#### Effective 1/24/2018

# Chapter 3 School District Creation and Change

## Part 1 General Provisions

#### 53G-3-101 Title.

This chapter is known as "School District Creation and Change."

Enacted by Chapter 3, 2018 General Session

#### 53G-3-102 Definitions.

As used in this chapter:

- (1) "Allocation date" means:
  - (a) June 20 of the second calendar year after the local school board general election date described in Subsection 53G-3-302(3)(a)(i); or
  - (b) another date that the transition teams under Section 53G-3-302 mutually agree to.
- (2) "Canvass date" means the date of the canvass of an election under Subsection 53G-3-301(5) at which voters approve the creation of a new school district under Section 53G-3-302.
- (3) "Consolidation" means the merger of two or more school districts into a single administrative unit.
- (4) "Creation election date" means the date of the election under Subsection 53G-3-301(9) at which voters approve the creation of a new school district under Section 53G-3-302.
- (5) "Divided school district," "existing district," or "existing school district" means a school district from which a new district is created.
- (6) "New district" or "new school district" means a school district created under Section 53G-3-301 or 53G-3-302.
- (7) "Remaining district" or "remaining school district" means an existing district after the creation of a new district.
- (8) "Restructuring" means the transfer of territory from one school district to another school district.

Renumbered and Amended by Chapter 3, 2018 General Session

## Part 2 Miscellaneous Provisions

#### 53G-3-201 School districts.

School districts may be created, merged, dissolved, or their boundaries changed only as provided in this chapter.

Renumbered and Amended by Chapter 3, 2018 General Session

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

(1)

- (a) Each school district shall be controlled by its local school board and shall be independent of municipal and county governments.
- (b) The name of each school district created after May 1, 2000, shall comply with Subsection 17-50-103(2)(a).
- (2) The local school board shall have direction and control of all school property in the district and may enter into cooperative agreements with other local school boards to provide educational services that best utilize resources for overall operation of the public school system.

(3)

- (a) Each school district shall register and maintain the school district's registration as a limited purpose entity, in accordance with Section 67-1a-15.
- (b) A school district that fails to comply with Subsection (3)(a) or Section 67-1a-15 is subject to enforcement by the state auditor, in accordance with Section 67-3-1.

Amended by Chapter 252, 2023 General Session

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

- (1) The county legislative body shall:
  - (a) within 30 days after the creation, consolidation, division, or dissolution of a school district, file with the lieutenant governor:
    - (i) a copy of a notice of an impending boundary action, as defined in Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and
    - (ii) except in the case of a dissolution, a copy of an approved final local entity plat, as defined in Section 67-1a-6.5; and
  - (b) upon the lieutenant governor's issuance of a certificate of boundary action under Section 67-1a-6.5:
    - (i) if the school district is or, in the case of dissolution, was located within the boundary of a single county, submit to the recorder of that county:
      - (A) the original:
        - (I) notice of an impending boundary action;
        - (II) certificate of boundary action; and
        - (III) except in the case of dissolution, approved final local entity plat; and
      - (B) if applicable, a certified copy of the resolution approving the boundary action; or
    - (ii) if the school district is or, in the case of a dissolution, was located within the boundaries of more than a single county:
      - (A) submit to the recorder of one of those counties:
        - (I) the original of the documents listed in Subsections (1)(b)(i)(A)(I), (II), and (III); and
        - (II) if applicable, a certified copy of the resolution approving the boundary action; and
      - (B) submit to the recorder of each other county:
        - (I) a certified copy of the documents listed in Subsections (1)(b)(i)(A)(I), (II), and (III); and
        - (II) if applicable, a certified copy of the resolution approving the boundary action.

(2)

- (a) Upon the lieutenant governor's issuance of the certificate under Section 67-1a-6.5, the creation, consolidation, division, dissolution, or other change affecting the boundary of a new or existing school district that was the subject of the action has legal effect.
- (b)
  - (i) As used in this Subsection (2)(b), "affected area" means:

- (A) in the case of the creation of a school district, the area within the school district's boundary:
- (B) in the case of the consolidation of multiple school districts, the area within the boundary of each school district that is consolidated into another school district;
- (C) in the case of the division of a school district, the area within the boundary of the school district created by the division; and
- (D) in the case of an addition to an existing school district, the area added to the school district.
- (ii) The effective date of a boundary action, as defined in Section 17-23-20, for purposes of assessing property within the school district is governed by Section 59-2-305.5.
- (iii) Until the documents listed in Subsection (1)(b) are recorded in the office of the recorder of each county in which the property is located, a school district may not levy or collect a property tax on property within the affected area.

Renumbered and Amended by Chapter 3, 2018 General Session

## 53G-3-204 Notice before preparing or amending a long-range plan or acquiring certain property.

- (1) As used in this section:
  - (a) "Affected entity" means each county, municipality, special district under Title 17B, Limited Purpose Local Government Entities - Special Districts, special service district under Title 17D, Chapter 1, Special Service District Act, interlocal cooperation entity established under Title 11, Chapter 13, Interlocal Cooperation Act, and specified public utility:
    - (i) whose services or facilities are likely to require expansion or significant modification because of an intended use of land; or
    - (ii) that has filed with the school district a copy of the general or long-range plan of the county, municipality, special district, special service district, school district, interlocal cooperation entity, or specified public utility.
  - (b) "Specified public utility" means an electrical corporation, gas corporation, or telephone corporation, as those terms are defined in Section 54-2-1.

(2)

- (a) If a school district located in a county of the first or second class prepares a long-range plan regarding the school district's facilities proposed for the future or amends an already existing long-range plan, the school district shall, before preparing a long-range plan or amendments to an existing long-range plan, provide written notice, as provided in this section, of the school district's intent to prepare a long-range plan or to amend an existing long-range plan.
- (b) Each notice under Subsection (2)(a) shall:
  - (i) indicate that the school district intends to prepare a long-range plan or to amend a long-range plan, as the case may be;
  - (ii) describe or provide a map of the geographic area that will be affected by the long-range plan or amendments to a long-range plan;
  - (iii) be:
    - (A) sent to each county in whose unincorporated area and each municipality in whose boundaries is located the land on which the proposed long-range plan or amendments to a long-range plan are expected to indicate that the proposed facilities will be located;
    - (B) sent to each affected entity;
    - (C) sent to the Utah Geospatial Resource Center created in Section 63A-16-505;

