

LOCAL SCHOOL BOARD BOND AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Daniel McCay

Senate Sponsor: Howard A. Stephenson

LONG TITLE

General Description:

This bill amends provisions related to local school board bond issuances.

Highlighted Provisions:

This bill:

▶ requires a local school board to:

- include a plan of finance in the voter information pamphlet for a bond election;
- ensure that the bond proceeds are used to complete projects in accordance with the plan of finance;

• post on the local school board's website certain information related to the plan of finance and the status of the projects;

▶ subject to certain conditions, including the ~~H~~→ [unanimous] ←~~H~~ approval of

~~H~~→ two-thirds of ←~~H~~ the local school

board, provides that a local school board may adjust the plan of finance for a bond

that has been authorized by an election; and

▶ provides a remedy for a registered voter if a local school board adjusts the plan of finance without obtaining the necessary local school board approval.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:



90 proposition as to whether to incur indebtedness, subject to conditions provided in Title 11,
 91 Chapter 14, Local Government Bonding Act, [~~under the following circumstances~~] if:

92 [~~(1) if~~] (a) the debts of the district are equal to school taxes and other estimated
 93 revenues for the school year, and it is necessary to create and incur additional indebtedness in
 94 order to maintain and support schools within the district; or

95 [~~(2)~~] (b) the local school board determines it advisable to issue school district bonds to
 96 purchase school sites, buildings, or furnishings or to improve existing school property.

97 (3) A local school board shall specify, in the voter information pamphlet for a bond
 98 election, a plan of finance, including:

99 (a) the specific project or projects for which a bond is to be issued; and

100 (b) a priority designation for each project.

101 (4) Except as provided in Subsection (5), a local school board shall ensure that
 102 qualifying general obligation bond proceeds are used to complete projects in accordance with
 103 the plan of finance described in Subsection (3).

104 (5) (a) ~~H→~~ **[With] After distribution to the public of the voter information pamphlet,**
 104a **with [unanimous] two-thirds majority ←H** approval of the local school board, a local school
 104b board may ~~H→~~ **upon a determination of compelling circumstances ←H**
 105 adjust the plan of finance described in Subsection (3) by:

106 (i) changing the priority designation of a project;

107 (ii) adding a project that was not listed in the voter information pamphlet; or

108 (iii) removing a project that was listed in the voter information pamphlet.

109 (b) A local school board may not vote on more than one adjustment described in
 110 Subsection (5)(a) per meeting.

111 (6) For a qualifying general obligation bond, a local school board shall post on the
 112 local school board's website:

113 (a) the plan of finance as described in the voter information pamphlet; and

114 (b) a progress report detailing the status of the projects listed in the plan of finance,
 115 including:

116 (i) the status of any construction contracts related to a project;

117 (ii) the bid amount;

118 (iii) the estimated and actual construction start date;

119 (iv) the estimated and actual construction end date; and

120 (v) the final cost.