

**SCHOOL DISTRICT MODIFICATIONS**

2014 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

House Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill amends certain provisions related to school districts.

**Highlighted Provisions:**

This bill:

- ▶ provides that a qualifying city or interlocal agreement participant may not submit for voter approval a measure to create a new school district unless the qualifying city or interlocal agreement participant files a petition signed by the registered voters in the proposed new school district equal in number to 10% of the number of voters within each voting precinct;

- ▶ extends the sunset date for capital local levy equalization provisions in a county of the first class to December 31, 2020;

- ▶ defines terms; and

- ▶ makes technical and conforming changes.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**53A-2-117**, as last amended by Laws of Utah 2011, Chapters 300 and 369



28 **53A-2-118**, as last amended by Laws of Utah 2010, Chapter 230  
 29 **53A-2-118.1**, as last amended by Laws of Utah 2011, Chapter 300  
 30 **53A-2-120**, as last amended by Laws of Utah 2011, Chapter 295  
 31 **63I-1-253**, as last amended by Laws of Utah 2012, Chapter 369

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

34 Section 1. Section **53A-2-117** is amended to read:

35 **53A-2-117. Definitions.**

36 As used in Sections **53A-2-117** through **53A-2-122**, except Section **53A-2-118.4**:

37 (1) "Allocation date" means:

38 (a) June 30 of the second calendar year after the local school board general election  
 39 date described in Subsection **53A-2-118.1**~~[(3)]~~(7)(a)(i); or

40 (b) another date that the transition teams under Section **53A-2-118.1** mutually agree to.

41 (2) "Canvass date" means the date of the canvass of an election under Subsection  
 42 **53A-2-118(5)** at which voters approve the creation of a new school district under Section  
 43 **53A-2-118.1**.

44 (3) "Creation election date" means the date of the election under Subsection  
 45 **53A-2-118(5)** at which voters approve the creation of a new school district under Section  
 46 **53A-2-118.1**.

47 (4) "Divided school district, "existing district," or "existing school district" means a  
 48 school district from which a new district is created.

49 (5) "New district" or "new school district" means a school district created under  
 50 Section **53A-2-118** or **53A-2-118.1**.

51 (6) "Remaining district" or "remaining school district" means an existing district after  
 52 the creation of a new district.

53 Section 2. Section **53A-2-118** is amended to read:

54 **53A-2-118. Creation of new school district -- Initiation of process -- Procedures**  
 55 **to be followed.**

56 (1) A new school district may be created from one or more existing school districts, as  
 57 provided in this section.

58 (2) (a) The process to create a new school district may be initiated:

- 59 (i) through a citizens' initiative petition;
- 60 (ii) at the request of the board of the existing district or districts to be affected by the
- 61 creation of the new district; or
- 62 (iii) at the request of a city within the boundaries of the school district or at the request
- 63 of interlocal agreement participants, pursuant to Section 53A-2-118.1.

64 (b) (i) Each petition submitted under Subsection (2)(a)(i) shall be signed by qualified

65 electors residing within the geographical boundaries of the proposed new school district equal

66 in number to at least 15% of the number of electors in the area who voted for the office of

67 governor at the last regular general election.

68 (ii) Each request or petition submitted under Subsection (2)(a) shall:

69 (A) be filed with the clerk of each county in which any part of the proposed new school

70 district is located;

71 (B) indicate the typed or printed name and current residence address of each governing

72 board member making a request, or registered voter signing a petition, as the case may be;

73 (C) describe the proposed new school district boundaries; and

74 (D) designate up to five signers of the petition or request as sponsors, one of whom

75 shall be designated as the contact sponsor, with the mailing address and telephone number of

76 each.

77 (c) A signer of a petition under Subsection (2)(a)(i) may withdraw or, once withdrawn,

78 reinstate the signer's signature at any time before the filing of the petition by filing a written

79 withdrawal or reinstatement with the county clerk.

80 (d) The process under Subsection (2)(a)(i) may only be initiated once during any

81 four-year period.

82 (e) A new district may not be formed pursuant to Subsection (2)(a) if the student

83 population of the proposed new district is less than 3,000 or the existing district's student

84 population would be less than 3,000 because of the creation of the new school district.

85 (f) Within 45 days after the filing of a petition under Subsection (2)(a)(i) or five

86 business days after the filing of a request under Subsection (2)(a)(ii) or (iii), the clerk of each

87 county with which a request or petition is filed shall:

88 (i) determine whether the request or petition complies with Subsections (2)(a), (b), (d),

89 and (e), as applicable; and

90 (ii) (A) if the county clerk determines that the request or petition complies with the  
91 applicable requirements:

92 (I) certify the request or petition and deliver the certified request or petition to the  
93 county legislative body; and

94 (II) mail or deliver written notification of the certification to the contact sponsor; or

95 (B) if the county clerk determines that the request or petition fails to comply with any  
96 of the applicable requirements, reject the request or petition and notify the contact sponsor in  
97 writing of the rejection and reasons for the rejection.

