Subsection (2) and Section  
843 53G-3-301 and:
- 844 (i) if the county clerk determines that the request complies with the applicable  
845 requirements:
- 846 (A) certify the request;  
847 (B) deliver the certified request to the municipality and each relevant county

- 848 legislative body; and
- 849 (C) mail or deliver written notification of the certification to the contact sponsor;
- 850 or
- 851 (ii) if the county clerk determines that the request fails to comply with any of the
- 852 applicable requirements:
- 853 (A) reject the request; and
- 854 (B) notify the contact sponsor in writing of the rejection and the reasons for the
- 855 rejection.
- 856 (d)(i) If the county clerk fails to certify or reject a request described in Subsection
- 857 (1)(a) within the time specified in Subsection (1)(c), the request is certified.
- 858 (ii) If the county clerk rejects the request, the interlocal participants that submitted
- 859 the request may, within 21 days after day on which the county clerk provides
- 860 notice of the rejection:
- 861 (A) amend the request to correct the deficiencies for which the county clerk
- 862 rejected the request; and
- 863 (B) file the amended request.
- 864 (2)(a) Within five days after the day on which the clerk mails or delivers the certified
- 865 request to the contact sponsor representing the municipality under Subsection (1)(c)(i),
- 866 the municipal legislative bodies shall request a feasibility study.
- 867 (b) Within 10 days after the finalization of the determinations and recommendations of
- 868 the feasibility study, the municipal legislative bodies shall receive the determinations
- 869 and recommendations in a public meeting.
- 870 (3)(a) The legislative body receiving the feasibility study shall:
- 871 (i) except as provided in Subsection (6), provide for a 30-day public comment period
- 872 to begin on the day of the public meeting in which the municipal legislative body
- 873 receives the study under Subsection (2); and
- 874 (ii) hold at least two public hearings on the study and recommendation.
- 875 (b)(i) Within seven days after the day on which the public comment period described
- 876 in Subsection (3)(a) ends, the municipal legislative body shall vote on the creation
- 877 of the proposed new school district.
- 878 (ii) A municipality creates a new school district if a majority of the members the
- 879 municipal legislative body votes in favor of the proposal.
- 880 (iii) Within five business days after the day on which the municipality creates a new
- 881 school district under this Subsection (3), the municipality shall notify the clerk of

- 882           each county described in Subsection (1).
- 883   (4) A municipality may not file a request under Subsection (1) if the proposed new school  
 884       district has boundaries that are identical to the boundaries of a proposed new school  
 885       district that voters rejected in the immediately previous general election.
- 886   (5) A municipality may not create a new school district under this section unless the  
 887       municipality completes the process described in this section on or before March 15 of  
 888       the year immediately following the general election that resulted in the creation of the  
 889       reorganized new school district.
- 890   (6) For the municipal creation of a new school district within a reorganized new school  
 891       district resulting from the 2024 general election under Subsection (3)(b)(ii):
- 892       (a) notwithstanding Subsection (1)(a), the deadline for the municipality to file a request  
 893           under Subsection (1)(a) is 10 days from the effective date of this bill;
- 894       (b) notwithstanding Subsection (3)(a)(i), the municipality shall provide a 10-day public  
 895           comment period;
- 896       (c) notwithstanding Subsection (5), the deadline for the creation of the new school  
 897           district under this section is April 20, 2025; and
- 898       (d) in accordance with Section 20A-14-201, the deadline to redistrict local school board  
 899           districts is May 1, 2025.

900       Section 11. Section **53G-3-301.6** is enacted to read:

901       **53G-3-301.6 (Effective upon governor's approval). Creation of a new school**  
 902       **district with a reorganized new school district by interlocal participants.**

- 903   (1)(a) Except as provided in Subsection (6), no later than 21 days after the creation date  
 904       of a reorganized new school district, more than one municipality within the  
 905       reorganized new school district may begin creating a new school district under an  
 906       interlocal agreement:
- 907       (i) if the new school district:
- 908           (A) includes the entire boundaries of each participant municipality within the  
 909               proposed new school district, unless the excluded portion of the municipality is  
 910               not within the reorganized new school district;
- 911           (B) has contiguous boundaries; and
- 912           (C) does not create an isolated area; and
- 913       (ii) by:
- 914           (A) a majority vote of the legislative body of each participant municipality within  
 915               the proposed new school district boundaries; and

- 916           (B) filing a request to create a new school district with the clerk of each county in  
917           which any part of the proposed new school district is located.
- 918       (b) The filing interlocal participants shall ensure that the request described in Subsection  
919       (1)(a):
- 920           (i) indicates the typed or printed and current residence address of each governing  
921           board member making the request;
- 922           (ii) describes the proposed new school district boundaries; and
- 923           (iii) designates up to five signers of the request as sponsors, including one as the  
924           contact sponsor, with the mailing address and telephone number of each.
- 925       (c) Within five business days after the day on which interlocal participants file a request  
926       described in Subsection (1)(a), the clerk of each county in which the request is filed  
927       shall determine whether the request complies with Subsection (2) and Section  
928       53G-3-301 and:
- 929           (i) if the county clerk determines that the request complies with the applicable  
930           requirements:
- 931               (A) certify the request;
- 932               (B) deliver the certified request to the contact sponsor and each relevant county  
933               legislative body; and
- 934               (C) mail or deliver written notification of the certification to the contact sponsor;  
935               or
- 936           (ii) if the county clerk determines that the request fails to comply with any of the  
937           applicable requirements:
- 938               (A) reject the request; and
- 939               (B) notify the contact sponsor in writing of the rejection and the reasons for the  
940               rejection.
- 941       (d)(i) If the county clerk fails to certify or reject a request described in Subsection  
942       (1)(a) within the time specified in Subsection (1)(c), the request is certified.
- 943       (ii) If the county clerk rejects the request, the interlocal participants that submitted  
944       the request may, within 21 days after the day on which the county clerk provides  
945       notice of the rejection:
- 946           (A) amend the request to correct the deficiencies for which the county clerk  
947           rejected the request; and
- 948           (B) file the amended request.
- 949       (2)(a) Within 5 days after the day on which the clerk mails or delivers the certified