- (D) sent to each association of governments, established pursuant to an interlocal agreement under Title 11, Chapter 13, Interlocal Cooperation Act, of which a county or municipality described in Subsection (2)(b)(iii)(A) is a member; and
- (E) published for the geographic area that will be affected by the proposed long-range plan, or amendments to a long-range plan, as a class A notice under Section 63G-30-102, for at least 30 days;
- (iv) with respect to the notice to counties and municipalities described in Subsection (2)(b)(iii) (A) and affected entities, invite them to provide information for the school district to consider in the process of preparing, adopting, and implementing the long-range plan or amendments to a long-range plan concerning:
  - (A) impacts that the use of land proposed in the proposed long-range plan or amendments to a long-range plan may have on the county, municipality, or affected entity; and
  - (B) uses of land that the county, municipality, or affected entity is planning or considering that may conflict with the proposed long-range plan or amendments to a long-range plan; and
- (v) include the address of an Internet website, if the school district has one, and the name and telephone number of an individual where more information can be obtained concerning the school district's proposed long-range plan or amendments to a long-range plan.

(3)

- (a) Except as provided in Subsection (3)(d), each school district intending to acquire real property in a county of the first or second class for the purpose of expanding the district's infrastructure or other facilities shall provide written notice, as provided in this Subsection (3), of the school district's intent to acquire the property if the intended use of the property is contrary to:
  - (i) the anticipated use of the property under the county or municipality's general plan; or
  - (ii) the property's current zoning designation.
- (b) Each notice under Subsection (3)(a) shall:
  - (i) indicate that the school district intends to acquire real property:
  - (ii) identify the real property; and
  - (iii) be sent to:
    - (A) each county in whose unincorporated area and each municipality in whose boundaries the property is located; and
    - (B) each affected entity.
- (c) A notice under this Subsection (3) is a protected record as provided in Subsection 63G-2-305(8).

(d)

- (i) The notice requirement of Subsection (3)(a) does not apply if the school district previously provided notice under Subsection (2) identifying the general location within the municipality or unincorporated part of the county where the property to be acquired is located.
- (ii) If a school district is not required to comply with the notice requirement of Subsection (3) (a) because of application of Subsection (3)(d)(i), the school district shall provide the notice specified in Subsection (3)(a) as soon as practicable after the school district's acquisition of the real property.

Amended by Chapter 16, 2023 General Session Amended by Chapter 435, 2023 General Session

53G-3-205 Rights of transferred employees -- Salary during first year -- Leave and tenure benefits.

- (1) If a school employee is transferred from one district to another because of district consolidation or restructuring, the employee's salary may not be less, during the first year after the transfer, than it would have been had the transfer not taken place.
- (2) The district to which an employee is transferred under Subsection (1) shall credit the employee with all accumulated leave and tenure recognized by the district from which the employee was transferred.
- (3) If the district to which an employee is transferred does not have a leave benefit which reasonably corresponds to one the employee seeks to transfer, that district shall compensate the employee for the benefit on the same basis as would have been done had the employee retired.

Renumbered and Amended by Chapter 3, 2018 General Session

# Part 3 Creating a New School District

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

- (1) A new school district may be created from one or more existing school districts, as provided in this section.
- (2) The process to create a new school district may be initiated:
  - (a) through a citizens' initiative petition;
  - (b) at the request of the local school board of the existing district or districts to be affected by the creation of the new district; or
  - (c) at the request of a city within the boundaries of the school district or at the request of interlocal agreement participants, pursuant to Section 53G-3-302.

(3)

- (a) An initiative petition submitted under Subsection (2)(a) shall be signed by registered voters residing within the geographical boundaries of the proposed new school district in an amount equal to at least 15% of all votes cast within the geographic boundaries of the proposed new school district for all candidates for president of the United States at the last regular general election at which a president of the United States was elected.
- (b) Each request or petition submitted under Subsection (2) shall:
  - (i) be filed with the clerk of each county in which any part of the proposed new school district is located;
  - (ii) indicate the typed or printed name and current residence address of each governing board member making a request, or registered voter signing a petition, as the case may be;
  - (iii) describe the proposed new school district boundaries; and
  - (iv) designate up to five signers of the petition or request as sponsors, one of whom shall be designated as the contact sponsor, with the mailing address and telephone number of each.
- (c) The process described in Subsection (2)(a) may only be initiated once during any four-year period.
- (d) A new district may not be formed under Subsection (2) if the student population of the proposed new district is less than 3,000 or the existing district's student population would be less than 3,000 because of the creation of the new school district.

(4)

(a)

- (i) A signer of a petition described in Subsection (2)(a) may withdraw or, once withdrawn, reinstate the signer's signature at any time before the filing of the petition by filing a written statement requesting for withdrawal or reinstatement with the county clerk no later than three business days after the day on which the petition is filed with the county clerk.
- (ii) A statement described in Subsection (4)(a)(i) shall comply with the requirements described in Subsection 20A-1-1003(2).
- (iii) The county clerk shall use the procedures described in Subsection 20A-1-1003(3) to determine whether to remove or reinstate an individual's signature from a petition after receiving a timely, valid statement.
- (b) For a petition described in Subsection (2)(a), the county clerk shall use the procedures described in Section 20A-1-1002 to determine whether the petition has been signed by the required number of registered voters residing within the geographical boundaries of the proposed new school district.
- (5) Within 45 days after the day on which a petition described in Subsection (2)(a) is filed, or five business days after the day on which a request described in Subsection (2)(b) or (c) is filed, the clerk of each county with which the request or petition is filed shall:
  - (a) determine whether the request or petition complies with Subsections (2) and (3), as applicable; and

(b)

- (i) if the county clerk determines that the request or petition complies with the applicable requirements:
  - (A) certify the request or petition and deliver the certified request or petition to the county legislative body; and
  - (B) mail or deliver written notification of the certification to the contact sponsor; or
- (ii) if the county clerk determines that the request or petition fails to comply with any of the applicable requirements, reject the request or petition and notify the contact sponsor in writing of the rejection and reasons for the rejection.

