

**LAND TRUSTS PROTECTION AND ADVOCACY ACT**

2018 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Bradley G. Last**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill creates the Land Trusts Protection and Advocacy Office and amends provisions related to school and institutional trust lands.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ creates the Land Trusts Protection and Advocacy Office (advocacy office), with oversight by the state treasurer, to protect the interests of the current and future school and institutional trust lands beneficiaries;
- ▶ creates the Land Trusts Protection and Advocacy Committee to appoint an advocacy office director and oversee the activities of the advocacy office;
- ▶ provides for the appointment of an advocacy office director to carry out the duties of the advocacy office;
- ▶ amends provisions related to school and institutional trust lands, including replacing certain State Board of Education duties with advocacy office duties; and
- ▶ makes technical and conforming corrections.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

This bill provides a special effective date.



28 **Utah Code Sections Affected:**

29 AMENDS:

- 30 **53C-1-103**, as last amended by Laws of Utah 2012, Chapter 224
- 31 **53C-1-203**, as last amended by Laws of Utah 2014, Chapter 426
- 32 **53D-1-101**, as enacted by Laws of Utah 2014, Chapter 426
- 33 **53D-1-102**, as last amended by Laws of Utah 2016, Chapter 144
- 34 **53D-1-202**, as enacted by Laws of Utah 2014, Chapter 426
- 35 **53D-1-304**, as last amended by Laws of Utah 2017, Chapter 179
- 36 **53D-1-401**, as last amended by Laws of Utah 2017, Chapter 179
- 37 **53D-1-402**, as last amended by Laws of Utah 2015, Chapter 258
- 38 **53D-1-403**, as last amended by Laws of Utah 2017, Chapter 179
- 39 **53D-1-501**, as last amended by Laws of Utah 2017, Chapter 179
- 40 **53D-1-502**, as enacted by Laws of Utah 2014, Chapter 426
- 41 **53F-2-203**, as renumbered and amended by Laws of Utah 2018, Chapter 2
- 42 **53F-2-404**, as renumbered and amended by Laws of Utah 2018, Chapter 2
- 43 **53F-9-201**, as renumbered and amended by Laws of Utah 2018, Chapter 2
- 44 **53G-5-410**, as renumbered and amended by Laws of Utah 2018, Chapter 3
- 45 **53G-7-1202**, as renumbered and amended by Laws of Utah 2018, Chapter 3
- 46 **53G-7-1203**, as renumbered and amended by Laws of Utah 2018, Chapter 3
- 47 **67-4-1**, as last amended by Laws of Utah 2017, Chapter 11

48 ENACTS:

- 49 **53D-2-101**, Utah Code Annotated 1953
- 50 **53D-2-102**, Utah Code Annotated 1953
- 51 **53D-2-201**, Utah Code Annotated 1953
- 52 **53D-2-202**, Utah Code Annotated 1953
- 53 **53D-2-203**, Utah Code Annotated 1953
- 54 **53G-7-1205**, Utah Code Annotated 1953
- 55 **53G-7-1206**, Utah Code Annotated 1953

56 REPEALS:

- 57 **53E-3-514**, as renumbered and amended by Laws of Utah 2018, Chapter 1

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

60 Section 1. Section **53C-1-103** is amended to read:

61 **53C-1-103. Definitions.**

62 As used in this title:

63 (1) "Administration" means the School and Institutional Trust Lands Administration.

64 (2) "Board" or "board of trustees" means the School and Institutional Trust Lands  
65 Board of Trustees.

66 (3) "Director" or "director of school and institutional trust lands" means the chief  
67 executive officer of the School and Institutional Trust Lands Administration.

68 (4) "Mineral" includes oil, gas, and hydrocarbons.

69 (5) "Nominating committee" means the committee that nominates candidates for  
70 positions and vacancies on the board.

71 (6) "Policies" means statements applying to the administration that broadly prescribe a  
72 future course of action and guiding principles.