98 (g) If the county clerk fails to certify or reject a request or petition within the time  
99 specified in Subsection (2)(f), the request or petition shall be considered to be certified.

100 (h) (i) If the county clerk rejects a request or petition, the request or petition may be  
101 amended to correct the deficiencies for which it was rejected and then refiled.

102 (ii) Subsection (2)(d) does not apply to a request or petition that is amended and refiled  
103 after having been rejected by a county clerk.

104 (i) If a county legislative body receives a request from a school board under Subsection  
105 (2)(a)(ii) or a petition under Subsection (2)(a)(i) which is certified by the county clerk on or  
106 before December 1:

107 (i) the county legislative body shall appoint an ad hoc advisory committee, as provided  
108 by Subsection (3), on or before January 1;

109 (ii) the ad hoc advisory committee shall submit its report and recommendations to the  
110 county legislative body, as provided by Subsection (3), on or before July 1; and

111 (iii) if the legislative body of each county with which a request or petition is filed  
112 approves a proposal to create a new district, the proposal shall be submitted to the respective  
113 county clerk to be voted on by the electors of each existing district at the regular general or  
114 municipal general election held in November.

115 (3) (a) The legislative body of each county with which a request or petition is filed  
116 shall appoint an ad hoc advisory committee to review and make recommendations on a request  
117 for the creation of a new school district submitted under Subsection (2)(a)(i) or (ii).

118 (b) The advisory committee shall:

119 (i) seek input from:

120 (A) those requesting the creation of the new school district;

- 121 (B) the school board and school personnel of each existing school district;
- 122 (C) those citizens residing within the geographical boundaries of each existing school  
123 district;
- 124 (D) the State Board of Education; and
- 125 (E) other interested parties;
- 126 (ii) review data and gather information on at least:
  - 127 (A) the financial viability of the proposed new school district;
  - 128 (B) the proposal's financial impact on each existing school district;
  - 129 (C) the exact placement of school district boundaries; and
  - 130 (D) the positive and negative effects of creating a new school district and whether the  
131 positive effects outweigh the negative if a new school district were to be created; and
- 132 (iii) make a report to the county legislative body in a public meeting on the committee's  
133 activities, together with a recommendation on whether to create a new school district.
- 134 (4) For a request or petition submitted under Subsection (2)(a)(i) or (2)(a)(ii):
  - 135 (a) The county legislative body shall provide for a 45-day public comment period on  
136 the report and recommendation to begin on the day the report is given under Subsection  
137 (3)(b)(iii).
  - 138 (b) Within 14 days after the end of the comment period, the legislative body of each  
139 county with which a request or petition is filed shall vote on the creation of the proposed new  
140 school district.
  - 141 (c) The proposal is approved if a majority of the members of the legislative body of  
142 each county with which a request or petition is filed votes in favor of the proposal.
  - 143 (d) If the proposal is approved, the legislative body of each county with which a  
144 request or petition is filed shall submit the proposal to the county clerk to be voted on:
    - 145 (i) by the legal voters of each existing school district;
    - 146 (ii) in accordance with the procedures and requirements applicable to a regular general  
147 election under Title 20A, Election Code; and
    - 148 (iii) at the next regular general election or municipal general election, whichever is  
149 first.
  - 150 (e) Creation of the new school district shall occur if a majority of the electors within  
151 both the proposed school district and each remaining school district voting on the proposal vote

152 in favor of the creation of the new district.

153 (f) Each county legislative body shall comply with the requirements of Section  
154 53A-2-101.5.

155 (g) If a proposal submitted under Subsection (2)(a)(i) or (ii) to create a new district is  
156 approved by the electors, the existing district's documented costs to study and implement the  
157 proposal shall be reimbursed by the new district.

158 (5) (a) If a proposal submitted under Subsection (2)(a)(iii) is certified under Subsection  
159 (2)(f) or (g), the legislative body of each county in which part of the proposed new school  
160 district is located shall submit the proposal to the respective clerk of each county to be voted  
161 on:

- 162 (i) by the legal voters residing within the proposed new school district boundaries;
- 163 (ii) in accordance with the procedures and requirements applicable to a regular general  
164 election under Title 20A, Election Code; and
- 165 (iii) at the next regular general election or municipal general election, whichever is  
166 first.

