

Representative Jon Hawkins proposes the following substitute bill:

**INTERSCHOLASTIC ATHLETIC ACTIVITIES
ASSOCIATIONS REPORTING REQUIREMENTS**

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jon Hawkins

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends required budgetary reporting and the member of an appeal panel for an athletic association.

Highlighted Provisions:

This bill:

- ▶ requires certain reports be made to the Public Education Appropriations Subcommittee;
- ▶ amends the requirements of certain reports;
- ▶ expands the allowable reasons for an appeal;
- ▶ amend the membership of an appeal panel for an athletic association; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:



53G-7-1101, as last amended by Laws of Utah 2019, Chapter 293

53G-7-1104, as last amended by Laws of Utah 2019, Chapter 293

53G-7-1105, as last amended by Laws of Utah 2021, Chapters 84, 345

53G-7-1106, as last amended by Laws of Utah 2019, Chapter 293

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

Section 1. Section **53G-7-1101** is amended to read:

53G-7-1101. Definitions.

As used in this part:

(1) "Alignment" or "realignment" means the initial or subsequent act, respectively, of assigning a public school a classification or region.

(2) "Appeals panel" means the appeals panel created in Section **53G-7-1106**.

(3) (a) "Association" means an organization that governs or regulates a student's participation in an ~~athletic~~ interscholastic activity.

(b) "Association" does not include an institution of higher education described in Section **53B-1-102**.

(4) "Classification" means the designation of a school based on the size of the school's student enrollment population for purposes of interscholastic activities.

(5) "Eligibility" means eligibility to participate in an interscholastic activity regulated or governed by an association.

(6) "Governing body" means a body within an association that:

(a) is responsible for:

(i) adopting standards or policies that govern interscholastic activities or the administration of the association;

(ii) adopting or amending the association's governing document or bylaws;

(iii) enforcing the standards and policies of the association; and

(iv) adopting the association's budget; and

(b) has oversight of other boards, committees, councils, or bodies within the association.

(7) "Interscholastic activity" means an activity within the state in which:

(a) a student that participates represents the student's school in the activity; and

(b) the participating student is enrolled in grade 9, 10, 11, or 12.

(8) "Public hearing" means a hearing at which members of the public are provided a reasonable opportunity to comment on the subject of the hearing.

(9) "Region" means a grouping of schools of the same classification for purposes of interscholastic activities.

Section 2. Section **53G-7-1104** is amended to read:

53G-7-1104. Reporting requirements.

(1) An association shall provide ~~Ĥ→ [a verbal report, accompanied by]~~ ~~←Ĥ~~ a written report,

annually to the state board~~[, including:]~~ and the Public Education Appropriations Subcommittee detailing:

~~[(1)]~~ (a) the association's annual budget in accordance with Section **53G-7-1105**;

~~[(2)]~~ (b) a schedule of events scheduled or facilitated by the association;

~~[(3)]~~ (c) procedures for alignment or realignment;

~~[(4)]~~ (d) any amendments or changes to the association's governing document or bylaws; and

~~[(5)]~~ (e) any other information requested by the state board.

Section 3. Section **53G-7-1105** is amended to read:

53G-7-1105. Association budgets.

(1) An association shall:

(a) adopt a budget in accordance with this section; and

(b) use uniform budgeting, accounting, and auditing procedures and forms, which shall be in accordance with generally accepted accounting principles or auditing standards.

(2) An association budget officer or executive director shall annually prepare a tentative budget, with supporting documentation, to be submitted to the governing body.

(3) The tentative budget and supporting documents shall include the following items:

(a) the revenues ~~[and]~~ and the source of the revenues for the preceding fiscal year;

(b) an itemized list of expenditures of the preceding fiscal year;

~~[(b)]~~ (c) the estimated revenues and expenditures of the current fiscal year;

~~[(c)]~~ (d) a detailed estimate of the essential expenditures for all purposes for the next succeeding fiscal year; and

~~[(d)]~~ (e) the estimated financial condition of the association by funds at the close of the

current fiscal year.

(4) The tentative budget shall be filed with the governing body 15 days, or earlier, before the date of the tentative budget's proposed adoption by the governing body.

