

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

182 **53A-2-118.1. Proposal initiated by a city or interlocal agreement participants to**  
 183 **create a school district -- Boundaries -- Election of local school board members --**  
 184 **Allocation of assets and liabilities -- Startup costs -- Transfer of title.**

185 (1) As used in this section a "qualifying city" means a city with a population of at least  
 186 50,000, as determined by the lieutenant governor using the process described in Subsection  
 187 67-1a-2(3).

188 ~~[(+)] (2) (a) [After conducting a feasibility study, a city with a population of at least~~  
 189 ~~50,000, as determined by the lieutenant governor using the process described in Subsection~~  
 190 ~~67-1a-2(3);] A qualifying city may, by majority vote of the legislative body, submit for voter~~  
 191 ~~approval a [measure] proposal to create a new school district with boundaries contiguous with~~  
 192 ~~that city's boundaries, in accordance with Section 53A-2-118.~~

193 (b) Prior to submitting for voter approval a proposal to create a new school district, a  
 194 qualifying city shall conduct a feasibility study in accordance with Subsection (4).

195 (c) Except as provided in Subsection (2)(d), a qualifying city may not submit for voter  
 196 approval a proposal to create a new school district if the results of a feasibility study described  
 197 in Subsection (2)(b) show that the five-year projected average annual revenue calculated under  
 198 Subsection (4)(a) exceeds the five-year projected average annual cost under Subsection (4)(b)  
 199 by more than 5%.

200 (d) Subsection (2)(c) does not apply to a proposal submitted by a qualifying city if the  
 201 qualifying city has entered into an interlocal cooperation agreement:

202 (i) ~~H→ [(A)] ←H~~ with the existing school district and all municipalities within the  
 202a existing school

203 district regarding mutual goals for the governance of the school district; and

204 ~~H→ [(B)] (ii) ←H~~ in accordance with Title 11, Chapter 13, Interlocal Cooperation Act  
 204a ~~H→ [; and~~

205 —— ~~(ii) on or before January 1, 2016] ←H~~ .

206 ~~[(b)] (e) (i) [The] Subject to Subsections (2)(c) and (4), the determination of all matters~~  
 207 relating to the scope, adequacy, and other aspects of a feasibility study [under Subsection  
 208 ~~(+)(a)] is within the exclusive discretion of the city's legislative body.~~

209 (ii) An inadequacy of a feasibility study under Subsection ~~[(+)(a)] (4) may not be the~~  
 210 basis of a legal action or other challenge to:

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

- 243 (A) ~~H→~~ ~~(H)~~ ~~←H~~ with the existing school district and all municipalities within the  
 243a existing school  
 244 district regarding mutual goals for the governance of the school district; and  
 245 ~~H→~~ ~~(H)~~ (B) ~~←H~~ in accordance with Title 11, Chapter 13, Interlocal Cooperation Act  
 245a ~~H→~~ ~~;~~ and  
 246 ~~—~~ ~~(B) on or before January 1, 2016~~ ~~←H~~ .  
 247 ~~(ii) The~~ (iii) Subject to Subsections (3)(b)(i)(A) and (4), the determination of all  
 248 matters relating to the scope, adequacy, and other aspects of a feasibility study ~~[under~~  
 249 Subsection (2)(b)(i)(A)], including whether to conduct a new feasibility study or revise a  
 250 previous feasibility study due to a change in the proposed new school district boundaries, is  
 251 within the exclusive discretion of the legislative bodies of the interlocal agreement participants  
 252 that enter into an interlocal agreement to submit for voter approval a measure to create a new  
 253 school district.  
 254 ~~(iii)~~ (iv) An inadequacy of a feasibility study under Subsection ~~[(2)(b)(i)(A)]~~ (4) may  
 255 not be the basis of a legal action or other challenge to:  
 256 (A) an election for voter approval of the creation of a new school district; or  
 257 (B) the creation of the new school district.  
 258 ~~(iv)~~ (v) For purposes of determining whether the boundaries of a proposed new  
 259 school district cross county lines under Subsection ~~[(2)(b)(i)(C)(IV)]~~ (3)(b)(i)(D)(IV):  
 260 (A) a municipality located in more than one county and entirely within the boundaries  
 261 of a single school district is considered to be entirely within the same county as other  
 262 participants in an interlocal agreement under Subsection ~~[(2)]~~ (3)(a) if more of the  
 263 municipality's land area and population is located in that same county than outside the county;  
 264 and  
 265 (B) a municipality located in more than one county that participates in an interlocal  
 266 agreement under Subsection ~~[(2)]~~ (3)(a) with respect to some but not all of the area within the  
 267 municipality's boundaries on the basis of the exception stated in Subsection ~~[(2)]~~ (3)(d)(ii)(B)  
 268 may not be considered to cross county lines.  
 269 (c) (i) A county may only participate in an interlocal agreement under this Subsection  
 270 ~~[(2)]~~ (3) for the unincorporated areas of the county.  
 271 (ii) Boundaries of a new school district created under this section may include:  
 272 (A) a portion of one or more existing school districts; and  
 273 (B) a portion of the unincorporated area of a county, including a portion of a township.