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**CREATION OF SCHOOL DISTRICTS**

2001 GENERAL SESSION

STATE OF UTAH

**Sponsor: David N. Cox**

**This act modifies provisions related to the State System of Public Education by providing a mechanism for the creation of new school districts. The act provides for the transfer of property to and the assumption of indebtedness by the new school district and for the election of school board members. The act takes effect July 1, 2002.**

This act affects sections of Utah Code Annotated 1953 as follows:

ENACTS:

**53A-2-102.5**, Utah Code Annotated 1953

**53A-2-102.7**, Utah Code Annotated 1953

**53A-2-102.9**, Utah Code Annotated 1953

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

Section 1. Section **53A-2-102.5** is enacted to read:

**53A-2-102.5. Creation of new school district -- Resolution by school board members -- Petition by electors -- Election.**

(1) A new school district may be created from an existing school district if:

(a) 10% of the qualified electors from a geographical area within the district that contains at least one high school and its secondary and elementary feeder schools sign and present a petition to the county legislative body of the affected county to divide the school district into two new school districts;

(b) a copy of the petition or resolution is filed with the State Board of Education for review and assessment by the board, and the findings are published prior to the next general election; and

(c) the resolution or petition is voted on at the next general election, beginning with the general election held in the year 2004.

(2) The election required under Subsection (1)(c) shall be conducted in accordance with

28 Title 20A, Election Code.

29 (3) Creation of a new school district from an existing district shall occur if 60% of the  
30 electors within the existing school district voting on the question favor the creation of a new  
31 district.

32 (4) The petition or resolution voted on at the election shall include the following  
33 information:

34 (a) an accurate description of the proposed geographical boundaries of the new school  
35 districts;

36 (b) the assessed valuation of property within the affected districts; and

37 (c) the district's current bonded indebtedness.

38 Section 2. Section 53A-2-102.7 is enacted to read:

39 **53A-2-102.7. Transfer of property to new school district -- Rights and obligations**  
40 **of new school board -- Outstanding indebtedness.**

41 (1) (a) On July 1 following the approval of the creation of a new school district under  
42 Section 53A-2-102.5, the local school board of the district from which the new district was created  
43 shall convey and deliver to the school board of the new district all school property which the new  
44 district is entitled to receive.

45 (b) Title vests in the new school board, including all rights, claims, and causes of action  
46 to or for the property, for the use or the income from the property, for conversion, disposition, or  
47 withholding of the property, or for any damage or injury to the property.

48 (c) The new board may bring and maintain actions to recover, protect, and preserve the  
49 property and rights of the district's schools and to enforce contracts.

50 (d) The new board shall assume and be liable for all outstanding debts and obligations that  
51 attach to the transferred property.

52 (e) The intangible property of the existing school district shall be prorated between it and  
53 the new district on the same basis used to determine the amount of bonded indebtedness to be  
54 assumed by the new district.

55 (2) (a) If the existing school district has outstanding bonded indebtedness for the payment  
56 of principal and interest on the indebtedness at the time the new district is established, the  
57 indebtedness shall be prorated between the existing district and the new district in the same  
58 proportion as the assessed valuation of taxable property in the existing district bears to the assessed

59 valuation of taxable property in the new district.

60 (b) The valuation shall be determined according to the assessment rolls of the county in  
61 which the existing school district is located as they exist at the time of the establishment of the new  
62 district.

63 (c) The new district shall levy a tax on the property within the new district for the payment  
64 of its portion of the principal and interest on the indebtedness.

65 (d) Voter approval of the creation of the new district constitutes an approval of the  
66 assumption of indebtedness under this section.

67 Section 3. Section **53A-2-102.9** is enacted to read:

68 **53A-2-102.9. School board membership -- Elections -- Terms.**

69 (1) Upon the creation of a new school district under this chapter, the county legislative  
70 body, or municipal legislative body in a city district, shall reapportion the affected school districts  
71 pursuant to Section 20A-14-201.

72 (2) (a) Except as otherwise provided in this section, board membership in the affected  
73 school districts is determined under Sections 20A-1-511, 20A-14-201, and 20A-14-202.

74 (b) Current school board members who reside in either the existing or newly created  
75 school district shall serve out the remainder of their terms. The county or municipal legislative  
76 body shall call a special election for the purpose of electing additional members to the school  
77 board.

78 (c) (i) Three members of a five-member board and four members of a seven-member board  
79 in the affected districts shall serve initial terms of four years.

80 (ii) Two members of a five-member board and three members of a seven-member board  
81 in the affected districts shall serve initial terms of two years.

82 (iii) All subsequent terms are for four years.

83 Section 4. **Effective date.**

84 This act takes effect on July 1, 2002.

**Legislative Review Note**  
**as of 12-11-00 9:29 AM**

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

**Office of Legislative Research and General Counsel**