- 950 request to the contact sponsor representing the interlocal participants under  
951 Subsection (1)(c)(i), the municipal legislative body of each interlocal participant shall  
952 request a feasibility study.
- 953 (b) Within 10 days of the finalization of the determinations and recommendations of the  
954 feasibility study, the municipal legislative body of each interlocal participant shall  
955 receive the determinations and recommendations in a public meeting.
- 956 (3)(a) The legislative body receiving the feasibility study shall:
- 957 (i) except as provided in Subsection (6), provide for a 30-day public comment period  
958 to begin on the day of the public meeting in which the municipal legislative bodies  
959 receive the study under Subsection (2); and
- 960 (ii) hold at least two public hearings on the study and recommendation.
- 961 (b)(i) Within seven days after the day on which the public comment period described  
962 in Subsection (3)(a) ends, the municipal legislative bodies shall vote on the  
963 creation of the proposed new school district.
- 964 (ii) Interlocal participants create a new school district if a majority of the municipal  
965 legislative body votes in favor of the proposal.
- 966 (iii) Within five business days after the day on which the interlocal participants create  
967 a new school district under this Subsection (3), the municipal legislative body  
968 shall notify the clerk of each county described in Subsection (1).
- 969 (4) Interlocal participants may not file a request under Subsection (1) if the proposed new  
970 school district has boundaries that are identical to the boundaries of a proposed new  
971 school district that voters rejected in the immediately previous general election.
- 972 (5) Interlocal participants may not create a new school district under this section unless the  
973 municipality completes the process described in this section on or before March 15 of  
974 the year immediately following the general election that resulted in the creation of the  
975 reorganized new school district.
- 976 (6) For the interlocal creation of a new school district within a reorganized new school  
977 district resulting from the 2024 general election under Subsection (3)(b)(ii):
- 978 (a) notwithstanding Subsection (1)(a), the deadline for interlocal participants to file a  
979 request under Subsection (1)(a) is 10 days from the effective date of this bill;
- 980 (b) notwithstanding Subsection (3)(a)(i), interlocal participants shall provide a 10-day  
981 public comment period;
- 982 (c) notwithstanding Subsection (5), the deadline for the creation of the new school  
983 district under this section is April 20, 2025; and

984 (d) in accordance with Section 20A-14-201, the deadline to redistrict local school board  
985 districts is May 1, 2025.

986 Section 12. Section **53G-3-302** is amended to read:

987 **53G-3-302 (Effective upon governor's approval) (Retrospective 11/04/24).**

988 **Election of local school board members -- Allocation of assets and liabilities --**

989 **Startup costs -- Transfer of title.**

990 (1) As used in this section:

991 (a) "Associated property" means furniture, equipment, or supplies located in or  
992 specifically associated with a physical asset.

993 (b)(i) "Discretionary asset or liability" means an asset or liability that is not tied to a  
994 specific project, school, student, or employee by law or school district accounting  
995 practice.

996 (ii) "Discretionary asset or liability" does not include a physical asset, associated  
997 property, a vehicle, an employee, or bonded indebtedness.

998 (c) "New school district startup costs" means the costs and expenses incurred by a new  
999 school district in order to prepare to begin providing educational services on July 1 of  
1000 the second calendar year following the local school board election date described in  
1001 Subsection (2).

1002 (d)(i) "Nondiscretionary asset or liability" means an asset or liability that is tied to a  
1003 specific project, school, student, or employee by law or school district accounting  
1004 practice.

1005 (ii) "Nondiscretionary asset or liability" does not include a physical asset, associated  
1006 property, a vehicle, or bonded indebtedness.

1007 (e) "Physical asset" means a building, land, or water right together with revenue derived  
1008 from the lease or use of the building, land, or water right.

1009 (f) "Physical liability" means a liability associated with a physical asset.

1010 (g) "Reorganized new school district startup costs" means the costs and expenses that a  
1011 reorganized new school district incurs to make necessary adjustments to deal with the  
1012 impacts resulting from the creation of the new school district and to prepare to  
1013 provide educational services within the reorganized new school district once the  
1014 reorganized new school district begins providing educational services within the new  
1015 school district.

1016 [(+)] (2)(a) If voters approve a proposal to create a new school district under this part:

1017 (i) the legislative body of each county where all or a part of the new school district

- 1018 and the reorganized new school district are located shall hold elections during the  
 1019 year immediately following the year in which the voters approve the proposal to  
 1020 elect members to the local school board of the new school district and to the local  
 1021 school board of the reorganized new school district, as follows:
- 1022 (A) the filing period for a declaration of candidacy [~~will be~~] is the same as the  
 1023 filing period for a municipal election;
- 1024 (B) the primary election [~~will be~~] is held on the same day as the municipal primary  
 1025 election; and
- 1026 (C) the general election [~~will be~~] is held on the same day as the municipal general  
 1027 election;
- 1028 (ii) [~~the~~] any new school district and reorganized new school district shall divide the  
 1029 assets and liabilities of the divided school district between the [~~new school district~~  
 1030 ~~and the reorganized new school district as provided in Subsection (3)] school  
 1031 districts in accordance with Subsection (4) and Section 53G-3-307;~~
- 1032 (iii) [~~transferred employees shall be treated~~] any new school district and reorganized  
 1033 new school district shall treat the employment of transferred employees from the  
 1034 divided school district in accordance with Sections 53G-3-205 and 53G-3-308;
- 1035 (iv) an individual residing within the boundaries of a new school district or  
 1036 reorganized new school district at the time the new school district is created may,  
 1037 for six school years following the creation of the new school district, elect to  
 1038 enroll in a secondary school located outside the boundaries of the [~~reorganized~~  
 1039 ~~new~~]-school district if:
- 1040 (A) the individual resides within the boundaries of [~~that~~] the secondary school [~~as~~  
 1041 ~~of~~] on the day before the creation of the new school district [~~is created~~]; and
- 1042 (B) the individual would have been eligible to enroll in [~~that~~] the secondary school [~~]~~  
 1043 ~~had~~] if not for the creation of the new school district [~~not been created~~];
- 1044 (v) the [~~reorganized~~]-new school district [~~in which the secondary school is located~~]  
 1045 shall provide educational services, including, if provided before the creation of the  
 1046 new school district, busing to each individual making an election under  
 1047 Subsection [(1)(a)(iv)] (2)(a)(iv) for each school year for which the individual  
 1048 makes the election; and
- 1049 (vi) within one year following the date on which the new school district begins  
 1050 providing educational services, the superintendent of each affected school district  
 1051 shall meet, together with the state superintendent, to determine if further boundary

- 1052 changes should take place in accordance with Section 53G-3-501.
- 1053 (b)(i) The county or municipal legislative bodies that conduct redistricting for the  
 1054 new school district and the reorganized new school district shall, at the meeting  
 1055 where the county or municipal legislative bodies adopt the final redistricting  
 1056 maps, adjust the initial terms of the board members for the new school district and  
 1057 the reorganized new school district, by lot, so that approximately half of the board  
 1058 members on each board will have an initial term of three years with the other  
 1059 members having an initial term of five years.
- 1060 [~~(ii) The term of a member of the divided school district local school board~~  
 1061 ~~terminates on January 1 of the year following the allocation date.]~~
- 1062 [~~(iii)~~] (ii) Notwithstanding the existence of the new school district local school board  
 1063 and the reorganized new school district local school board under Subsection [  
 1064 ~~(1)(a)(i)~~] (2)(a)(i), the divided school district local school board shall continue to  
 1065 function and exercise authority as a local school board until the allocation date to  
 1066 the extent necessary to continue to provide educational services to the entire  
 1067 divided school district.
- 1068 [~~(iv)~~] (iii) An individual may simultaneously serve as or be elected to be a member of  
 1069 the local school board of a divided school district and a member of the local  
 1070 school board of:
- 1071 (A) a new school district; or  
 1072 (B) a reorganized new school district.
- 1073 (iv) On the allocation date, the divided school district and the associated local school  
 1074 board cease to exist.
- 1075 (3)(a) Upon creation of a new school district or a reorganized new school district, the  
 1076 following shall oversee the start-up phase:
- 1077 (i) for a new school district or a reorganized new school district located entirely  
 1078 within the boundaries of a single municipality, the legislative body of the  
 1079 municipality; or
- 1080 (ii) for a new school district or reorganized new school district that is not located  
 1081 entirely within the boundaries of a single municipality, the legislative bodies of  
 1082 the municipalities within which the new school district or reorganized new school  
 1083 district is located, through an interlocal agreement.
- 1084 (b)(i) The interlocal agreement described in Subsection (3)(a) shall establish a  
 1085 governing board composed of each municipality's executive officer.