167 (b) (i) If a majority of the legal voters within the proposed new school district  
168 boundaries voting on the proposal at an election under Subsection (5)(a) vote in favor of the  
169 creation of the new district:

170 (A) each county legislative body shall comply with the requirements of Section  
171 53A-2-101.5; and

172 (B) upon the lieutenant governor's issuance of the certificate under Section 67-1a-6.5,  
173 the new district is created.

174 (ii) Notwithstanding the creation of a new district as provided in Subsection  
175 (5)(b)(i)(B):

176 (A) a new school district may not begin to provide educational services to the area  
177 within the new district until July 1 of the second calendar year following the school board  
178 general election date described in Subsection 53A-2-118.1~~(3)~~(7)(a)(i);

179 (B) a remaining district may not begin to provide educational services to the area  
180 within the remaining district until the time specified in Subsection (5)(b)(ii)(A); and

181 (C) each existing district shall continue, until the time specified in Subsection  
182 (5)(b)(ii)(A), to provide educational services within the entire area covered by the existing

183 district.

184 Section 3. Section **53A-2-118.1** is amended to read:

185 **53A-2-118.1. Proposal initiated by a city or interlocal agreement participants to**  
 186 **create a school district -- Boundaries -- Election of local school board members --**  
 187 **Allocation of assets and liabilities -- Startup costs -- Transfer of title.**

188 ~~[(1) (a) After conducting a feasibility study, a city with a population of at least 50,000,~~  
 189 ~~as determined by the lieutenant governor using the process described in Subsection~~  
 190 ~~67-1a-2(3);]~~

191 (1) As used in this section:

192 (a) "Interlocal agreement participant" means a city of any class, a town, or a county,  
 193 together with one or more other cities, towns, or a county that have entered into an interlocal  
 194 agreement, in accordance with Title 11, Chapter 13, Interlocal Cooperation Act, for the purpose  
 195 of submitting for voter approval a measure to create a new school district.

196 (b) "Qualifying city" means a city with a population of at least 50,000, as determined  
 197 by the lieutenant governor using the process described in Subsection 67-1a-2(3).

198 (2) (a) A qualifying city may by majority vote of the legislative body, submit for voter  
 199 approval a measure to create a new school district with boundaries contiguous with that city's  
 200 boundaries, in accordance with Section 53A-2-118[-] if:

201 (i) the qualifying city files a petition with the clerk of each county in which any part of  
 202 the proposed new school district is located, in accordance with Subsection (5); and

203 (ii) prior to filing the petition, the qualifying city conducts a feasibility study.

204 (b) (i) The determination of all matters relating to the scope, adequacy, and other  
 205 aspects of a feasibility study [~~under Subsection (1)(a)~~] is within the exclusive discretion of the  
 206 city's legislative body.

207 (ii) An inadequacy of a feasibility study under Subsection [~~(1)(a)~~] (2)(a)(ii) may not be  
 208 the basis of a legal action or other challenge to:

209 (A) an election for voter approval of the creation of a new school district; or

210 (B) the creation of the new school district.

211 ~~[(2) (a) By majority vote of the legislative body, a city of any class, a town, or a county,~~  
 212 ~~may, together with one or more other cities, towns, or the county enter into an interlocal~~  
 213 ~~agreement, in accordance with Title 11, Chapter 13, Interlocal Cooperation Act, for the purpose~~

214 of submitting for voter approval a measure to create a new school district.]

215 [~~(b) (i) In accordance with Section 53A-2-118;~~]

216 (3) (a) Interlocal agreement participants may, by majority vote of the legislative bodies

217 of each of the interlocal agreement participants [~~under Subsection (2)(a) may~~], submit a

218 proposal for voter approval, in accordance with Section 53A-2-118 if:

219 [~~(A) the interlocal agreement participants conduct a feasibility study prior to submitting~~  
220 ~~the proposal to the county;~~]

221 (i) the interlocal agreement participants file a petition with the clerk of each county in  
222 which any part of the proposed new school district is located, in accordance with Subsection  
223 (5);

224 (ii) prior to filing a petition, the interlocal agreement participants conduct a feasibility  
225 study;

226 [~~(B)~~] (iii) the combined population within the proposed new school district boundaries  
227 is at least 50,000;

228 [~~(C)~~] (iv) the new school district boundaries:

229 [~~(D)~~] (A) are contiguous;

230 [~~(E)~~] (B) do not completely surround or otherwise completely geographically isolate a  
231 portion of an existing school district that is not part of the proposed new school district from  
232 the remaining part of that existing school district, except as provided in Subsection (2)(d)(iii);

233 [~~(F)~~] (C) include the entire boundaries of each participant city or town, except as  
234 provided in Subsection [~~(2)(d)(ii)~~] (4)(b); and

235 [~~(G)~~] (D) subject to Subsection [~~(2)(b)(ii)~~] (3)(d), do not cross county lines; and

236 [~~(H)~~] (v) the combined population within the proposed new school district of interlocal  
237 agreement participants that have entered into an interlocal agreement proposing to create a new  
238 school district is at least 80% of the total population of the proposed new school district.