(6)

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

(b)

- (i) If the county clerk rejects a request or petition, the person that submitted the request or petition may amend the request or petition to correct the deficiencies for which the request or petition was rejected, and refile the request or petition.
- (ii) Subsection (3)(c) does not apply to a request or petition that is amended and refiled after having been rejected by a county clerk.
- (c) If, on or before December 1, a county legislative body receives a request from a local school board under Subsection (2)(b) or a petition under Subsection (2)(a) that is certified by the county clerk:
  - (i) the county legislative body shall appoint an ad hoc advisory committee, as provided in Subsection (7), on or before January 1;
  - (ii) the ad hoc advisory committee shall submit its report and recommendations to the county legislative body, as provided in Subsection (7), on or before July 1; and
  - (iii) if the legislative body of each county with which a request or petition is filed approves a proposal to create a new district, each legislative body shall submit the proposal to the respective county clerk to be voted on by the electors of each existing district at the regular general or municipal general election held in November.

(7)

- (a) The legislative body of each county with which a request or petition is filed shall appoint an ad hoc advisory committee to review and make recommendations on a request for the creation of a new school district submitted under Subsection (2)(a) or (b).
- (b) The advisory committee shall:
  - (i) seek input from:
    - (A) those requesting the creation of the new school district;
    - (B) the local school board and school personnel of each existing school district;
    - (C) those citizens residing within the geographical boundaries of each existing school district;
    - (D) the state board; and
    - (E) other interested parties;
  - (ii) review data and gather information on at least:
    - (A) the financial viability of the proposed new school district;
    - (B) the proposal's financial impact on each existing school district;
    - (C) the exact placement of school district boundaries; and
    - (D) the positive and negative effects of creating a new school district and whether the positive effects outweigh the negative if a new school district were to be created; and
  - (iii) make a report to the county legislative body in a public meeting on the committee's activities, together with a recommendation on whether to create a new school district.
- (8) For a request or petition submitted under Subsection (2)(a) or (b):
  - (a) The county legislative body shall provide for a 45-day public comment period on the report and recommendation to begin on the day the report is given under Subsection (7)(b)(iii).
  - (b) Within 14 days after the end of the comment period, the legislative body of each county with which a request or petition is filed shall vote on the creation of the proposed new school district.
  - (c) The proposal is approved if a majority of the members of the legislative body of each county with which a request or petition is filed votes in favor of the proposal.
  - (d) If the proposal is approved, the legislative body of each county with which a request or petition is filed shall submit the proposal to the county clerk to be voted on:
    - (i) by the legal voters of each existing school district affected by the proposal;
    - (ii) in accordance with the procedures and requirements applicable to a regular general election under Title 20A, Election Code; and
    - (iii) at the next regular general election or municipal general election, whichever is first.
  - (e) Creation of the new school district shall occur if a majority of the electors within both the proposed school district and each remaining school district voting on the proposal vote in favor of the creation of the new district.
  - (f) Each county legislative body shall comply with the requirements of Section 53G-3-203.
  - (g) If a proposal submitted under Subsection (2)(a) or (b) to create a new district is approved by the electors, the existing district's documented costs to study and implement the proposal shall be reimbursed by the new district.

(9)

- (a) If a proposal submitted under Subsection (2)(c) is certified under Subsection (5) or (6)(a), the legislative body of each county in which part of the proposed new school district is located shall submit the proposal to the respective clerk of each county to be voted on:
  - (i) by the legal voters residing within the proposed new school district boundaries;
  - (ii) in accordance with the procedures and requirements applicable to a regular general election under Title 20A, Election Code; and
  - (iii) at the next regular general election or municipal general election, whichever is first.

(b)

- (i) If a majority of the legal voters within the proposed new school district boundaries voting on the proposal at an election under Subsection (9)(a) vote in favor of the creation of the new district:
  - (A) each county legislative body shall comply with the requirements of Section 53G-3-203; and
  - (B) upon the lieutenant governor's issuance of the certificate under Section 67-1a-6.5, the new district is created.
- (ii) Notwithstanding the creation of a new district as provided in Subsection (9)(b)(i)(B):
  - (A) a new school district may not begin to provide educational services to the area within the new district until July 1 of the second calendar year following the local school board general election date described in Subsection 53G-3-302(3)(a)(i);
  - (B) a remaining district may not begin to provide educational services to the area within the remaining district until the time specified in Subsection (9)(b)(ii)(A); and
  - (C) each existing district shall continue, until the time specified in Subsection (9)(b)(ii)(A), to provide educational services within the entire area covered by the existing district.

Amended by Chapter 116, 2023 General Session

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

(1)

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

(b)

- (i) The determination of all matters relating to the scope, adequacy, and other aspects of a feasibility study under Subsection (1)(a) is within the exclusive discretion of the city's legislative body.
- (ii) An inadequacy of a feasibility study under Subsection (1)(a) may not be the basis of a legal action or other challenge to:
  - (A) an election for voter approval of the creation of a new school district; or
  - (B) the creation of the new school district.

(2)

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

(b)

- (i) In accordance with Section 53G-3-301, interlocal agreement participants under Subsection (2)(a) may submit a proposal for voter approval if:
  - (A) the interlocal agreement participants conduct a feasibility study prior to submitting the proposal to the county;
  - (B) the combined population within the proposed new school district boundaries is at least 50,000;

- (C) the new school district boundaries:
  - (I) are contiguous;
  - (II) do not completely surround or otherwise completely geographically isolate a portion of an existing school district that is not part of the proposed new school district from the remaining part of that existing school district, except as provided in Subsection (2)(d)(iii);
  - (III) include the entire boundaries of each participant city or town, except as provided in Subsection (2)(d)(ii); and
  - (IV) subject to Subsection (2)(b)(ii), do not cross county lines; and
- (D) the combined population within the proposed new school district of interlocal agreement participants that have entered into an interlocal agreement proposing to create a new school district is at least 80% of the total population of the proposed new school district.
- (ii) The determination of all matters relating to the scope, adequacy, and other aspects of a feasibility study under Subsection (2)(b)(i)(A), including whether to conduct a new feasibility study or revise a previous feasibility study due to a change in the proposed new school district boundaries, is within the exclusive discretion of the legislative bodies of the interlocal agreement participants that enter into an interlocal agreement to submit for voter approval a measure to create a new school district.
- (iii) An inadequacy of a feasibility study under Subsection (2)(b)(i)(A) may not be the basis of a legal action or other challenge to:
  - (A) an election for voter approval of the creation of a new school district; or
  - (B) the creation of the new school district.
- (iv) For purposes of determining whether the boundaries of a proposed new school district cross county lines under Subsection (2)(b)(i)(C)(IV):
  - (A) a municipality located in more than one county and entirely within the boundaries of a single school district is considered to be entirely within the same county as other participants in an interlocal agreement under Subsection (2)(a) if more of the municipality's land area and population is located in that same county than outside the county; and
  - (B) a municipality located in more than one county that participates in an interlocal agreement under Subsection (2)(a) with respect to some but not all of the area within the municipality's boundaries on the basis of the exception stated in Subsection (2)(d)(ii)(B) may not be considered to cross county lines.