- 1086           (ii) Each municipality represented on the governing board, as described in Subsection  
1087           (3)(b)(i), shall have weighted representation in decision-making based on the  
1088           percentage of the tax value of each municipality within the relevant new school  
1089           district or reorganized new school district as of the creation date.
- 1090       (c) The municipality, for a school district described in Subsection (3)(a)(i), or the  
1091       governing board, for a school district described in Subsection (3)(a)(ii), shall hold a  
1092       public meeting:
- 1093           (i) within 60 days after the creation date; and  
1094           (ii) until the school board members begin the members' terms of office, at least once  
1095           every 90 days after the municipality's or governing board's first meeting.
- 1096       (d) Within 45 days of the creation date, the legislative body described in Subsection  
1097       (3)(a)(i) or the governing board described in Subsection (3)(b) shall select an  
1098       individual to serve as the director of the advisory committee described in this section  
1099       who has:
- 1100           (i) outstanding professional qualifications in the field of education;  
1101           (ii) a doctorate degree in education;  
1102           (iii) experience teaching in a classroom in a public school within the state; and  
1103           (iv) experience in administration in a public school or school district within the state.
- 1104       (e) The director shall select the following three individuals to serve on an advisory  
1105       committee with the director:
- 1106           (i) an individual who has:
- 1107                   (A) experience managing a governmental entity within the state; and  
1108                   (B) a master's degree in business or public administration;
- 1109           (ii) an individual who:
- 1110                   (A) has an advanced accounting degree; or  
1111                   (B) is a certified public accountant; and
- 1112           (iii) an individual who:
- 1113                   (A) is licensed to practice law in the state; and  
1114                   (B) has experience with local school boards and Title 53G, Public Education  
1115                   System -- Local Administration.
- 1116       (f) The following may not be the director of the advisory committee or a member of the  
1117       advisory committee:
- 1118           (i) an appointed or elected official of a municipality within the divided district;  
1119           (ii) an employee of a municipality within the divided district; or

- 1120 (iii) an employee of the divided district.
- 1121 (g)(i) The legislative body or bodies described in Subsection (3)(a) shall set  
1122 compensation and contractual terms or terms of employment for the director of the  
1123 advisory committee.
- 1124 (ii) The director of the advisory committee shall set compensation and contractual  
1125 terms or terms of employment for the members of the advisory committee.
- 1126 (h) The advisory committee may, on behalf of a new school district or a reorganized new  
1127 school district:
- 1128 (i) expend funds for payroll, professional services, leases, software, hardware, and  
1129 other operating expenses;
- 1130 (ii) employ or otherwise engage the services of employees and contractors, including  
1131 lobbyists, certified public accountants, accountants, architects, attorneys,  
1132 information technology professionals, construction contractors, education  
1133 professionals, teacher training or retention professionals, and other consultants;
- 1134 (iii) set compensation for each employee and contractor that the advisory committee  
1135 hires;
- 1136 (iv) lobby;
- 1137 (v) establish payroll services, employee benefits, insurance, health savings accounts,  
1138 flexible spending accounts, and retirement accounts through public and other  
1139 retirement and investment services;
- 1140 (vi) lease office space;
- 1141 (vii) open bank and depository accounts;
- 1142 (viii) temporarily exercise the rights of a local school board to bring and maintain  
1143 actions under Section 53G-3-306;
- 1144 (ix) obtain a copy of the inventory described in Subsection (4)(a) from the Office of  
1145 the Legislative Auditor General; and
- 1146 (x) perform other acts the governing board or relevant municipal legislative body or  
1147 bodies direct.
- 1148 (i) The local school board of the new school district or reorganized new school district  
1149 shall ratify any agreement into which the governing board, the director of the  
1150 advisory committee, or the advisory committee enters.
- 1151 (j)(i) When the members of the local school board of the new school district or  
1152 reorganized new school district begin the members' terms of office:
- 1153 (A) the advisory committee shall report to the local school board; and

- 1154 (B) the governing board described in Subsection (3)(b) is dissolved.
- 1155 (ii) Upon appointment of the district superintendent for a new school district or a
- 1156 reorganized new school district, the superintendent shall:
- 1157 (A) oversee the director of the advisory committee and the advisory committee;
- 1158 and
- 1159 (B) dissolve the advisory committee on or before the allocation date.
- 1160 ~~[(2)]~~ (4)(a) The divided school district local school board shall~~[-]~~ :
- 1161 (i) within 60 days after the creation date[;]
- 1162 [(i)] prepare an initial inventory of the divided school district's:
- 1163 (A) assets, both tangible and intangible, real and personal; and
- 1164 (B) liabilities;~~[-and]~~
- 1165 [(ii) deliver a copy of the inventory to the Office of the Legislative Auditor
- 1166 General.]
- 1167 (ii) on or before May 10 of the year following the creation date:
- 1168 (A) prepare a detailed asset inventory, with records, of the divided school district's
- 1169 assets and the location of each associated property, discretionary asset,
- 1170 nondiscretionary asset, and physical asset; and
- 1171 (B) prepare a detailed inventory of the divided school district's liabilities, with
- 1172 records, that includes a description of any liability, including an estimate cost
- 1173 to resolve the liability, for each associated property, discretionary asset,
- 1174 nondiscretionary asset, physical asset, and unresolved demands, claims, or suits
- 1175 with an estimated cost to resolve each liability;
- 1176 (iii) on or before October 1 of the year following the creation date, and every
- 1177 subsequent January 1, April 1, July 1, and October 1, until the allocation date,
- 1178 prepare a quarterly update including any change in the information required in the
- 1179 inventory and liability reports described in this Subsection (4)(a); and
- 1180 (iv) deliver the reports described in this Subsection (4)(a) to:
- 1181 (A) the Office of the Legislative Auditor General; and
- 1182 (B) each relevant advisory committee or the local school board of each relevant
- 1183 new school district and reorganized new school district.
- 1184 (b) Following the local school board election date described in Subsection ~~[(1)(a)]~~ (2)(a),
- 1185 the new school district and reorganized new school district local school boards shall:
- 1186 ~~[(i) request a copy of the inventory described in Subsection (2)(a) from the Office of~~
- 1187 ~~the Legislative Auditor General;]~~