(5) The governing body shall adopt a budget.

(6) Before the adoption or amendment of a budget, the governing body shall hold a public hearing on the proposed budget or budget amendment.

(7) (a) In addition to complying with Title 52, Chapter 4, Open and Public Meetings Act, in regards to the public hearing described in Subsection (6), at least 10 days before the public hearing, a governing body shall:

(i) publish a notice of the public hearing electronically in accordance with Section 63A-16-601; and

(ii) post the proposed budget on the association's Internet website.

(b) A notice of a public hearing on an association's proposed budget shall include information on how the public may access the proposed budget as provided in Subsection (7)(a).

(8) No later than September 30 of each year, the governing body shall file a copy of the adopted budget with:

(a) the state auditor [~~and~~];

(b) the state board[-]; and

(c) the Public Education Appropriations Subcommittee.

Section 4. Section 53G-7-1106 is amended to read:

53G-7-1106. Procedures for disputes -- Appeals -- Appeals panel --

Compensation.

(1) (a) An association shall establish a uniform procedure for hearing and deciding:

(i) disputes;

(ii) allegations of violations of the association's rules or policies;

(iii) requests to establish eligibility after a student transfers schools; and

(iv) disputes related to alignment or realignment.

(b) An individual or public school may appeal to an appeals panel established in this section an association decision regarding:

(i) a request to establish eligibility after a student transfers schools[-]; or

(ii) disputes or allegations of violations of the association's rules or policies.

(2) (a) There is established an appeals panel for an association decision described in Subsection (1)(b).

(b) (i) ~~[The]~~ Except as provided in Subsection (2)(b)(ii), the appeals panel shall consist of the following three members:

~~[(i)]~~ (A) a judge or attorney who is not employed by, or contracts with, a school;

~~[(ii)]~~ (B) a retired educator, principal, or superintendent; and

~~[(iii)]~~ (C) a retired athletic director or coach.

(ii) If an appeal is regarding ~~H→~~ [an appeal of] ~~←H~~ the outcome of post-season competition, the

appeals panel shall consist of the members described in Subsection (2)(b)(i) and:

(A) one member of the Senate, whom the president of the Senate appoints; and

(B) one member of the House of Representatives, whom the speaker of the House of Representatives appoints.

(c) A review and decision by the appeals panel is limited to whether the association properly followed the association's rules and procedures in regard to a decision described in Subsection (1)(b).

(d) (i) An association shall adopt policies for filing an appeal with the appeals panel.

(ii) The appeals panel shall review an appeal and issue a written decision explaining the appeals panel's decision no later than 10 business days after an appeal is filed.

(e) The appeals panel's decision is final.

(3) (a) The state board shall appoint the members of the appeals panel described in Subsection (2)(b)(i):

(i) from the association's nominations described in Subsection (3)(b); and

(ii) in accordance with the state board's appointment process.

(b) (i) The association shall nominate up to three individuals for each position described in Subsection (2)(b)(i) for the state board's consideration.

(ii) If the state board refuses to appoint members to the panel who were nominated by the association as described in Subsection (3)(b)(i), the state board shall request additional nominations from the association.

(iii) No later than 45 days after the association provides the nominations, the state board shall appoint to the appeals panel an individual from the names provided by the

150 association.

151 (c) For the initial membership, the state board shall appoint two of the positions having
152 an initial term of three years and one position having an initial term of two years.

153 ~~[(d)]~~ (4) Except as required by Subsection ~~[(3)(e)]~~ (5), as terms of appeals panel
154 members expire, the ~~[state board]~~ appointing authorities shall appoint each new member or
155 reappointed member to a two-year term.

156 ~~[(e)]~~ (5) When a vacancy occurs in the membership for any reason, the replacement
157 shall be appointed for the unexpired term.

158 ~~[(f)]~~ (6) The state board shall reimburse an association for per diem and travel
159 expenses of members of the appeals panel described in Subsection (2)(b)(i).

160 (7) The salary and expenses of an appeals panel member who is a legislator shall be
161 paid in accordance with Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3,
162 Legislator Compensation.

163 Section 5. **Effective date.**

164 This bill takes effect on May 1, 2024.