



House of Representatives *State of Utah*

UTAH STATE CAPITOL COMPLEX • 350 STATE CAPITOL
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February 2, 2011

Madam Speaker:

The Education Committee reports a favorable recommendation on **H.B. 195**, DEBT SERVICE OBLIGATIONS OF A DIVIDED SCHOOL DISTRICT, by Representative K. Sumsion, with the following amendments:

1. *Page 3, Lines 71 through 75:*

71 (2) ~~{The}~~ (a) Except as provided in Subsection (2)(b), the local school
board of [the] a ~~{remaining}~~ new district created prior to May 10,
2011 shall ~~{continue to}~~ levy a tax on
72 property within ~~{+}~~ the ~~{+}~~ ~~{a}~~ new district ~~{created prior to May 10,~~
2011} sufficient to pay the new
73 district's proportionate share of the indebtedness determined under [this section]
Subsection
74 (1) ~~{, and shall annually report the amount of the proceeds of the tax to the business~~
75 ~~administrator of the new district}~~ . =
(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.

2. *Page 3, Line 81 through Page 4, Line 93:*

81 (4) If a new district is created on or after May 10, 2011 ~~{;}~~ ;
82 ~~{(a)}~~ property within the new district and the remaining district is subject to the
levy of a
83 tax to pay the divided school district's outstanding bonded indebtedness ~~{; and}~~ as
provided in Subsection (5).
84 ~~{(b) the local school board of the remaining district shall:~~
85 —(i) levy a tax each taxable year on property within the new district and
remaining
86 district until the outstanding bonded indebtedness of the divided school district is
retired; and
87 —(ii) annually report the amount of the proceeds of the tax to the business

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administrator
88 of the new district. }

89 (5) ~~{The}~~ (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 ~~{under~~
90 Subsection (4)} at a rate that:
91 ~~{(a)}~~ (i) generates from the combined districts the amount of revenue
required each year to meet the outstanding bonded
92 indebtedness of the divided school district; and
93 ~~{(b)}~~ (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).

Respectfully,

Bill Wright
Committee Chair

Voting: 11-0-4

3 HB0195.HC1.WPD 2/2/11 3:09 pm /CCS AOS/CCS

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