73 (7) "Primary beneficiary representative" means the [~~State Board of Education~~] the Land  
74 Trusts Protection and Advocacy Office, created in Section 53D-2-201, acting as representative  
75 on behalf of the following trusts:

76 (a) the trust established for common schools;

77 (b) the trust established for schools for the blind; and

78 (c) the trust established for schools for the deaf.

79 (8) "School and institutional trust lands" or "trust lands" means those properties  
80 granted by the United States in the Utah Enabling Act to the state in trust, and other lands  
81 transferred to the trust, which must be managed for the benefit of:

82 (a) the state's public education system; or

83 (b) the institutions of the state which are designated by the Utah Enabling Act as  
84 beneficiaries of trust lands.

85 Section 2. Section **53C-1-203** is amended to read:

86 **53C-1-203. Board of trustees nominating committee -- Composition --**

87 **Responsibilities -- Per diem and expenses.**

88 (1) There is established an 11 member board of trustees nominating committee.

89 (2) (a) [~~The~~] (i) Through June 30, 2018, the State Board of Education shall appoint five

90 members to the nominating committee from different geographical areas of the state.

91 (ii) Beginning on July 1, 2018, the five members of the Land Trusts Protection and  
92 Advocacy Committee, created in Section 53D-2-202, shall serve on the nominating committee.

93 (b) The governor shall appoint five members to the nominating committee on or before  
94 the December 1 of the year preceding the vacancy on the nominating committee as follows:

95 (i) (A) through June 30, 2018, one individual from a nomination list of at least two  
96 names of individuals knowledgeable about institutional trust lands submitted on or before the  
97 October 1 of the year preceding the vacancy on the nominating committee by the University of  
98 Utah and Utah State University on an alternating basis every four years; and

99 (B) beginning on July 1, 2018, one individual who is knowledgeable about real estate  
100 development;

101 (ii) one individual from a nomination list of at least two names submitted by the Utah  
102 Farm Bureau in consultation with the Utah Cattleman's Association and the Utah Wool  
103 Growers' Association on or before the October 1 of the year preceding the vacancy on the  
104 nominating committee;

105 (iii) one individual from a nomination list of at least two names submitted by the Utah  
106 Petroleum Association on or before the October 1 of the year preceding the vacancy on the  
107 nominating committee;

108 (iv) one individual from a nomination list of at least two names submitted by the Utah  
109 Mining Association on or before the October 1 of the year preceding the vacancy on the  
110 nominating committee; and

111 (v) one individual from a nomination list of at least two names submitted by the  
112 executive director of the Department of Natural Resources after consultation with statewide  
113 wildlife and conservation organizations on or before the October 1 of the year preceding the  
114 vacancy on the nominating committee.

115 (c) The president of the Utah Association of Counties shall designate the chair of the  
116 Public Lands Steering Committee, who must be an elected county commissioner or councilor,  
117 to serve as the eleventh member of the nominating committee.

118 (3) (a) Except as required by ~~[Subsection]~~ Subsections (3)(b) and (d), each member  
119 shall serve a four-year term.

120 (b) ~~[Notwithstanding the requirements of Subsection (3)(a), the state board and the]~~

121 The governor shall, at the time of appointment or reappointment, adjust the length of terms to  
 122 ensure that the terms of committee members are staggered so that approximately half of the  
 123 committee is appointed every two years.

124 (c) When a vacancy occurs in the membership for any reason, the replacement shall be  
 125 appointed for the unexpired term.

126 (d) The term of a member of the nominating committee who is appointed under  
 127 Subsection (2)(a)(i) or (2)(b)(i)(A) shall end on June 30, 2018.

128 (4) The nominating committee shall select a chair and vice chair from its membership  
 129 by majority vote.

130 (5) (a) The nominating committee shall nominate at least two candidates for each  
 131 position or vacancy which occurs on the board of trustees except for the governor's appointee  
 132 under Subsection 53C-1-202(5).

133 (b) The nominations shall be by majority vote of the committee.

134 (6) A member may not receive compensation or benefits for the member's service, but  
 135 may receive per diem and travel expenses in accordance with:

136 (a) Section 63A-3-106;

137 (b) Section 63A-3-107; and

138 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
 139 63A-3-107.

