

53A-28-203 Fiscal solvency of school districts -- Duties of state treasurer and attorney general.

- (1) The state superintendent of public instruction shall:
 - (a) monitor the financial affairs and condition of each board in the state to evaluate each school board's financial solvency; and
 - (b) report immediately to the governor and state treasurer any circumstances suggesting that a school district will be unable to timely meet its debt service obligations and recommend a course of remedial action.
- (2)
 - (a) The state treasurer shall determine whether or not the financial affairs and condition of a board are such that it would be imprudent for the state to guarantee the bonds of that board.
 - (b) If the state treasurer determines that the state should not guarantee the bonds of that board, the state treasurer shall:
 - (i) prepare a determination of ineligibility; and
 - (ii) keep it on file in the office of the state treasurer.
 - (c) The state treasurer may remove a board from the status of ineligibility when a subsequent report or other information made available to the state treasurer evidences that it is no longer imprudent for the state to guarantee the bonds of that board.
- (3) Nothing in this section affects the state's guaranty of bonds of a board issued:
 - (a) before determination of ineligibility;
 - (b) after the eligibility of the board is restored; or
 - (c) under a certificate of eligibility issued under Section 53A-28-202.

Amended by Chapter 221, 2003 General Session