- 1188            [(ii)] (i) in cooperation with the local school board of each new school district and  
 1189            reorganized new school district, determine the allocation of the divided school  
 1190            district's assets and, except for indebtedness under Section 53G-3-307, liabilities  
 1191            of the new school district and reorganized new school district in accordance with  
 1192            Subsection [(3)] (5);
- 1193            [(iii)] (ii) prepare a written report detailing the allocation under Subsection [(2)(b)(ii);  
 1194            and] (4)(b)(i);
- 1195            (iii) prepare a written report of the disposition of assets and liabilities upon which the  
 1196            local school boards could not agree; and
- 1197            (iv) deliver a copy of the written report to the Office of the Legislative Auditor  
 1198            General and the local school board of the divided school district[~~local board~~].
- 1199            (c) The new school district and reorganized new school district local boards shall  
 1200            determine the allocation under Subsection [(2)(b)] (4)(b) and deliver the report  
 1201            required under Subsection [(2)(b)] (4)(b) on or before July 1 of the year following the  
 1202            school board election date described in Subsection (2)(a), unless that deadline is  
 1203            extended by mutual agreement of the local school boards of the new school district  
 1204            and reorganized new school district[~~local boards~~].
- 1205            [(3)] (5)[(a) ~~As used in this Subsection (3):~~]
- 1206            [(i) ~~"Associated property" means furniture, equipment, or supplies located in or~~  
 1207            ~~specifically associated with a physical asset.~~]
- 1208            [(ii)(A) ~~"Discretionary asset or liability" means, except as provided in Subsection~~  
 1209            ~~(3)(a)(ii)(B), an asset or liability that is not tied to a specific project, school, student,~~  
 1210            ~~or employee by law or school district accounting practice.~~]
- 1211            [(B) ~~"Discretionary asset or liability" does not include a physical asset, associated~~  
 1212            ~~property, a vehicle, or bonded indebtedness.~~]
- 1213            [(iii)(A) ~~"Nondiscretionary asset or liability" means, except as provided in Subsection~~  
 1214            ~~(3)(a)(iii)(B), an asset or liability that is tied to a specific project, school, student, or~~  
 1215            ~~employee by law or school district accounting practice.~~]
- 1216            [(B) ~~"Nondiscretionary asset or liability" does not include a physical asset, associated~~  
 1217            ~~property, a vehicle, or bonded indebtedness.~~]
- 1218            [(iv) ~~"Physical asset" means a building, land, or water right together with revenue~~  
 1219            ~~derived from the lease or use of the building, land, or water right.~~]
- 1220            [(b)] (a) Except as provided under Subsection [(3)(e)] (5)(b), the new school district and  
 1221            reorganized new school district local school boards shall allocate all assets and

- 1222 liabilities the divided school district owns on the allocation date, both tangible and  
 1223 intangible, real and personal~~[as follows]~~ , allocating:
- 1224 (i) a physical asset, physical liability, and associated property asset ~~[shall be allocated]~~  
 1225 to the school district in which the physical asset is located;
- 1226 (ii) a discretionary asset or liability ~~[shall be allocated]~~ between the new school  
 1227 district and reorganized new school district in proportion to the student population  
 1228 of the school districts;
- 1229 (iii) vehicles used for pupil transportation~~[shall be allocated]~~:
- 1230 (A) according to the transportation needs of schools, as measured by the number  
 1231 and assortment of vehicles used to serve eligible state supported transportation  
 1232 routes serving schools within the new school district and the reorganized new  
 1233 school district; and
- 1234 (B) in a manner that gives each school district a fleet of vehicles for pupil  
 1235 transportation that is equivalent in terms of age, condition, and variety of  
 1236 carrying capacities; and
- 1237 (iv) other vehicles~~[shall be allocated]~~:
- 1238 (A) in proportion to the student population of the school districts; and  
 1239 (B) in a manner that gives each district a fleet of vehicles that is similar in terms  
 1240 of age, condition, and carrying capacities.
- 1241 ~~[(e)]~~ (b) By mutual agreement, the new school district and reorganized new school  
 1242 district local school boards may allocate an asset or liability in a manner different  
 1243 than the allocation method specified in Subsection ~~[(3)(b)]~~ (5)(a).
- 1244 ~~[(4)]~~ (6)~~[(a) As used in this Subsection (4):]~~
- 1245 (i) ~~"New school district startup costs" means the costs and expenses incurred by a new~~  
 1246 ~~school district in order to prepare to begin providing educational services on July 1 of~~  
 1247 ~~the second calendar year following the local school board election date described in~~  
 1248 ~~Subsection (1)(a)(i).]~~
- 1249 (ii) ~~"Reorganized new school district startup costs" means the costs and expenses that a~~  
 1250 ~~reorganized new school district incurs to make necessary adjustments to deal with the~~  
 1251 ~~impacts resulting from the creation of the new school district and to prepare to~~  
 1252 ~~provide educational services within the reorganized new school district once the new~~  
 1253 ~~school district begins providing educational services within the new school district.]~~
- 1254 (b) On or before January 1 of the year following the new local school board election  
 1255 date described in Subsection (1)(a)(i), the divided school district shall make the

- 1256 unassigned reserve funds from the ~~divided school district's general fund available for~~  
1257 ~~the use of the reorganized new school district and the new school district in~~  
1258 ~~proportion to the student enrollment of each new school district.]~~
- 1259 [(e) ~~The divided school district may make additional funds available for the use of the~~  
1260 ~~reorganized new school district and the new school district beyond the amount~~  
1261 ~~specified in Subsection (4)(b) through an interlocal agreement.]~~
- 1262 [(d) ~~The following may access and spend money made available under Subsection~~  
1263 ~~(4)(b):]~~
- 1264 [(i) ~~the reorganized new school district local school board; and]~~  
1265 [(ii) ~~the new school district local school board.]~~
- 1266 [(e) ~~The new school district and the reorganized new school district may use the money~~  
1267 ~~made available under Subsection (4)(b) to pay for the new school district and~~  
1268 ~~reorganized new school district startup costs.]~~
- 1269 (a) The divided school district board shall:
- 1270 (i) budget for and distribute a per-student amount, based on the most recent October 1  
1271 student enrollment count described in Section 53F-2-302 immediately preceding  
1272 the date of each payment, to each new school district and reorganized new school  
1273 district in proportion to the student enrollment within the geographical boundaries  
1274 of each district, in the amount of:
- 1275 (A) \$300 per student, paid on or before July 1 of the year following the creation  
1276 date;
- 1277 (B) \$200 per student, paid on or before July 1 of the year following the local  
1278 school board election date described in Subsection (2)(a); and
- 1279 (C) \$200 per student, paid on or before January 1 of the second year following the  
1280 local school board election date described in Subsection (2)(a); and
- 1281 (ii) beginning January 1, 2028, annually adjust the amounts described in Subsection  
1282 (6)(a)(i) to reflect the official inflation rate that the U.S. Bureau of Labor Statistics  
1283 establishes.
- 1284 (b) After the creation date, the divided school district shall make funds available to a  
1285 new school district or a reorganized new school district for the purchase,  
1286 refurbishing, or building of a physical asset, through an interlocal agreement:
- 1287 (i) that obligates the new school district or reorganized school district receiving the  
1288 funds to repay the funds on the allocation date; and
- 1289 (ii) with the written consent of the local school boards of each new school district and