140 (7) The [~~School Children's Trust Section, established in Section 53A-16-101.6~~] Land  
 141 Trusts Protection and Advocacy Office, created in Section 53D-2-201, shall provide staff  
 142 support to the nominating committee.

143 Section 3. Section 53D-1-101 is amended to read:

144 **TITLE 53D. SCHOOL AND INSTITUTIONAL TRUST FUND MANAGEMENT AND**

145 **LAND TRUSTS PROTECTION AND ADVOCACY OFFICE**

146 **53D-1-101. Title.**

147 (1) This title is known as [~~"School and Institutional Trust Fund."~~] "School and  
 148 Institutional Trust Fund Management and Land Trusts Protection and Advocacy Office."

149 (2) This chapter is known as the "School and Institutional Trust Fund Management  
 150 Act."

151 Section 4. Section 53D-1-102 is amended to read:

152 **53D-1-102. Definitions.**

153 As used in this chapter:

154 (1) "Account" means the School and Institutional Trust Fund Management Account,  
155 created in Section [53D-1-203](#).

156 (2) "Advocacy office director" means the director of the Land Trusts Protection and  
157 Advocacy Office, appointed under Section [53D-2-203](#).

158 [~~2~~] (3) "Beneficiaries":

159 (a) means those for whose benefit the trust fund is managed and preserved, consistent  
160 with the enabling act, the Utah Constitution, and state law; and

161 (b) does not include other government institutions or agencies, the public at large, or  
162 the general welfare of the state.

163 [~~3~~] (4) "Board" means the board of trustees established in Section [53D-1-301](#).

164 [~~4~~] (5) "Director" means the director of the office.

165 [~~5~~] (6) "Enabling act" means the act of Congress, dated July 16, 1894, enabling the  
166 people of Utah to form a constitution and state government and to be admitted into the Union.

167 [~~6~~] (7) "Nominating committee" means the committee established under Section  
168 [53D-1-501](#).

169 [~~7~~] (8) "Office" means the School and Institutional Trust Fund Office, created in  
170 Section [53D-1-201](#).

171 [~~8~~] "~~School children's trust section~~" ~~means the School Children's Trust Section under~~  
172 ~~the State Board of Education, established in Section [53A-16-101.6](#).]~~

173 (9) "Land Trusts Protection and Advocacy Office" or "advocacy office" means the  
174 Land Trusts Protection and Advocacy Office created in Section [53D-2-201](#).

175 [~~9~~] (10) "Trust fund" means money derived from:

176 (a) the sale or use of land granted to the state under Sections 6, 8, and 12 of the  
177 enabling act;

178 (b) proceeds referred to in Section 9 of the enabling act from the sale of public land;  
179 and

180 (c) revenue and assets referred to in Utah Constitution, Article X, Section 5,  
181 Subsections (1)(c), (e), and (f).

182 Section 5. Section **53D-1-202** is amended to read:

183           **53D-1-202. Access to office records and personnel.**

184           (1) The office shall provide board members and the [~~director of the school children's~~  
185 ~~trust section~~] advocacy office director access to all office records and personnel as necessary  
186 for board members and the [~~director of the school children's trust section~~] advocacy office  
187 director to fulfill their responsibilities to ensure that the office is in full compliance with  
188 applicable law and policies.

189           (2) If the director requires, board members and the [~~director of the school children's~~  
190 ~~trust section~~] advocacy office director shall maintain confidentiality of information they obtain  
191 from office records and personnel.

192           Section 6. Section **53D-1-304** is amended to read:

193           **53D-1-304. Board meetings.**

194           (1) The board shall hold at least six meetings per year to conduct business.

195           (2) The board chair or two board members:

196           (a) may call a board meeting; and

197           (b) if calling a board meeting, shall provide as much advance notice as is reasonable  
198 under the circumstances to all board members, the director, and the [~~director of the school~~  
199 ~~children's trust section~~] advocacy office director.

200           (3) Any board member may place an item on a board meeting agenda.

201           (4) The board shall annually adopt a set of parliamentary procedures to govern board  
202 meetings.

203           (5) The board may establish an attendance policy to govern the attendance of board  
204 members at board meetings.

