

School District Seismic Safety and Maintenance

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Keith Grover

House Sponsor:

LONG TITLE**General Description:**

This bill enacts provisions for the transition from a divided school district to new and reorganized new school districts regarding certain seismic safety and deferred maintenance evaluations.

Highlighted Provisions:

This bill:

- enacts provisions for the transition from a divided school district to new and reorganized new school districts regarding certain seismic safety and deferred maintenance evaluations.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:**AMENDS:**

53G-3-302, as last amended by Laws of Utah 2024, Third Special Session, Chapter 3

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

Section 1. Section **53G-3-302** is amended to read:

53G-3-302 . Election of local school board members -- Allocation of assets and liabilities -- Startup costs -- Transfer of title.

(1)(a) If voters approve a proposal to create a new school district under this part:

- (i) the legislative body of each county where all or a part of the new school district and the reorganized new school district are located shall hold elections during the year immediately following the year in which the voters approve the proposal to elect members to the local school board of the new school district and the reorganized new school district, as follows:

- 31 (A) the filing period for a declaration of candidacy will be the same as the filing
32 period for a municipal election;
- 33 (B) the primary election will be held on the same day as the municipal primary
34 election; and
- 35 (C) the general election will be held on the same day as the municipal general
36 election;
- 37 (ii) the new school district and reorganized new school district shall divide the assets
38 and liabilities of the divided school district between the new school district and
39 the reorganized new school district as provided in Subsection (3) and Section
40 53G-3-307;
- 41 (iii) transferred employees shall be treated in accordance with Sections 53G-3-205
42 and 53G-3-308;
- 43 (iv) an individual residing within the boundaries of a new school district or
44 reorganized new school district at the time the new school district is created may,
45 for six school years following the creation of the new school district, elect to
46 enroll in a secondary school located outside the boundaries of the reorganized new
47 school district if:
- 48 (A) the individual resides within the boundaries of that secondary school as of the
49 day before the new school district is created; and
- 50 (B) the individual would have been eligible to enroll in that secondary school had
51 the new school district not been created;
- 52 (v) the reorganized new school district in which the secondary school is located shall
53 provide educational services, including, if provided before the creation of the new
54 school district, busing to each individual making an election under Subsection
55 (1)(a)(iv) for each school year for which the individual makes the election; and
- 56 (vi) within one year following the date on which the new school district begins
57 providing educational services, the superintendent of each affected school district
58 shall meet, together with the state superintendent, to determine if further boundary
59 changes should take place in accordance with Section 53G-3-501.
- 60 (b)(i) The county or municipal legislative bodies that conduct redistricting for the
61 new school district and the reorganized new school district shall, at the meeting
62 where the county or municipal legislative bodies adopt the final redistricting
63 maps, adjust the initial terms of the board members for the new school district and
64 the reorganized new school district, by lot, so that approximately half of the board

members on each board will have an initial term of three years with the other members having an initial term of five years.

(ii) The term of a member of the divided school district local school board terminates on January 1 of the year following the allocation date.

(iii) Notwithstanding the existence of the new school district local school board and the reorganized new school district local school board under Subsection (1)(a)(i), the divided school district local school board shall continue to function and exercise authority as a local school board until the allocation date to the extent necessary to continue to provide educational services to the entire divided school district.

(iv) An individual may simultaneously serve as or be elected to be a member of the local school board of a divided school district and a member of the local school board of:

(A) a new school district; or

(B) a reorganized new school district.

(2)(a) The divided school district local school board shall, within 60 days after the creation date:

(i) prepare an inventory of the divided school district's:

(A) assets, both tangible and intangible, real and personal; and

(B) liabilities; and

(ii) deliver a copy of the inventory to the Office of the Legislative Auditor General.

(b) Following the local school board election date described in Subsection (1)(a), the new school district and reorganized new school district local school boards shall:

(i) request a copy of the inventory described in Subsection (2)(a) from the Office of the Legislative Auditor General;

(ii) determine the allocation of the divided school district's assets and, except for indebtedness under Section 53G-3-307, liabilities of the new school district and reorganized new school district in accordance with Subsection (3);

(iii) prepare a written report detailing the allocation under Subsection (2)(b)(ii); and

(iv) deliver a copy of the written report to the Office of the Legislative Auditor General and the divided school district local board.

(c) The new school district and reorganized new school district local boards shall determine the allocation under Subsection (2)(b) and deliver the report required under Subsection (2)(b) on or before July 1 of the year following the school board election

date, unless that deadline is extended by mutual agreement of the new school district and reorganized new school district local boards.