239 [~~(i)~~] (b) The determination of all matters relating to the scope, adequacy, and other  
240 aspects of a feasibility study [~~under Subsection (2)(b)(i)(A)~~], including whether to conduct a  
241 new feasibility study or revise a previous feasibility study due to a change in the proposed new  
242 school district boundaries, is within the exclusive discretion of the legislative bodies of the  
243 interlocal agreement participants that enter into an interlocal agreement to submit for voter  
244 approval a measure to create a new school district.



245            ~~[(iii)]~~ (c) An inadequacy of a feasibility study under Subsection ~~[(2)(b)(i)(A)]~~ (3)(a)(ii)  
246 may not be the basis of a legal action or other challenge to:

247            ~~[(A)]~~ (i) an election for voter approval of the creation of a new school district; or

248            ~~[(B)]~~ (ii) the creation of the new school district.

249            ~~[(iv)]~~ (d) For purposes of determining whether the boundaries of a proposed new  
250 school district cross county lines under Subsection ~~[(2)(b)(i)(C)(IV)]~~ (3)(a)(iv)(D):

251            ~~[(A)]~~ (i) a municipality located in more than one county and entirely within the  
252 boundaries of a single school district is considered to be entirely within the same county as  
253 other participants in an interlocal agreement under this Subsection ~~[(2)(a)]~~ (3) if more of the  
254 municipality's land area and population is located in that same county than outside the county;  
255 and

256            ~~[(B)]~~ (ii) a municipality located in more than one county that participates in an  
257 interlocal agreement under this Subsection ~~[(2)(a)]~~ (3) with respect to some but not all of the  
258 area within the municipality's boundaries on the basis of the exception stated in Subsection  
259 ~~[(2)(d)(ii)(B)]~~ (4)(b)(ii) may not be considered to cross county lines.

260            ~~[(e)]~~ (e) (i) A county may only participate in an interlocal agreement under this  
261 Subsection ~~[(2)]~~ (3) for the unincorporated areas of the county.

262            (ii) Boundaries of a new school district created under this ~~[section]~~ Subsection (3) may  
263 include:

264            (A) a portion of one or more existing school districts; and

265            (B) a portion of the unincorporated area of a county, including a portion of a township.

266            ~~[(d)(i)]~~ (4) (a) As used in this Subsection ~~[(2)(d)]~~ (4):

267            ~~[(A)]~~ (i) "Isolated area" means an area that:

268            ~~[(B)]~~ (A) is entirely within the boundaries of a municipality that, except for that area, is  
269 entirely within a school district different than the school district in which the area is located;  
270 and

271            ~~[(B)]~~ (B) would, because of the creation of a new school district from the existing  
272 district in which the area is located, become completely geographically isolated.

273            ~~[(B)]~~ (ii) "Municipality's school district" means the school district that includes all of  
274 the municipality in which the isolated area is located except the isolated area.

275            ~~[(i)]~~ (b) Notwithstanding Subsection ~~[(2)(b)(i)(C)(H)]~~ (3)(a)(iv)(C), a municipality

276 may be a participant in an interlocal agreement under Subsection ~~[(2)(a)]~~ (3) with respect to  
277 some but not all of the area within the municipality's boundaries if:

278 ~~[(A)]~~ (i) the portion of the municipality proposed to be included in the new school  
279 district would, if not included, become an isolated area upon the creation of the new school  
280 district; or

281 ~~[(B)(F)]~~ (ii) (A) the portion of the municipality proposed to be included in the new  
282 school district is within the boundaries of the same school district that includes the other  
283 interlocal agreement participants; and

284 ~~[(H)]~~ (B) the portion of the municipality proposed to be excluded from the new school  
285 district is within the boundaries of a school district other than the school district that includes  
286 the other interlocal agreement participants.