205           Section 7. Section **53D-1-401** is amended to read:

206           **53D-1-401. Appointment of director -- Qualifications -- Nature of employment --**  
207 **Removal by State Board of Education petition.**

208           (1) The office shall be managed by a director.

209           (2) If there is a vacancy in the director position, the board shall appoint an individual as  
210 director.

211           (3) The board shall ensure that an individual appointed as director possesses:

212           (a) outstanding professional qualifications pertinent to the prudent investment of trust  
213 fund money; and

- 214 (b) expertise in institutional investment management.
- 215 (4) The director is an at-will employee who may be removed by the board at any time
- 216 with or without cause.
- 217 (5) (a) The [~~State Board of Education~~] advocacy office director may submit a written
- 218 petition to the board requesting the board to remove the director for cause, explained in the
- 219 petition.
- 220 (b) The board shall hold a hearing on a petition under Subsection (5)(a) within 45 days
- 221 after receiving the petition.
- 222 (c) If, after holding a hearing, the board finds by a preponderance of the evidence that
- 223 there is cause for removing the director, the board shall remove the director.
- 224 Section 8. Section **53D-1-402** is amended to read:
- 225 **53D-1-402. Director duties and responsibilities.**
- 226 (1) The director has broad authority to manage the office to fulfill its purposes,
- 227 consistent with the enabling act, the Utah Constitution, state law, and board policies.
- 228 (2) The director shall:
- 229 (a) before assuming the duties of director, take an oath that includes the following:
- 230 "I solemnly swear to carry out my duties as director of the School and Institutional
- 231 Trust Fund Office with undivided loyalty to the beneficiaries of the trust fund managed by the
- 232 office, to the best of my abilities and consistent with the law.";
- 233 (b) carry out the policies of the board;
- 234 (c) act with undivided loyalty to those entitled to the benefit of income from the trust
- 235 fund, consistent with the director's fiduciary duties and responsibilities;
- 236 (d) follow the prudent investor rule, prudently seeking to obtain the optimum return
- 237 from the investment of trust fund money and assets, balancing short-term and long-term
- 238 interests under the principle of intergenerational equity;
- 239 (e) exercise full discretionary authority to manage, maintain, transfer, or sell assets of
- 240 the trust fund in the manner that the director determines to be most favorable to beneficiaries;
- 241 (f) maintain the integrity of the trust fund and prevent, through prudent management,
- 242 the misapplication of trust fund money;
- 243 (g) adopt rules, as provided in Subsection **53D-1-103**(4), that are necessary for the
- 244 proper exercise of the director's duties under this chapter and policies established by the board;



- 245 (h) faithfully manage the office under policies established by the board;
- 246 (i) annually submit to the board:
- 247 (i) an office budget; and
- 248 (ii) a financial plan for operations of the office;
- 249 (j) after board approval of the office budget, submit the budget to the governor and the
- 250 Legislature;
- 251 (k) direct and control budget expenditures;
- 252 (l) establish job descriptions and, within budgetary constraints, employ staff necessary
- 253 to accomplish the purposes of the office;
- 254 (m) in accordance with generally accepted principles of fund accounting, establish a
- 255 system to identify and account for the trust fund assets;
- 256 (n) notify the [~~director of the school children's trust section~~] advocacy office director of
- 257 major items that the director knows may be useful to the [~~director of the school children's trust~~
- 258 ~~section~~] advocacy office director in protecting the rights of beneficiaries;
- 259 (o) maintain appropriate records of trust fund activities to enable auditors to conduct
- 260 periodic audits;
- 261 (p) respond in writing within a reasonable time to a request by the [~~director of the~~
- 262 ~~school children's trust section~~] advocacy office director for information on policies and
- 263 practices affecting the management of the trust fund; and
- 264 (q) respond to a question that the board submits under Subsection [53D-1-303\(4\)\(b\)](#)
- 265 within a reasonable time after receiving the question.
- 266 (3) The office may:
- 267 (a) sue or be sued; and
- 268 (b) contract with other public agencies for personnel management services.
- 269 Section 9. Section **53D-1-403** is amended to read:
- 270 **53D-1-403. Reports.**
- 271 (1) At least annually, the director shall report in person to the Legislative Management
- 272 Committee, the governor, and the [~~State Board of Education~~] advocacy office, concerning the
- 273 office's investments, performance, estimated distributions, and other activities.
- 274 (2) The director shall report to the board concerning the work of the director and the
- 275 investment activities and other activities of the office:

- 276 (a) in a public meeting at least six times per year; and
- 277 (b) as otherwise requested by the board.
- 278 (3) (a) Before November 1 of each year, the director shall:
- 279 (i) submit a written report to school community councils, created under Section
- 280 [53A-1a-108](#), and charter trust land councils, established under Section [~~53A-16-101.5~~]
- 281 [53G-7-1205](#), concerning the office's investments, performance, estimated distributions, and
- 282 other activities; and
- 283 (ii) post the written report described in Subsection (3)(a)(i) on the office's website.
- 284 (b) A report under Subsection (3)(a) shall be prepared in simple language designed to
- 285 be understood by the general public.

- 286 (4) The director shall provide to the board:
- 287 (a) monthly written reports on the activities of the office;
- 288 (b) quarterly financial reports; and
- 289 (c) any other report requested by the board.
- 290 (5) The director shall:
- 291 (a) invite the [~~director of the school children's trust section~~] advocacy office director to
- 292 attend any meeting at which the director gives a report under this section; and
- 293 (b) provide the [~~director of the school children's trust section~~] advocacy office director:
- 294 (i) a copy of any written report prepared under this section; and
- 295 (ii) any other report requested by the [~~director of the school children's trust section~~]
- 296 advocacy office director.

297 Section 10. Section **53D-1-501** is amended to read:

298 **53D-1-501. Nominating committee -- Membership -- Terms -- Vacancies --**  
 299 **Compensation.**

- 300 (1) There is established a School and Institutional Trust Fund Nominating Committee.
- 301 (2) The nominating committee consists of:
- 302 (a) four members, appointed by the [~~State Board of Education~~] state treasurer upon
- 303 recommendation by the [~~director of the school children's trust section~~] advocacy office director,
- 304 each of whom is a member of a respected professional investment organization;
- 305 (b) the chief investment officer of the University of Utah endowment;
- 306 (c) the chief investment officer of the Utah State University endowment; and

307 (d) the [~~director of the school children's trust section~~] advocacy office director.

308 (3) An individual appointed as a member of the nominating committee under

309 Subsection (2)(a) shall be appointed based on the individual's expertise in:

310 (a) investment finance;

311 (b) institutional asset management;

312 (c) trust administration; or

313 (d) the practice of law in the areas of capital markets, securities law, trusts,  
314 foundations, endowments, investment finance, institutional asset management, or trust  
315 administration.

316 (4) The term of a member appointed under Subsection (2)(a) is four years.

317 (5) A nominating committee member shall serve until a successor is appointed and  
318 qualified.

319 (6) (a) If a member appointed under Subsection (2)(a) leaves office, the vacancy shall  
320 be filled in the same manner as the initial appointment under Subsection (2)(a).

321 (b) An individual appointed to fill a vacancy under Subsection (6)(a) serves the  
322 remainder of the unexpired term.

323 (7) A member of the nominating committee may not receive compensation or benefits  
324 for the member's service, but may receive per diem and travel expenses in accordance with:

325 (a) Section [63A-3-106](#);

326 (b) Section [63A-3-107](#); and

327 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and  
328 [63A-3-107](#).

329 Section 11. Section **53D-1-502** is amended to read:

330 **53D-1-502. Chair and vice chair -- Quorum and voting requirements -- Bylaws --**  
331 **Staff.**

332 (1) The nominating committee shall select a chair and vice chair from its members.

333 (2) (a) Four members of the nominating committee constitute a quorum.

334 (b) An action of the nominating committee requires the affirmative vote of at least four  
335 members.

336 (3) The nominating committee shall establish bylaws to govern the nominating  
337 committee.

338 (4) The ~~[school children's trust section]~~ advocacy office shall provide staff support to  
339 the nominating committee.