(c)

- (i) A county may only participate in an interlocal agreement under this Subsection (2) for the unincorporated areas of the county.
- (ii) Boundaries of a new school district created under this section may include:
  - (A) a portion of one or more existing school districts; and
  - (B) a portion of the unincorporated area of a county, including a portion of a township.

(d)

- (i) As used in this Subsection (2)(d):
  - (A) "Isolated area" means an area that:
    - (I) is entirely within the boundaries of a municipality that, except for that area, is entirely within a school district different than the school district in which the area is located; and
    - (II) would, because of the creation of a new school district from the existing district in which the area is located, become completely geographically isolated.
  - (B) "Municipality's school district" means the school district that includes all of the municipality in which the isolated area is located except the isolated area.

- (ii) Notwithstanding Subsection (2)(b)(i)(C)(III), a municipality may be a participant in an interlocal agreement under Subsection (2)(a) with respect to some but not all of the area within the municipality's boundaries if:
  - (A) the portion of the municipality proposed to be included in the new school district would, if not included, become an isolated area upon the creation of the new school district; or

(B)

- (I) the portion of the municipality proposed to be included in the new school district is within the boundaries of the same school district that includes the other interlocal agreement participants; and
- (II) the portion of the municipality proposed to be excluded from the new school district is within the boundaries of a school district other than the school district that includes the other interlocal agreement participants.

(iii)

- (A) Notwithstanding Subsection (2)(b)(i)(C)(II), a proposal to create a new school district may be submitted for voter approval pursuant to an interlocal agreement under Subsection (2) (a), even though the new school district boundaries would create an isolated area, if:
  - (I) the potential isolated area is contiguous to one or more of the interlocal agreement participants;
  - (II) the interlocal participants submit a written request to the municipality in which the potential isolated area is located, requesting the municipality to enter into an interlocal agreement under Subsection (2)(a) that proposes to submit for voter approval a measure to create a new school district that includes the potential isolated area; and
  - (III) 90 days after a request under Subsection (2)(d)(iii)(A)(II) is submitted, the municipality has not entered into an interlocal agreement as requested in the request.
- (B) Each municipality receiving a request under Subsection (2)(d)(iii)(A)(II) shall hold one or more public hearings to allow input from the public and affected school districts regarding whether or not the municipality should enter into an interlocal agreement with respect to the potential isolated area.

(C)

- (I) This Subsection (2)(d)(iii)(C) applies if:
  - (Aa) a new school district is created under this section after a measure is submitted to voters based on the authority of Subsection (2)(d)(iii)(A); and
  - (Bb) the creation of the new school district results in an isolated area.
- (II) The isolated area shall, on July 1 of the second calendar year following the local school board general election date described in Subsection (3)(a)(i), become part of the municipality's school district.
- (III) Unless the isolated area is the only remaining part of the existing district, the process described in Subsection (4) shall be modified to:
  - (Aa) include a third transition team, appointed by the local school board of the municipality's school district, to represent that school district; and
  - (Bb) require allocation of the existing district's assets and liabilities among the new district, the remaining district, and the municipality's school district.
- (IV) The existing district shall continue to provide educational services to the isolated area until July 1 of the second calendar year following the local school board general election date described in Subsection (3)(a)(i).

(3)

- (a) If a proposal under this section is approved by voters:
  - (i) an election shall be held at the next regular general election to elect:

- (A) members to the local school board of the existing school district whose terms are expiring;
- (B) all members to the local school board of the new school district; and
- (C) all members to the local school board of the remaining district;
- (ii) the assets and liabilities of the existing school district shall be divided between the remaining school district and the new school district as provided in Subsection (5) and Section 53G-3-307:
- (iii) transferred employees shall be treated in accordance with Sections 53G-3-205 and 53G-3-308;

(iv)

- (A) an individual residing within the boundaries of a new school district at the time the new school district is created may, for six school years after the creation of the new school district, elect to enroll in a secondary school located outside the boundaries of the new school district if:
  - (I) the individual resides within the boundaries of that secondary school as of the day before the new school district is created; and
  - (II) the individual would have been eligible to enroll in that secondary school had the new school district not been created; and
- (B) the school district in which the secondary school is located shall provide educational services, including, if provided before the creation of the new school district, busing, to each individual making an election under Subsection (3)(a)(iv)(A) for each school year for which the individual makes the election; and
- (v) within one year after the new district begins providing educational services, the superintendent of each remaining district affected and the superintendent of the new district shall meet, together with the state superintendent, to determine if further boundary changes should be proposed in accordance with Section 53G-3-501.

(b)

- (i) The terms of the initial members of the local school board of the new district and remaining district shall be staggered and adjusted by the county legislative body so that approximately half of the local school board is elected every two years.
- (ii) The term of a member of the existing local school board, including a member elected under Subsection (3)(a)(i)(A), terminates on July 1 of the second year after the local school board general election date described in Subsection (3)(a)(i), regardless of when the term would otherwise have terminated.
- (iii) Notwithstanding the existence of a local school board for the new district and a local school board for the remaining district under Subsection (3)(a)(i), the local school board of the existing district shall continue, until the time specified in Subsection 53G-3-301(9)(b)(ii) (A), to function and exercise authority as a local school board to the extent necessary to continue to provide educational services to the entire existing district.
- (iv) An individual may simultaneously serve as or be elected to be a member of the local school board of an existing district and a member of the local school board of:
  - (A) a new district; or
  - (B) a remaining district.