287 ~~[(iii)(A)]~~ (c) (i) Notwithstanding Subsection ~~[(2)(b)(i)(C)(H)]~~ (3)(a)(iv)(B), a proposal  
288 to create a new school district may be submitted for voter approval pursuant to an interlocal  
289 agreement under Subsection ~~[(2)(a)]~~ (3), even though the new school district boundaries would  
290 create an isolated area, if:

291 ~~[(F)]~~ (A) the potential isolated area is contiguous to one or more of the interlocal  
292 agreement participants;

293 ~~[(H)]~~ (B) the interlocal participants submit a written request to the municipality in  
294 which the potential isolated area is located, requesting the municipality to enter into an  
295 interlocal agreement under Subsection ~~[(2)(a)]~~ (3) that proposes to submit for voter approval a  
296 measure to create a new school district that includes the potential isolated area; and

297 ~~[(H)]~~ (C) 90 days after a request under Subsection ~~[(2)(d)(iii)(A)(H)]~~ (4)(c)(i)(B) is  
298 submitted, the municipality has not entered into an interlocal agreement as requested in the  
299 request.

300 ~~[(B)]~~ (ii) Each municipality receiving a request under Subsection ~~[(2)(d)(iii)(A)(H)]~~  
301 (4)(c)(i)(B) shall hold one or more public hearings to allow input from the public and affected  
302 school districts regarding whether or not the municipality should enter into an interlocal  
303 agreement with respect to the potential isolated area.

304 ~~[(C)(F)]~~ (iii) (A) This Subsection ~~[(2)(d)(iii)(C)]~~ (4)(c)(iii) applies if:

305 ~~[(Aa)]~~ (I) a new school district is created under this section after a measure is  
306 submitted to voters based on the authority of Subsection ~~[(2)(d)(iii)(A)]~~ (4)(c)(i); and

307 ~~[(Bb)]~~ (II) the creation of the new school district results in an isolated area.

308 ~~[(H)]~~ (B) The isolated area shall, on July 1 of the second calendar year following the  
309 local school board general election date described in Subsection ~~[(3)]~~ (7)(a)(i), become part of  
310 the municipality's school district.

311 ~~[(H)]~~ (C) Unless the isolated area is the only remaining part of the existing district, the  
312 process described in Subsection ~~[(4)]~~ (8) shall be modified to:

313 ~~[(Aa)]~~ (I) include a third transition team, appointed by the local school board of the  
314 municipality's school district, to represent that school district; and

315 ~~[(Bb)]~~ (II) require allocation of the existing district's assets and liabilities among the  
316 new district, the remaining district, and the municipality's school district.

317 ~~[(IV)]~~ (D) The existing district shall continue to provide educational services to the  
318 isolated area until July 1 of the second calendar year following the local school board general  
319 election date described in Subsection ~~[(3)]~~ (7)(a)(i).

320 (5) A qualifying city or interlocal agreement participant shall ensure that a petition  
321 under this section:

322 (a) has been signed by the registered voters residing within the geographical boundaries  
323 of the proposed new school district equal in number to at least 10% of the number of voters  
324 within each voting precinct, according to the official voter registration list maintained by the  
325 county on the date the petition is filed;

326 (b) indicates the typed or printed name and current residence address of each registered  
327 voter signing the petition;

328 (c) describes the proposed new school district boundaries and includes an accurate plat  
329 or map, prepared by a licensed surveyor, showing the boundaries of the proposed new school  
330 district;

331 (d) describes the results of the feasibility study under Subsection (2)(a)(ii) or (3)(a)(ii);

332 (e) designates up to five signers of the petition as sponsors, one of whom shall be  
333 designated as the contact sponsor, with the mailing address and telephone number of each; and

334 (f) substantially complies with and is circulated in the following form:

335 PETITION FOR THE CREATION OF A NEW SCHOOL DISTRICT

336 We, the undersigned registered voters within the area described in this petition,  
337 respectfully petition the county legislative body to submit to the registered voters residing

338 within the area described in this petition, at the next regular general election, the question of  
339 whether the area should become a new school district. Each of the undersigned affirms that  
340 each has personally signed this petition and is a registered voter within the described area, and  
341 that the current residence address of each is correctly written after the signer's name. The area  
342 proposed to become a new school district is described as follows: (insert an accurate  
343 description of the area).

344 (6) (a) A county clerk that receives a petition under Subsection (2)(a)(i) or (3)(a)(i)  
345 shall review the petition within 45 days of filing to determine whether the petition meets the  
346 requirements under Subsection (5).

347 (b) If the county clerk fails to certify or reject a petition within the time specified in  
348 Subsection (6)(a), the petition shall be considered to be certified.