- 1290 reorganized new school district or each advisory committee.
- 1291 (c) After the creation date, the local school boards of the new school district and
- 1292 reorganized new school district may issue one or more bonds or lease revenue bonds
- 1293 in accordance with Section 11-14-103, provided that:
- 1294 (i) the school district that issues the bond shall pay for an issued bond; and
- 1295 (ii) the bond is not subject to inclusion in the outstanding bonded indebtedness of the
- 1296 divided school district, as described in Section 53G-3-307.
- 1297 (d)(i) After the creation date, the local school board of the divided school district
- 1298 shall, at the request of the advisory committee of a new school district or a
- 1299 reorganized new school district and upon approval by any associated governing
- 1300 board, issue a general obligation bond and lease revenue bonds, in accordance
- 1301 with Section 11-14-103.
- 1302 (ii) The new school district or reorganized new school district requesting the bond
- 1303 under Subsection (6)(d)(i) shall enter into an interlocal agreement that:
- 1304 (A) requires the new school district or reorganized new school district requesting
- 1305 the bond to pay for the bond;
- 1306 (B) requires that the local school district requesting the bond receive the proceeds
- 1307 of the bond;
- 1308 (C) requires the written consent of each advisory committee of each new school
- 1309 district and reorganized new school district; and
- 1310 (D) prohibits the bond from inclusion in the outstanding bonded indebtedness of
- 1311 the divided school district, as described in Section 53G-3-307.
- 1312 (e) The following may access and spend funds made available under Subsections
- 1313 53G-3-301.3(9) and 53G-3-301.4(11) and under this Subsection (6):
- 1314 (i) for each reorganized new school district, the director of the advisory committee, a
- 1315 member of the advisory committee, and the local school board; and
- 1316 (ii) for each new school district, the director of the advisory committee, a member of
- 1317 the advisory committee, and the local school board.
- 1318 [(5)] (7)(a) The divided school district shall transfer title or, if applicable, partial title of
- 1319 property to the new school district and the reorganized new school district in
- 1320 accordance with the allocation of property as stated in the report under Subsection [
- 1321 (2)(b)(iii)] (4)(b)(ii).
- 1322 (b) The divided school district shall complete each transfer of title or, if applicable,
- 1323 partial title to real property and vehicles on or before one calendar year from the date

- 1324 of the local school board election date described in Subsection ~~[(1)(a)(i)]~~ (2)(a),  
 1325 except as that date is changed by the mutual agreement of:
- 1326 (i) the local school board of the divided school district;  
 1327 (ii) the local school board of the reorganized new school district; and  
 1328 (iii) the local school board of the new school district.
- 1329 (c) The divided school district shall complete the transfer of all property not included in  
 1330 Subsection ~~[(5)(b)]~~ (7)(b) on or before November 1 of the ~~[-alendar]~~ year following  
 1331 the local school board election date described in Subsection ~~[(1)(a)(i)]~~ (2)(a).
- 1332 ~~[(6)]~~ (d) Except as provided in Subsection ~~[(5)]~~ (7), a divided school district may not  
 1333 transfer or agree to transfer title to district property, including a vehicle, a  
 1334 discretionary asset, a non-discretionary asset, or associated property, beginning on  
 1335 the [day the new school district or reorganized new school district is created] creation  
 1336 date, without the prior consent of[:] the advisory committee or the local school board  
 1337 of each new school district or reorganized new school district.  
 1338 ~~[(a) the legislative body of the municipality in which the boundaries for the new~~  
 1339 ~~school district or reorganized new school district are entirely located; or]~~  
 1340 ~~[(b) the legislative bodies of all interlocal agreement participants in which the~~  
 1341 ~~boundaries of the new school district or reorganized new school district are~~  
 1342 ~~located.]~~
- 1343 (8)(a) Each advisory committee appointed under Subsection (3) shall:
- 1344 (i) issue the following written reports:
- 1345 (A) an asset and liability report that includes a proposed allocation of assets and  
 1346 liabilities, as described in Subsection (8)(b); and  
 1347 (B) a local school assessment report, as described in Subsection (8)(c);
- 1348 (ii) complete the reports in cooperation with each other relevant advisory committee;  
 1349 (iii) on or before February 15 of the year following the local school board election  
 1350 date, as described in Subsection (2)(a), present a copy of each report to the local  
 1351 school board of each new school district and reorganized new school district; and  
 1352 (iv) deliver a copy of each report to the Office of the Legislative Auditor General.
- 1353 (b) Each advisory committee shall ensure that an asset and liability report includes:
- 1354 (i) the location of, a description of, and applicable records for:
- 1355 (A) each physical asset;  
 1356 (B) each associated property;  
 1357 (C) each non-discretionary asset or liability;



- 1358 (D) each discretionary asset or liability;
- 1359 (E) each vehicle within the divided school district, as described in Subsection
- 1360 (6)(b);
- 1361 (F) each interlocal agreement between the divided school district and other
- 1362 governmental entities;
- 1363 (G) each vendor agreement for the divided school district;
- 1364 (H) each employee of the divided school district who is not assigned to a school,
- 1365 including a job description, current compensation, and any promised
- 1366 employment incentives;
- 1367 (I) each employment or other agreement involving compensation, benefits,
- 1368 bonuses, or severance of the divided school district;
- 1369 (J) all known and unresolved claims, rights, or causes of action or liabilities that a
- 1370 party has made or asserted against the divided school district, including each
- 1371 unresolved Title IX claim;
- 1372 (K) the policies and procedures of the divided school district and the district's
- 1373 local school board;
- 1374 (L) the divided school district's policies and practices regarding personnel,
- 1375 including salary schedules, benefits, and COBRA administration; and
- 1376 (M) any other item or record the advisory committee deems necessary;
- 1377 (ii) any cooperative agreements between each new local school board and other local
- 1378 school boards to provide educational services to use resources for the overall
- 1379 operation of the public school system, as described in Section 53G-3-202;
- 1380 (iii) a valuation from an independent third party, whom each advisory committee
- 1381 member mutually agrees to select, of:
- 1382 (A) each discretionary asset or liability; and
- 1383 (B) each bus and vehicle within the divided school district;
- 1384 (iv) a proposed allocation of the:
- 1385 (A) divided school district's assets and liabilities;
- 1386 (B) divided school district's outstanding bonded indebtedness, as described in
- 1387 Section 53G-3-307;
- 1388 (C) divided school district's outstanding and ongoing legal liabilities;
- 1389 (D) COBRA and other legal obligations related to employees of the divided
- 1390 school district;
- 1391 (E) retirement funds for employees of the divided school district;