(4)

- (a) Within 45 days after the canvass date for the election at which voters approve the creation of a new district:
  - (i) a transition team to represent the remaining district shall be appointed by the members of the existing local school board who reside within the area of the remaining district, in consultation with:

- (A) the legislative bodies of all municipalities in the area of the remaining district; and
- (B) the legislative body of the county in which the remaining district is located, if the remaining district includes one or more unincorporated areas of the county; and
- (ii) another transition team to represent the new district shall be appointed by:
  - (A) for a new district located entirely within the boundaries of a single city, the legislative body of that city; or
  - (B) for each other new district, the legislative bodies of all interlocal agreement participants.
- (b) The local school board of the existing school district shall, within 60 days after the canvass date for the election at which voters approve the creation of a new district:
  - (i) prepare an inventory of the existing district's:
    - (A) assets, both tangible and intangible, real and personal; and
    - (B) liabilities; and
  - (ii) deliver a copy of the inventory to each of the transition teams.
- (c) The transition teams appointed under Subsection (4)(a) shall:
  - (i) determine the allocation of the existing district's assets and, except for indebtedness under Section 53G-3-307, liabilities between the remaining district and the new district in accordance with Subsection (5);
  - (ii) prepare a written report detailing how the existing district's assets and, except for indebtedness under Section 53G-3-307, liabilities are to be allocated; and
  - (iii) deliver a copy of the written report to:
    - (A) the local school board of the existing district;
    - (B) the local school board of the remaining district; and
    - (C) the local school board of the new district.
- (d) The transition teams shall determine the allocation under Subsection (4)(c)(i) and deliver the report required under Subsection (4)(c)(ii) before August 1 of the year following the election at which voters approve the creation of a new district, unless that deadline is extended by the mutual agreement of:
  - (i) the local school board of the existing district; and
  - (ii)
    - (A) the legislative body of the city in which the new district is located, for a new district located entirely within a single city; or
    - (B) the legislative bodies of all interlocal agreement participants, for each other new district.

(e)

- (i) All costs and expenses of the transition team that represents a remaining district shall be borne by the remaining district.
- (ii) All costs and expenses of the transition team that represents a new district shall initially be borne by:
  - (A) the city whose legislative body appoints the transition team, if the transition team is appointed by the legislative body of a single city; or
  - (B) the interlocal agreement participants, if the transition team is appointed by the legislative bodies of interlocal agreement participants.
- (iii) The new district may, to a maximum of \$500,000, reimburse the city or interlocal agreement participants for:
  - (A) transition team costs and expenses; and
  - (B) startup costs and expenses incurred by the city or interlocal agreement participants on behalf of the new district.

(5)

(a) As used in this Subsection (5):

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

(ii)

- (A) "Discretionary asset or liability" means, except as provided in Subsection (5)(a)(ii)(B), an asset or liability that is not tied to a specific project, school, student, or employee by law or school district accounting practice.
- (B) "Discretionary asset or liability" does not include a physical asset, associated property, a vehicle, or bonded indebtedness.

(iii)

- (A) "Nondiscretionary asset or liability" means, except as provided in Subsection (5)(a)(iii)(B), an asset or liability that is tied to a specific project, school, student, or employee by law or school district accounting practice.
- (B) "Nondiscretionary asset or liability" does not include a physical asset, associated property, a vehicle, or bonded indebtedness.
- (iv) "Physical asset" means a building, land, or water right together with revenue derived from the lease or use of the building, land, or water right.
- (b) Except as provided in Subsection (5)(c), the transition teams appointed under Subsection (4) (a) shall allocate all assets and liabilities the existing district owns on the allocation date, both tangible and intangible, real and personal, to the new district and remaining district as follows:
  - (i) a physical asset and associated property shall be allocated to the school district in which the physical asset is located;
  - (ii) a discretionary asset or liability shall be allocated between the new district and remaining district in proportion to the student populations of the school districts;
  - (iii) a nondiscretionary asset shall be allocated to the school district where the project, school, student, or employee to which the nondiscretionary asset is tied will be located;
  - (iv) vehicles used for pupil transportation shall be allocated:
    - (A) according to the transportation needs of schools, as measured by the number and assortment of vehicles used to serve transportation routes serving schools within the new district and remaining district; and
    - (B) in a manner that gives each school district a fleet of vehicles for pupil transportation that is equivalent in terms of age, condition, and variety of carrying capacities; and
  - (v) other vehicles shall be allocated:
    - (A) in proportion to the student populations of the school districts; and
    - (B) in a manner that gives each district a fleet of vehicles that is similar in terms of age, condition, and carrying capacities.
- (c) By mutual agreement, the transition teams may allocate an asset or liability in a manner different than the allocation method specified in Subsection (5)(b).

(6)

- (a) As used in this Subsection (6):
  - (i) "New district startup costs" means:
    - (A) costs and expenses incurred by a new district in order to prepare to begin providing educational services on July 1 of the second calendar year following the local school board general election date described in Subsection (3)(a)(i); and
    - (B) the costs and expenses of the transition team that represents the new district.
  - (ii) "Remaining district startup costs" means:
    - (A) costs and expenses incurred by a remaining district in order to:
      - (I) make necessary adjustments to deal with the impacts resulting from the creation of the new district; and

- (II) prepare to provide educational services within the remaining district once the new district begins providing educational services within the new district; and
- (B) the costs and expenses of the transition team that represents the remaining district.

(b)

- (i) By January 1 of the year following the local school board general election date described in Subsection (3)(a)(i), the existing district shall make half of the undistributed reserve from its General Fund, to a maximum of \$9,000,000, available for the use of the remaining district and the new district, as provided in this Subsection (6).
- (ii) The existing district may make additional funds available for the use of the remaining district and the new district beyond the amount specified in Subsection (6)(b)(i) through an interlocal agreement.
- (c) The existing district shall make the money under Subsection (6)(b) available to the remaining district and the new district proportionately based on student population.
- (d) The money made available under Subsection (6)(b) may be accessed and spent by:
  - (i) for the remaining district, the local school board of the remaining district; and
  - (ii) for the new district, the local school board of the new district.

(e)

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

(7)

- (a) The existing district shall transfer title or, if applicable, partial title of property to the new school district in accordance with the allocation of property by the transition teams, as stated in the report under Subsection (4)(c)(ii).
- (b) The existing district shall complete each transfer of title or, if applicable, partial title to real property and vehicles by July 1 of the second calendar year following the local school board general election date described in Subsection (3)(a)(i), except as that date is changed by the mutual agreement of:
  - (i) the local school board of the existing district;
  - (ii) the local school board of the remaining district; and
  - (iii) the local school board of the new district.
- (c) The existing district shall complete the transfer of all property not included in Subsection (7)(b) by November 1 of the second calendar year after the local school board general election date described in Subsection (3)(a)(i).
- (8) Except as provided in Subsections (6) and (7), after the creation election date an existing school district may not transfer or agree to transfer title to district property without the prior consent of:
  - (a) the legislative body of the city in which the new district is located, for a new district located entirely within a single city; or
  - (b) the legislative bodies of all interlocal agreement participants, for each other new district.
- (9) This section does not apply to the creation of a new district initiated through a citizens' initiative petition or at the request of a local school board under Section 53G-3-301.