349 ~~[(3)]~~ (7) (a) If a proposal under this section is approved by voters in accordance with  
350 Section 53A-2-118:

351 (i) an election shall be held at the next regular general election to elect:

352 (A) members to the local school board of the existing school district whose terms are  
353 expiring;

354 (B) all members to the local school board of the new school district; and

355 (C) all members to the local school board of the remaining district;

356 (ii) the assets and liabilities of the existing school district shall be divided between the  
357 remaining school district and the new school district as provided in Subsection ~~[(5)]~~ (9) and  
358 Section 53A-2-121;

359 (iii) transferred employees shall be treated in accordance with Sections 53A-2-116 and  
360 53A-2-122;

361 (iv) (A) an individual residing within the boundaries of a new school district at the  
362 time the new school district is created may, for six school years after the creation of the new  
363 school district, elect to enroll in a secondary school located outside the boundaries of the new  
364 school district if:

365 (I) the individual resides within the boundaries of that secondary school as of the day  
366 before the new school district is created; and

367 (II) the individual would have been eligible to enroll in that secondary school had the  
368 new school district not been created; and

369 (B) the school district in which the secondary school is located shall provide  
370 educational services, including, if provided before the creation of the new school district,  
371 busing, to each individual making an election under Subsection [~~(3)~~] (7)(a)(iv)(A) for each  
372 school year for which the individual makes the election; and

373 (v) within one year after the new district begins providing educational services, the  
374 superintendent of each remaining district affected and the superintendent of the new district  
375 shall meet, together with the Superintendent of Public Instruction, to determine if further  
376 boundary changes should be proposed in accordance with Section 53A-2-104.

377 (b) (i) The terms of the initial members of the local school board of the new district and  
378 remaining district shall be staggered and adjusted by the county legislative body so that  
379 approximately half of the local school board is elected every two years.

380 (ii) The term of a member of the existing local school board, including a member  
381 elected under Subsection [~~(3)~~] (7)(a)(i)(A), terminates on July 1 of the second year after the  
382 local school board general election date described in Subsection [~~(3)~~] (7)(a)(i), regardless of  
383 when the term would otherwise have terminated.

384 (iii) Notwithstanding the existence of a local school board for the new district and a  
385 local school board for the remaining district under Subsection [~~(3)~~] (7)(a)(i), the local school  
386 board of the existing district shall continue, until the time specified in Subsection  
387 53A-2-118(5)(b)(ii)(A), to function and exercise authority as a local school board to the extent  
388 necessary to continue to provide educational services to the entire existing district.

389 (iv) A person may simultaneously serve as or be elected to be a member of the local  
390 school board of an existing district and a member of the local school board of:

391 (A) a new district; or

392 (B) a remaining district.

393 [~~(4)~~] (8) (a) Within 45 days after the canvass date for the election at which voters  
394 approve the creation of a new district:

395 (i) a transition team to represent the remaining district shall be appointed by the  
396 members of the existing local school board who reside within the area of the remaining district,  
397 in consultation with:

398 (A) the legislative bodies of all municipalities in the area of the remaining district; and

399 (B) the legislative body of the county in which the remaining district is located, if the

400 remaining district includes one or more unincorporated areas of the county; and  
401 (ii) another transition team to represent the new district shall be appointed by:  
402 (A) for a new district located entirely within the boundaries of a single city, the  
403 legislative body of that city; or  
404 (B) for each other new district, the legislative bodies of all interlocal agreement  
405 participants.  
406 (b) The local school board of the existing school district shall, within 60 days after the  
407 canvass date for the election at which voters approve the creation of a new district:  
408 (i) prepare an inventory of the existing district's:  
409 (A) assets, both tangible and intangible, real and personal; and  
410 (B) liabilities; and  
411 (ii) deliver a copy of the inventory to each of the transition teams.  
412 (c) The transition teams appointed under Subsection [~~4~~] (8)(a) shall:  
413 (i) determine the allocation of the existing district's assets and, except for indebtedness  
414 under Section 53A-2-121, liabilities between the remaining district and the new district in  
415 accordance with Subsection [~~5~~] (9);  
416 (ii) prepare a written report detailing how the existing district's assets and, except for  
417 indebtedness under Section 53A-2-121, liabilities are to be allocated; and  
418 (iii) deliver a copy of the written report to:  
419 (A) the local school board of the existing district;  
420 (B) the local school board of the remaining district; and  
421 (C) the local school board of the new district.  
422 (d) The transition teams shall determine the allocation under Subsection [~~4~~] (8)(c)(i)  
423 and deliver the report required under Subsection [~~4~~] (8)(c)(ii) before August 1 of the year  
424 following the election at which voters approve the creation of a new district, unless that  
425 deadline is extended by the mutual agreement of:  
426 (i) the local school board of the existing district; and  
427 (ii) (A) the legislative body of the city in which the new district is located, for a new  
428 district located entirely within a single city; or  
429 (B) the legislative bodies of all interlocal agreement participants, for each other new  
430 district.