- 1392           (F) disposition of bonds the divided school district approved but did not issue  
 1393           before the creation of the new school district or reorganized new school district  
 1394           based primarily on the representation made to the voters at the time of the bond  
 1395           election as described in Section 53G-3-307;  
 1396           (G) vehicles as described in Subsection (6)(b);  
 1397           (H) funds in any related divided school district foundation;  
 1398           (I) funds of the divided school district; and  
 1399           (J) any other remaining assets or liability of the divided school district; and  
 1400           (v) an overview of the disposition of assets and liabilities upon which the advisory  
 1401           committees could not agree.
- 1402           (c) Each advisory committee shall ensure that a local school assessment report includes  
 1403           the records for each school within the divided school district, including:  
 1404           (i) a list of each school containing the school's address and description;  
 1405           (ii) a list of employees who are currently assigned to each school within the divided  
 1406           school district, including employment description, compensation, and any  
 1407           promised employment incentives;  
 1408           (iii) a list of all employment or other agreements involving compensation, benefits,  
 1409           bonuses, or severance for each person assigned to each school within the divided  
 1410           school district;  
 1411           (iv) a list of students currently enrolled in each school, including each student's name,  
 1412           address, and grade level;  
 1413           (v) the grades, classes, and courses that each school provides, including specialty  
 1414           classes;  
 1415           (vi) the number of students in each class in each school;  
 1416           (vii) a list of teachers and local school administrators at each school who desire to  
 1417           continue employment with the new district; and  
 1418           (viii) any other item or record the advisory committee deems necessary.
- 1419           (d) On or before June 1 of the year following the creation date, the divided school  
 1420           district shall provide records associated with each report described in this section to  
 1421           the advisory board of each new school district and reorganized new school district.
- 1422           (9)(a)(i) On July 1 of the second year following the local school board election date  
 1423           described in Subsection (2)(a), the new school district or the reorganized new  
 1424           school district that receives title to the physical asset of the divided district main  
 1425           office that existed at the creation date shall become the successor district to the

- 1426 records of the divided school district.
- 1427 (ii) As described in Subsection 63G-2-206(1)(a), the successor district shall serve as a  
1428 repository of archives for purposes of historical preservation, administrative  
1429 maintenance, or destruction of all the divided district's books, accounts, and  
1430 records.
- 1431 (iii) Any computer system, including software, containing the divided district's  
1432 records is a non-discretionary asset of the successor district.
- 1433 (b)(i) A new school district or a reorganized new school district that makes a request  
1434 for records of the divided school district, except for records described in  
1435 Subsection (8), shall make a written request to the superintendent of the divided  
1436 school district.
- 1437 (ii) After receiving a request for a record under Subsection (9)(b)(i), the divided  
1438 district shall, as soon as reasonably possible but no later than 10 business days  
1439 after receiving the request unless the parties mutually agree on a different date:
- 1440 (A) approve the request and provide a copy of the record in each format the  
1441 divided school district possesses; or
- 1442 (B) if the divided district or the divided district's successor does not maintain the  
1443 requested record, notify the requester of the lack of the record and provide, if  
1444 known, the name and address of the governmental entity that maintains the  
1445 record.
- 1446 (c) On or before May 15 of the year following the creation date, the divided school  
1447 district and the advisory boards of each new school district and reorganized new  
1448 school district shall establish a joint policy relating to the production of private,  
1449 controlled, and protected records.
- 1450 (10)(a) Upon the creation date, a divided district may not, except by mutual agreement  
1451 of the local school boards or advisory committees of the new school district and  
1452 reorganized new school district:
- 1453 (i) destroy a school district record;
- 1454 (ii) enter into any employment agreement without including a statement providing  
1455 that the contract does not bind any new school district or reorganized new school  
1456 district;
- 1457 (iii) pay any severance or bonuses, issue a retirement package, or provide buy-out  
1458 compensation to any employee unless under a written agreement or policy that  
1459 was executed before the creation date; or

- 1460            (iv) increase compensation for any school district employee by more than 3%  
1461            annually.
- 1462            (b) Notwithstanding Subsection 53G-4-402(24), upon the creation of a new school  
1463            district or a reorganized new school district, a divided district may not, except by  
1464            mutual agreement of the local school boards or advisory committees of the new  
1465            school district and reorganized new school district:
- 1466            (i) close a school;  
1467            (ii) change the boundaries of a school;  
1468            (iii) create, change, relocate, or close a special enrollment program; or  
1469            (iv) alter, terminate, or change a bus route.
- 1470            (c) Any agreement or policy contrary to this Subsection (10) is void, including  
1471            retrospective operation to any agreement or policy that a new school district or  
1472            reorganized school district created after November 4, 2024.
- 1473            (11)(a) The local school boards of each new school district and reorganized new school  
1474            district shall:
- 1475            (i) jointly prepare a written wind-down plan for the divided school district;  
1476            (ii) on or before June 1 in the year following the local school board election date  
1477            described in Subsection (2)(a), adopt the wind-down plan; and  
1478            (iii) within five days after the date of the adoption of the wind-down plan, submit a  
1479            copy of the wind-down plan to:
- 1480            (A) the local school board of the divided school district; and  
1481            (B) the Office of the Legislative Auditor General.
- 1482            (b) The divided school district shall:
- 1483            (i) cooperate with the local school board of each new school district and reorganized  
1484            new school district in preparing the wind-down plan; and  
1485            (ii) comply with the adopted wind-down plan.
- 1486            (c) The local school boards described in Subsection (11)(a) shall ensure that the  
1487            wind-down plan includes records and a plan:
- 1488            (i) for the transfer of title to property as described in this section;  
1489            (ii) to preserve the divided school district records;  
1490            (iii) to ensure that the transfer of all of the divided school district records, as  
1491            described this section, occurs on or before the transfer date;  
1492            (iv) to ensure the preservation of the divided school district's records in the same  
1493            computer system the divided school district employed at the creation date;

- 1494 (v) to ensure the transfer of the passwords, codes, and security measures the divided  
1495 school district employed, as described in this section, on or before the allocation  
1496 date;
- 1497 (vi) to ensure the notification of employees of the divided, new, and reorganized new  
1498 school districts of the fact that no person may knowingly mutilate, destroy, or  
1499 otherwise damage any of the divided school district's books, accounts, or records;
- 1500 (vii) to protect and maintain software and software licenses that a new school district  
1501 or a reorganized new school district may use;
- 1502 (viii) for the physical transfer of each discretionary asset and vehicle from the divided  
1503 district to the new or the reorganized new school district, according to the  
1504 approved allocation of assets;
- 1505 (ix) for the transfer of any remaining assets from the divided school district to the  
1506 new school district or the reorganized new school district, according to the  
1507 approved allocation of assets;
- 1508 (x) for the transfer of any remaining liabilities from the divided school district to the  
1509 new school district or the reorganized new school district, according to the  
1510 approved allocation of liabilities;
- 1511 (xi) that outlines, beginning on July 1 of the year before a new school district  
1512 commences educational services, a monthly reduction of the divided school  
1513 district's workforce and expenses;
- 1514 (xii) that ensures that COBRA and other legal notices are provided to the employees  
1515 of the divided school district who are entitled to receive the notices;
- 1516 (xiii) describing the transfer of the divided school district's remaining funds to each  
1517 new school district and reorganized new school district, including the closing of  
1518 bank and depository accounts the divided school district holds;
- 1519 (xiv) for the notification of creditors, underwriters, financial institutions, bond  
1520 holders, or others, regarding the liabilities the divided school district transfers to  
1521 each new school district or reorganized new school district, according to the  
1522 approved allocation of liabilities;
- 1523 (xv) to ensure that each new school district and reorganized new school district pays  
1524 each district's own obligations and debts promptly upon transfer of liabilities;
- 1525 (xvi) to ensure the avoidance of payroll disruptions to employees;
- 1526 (xvii) to ensure there is no lapse of insurance coverage for unresolved claims of the  
1527 divided school district;