Amended by Chapter 293, 2019 General Session

### 53G-3-303 New school district property tax -- Limitations.

(1)

- (a) A new school district created under Section 53G-3-302 may not impose a property tax prior to the fiscal year in which the new school district assumes responsibility for providing student instruction.
- (b) The remaining school district retains authority to impose property taxes on the existing school district, including the territory of the new school district, until the fiscal year in which the new school district assumes responsibility for providing student instruction.

(2)

- (a) If at the time a new school district created pursuant to Section 53G-3-302 assumes responsibility for student instruction any portion of the territory within the new school district was subject to a levy pursuant to Section 53F-8-301, the new school district's board may:
  - (i) discontinue the levy for the new school district;
  - (ii) impose a levy on the new school district as provided in Section 53F-8-301; or
  - (iii) impose the levy on the new school district, subject to Subsection (2)(b).
- (b) If the new school district's board applies a levy to the new school district pursuant to Subsection (2)(a)(iii), the levy may not exceed the maximum duration or rate authorized by the voters of the existing district or districts at the time of the vote to create the new school district.

Renumbered and Amended by Chapter 3, 2018 General Session

### 53G-3-304 Property tax levies in new district and remaining district -- Distribution of property tax revenue.

- (1) Notwithstanding terms defined in Section 53G-3-102, as used in this section:
  - (a) "Divided school district" or "existing district" means a school district from which a new district is created.
  - (b) "New district" means a school district created under Section 53G-3-302 after May 10, 2011.
  - (c) "Property tax levy" means a property tax levy that a school district is authorized to impose, except:
    - (i) the minimum basic tax rate imposed under Section 53F-2-301;
    - (ii) a debt service levy imposed under Section 11-14-310; or
    - (iii) a judgment levy imposed under Section 59-2-1330.
  - (d) "Qualifying taxable year" means the calendar year in which a new district begins to provide educational services.
  - (e) "Remaining district" means an existing district after the creation of a new district.
- (2) A new district and remaining district shall continue to impose property tax levies that were imposed by the divided school district in the taxable year prior to the qualifying taxable year.
- (3) Except as provided in Subsection (6), a property tax levy that a new district and remaining district are required to impose under Subsection (2) shall be set at a rate that:
  - (a) is uniform in the new district and remaining district; and
  - (b) generates the same amount of revenue that was generated by the property tax levy within the divided school district in the taxable year prior to the qualifying taxable year.
- (4) The county treasurer of the county in which a property tax levy is imposed under Subsection (2) shall distribute revenues generated by the property tax levy to the new district and remaining district in proportion to the percentage of the divided school district's enrollment on the October 1 prior to the new district commencing educational services that were enrolled in schools currently located in the new district or remaining district.

(5) On or before March 31, a county treasurer shall distribute revenues generated by a property tax levy imposed under Subsection (2) in the prior calendar year to a new district and remaining district as provided in Subsection (4).

(6)

- (a) Subject to the notice and public hearing requirements of Section 59-2-919, a new district or remaining district may set a property tax rate higher than the rate required by Subsection (3), up to:
  - (i) the maximum rate, if any, allowed by law; or
  - (ii) the maximum rate authorized by voters for a voted local levy under Section 53F-8-301.
- (b) The revenues generated by the portion of a property tax rate in excess of the rate required by Subsection (3) shall be retained by the district that imposes the higher rate.

Amended by Chapter 7, 2023 General Session

### 53G-3-305 Redistricting -- Local school board membership.

- (1) Upon the creation of a new school district, the applicable legislative body shall redistrict the affected school districts in accordance with Section 20A-14-201.
- (2) Except as provided in Section 53G-3-302, local school board membership in the affected school districts shall be determined under Title 20A, Chapter 14, Part 2, Election of Members of Local Boards of Education.

Amended by Chapter 265, 2022 General Session

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

(1)

(a)

- (i) On July 1 of the year following the local school board elections for a new district created pursuant to a citizens' initiative petition or local school board request under Section 53G-3-301 and an existing district as provided in Section 53G-3-305, the local school board of the existing district shall convey and deliver to the local school board of the new district all school property which the new district is entitled to receive.
- (ii) Any disagreements as to the disposition of school property shall be resolved by the county legislative body.
- (iii) Subsection (1)(a)(ii) does not apply to disagreements between transition teams about the proper allocation of property under Subsection 53G-3-302(4).
- (b) An existing district shall transfer property to a new district created under Section 53G-3-302 in accordance with Section 53G-3-302.
- (2) Title vests in the new local school board, including all rights, claims, and causes of action to or for the property, for the use or the income from the property, for conversion, disposition, or withholding of the property, or for any damage or injury to the property.
- (3) The new local school board may bring and maintain actions to recover, protect, and preserve the property and rights of the district's schools and to enforce contracts.

Amended by Chapter 293, 2019 General Session

### 53G-3-307 Tax to pay for indebtedness of divided school district.

(1)

- (a) For a new district created prior to May 10, 2011, the local school boards of the remaining and new districts shall determine the portion of the divided school district's bonded indebtedness and other indebtedness for which the property within the new district remains subject to the levy of taxes to pay a proportionate share of the divided school district's outstanding indebtedness.
- (b) The proportionate share of the divided school district's outstanding indebtedness for which property within the new district remains subject to the levy of taxes shall be calculated by determining the proportion that the total assessed valuation of the property within the new district bears to the total assessed valuation of the divided school district:
  - (i) in the year immediately preceding the date the new district was created; or
  - (ii) at a time mutually agreed upon by the local school boards of the new district and the remaining district.
- (c) The agreement reflecting the determinations made under this Subsection (1) shall take effect upon being filed with the county legislative body and the state board.

(2)

- (a) Except as provided in Subsection (2)(b), the local school board of a new district created prior to May 10, 2011, shall levy a tax on property within the new district sufficient to pay the new district's proportionate share of the indebtedness determined under Subsection (1).
- (b) If a new district has money available to pay the new district's proportionate share of the indebtedness determined under Subsection (1), the new district may abate a property tax to the extent of money available.
- (3) As used in Subsections (4) and (5), "outstanding bonded indebtedness" means debt owed for a general obligation bond issued by the divided school district:
  - (a) prior to the creation of the new district; or
  - (b) in accordance with a mutual agreement of the local school boards of the remaining and new districts under Subsection (6).
- (4) If a new district is created on or after May 10, 2011, property within the new district and the remaining district is subject to the levy of a tax to pay the divided school district's outstanding bonded indebtedness as provided in Subsection (5).