(3)(a) As used in this Subsection (3):

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

(ii)(A) "Discretionary asset or liability" means, except as provided in Subsection (3)(a)(ii)(B), an asset or liability that is not tied to a specific project, school, student, or employee by law or school district accounting practice.

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

(iii)(A) "Nondiscretionary asset or liability" means, except as provided in Subsection (3)(a)(iii)(B), an asset or liability that is tied to a specific project, school, student, or employee by law or school district accounting practice.

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

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

(b) Except as provided under Subsection (3)(c), the new school district and reorganized new school district local school boards shall allocate all assets and liabilities the divided school district owns on the allocation date, both tangible and intangible, real and personal as follows:

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

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

(iii) vehicles used for pupil transportation shall be allocated:

(A) according to the transportation needs of schools, as measured by the number and assortment of vehicles used to serve eligible state supported transportation routes serving schools within the new school district and the reorganized new school district; and

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

(iv) other vehicles shall be allocated:

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

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

(c) By mutual agreement, the new school district and reorganized new school district local school boards may allocate an asset or liability in a manner different than the allocation method specified in Subsection (3)(b).

(4)(a) As used in this Subsection (4):

(i) "New school district startup costs" means the costs and expenses incurred by a new school district in order to prepare to begin providing educational services on July 1 of the second calendar year following the local school board election date described in Subsection (1)(a)(i).

(ii) "Reorganized new school district startup costs" means the costs and expenses that a reorganized new school district incurs to make necessary adjustments to deal with the impacts resulting from the creation of the new school district and to prepare to provide educational services within the reorganized new school district once the new school district begins providing educational services within the new school district.

(b) On or before January 1 of the year following the new local school board election date described in Subsection (1)(a)(i), the divided school district shall make the unassigned reserve funds from the divided school district's general fund available for the use of the reorganized new school district and the new school district in proportion to the student enrollment of each new school district.

(c) The divided school district may make additional funds available for the use of the reorganized new school district and the new school district beyond the amount specified in Subsection (4)(b) through an interlocal agreement.

(d) The following may access and spend money made available under Subsection (4)(b):

(i) the reorganized new school district local school board; and

(ii) the new school district local school board.

(e) The new school district and the reorganized new school district may use the money made available under Subsection (4)(b) to pay for the new school district and reorganized new school district startup costs.

(5)(a) The divided school district shall transfer title or, if applicable, partial title of property to the new school district and the reorganized new school district in

accordance with the allocation of property as stated in the report under Subsection (2)(b)(iii).

(b) The divided school district shall complete each transfer of title or, if applicable, partial title to real property and vehicles on or before one calendar year from the date of the local school board election date described in Subsection (1)(a)(i), except as that date is changed by the mutual agreement of:

(i) the local school board of the divided school district;

(ii) the local school board of the reorganized new school district; and

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

(c) The divided school district shall complete the transfer of all property not included in Subsection (5)(b) on or before November 1 of the calendar year following the local school board election date described in Subsection (1)(a)(i).

(6) Except as provided in Subsection (5), a divided school district may not transfer or agree to transfer title to district property beginning on the day the new school district or reorganized new school district is created without the prior consent of:

(a) the legislative body of the municipality in which the boundaries for the new school district or reorganized new school district are entirely located; or

(b) the legislative bodies of all interlocal agreement participants in which the boundaries of the new school district or reorganized new school district are located.

(7)(a) If a school district has not conducted a seismic safety evaluation in accordance with Section 53G-4-608 within 10 years before the creation date, on or before December 31 of the year following the creation date, the state auditor shall perform the seismic safety study and evaluation of each school district building within the divided school district:

(i) with a construction date before the year 2000; and

(ii) that the divided school district uses as a school.

(b) The state auditor shall ensure that:

(i) a licensed structural engineer familiar with seismic codes conducts the seismic safety evaluation described in Subsection (7)(a); and

(ii) the seismic safety evaluation provides an estimated cost for remediation or replacement of each school district building that the evaluation shows to have a seismic issue.

(c) On or before December 31 of the year following the creation date, the state auditor shall perform a deferred maintenance study of the divided school district to determine:

- 201 (i) a description and location of each deferred maintenance item within the divided
202 school district; and
- 203 (ii) the estimated cost to remediate each deferred maintenance item.
- 204 (d) The state auditor shall deliver the studies described in this Subsection (7) to the local
205 school board of each new school district and reorganized new school district.
- 206 Section 2. **Effective Date.**
- 207 This bill takes effect on May 7, 2025.