- 1528 (xviii) to ensure that each new school district and reorganized new district has  
1529 adequate insurance coverage; and
- 1530 (xix) that covers any issue regarding:
- 1531 (A) the transfers of assets and liabilities of the divided school district; and  
1532 (B) the winding down and dissolution of the divided school district.
- 1533 (d) If the local school boards of each new school district and reorganized new school  
1534 district do not reach an agreement for a wind-down plan under this Subsection (11),  
1535 each local school board shall:
- 1536 (i) present the board's own plan to the Office of the Legislative Auditor General on or  
1537 before May 1 in the year following the local school board election date described  
1538 in Subsection (2)(a); and
- 1539 (ii) include a description of the issues upon which the local school boards could not  
1540 agree.
- 1541 (12)(a) If a school district has not conducted a seismic safety evaluation in accordance  
1542 with Section 53G-4-608 within 10 years before the creation date, on or before  
1543 December 31 of the year following the creation date, the state auditor shall perform  
1544 the seismic safety study and evaluation of each school district building within the  
1545 divided school district:
- 1546 (i) with a construction date before the year 2000; and  
1547 (ii) that the divided school district uses as a school.
- 1548 (b) The state auditor shall ensure that:
- 1549 (i) a licensed structural engineer familiar with seismic codes conducts the seismic  
1550 safety evaluation described in Subsection (12)(a); and
- 1551 (ii) that the seismic safety evaluation provides an estimated cost for remediation or  
1552 replacement of each school district building that the evaluation determines to have  
1553 a seismic issue.
- 1554 (c) On or before December 31 of the year following the creation date, the state auditor  
1555 shall perform a deferred maintenance study of the divided district to determine:
- 1556 (i) a description and location of each deferred maintenance item within the divided  
1557 district; and
- 1558 (ii) the estimated cost to remediate each deferred maintenance item.
- 1559 (d) The state auditor shall deliver the studies described in this Subsection (12) to:
- 1560 (i) the local school board of each new school district and reorganized new school  
1561 district; and

- 1562 (ii) the Office of the Legislative Auditor General.
- 1563 (13) Unless otherwise specified in this section, the following bear all costs and expenses to  
 1564 create a new school district or a reorganized new school district and to comply with this  
 1565 section:
- 1566 (a) for costs that a new school district incurs, the new school district;  
 1567 (b) for costs that a reorganized new school district incurs, the reorganized new school  
 1568 district; and  
 1569 (c) for costs that a divided school district incurs, the divided school district, including  
 1570 the costs of producing records.

- 1571 (14) The Office of the Legislative Auditor General shall resolve any disagreements  
 1572 regarding:
- 1573 (a) the disposition of assets and liabilities of the divided school district;  
 1574 (b) the wind-down plan; and  
 1575 (c) the obligations of any party under this section.

1576 Section 13. Section **53G-3-303** is amended to read:

1577 **53G-3-303 (Effective upon governor's approval). New school district property**  
 1578 **tax -- Limitations.**

1579 (1) A new school district, created under Section 53G-3-301.1, 53G-3-301.3, ~~or~~  
 1580 53G-3-301.4, 53G-3-301.5, or 53G-3-301.6 and a reorganized new school district may  
 1581 not impose a property tax before the fiscal year in which the new school district and  
 1582 reorganized new school district assume responsibility for providing student instruction.

1583 (2)(a) If at the time a new school district created in accordance with Section  
 1584 53G-3-301.1, 53G-3-301.3, ~~or~~ 53G-3-301.4, 53G-3-301.5, or 53G-3-301.6 assumes  
 1585 responsibility for student instruction any portion of the territory within the new  
 1586 school district was subject to a levy ~~pursuant to~~ under Section 53F-8-301, the new  
 1587 school district's local school board may:

- 1588 (i) discontinue the levy for the new school district;  
 1589 (ii) impose a levy on the new school district as provided in Section 53F-8-301; or  
 1590 (iii) impose the levy on the new school district, subject to Subsection (2)(b).
- 1591 (b) If the new school district's local school board applies a levy to the new school district  
 1592 in accordance with Subsection (2)(a)(iii), the levy may not exceed the maximum  
 1593 duration or rate authorized by the voters of the divided school district at the time of  
 1594 the vote to create the new school district or that resulted in the creation of the  
 1595 reorganized new school district.

1596 Section 14. Section **53G-3-305** is amended to read:

1597 **53G-3-305 (Effective upon governor's approval). Redistricting -- Local school**  
 1598 **board membership.**

1599 (1) Upon the creation of a new school district or a reorganized new school district in  
 1600 accordance with Section 53G-3-301.1, 53G-3-301.3, ~~[or]~~53G-3-301.4, 53G-3-301.5, or  
 1601 53G-3-301.6, the applicable legislative body shall redistrict the affected school districts  
 1602 in accordance with Section 20A-14-201.

1603 (2) Except as provided in Section 53G-3-302, local school board membership in the  
 1604 affected school districts ~~[shall be determined under]~~ is subject to Title 20A, Chapter 14,  
 1605 Part 2, Election of Members of Local Boards of Education.

1606 Section 15. Section **53G-3-307** is amended to read:

1607 **53G-3-307 (Effective upon governor's approval). Tax to pay for indebtedness of**  
 1608 **divided school district.**

1609 (1) As used in ~~[Subsections (2) and (3)]~~ this section, "outstanding bonded indebtedness"  
 1610 means debt owed for a general obligation bond or lease revenue bond ~~[issued by]~~ that the  
 1611 divided school district issues:

1612 (a) before the creation of the new school district; or

1613 (b) in accordance with a mutual agreement of the local school boards of the reorganized  
 1614 new school district and the new school district under Subsection (4).

1615 (2) If the creation date of a new school district ~~[is created]~~ occurs on or after May 10, 2011,  
 1616 property within the new school district and the reorganized new school district is subject  
 1617 to the levy of a tax to pay the divided school district's outstanding bonded indebtedness  
 1618 as provided in Subsection (3).

1619 (3)(a) Except as provided in Subsection (3)(b), the local school board of the new school  
 1620 district and the local school board of the reorganized new school district shall impose  
 1621 a tax levy at a rate that:

1622 (i) generates from the combined districts the amount of revenue required each year to  
 1623 meet the outstanding bonded indebtedness of the divided school district; and

1624 (ii) is based on the yearly adjusted assessed value of the new school district and  
 1625 reorganized new school district as the State Tax Commission determines.