(5)

- (a) Except as provided in Subsection (5)(b), the local school board of the new district and the local school board of the remaining district shall impose a tax levy at a rate that:
  - (i) generates from the combined districts the amount of revenue required each year to meet the outstanding bonded indebtedness of the divided school district; and
  - (ii) is uniform within the new district and remaining district.
- (b) A local school board of a new district may abate a property tax required to be imposed under Subsection (5)(a) to the extent the new district has money available to pay to the remaining district the amount of revenue that would be generated within the new district from the tax rate specified in Subsection (5)(a).

(6)

- (a) The local school boards of the remaining and new districts shall determine by mutual agreement the disposition of bonds approved but not issued by the divided school district before the creation of the new district based primarily on the representation made to the voters at the time of the bond election.
- (b) Before a determination is made under Subsection (6)(a), a remaining district may not issue bonds approved but not issued before the creation of the new district if property in the new district would be subject to the levy of a tax to pay the bonds.

Amended by Chapter 293, 2019 General Session

### 53G-3-308 Employees of a new district.

- (1) Upon the creation of a new district:
  - (a) an employee of an existing district who is employed at a school that is transferred to the new district shall become an employee of the new district; and
  - (b) the local school board of the new district shall:
    - (i) have discretion in the hiring of all other staff;
    - (ii) adopt the personnel policies and practices of the existing district, including salary schedules and benefits; and
    - (iii) enter into agreements with employees of the new district, or their representatives, that have the same terms as those in the negotiated agreements between the existing district and its employees.

(2)

- (a) Subject to Subsection (2)(b), an employee of a school district from which a new district is created who becomes an employee of the new district shall retain the same status as a career or provisional employee with accrued seniority and accrued benefits.
- (b) Subsection (2)(a) applies to:
  - (i) employees of an existing district who are transferred to a new district pursuant to Subsection (1)(a); and
  - (ii) employees of a school district from which a new district is created who are hired by the new district within one year of the date of the creation of the new district.
- (3) An employee who is transferred to a new district pursuant to Subsection (1)(a) and is rehired by the existing district within one year of the date of the creation of the new district shall, when rehired by the existing district, retain the same status as a career or provisional employee with accrued seniority and accrued benefits.

Amended by Chapter 293, 2019 General Session

# Part 4 Consolidating School Districts

53G-3-401 Consolidation of school districts -- Resolution by local school board members -- Petition by electors -- Certification of petition signatures -- Removal of signature -- Election.

- (1) Two or more school districts may unite and form a single school district in one of the following ways:
  - (a) a majority of the members of each of the local school boards of the affected districts shall approve and present to the county legislative body of the affected counties a resolution to consolidate the districts. Once this is done, consolidation shall be established under this chapter; or
  - (b) a majority of the members of the local school board of each affected district, or 15% of the registered voters in each of the affected districts, shall sign and present a petition to the county legislative body of each affected county. The question shall be voted upon at an election called for that purpose, which shall be the next general or municipal election. Consolidation shall occur if a majority of those voting on the question in each district favor consolidation.

- (2) If a registered voter petition is presented to the county legislative body under Subsection (1)(b):
  - (a) within three business days after the day on which the county legislative body receives the petition, the county legislative body shall provide the petition to the county clerk; and
  - (b) within 14 days after the day on which a county clerk receives a petition from the county legislative body, the county clerk shall:
    - (i) use the procedures described in Section 20A-1-1002 to determine whether the petition satisfies the requirements of Subsection (1)(b) for a registered voter petition;
    - (ii) certify on the petition whether each name is that of a registered voter in one of the affected districts; and
    - (iii) deliver the certified petition to the county legislative body.

(3)

- (a) A voter who signs a registered voter petition under Subsection (1)(b) may have the voter's signature removed from the petition by, no later than three business days after the day on which the county legislative body provides the petition to the county clerk, submitting to the county clerk a statement requesting that the voter's signature be removed.
- (b) A statement described in Subsection (3)(a) shall comply with the requirements described in Subsection 20A-1-1003(2).
- (c) The county clerk shall use the procedures described in Subsection 20A-1-1003(3) to determine whether to remove an individual's signature from a petition after receiving a timely, valid statement requesting removal of the signature.
- (4) The elections required under Subsection (1)(b) shall be conducted and the returns canvassed as provided by election laws.

Amended by Chapter 116, 2023 General Session

## 53G-3-402 Transfer of property to new school district -- Rights and obligations of new local school board -- Outstanding indebtedness -- Special tax.

- (1) On July 1 following the approval of the creation of a new school district under Section 53G-3-401, the local school boards of the former districts shall convey and deliver all school property to the local school board of the new district. Title vests in the new local school board. All rights, claims, and causes of action to or for the property, for the use or the income from the property, for conversion, disposition, or withholding of the property, or for any damage or injury to the property vest at once in the new local school board.
- (2) The new local school board may bring and maintain actions to recover, protect, and preserve the property and rights of the district schools and to enforce contracts.
- (3) The new local school board shall assume and be liable for all outstanding debts and obligations of each of the former school districts.
- (4) All of the bonded indebtedness, outstanding debts, and obligations of a former district, which cannot be reasonably paid from the assets of the former district, shall be paid by a special tax levied by the new local school board as needed. The tax shall be levied upon the property within the former district which was liable for the indebtedness at the time of consolidation. If bonds are approved in the new district under Section 53G-4-603, the special tax shall be discontinued and the bonded indebtedness paid as any other bonded indebtedness of the new district.
- (5) Bonded indebtedness of a former district which has been refunded shall be paid in the same manner as that which the new district assumes under Section 53G-4-602.
- (6) State funds received by the new district under Section 53F-3-202 may be applied toward the payment of outstanding bonded indebtedness of a former district in the same proportion as

the bonded indebtedness of the territory within the former district bears to the total bonded indebtedness of the districts combined.

Amended by Chapter 293, 2019 General Session

#### 53G-3-403 School district consolidation -- State funding of consolidated districts.

When districts consolidate, payments made by the state under Title 53F, Public Education System -- Funding, shall continue for a period of five years from the date of consolidation on the same basis as if no consolidation had occurred. At the end of the five-year period, the consolidated district shall receive funding as a single district.

