

53A-2-105 Transfer of school property -- Indebtedness on transferred property.

- (1) If a transfer of a portion of one school district to another school district is approved under Section 53A-2-104, the state superintendent and the superintendents and presidents of the boards of education of each of the affected school districts shall determine the basis for a transfer of all school property reasonably and fairly allocable to that portion being transferred.
- (2)
 - (a) Title to property transferred vests in the transferee board of education.
 - (b) The transfer of a school building that is in operation at the time of determination shall be made at the close of a fiscal year.
 - (c) The transfer of all other school property shall be made five days after approval of the transfer of territory under Section 53A-2-104.
- (3)
 - (a) The individuals referred to in Subsection (1) shall determine the portion of bonded indebtedness and other indebtedness of the transferor board for which the transferred property remains subject to the levy of taxes to pay a proportionate share of the outstanding indebtedness of the transferor board.
 - (b) This is done by:
 - (i) determining the amount of the outstanding bonded indebtedness and other indebtedness of the transferor board of education;
 - (ii) determining the total taxable value of the property of the transferor district and the taxable value of the property to be transferred; and
 - (iii) calculating the portion of the indebtedness of the transferor board for which the transferred portion retains liability.
- (4)
 - (a) The agreement reflecting these determinations takes effect upon being filed with the State Board of Education.
 - (b) The transferred property remains subject to the levy of taxes to pay a proportionate share of the outstanding indebtedness of the transferor school board.
 - (c) The transferee school board may assume the obligation to pay the proportionate share of the transferor school board's indebtedness that has been determined under Subsection (3) to be the obligation of the transferred portion by the approval of a resolution by a majority of the qualified electors of the transferee school district at an election called and held for that purpose under Title 11, Chapter 14, Local Government Bonding Act.
- (5) If the transferee school district assumes the obligation to pay this proportionate share of the transferor school board's indebtedness, the transferee school board shall levy a tax in the whole of the transferee district, including the transferred portion, sufficient to pay the assumed indebtedness, and shall turn over the proceeds of the tax to the business administrator of the transferor board.
- (6) If the transferee school board does not assume this obligation, the transferee school board shall levy a tax on the transferred territory sufficient to pay the proportionate share of the indebtedness determined under this section, and shall turn over the proceeds of the tax to the business administrator of the transferor board.
- (7) For the purposes of school districts affected by repealed laws governing the annexation of an unincorporated area of a school district by a city which included what was formerly known as a city school district, transitions of unincorporated areas and property from the transferor district to the transferee district in progress on the effective date of this act shall revert to the boundaries and ownership prior to the initiation of annexation and may then proceed under this section and Section 53A-2-104.

Amended by Chapter 215, 2007 General Session