1626 (b) A local school board of a new school district may abate a property tax ~~[required to be~~  
 1627 ~~imposed under]~~ that Subsection (3)(a) requires the board to impose to the extent the  
 1628 new school district has money available to pay to the reorganized new school district  
 1629 the amount of revenue that ~~[would be generated]~~ the tax rate described in Subsection



1630 (3)(a) would generate within the new school district~~[ from the tax rate specified in~~  
 1631 ~~Subsection (3)(a)].~~

1632 (4)(a) The local school boards of the new school district and the reorganized new school  
 1633 district shall determine, by mutual agreement, the disposition of bonds ~~[approved but~~  
 1634 ~~not issued by]~~the divided school district approved but did not issue before the  
 1635 creation of the new school district and reorganized new school district based  
 1636 primarily on the representation made to the voters at the time of the bond election.

1637 (b) Before the local school boards make a determination~~[is made]~~ under Subsection  
 1638 (4)(a), a reorganized new school district may not issue the approved and unissued  
 1639 ~~bonds [approved but not issued before the creation of the new school district and~~  
 1640 ~~reorganized new school district]~~ described in Subsection (4)(a) if property in the new  
 1641 school district would be subject to the levy of a tax to pay the bonds.

1642 Section 16. Section **63G-2-203** is amended to read:

1643 **63G-2-203 (Effective upon governor's approval). Fees.**

1644 (1)(a) Subject to Subsection (5), a governmental entity may charge a reasonable fee to  
 1645 cover the governmental entity's actual cost of providing a record.

1646 (b) A fee under Subsection (1)(a) shall be approved by the governmental entity's  
 1647 executive officer.

1648 (2)(a) When a governmental entity compiles a record in a form other than that normally  
 1649 maintained by the governmental entity, the actual costs under this section may  
 1650 include the following:

1651 (i) the cost of staff time for compiling, formatting, manipulating, packaging,  
 1652 summarizing, or tailoring the record either into an organization or media to meet  
 1653 the person's request;

1654 (ii) the cost of staff time for search, retrieval, and other direct administrative costs for  
 1655 complying with a request; and

1656 (iii) in the case of fees for a record that is the result of computer output other than  
 1657 word processing, the actual incremental cost of providing the electronic services  
 1658 and products together with a reasonable portion of the costs associated with  
 1659 formatting or interfacing the information for particular users, and the  
 1660 administrative costs as set forth in Subsections (2)(a)(i) and (ii).

1661 (b) An hourly charge under Subsection (2)(a) may not exceed the salary of the lowest  
 1662 paid employee who, in the discretion of the custodian of records, has the necessary  
 1663 skill and training to perform the request.

- 1664 (3)(a) Fees shall be established as provided in this Subsection (3).
- 1665 (b) A governmental entity with fees established by the Legislature:
- 1666 (i) shall establish the fees defined in Subsection (2), or other actual costs associated
- 1667 with this section through the budget process; and
- 1668 (ii) may use the procedures of Section 63J-1-504 to set fees until the Legislature
- 1669 establishes fees through the budget process.
- 1670 (c) Political subdivisions shall establish fees by ordinance or written formal policy
- 1671 adopted by the governing body.
- 1672 (d) The judiciary shall establish fees by rules of the judicial council.
- 1673 (e) A governmental entity may not charge a fee for:
- 1674 (i) a request related to a feasibility study, as defined in Section 53G-3-102, regarding
- 1675 a school district; or
- 1676 (ii) a request regarding a school district described in Section 53G-3-302.
- 1677 (4) A governmental entity may fulfill a record request without charge and is encouraged to
- 1678 do so if it determines that:
- 1679 (a) releasing the record primarily benefits the public rather than a person;
- 1680 (b) the individual requesting the record is the subject of the record, or an individual
- 1681 specified in Subsection 63G-2-202(1) or (2); or
- 1682 (c) the requester's legal rights are directly implicated by the information in the record,
- 1683 and the requester is impecunious.
- 1684 (5)(a) As used in this Subsection (5), "media representative":
- 1685 (i) means a person who requests a record to obtain information for a story or report
- 1686 for publication or broadcast to the general public; and
- 1687 (ii) does not include a person who requests a record to obtain information for a blog,
- 1688 podcast, social media account, or other means of mass communication generally
- 1689 available to a member of the public.
- 1690 (b) A governmental entity may not charge a fee for:
- 1691 (i) reviewing a record to determine whether it is subject to disclosure, except as
- 1692 permitted by Subsection (2)(a)(ii);
- 1693 (ii) inspecting a record; or
- 1694 (iii) the first quarter hour of staff time spent in responding to a request under Section
- 1695 63G-2-204.
- 1696 (c) Notwithstanding Subsection (5)(b)(iii), a governmental entity is not prevented from
- 1697 charging a fee for the first quarter hour of staff time spent in responding to a request

- 1698 under Section 63G-2-204 if the person who submits the request:
- 1699 (i) is not a Utah media representative; and
- 1700 (ii) previously submitted a separate request within the 10-day period immediately
- 1701 before the date of the request to which the governmental entity is responding.
- 1702 (6)(a) A person who believes that there has been an unreasonable denial of a fee waiver
- 1703 under Subsection (4) may appeal the denial in the same manner as a person appeals
- 1704 when inspection of a public record is denied under Section 63G-2-205.
- 1705 (b) The adjudicative body hearing the appeal:
- 1706 (i) shall review the fee waiver de novo, but shall review and consider the
- 1707 governmental entity's denial of the fee waiver and any determination under
- 1708 Subsection (4); and
- 1709 (ii) has the same authority when a fee waiver or reduction is denied as it has when the
- 1710 inspection of a public record is denied.
- 1711 (7)(a) All fees received under this section by a governmental entity subject to
- 1712 Subsection (3)(b) shall be retained by the governmental entity as a dedicated credit.
- 1713 (b) Those funds shall be used to recover the actual cost and expenses incurred by the
- 1714 governmental entity in providing the requested record or record series.
- 1715 (8)(a) A governmental entity may require payment of past fees and future estimated fees
- 1716 before beginning to process a request if:
- 1717 (i) fees are expected to exceed \$50; or
- 1718 (ii) the requester has not paid fees from previous requests.
- 1719 (b) Any prepaid amount in excess of fees due shall be returned to the requester.
- 1720 (9) This section does not alter, repeal, or reduce fees established by other statutes or
- 1721 legislative acts.
- 1722 (10)(a) Notwithstanding Subsection (3)(c), fees for voter registration records shall be
- 1723 set as provided in this Subsection (10).
- 1724 (b) The lieutenant governor shall:
- 1725 (i) after consultation with county clerks, establish uniform fees for voter registration
- 1726 and voter history records that meet the requirements of this section; and
- 1727 (ii) obtain legislative approval of those fees by following the procedures and
- 1728 requirements of Section 63J-1-504.

1729 Section 17. **Effective Date.**

1730 This bill takes effect:

- 1731 (1) except as provided in Subsection (2), May 7, 2025; or

1732 (2) if approved by two-thirds of all members elected to each house:

1733 (a) upon approval by the governor;

1734 (b) without the governor's signature, the day following the constitutional time limit of  
1735 Utah Constitution, Article VII, Section 8; or

1736 (c) in the case of a veto, the date of veto override.

1737 Section 18. **Retrospective operation.**

1738 Section 53G-3-302 has retrospective operation to November 4, 2024.