Renumbered and Amended by Chapter 3, 2018 General Session

### 53G-3-404 Additional levies -- Local school board options to abolish or continue after consolidation.

- (1) If a school district that has approved an additional levy under Section 53F-8-301 is consolidated with a district which does not have such a levy, the local school board of the consolidated district may choose to abolish the levy, or apply it in whole or in part to the entire consolidated district.
- (2) If the local school board chooses to apply any part of the levy to the entire district, the levy may continue in force for no more than three years, unless approved by the electors of the consolidated district in the manner set forth in Section 53F-8-301.

Amended by Chapter 293, 2019 General Session

# Part 5 Restructuring a School District

53G-3-501 Transfer of a portion of a school district -- State board resolution -- Local school board petition -- Elector petition -- Certification of petition signatures -- Removal of signature -- Transfer election.

- (1) Part of a school district may be transferred to another district in one of the following ways:
  - (a) presentation to the county legislative body of each of the affected counties of a resolution requesting the transfer, approved by at least four-fifths of the members of the local school board of each affected school district;
  - (b) presentation to the county legislative body of each affected county of a petition requesting that the voters vote on the transfer, signed by a majority of the members of the local school board of each affected school district; or
  - (c) presentation to the county legislative body of each affected county of a petition requesting that the voters vote on the transfer, signed by 15% of the registered voters in each of the affected school districts within that county.

(2)

(a) If an annexation of property by a city would result in its residents being served by more than one school district, then the presidents of the affected local school boards shall meet within 60 days prior to the effective date of the annexation to determine whether it would be

- advisable to adjust school district boundaries to permit all residents of the expanded city to be served by a single school district.
- (b) Upon conclusion of the meeting, the local school board presidents shall prepare a recommendation for presentation to their respective local school boards as soon as reasonably possible.
- (c) The local school boards may then initiate realignment proceedings under Subsection (1)(a) or (b).
- (d) If a local school board rejects realignment under Subsection (1)(a) or (b), the other local school board may initiate the following procedures by majority vote within 60 days of the vote rejecting realignment:

(i)

- (A) within 30 days after a vote to initiate these procedures, each local school board shall appoint one member to a boundary review committee; or
- (B) if the local school board becomes deadlocked in selecting the appointee under Subsection (2)(d)(i)(A), the local school board's chair shall make the appointment or serve as the appointee to the review committee.
- (ii) The two local school board-appointed members of the committee shall meet and appoint a third member of the committee.
- (iii) If the two local school board-appointed members are unable to agree on the appointment of a third member within 30 days after both are appointed, the state superintendent shall appoint the third member.
- (iv) The committee shall meet as necessary to prepare recommendations concerning resolution of the realignment issue, and shall submit the recommendations to the affected local school boards within six months after the appointment of the third member of the committee.
- (v) If a majority of the members of each local school board accepts the recommendation of the committee, or accepts the recommendation after amendment by the local school boards, then the accepted recommendation shall be implemented.
- (vi) If the committee fails to submit its recommendation within the time allotted, or if one local school board rejects the recommendation, the affected local school boards may agree to extend the time for the committee to prepare an acceptable recommendation or either local school board may request the state board to resolve the question.
- (vii) If the committee has submitted a recommendation which the state board finds to be reasonably supported by the evidence, the state board shall adopt the committee's recommendation.
- (viii) The decision of the state board is final.
- (3) If a registered voter petition is presented to the county legislative body under Subsection (1)(c):
  - (a) within three business days after the day on which the county legislative body receives the petition, the county legislative body shall provide the petition to the county clerk; and
  - (b) within 14 days after the day on which a county clerk receives a petition from the county legislative body, the county clerk shall:
    - (i) use the procedures described in Section 20A-1-1002 to determine whether the petition satisfies the requirements of Subsection (1)(c) for a registered voter petition;
    - (ii) certify on the petition whether each name is that of a registered voter in one of the affected districts; and
    - (iii) deliver the certified petition to the county legislative body.

(4)

(a) A voter who signs a registered voter petition under Subsection (1)(c) may have the voter's signature removed from the petition by, no later than three business days after the day on

- which the county legislative body provides the petition to the county clerk, submitting to the county clerk a statement requesting that the voter's signature be removed.
- (b) A statement described in Subsection (4)(a) shall comply with the requirements described in Subsection 20A-1-1003(2).
- (c) The county clerk shall use the procedures described in Subsection 20A-1-1003(3) to determine whether to remove an individual's signature from a petition after receiving a timely, valid statement requesting removal of the signature.

(5)

- (a) The voters of each affected district shall vote on the transfer requested under Subsection (1) (b) or (c) at an election called for that purpose, which may be the next general election.
- (b) The election shall be conducted and the returns canvassed as provided by election law.
- (c) A transfer is effected only if a majority of votes cast by the voters in both the proposed transferor district and in the proposed transferee district are in favor of the transfer.

Amended by Chapter 116, 2023 General Session

#### 53G-3-502 Transfer of school district property -- Indebtedness on transferred property.

(1) If a transfer of a portion of one school district to another school district is approved under Section 53G-3-501, the state superintendent and the superintendents and presidents of the local school boards 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 local school board.
- (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 53G-3-501.

(3)

- (a) The individuals referred to in Subsection (1) shall determine the portion of bonded indebtedness and other indebtedness of the transferror local school 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 local school board.
- (b) This is done by:
  - (i) determining the amount of the outstanding bonded indebtedness and other indebtedness of the transferor local school board;
  - (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 local school board for which the transferred portion retains liability.

(4)

- (a) The agreement reflecting these determinations takes effect upon being filed with the state board.
- (b) The transferred property remains subject to the levy of taxes to pay a proportionate share of the outstanding indebtedness of the transferor local school board.
- (c) The transferee local school board may assume the obligation to pay the proportionate share of the transferor local 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 local school board's indebtedness, the transferee local 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 local school board.
- (6) If the transferee local school board does not assume this obligation, the transferee local 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 local school 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 53G-3-501.

Amended by Chapter 293, 2019 General Session

### 53G-3-503 Additional levies in transferred territory -- Transferee local school board option to abolish or continue.

If two or more districts undergo restructuring that results in a district receiving territory that increases the population of the district by at least 25%, and if the transferred territory was, at the time of transfer, subject to an additional levy under Section 53F-8-301, the local school board of the transferee district may abolish the levy or apply the levy in whole or in part to the entire restructured district. Any such levy made applicable to the entire district may continue in force for no more than five years, unless approved by the electors of the restructured district in the manner set forth in Section 53F-8-301.

Amended by Chapter 293, 2019 General Session