431 (e) (i) All costs and expenses of the transition team that represents a remaining district  
432 shall be borne by the remaining district.

433 (ii) All costs and expenses of the transition team that represents a new district shall  
434 initially be borne by:

435 (A) the city whose legislative body appoints the transition team, if the transition team  
436 is appointed by the legislative body of a single city; or

437 (B) the interlocal agreement participants, if the transition team is appointed by the  
438 legislative bodies of interlocal agreement participants.

439 (iii) The new district may, to a maximum of \$500,000, reimburse the city or interlocal  
440 agreement participants for:

441 (A) transition team costs and expenses; and

442 (B) startup costs and expenses incurred by the city or interlocal agreement participants  
443 on behalf of the new district.

444 ~~[(5)]~~ (9) (a) As used in this Subsection ~~[(5)]~~ (9):

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

447 (ii) (A) "Discretionary asset or liability" means, except as provided in Subsection ~~[(5)]~~  
448 (9)(a)(ii)(B), an asset or liability that is not tied to a specific project, school, student, or  
449 employee by law or school district accounting practice.

450 (B) "Discretionary asset or liability" does not include a physical asset, associated  
451 property, a vehicle, or bonded indebtedness.

452 (iii) (A) "Nondiscretionary asset or liability" means, except as provided in Subsection  
453 ~~[(5)]~~ (9)(a)(iii)(B), an asset or liability that is tied to a specific project, school, student, or  
454 employee by law or school district accounting practice.

455 (B) "Nondiscretionary asset or liability" does not include a physical asset, associated  
456 property, a vehicle, or bonded indebtedness.

457 (iv) "Physical asset" means a building, land, or water right together with revenue  
458 derived from the lease or use of the building, land, or water right.

459 (b) Except as provided in Subsection ~~[(5)]~~ (9)(c), the transition teams appointed under  
460 Subsection ~~[(4)]~~ (8)(a) shall allocate all assets and liabilities the existing district owns on the  
461 allocation date, both tangible and intangible, real and personal, to the new district and

462 remaining district as follows:

463 (i) a physical asset and associated property shall be allocated to the school district in  
464 which the physical asset is located;

465 (ii) a discretionary asset or liability shall be allocated between the new district and  
466 remaining district in proportion to the student populations of the school districts;

467 (iii) a nondiscretionary asset shall be allocated to the school district where the project,  
468 school, student, or employee to which the nondiscretionary asset is tied will be located;

469 (iv) vehicles used for pupil transportation shall be allocated:

470 (A) according to the transportation needs of schools, as measured by the number and  
471 assortment of vehicles used to serve transportation routes serving schools within the new  
472 district and remaining district; and

473 (B) in a manner that gives each school district a fleet of vehicles for pupil  
474 transportation that is equivalent in terms of age, condition, and variety of carrying capacities;  
475 and

476 (v) other vehicles shall be allocated:

477 (A) in proportion to the student populations of the school districts; and

478 (B) in a manner that gives each district a fleet of vehicles that is similar in terms of age,  
479 condition, and carrying capacities.

480 (c) By mutual agreement, the transition teams may allocate an asset or liability in a  
481 manner different than the allocation method specified in Subsection [~~(5)~~] (9)(b).

482 [~~(6)~~] (10) (a) As used in this Subsection [~~(6)~~] (10):

483 (i) "New district startup costs" means:

484 (A) costs and expenses incurred by a new district in order to prepare to begin providing  
485 educational services on July 1 of the second calendar year following the local school board  
486 general election date described in Subsection [~~(3)~~] (7)(a)(i); and

487 (B) the costs and expenses of the transition team that represents the new district.

488 (ii) "Remaining district startup costs" means:

489 (A) costs and expenses incurred by a remaining district in order to:

490 (I) make necessary adjustments to deal with the impacts resulting from the creation of  
491 the new district; and

492 (II) prepare to provide educational services within the remaining district once the new



493 district begins providing educational services within the new district; and

494 (B) the costs and expenses of the transition team that represents the remaining district.

495 (b) (i) By January 1 of the year following the local school board general election date  
496 described in Subsection [~~(3)~~] (7)(a)(i), the existing district shall make half of the undistributed  
497 reserve from its General Fund, to a maximum of \$9,000,000, available for the use of the  
498 remaining district and the new district, as provided in this Subsection [~~(6)~~] (10).

499 (ii) The existing district may make additional funds available for the use of the  
500 remaining district and the new district beyond the amount specified in Subsection [~~(6)~~]  
501 (10)(b)(i) through an interlocal agreement.

502 (c) The existing district shall make the money under Subsection [~~(6)~~] (10)(b) available  
503 to the remaining district and the new district proportionately based on student population.

504 (d) The money made available under Subsection [~~(6)~~] (10)(b) may be accessed and  
505 spent by:

506 (i) for the remaining district, the local school board of the remaining district; and

507 (ii) for the new district, the local school board of the new district.

508 (e) (i) The remaining district may use its portion of the money made available under  
509 Subsection [~~(6)~~] (10)(b) to pay for remaining district startup costs.

510 (ii) The new district may use its portion of the money made available under Subsection  
511 [~~(6)~~] (10)(b) to pay for new district startup costs.

512 [~~(7)~~] (11) (a) The existing district shall transfer title or, if applicable, partial title of  
513 property to the new school district in accordance with the allocation of property by the  
514 transition teams, as stated in the report under Subsection [~~(4)~~] (8)(c)(ii).

515 (b) The existing district shall complete each transfer of title or, if applicable, partial  
516 title to real property and vehicles by July 1 of the second calendar year following the local  
517 school board general election date described in Subsection [~~(3)~~] (7)(a)(i), except as that date is  
518 changed by the mutual agreement of:

519 (i) the local school board of the existing district;

520 (ii) the local school board of the remaining district; and

521 (iii) the local school board of the new district.

522 (c) The existing district shall complete the transfer of all property not included in  
523 Subsection [~~(7)~~] (11)(b) by November 1 of the second calendar year after the local school board

524 general election date described in Subsection [~~(3)~~] (7)(a)(i).

525 [~~(8)~~] (12) Except as provided in Subsections [~~(6)~~] (10) and [~~(7)~~] (11), after the creation  
526 election date an existing school district may not transfer or agree to transfer title to district  
527 property without the prior consent of:

528 (a) the legislative body of the city in which the new district is located, for a new district  
529 located entirely within a single city; or

530 (b) the legislative bodies of all interlocal agreement participants, for each other new  
531 district.

532 [~~(9)~~] (13) This section does not apply to the creation of a new district initiated through  
533 a citizens' initiative petition or at the request of a local school board under Section 53A-2-118.

534 Section 4. Section 53A-2-120 is amended to read:

535 **53A-2-120. Transfer of school property to new school district.**

536 (1) (a) (i) On July 1 of the year following the school board elections for a new district  
537 created pursuant to a citizens' initiative petition or school board request under Section  
538 53A-2-118 and an existing district as provided in Section 53A-2-119, the board of the existing  
539 district shall convey and deliver to the board of the new district all school property which the  
540 new district is entitled to receive.

541 (ii) Any disagreements as to the disposition of school property shall be resolved by the  
542 county legislative body.

543 (iii) Subsection (1)(a)(ii) does not apply to disagreements between transition teams  
544 about the proper allocation of property under Subsection 53A-2-118.1[~~(4)~~](8).

545 (b) An existing district shall transfer property to a new district created under Section  
546 53A-2-118.1 in accordance with Section 53A-2-118.1.

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

550 (3) The new school board may bring and maintain actions to recover, protect, and  
551 preserve the property and rights of the district's schools and to enforce contracts.

552 Section 5. Section 63I-1-253 is amended to read:

553 **63I-1-253. Repeal dates, Titles 53, 53A, and 53B.**

554 The following provisions are repealed on the following dates:

- 555 (1) Section 53-3-232, Conditional licenses, is repealed July 1, 2015.
- 556 (2) Title 53A, Chapter 1a, Part 6, Public Education Job Enhancement Program is  
557 repealed July 1, 2020.
- 558 (3) The State Instructional Materials Commission, created in Section 53A-14-101, is  
559 repealed July 1, 2016.
- 560 (4) Subsections 53A-16-113(3) and (4) are repealed December 31, [~~2016~~] 2020.
- 561 (5) Section 53A-16-114 is repealed December 31, [~~2016~~] 2020.
- 562 (6) Section 53A-17a-163, Performance-based Compensation Pilot Program is repealed  
563 July 1, 2016.
- 564 (7) Subsection 53C-3-203(4)(b)(vii), which provides for the distribution of money  
565 from the Land Exchange Distribution Account to the Geological Survey for test wells, other  
566 hydrologic studies, and air quality monitoring in the West Desert, is repealed July 1, 2020.

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**Legislative Review Note**  
as of 1-29-14 2:42 PM

**Office of Legislative Research and General Counsel**