340 Section 12. Section **53D-2-101** is enacted to read:

341 **CHAPTER 2. LAND TRUSTS PROTECTION AND ADVOCACY OFFICE**

342 **Part 1. General Provisions**

343 **53D-2-101. Title.**

344 This chapter is known as "Land Trusts Protection and Advocacy Office."

345 Section 13. Section **53D-2-102** is enacted to read:

346 **53D-2-102. Definitions.**

347 As used in this chapter:

348 (1) "Advocacy committee" means the Land Trusts Protection and Advocacy  
349 Committee, created in Section [53D-2-202](#).

350 (2) "Advocacy director" means the director of the advocacy office, appointed as  
351 described in Section [53D-2-203](#).

352 (3) "Advocacy office" means the Land Trusts Protection and Advocacy Office, created  
353 in Section [53D-2-201](#).

354 (4) "School and institutional trust" or "trust" includes:

355 (a) school and institutional trust lands, as defined in Section [53C-1-103](#), and related  
356 assets; and

357 (b) funds and investments of school and institutional trust land revenue, as described in  
358 Title 53D, Chapter 1, School and Institutional Trust Fund Management Act.

359 (5) "School and Institutional Trust System" means:

360 (a) the School and Institutional Trust Lands Administration, described in Title 53C,  
361 School and Institutional Trust Lands Management Act;

362 (b) the School and Institutional Trust Fund Office, described in Title 53D, Chapter 1,  
363 School and Institutional Trust Fund Management Act;

364 (c) the Land Trusts Protection and Advocacy Office, described in this chapter; and

365 (d) the School LAND Trust Program, described in Sections [53F-2-404](#) and  
366 [53G-7-1206](#).

367 (6) "Trust beneficiaries" means those for whose benefit the school and institutional  
368 trust is managed and preserved, as required by:

- 369           (a) the Utah Enabling Act;  
370           (b) the Utah Constitution; and  
371           (c) state law.

372           Section 14. Section **53D-2-201** is enacted to read:

373                           **Part 2. Land Trusts Protection and Advocacy Office**

374           **53D-2-201. Land Trusts Protection and Advocacy Office -- State treasurer**  
375 **oversight and rulemaking -- Advocacy office duties.**

376           (1) There is created the Land Trusts Protection and Advocacy Office to represent the  
377 beneficiary interests of the school and institutional trust in advocating for:

- 378           (a) distribution of trust revenue to current beneficiaries; and  
379           (b) generation of trust revenue for future beneficiaries.

380           (2) The state treasurer shall:

381           (a) acting in a fiduciary capacity to trust beneficiaries, oversee and support the  
382 advocacy of the advocacy office, including:

383           (i) determining reporting requirements for the advocacy director and advocacy office;

384 and

385           (ii) submitting an advocacy office budget to the Legislature; and

386           (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, and  
387 this chapter, make rules to administer the advocacy office, including the duties described in  
388 Subsection (2)(a).

389           (3) The advocacy office shall have:

390           (a) an advocacy director, as described in Section [53D-2-203](#); and

391           (b) staff.

392           (4) In accordance with the Utah Enabling Act, the Utah Constitution, and state law, the  
393 advocacy office shall act with undivided loyalty to the trust beneficiaries, advocating against  
394 the state using a trust asset to pursue a state goal that is inconsistent with a purpose of the trust  
395 associated with that asset.

396           (5) To protect current and future beneficiary rights and interests as described in

397 Subsection (1), the advocacy office shall advocate for:

398           (a) productive use of and optimal revenue from school and institutional trust lands by  
399 the School and Institutional Trust Lands Administration, as described in Title 53C, School and

400 Institutional Trust Lands Management Act;

401 (b) prudent and profitable investment of trust funds by the School and Institutional  
402 Trust Fund Office, as described in Title 53D, Chapter 1, School and Institutional Trust Fund  
403 Management Act;

404 (c) effective distribution of funds to public schools through the School LAND Trust  
405 Program described in Sections [53F-2-404](#) and [53G-7-1206](#); and

406 (d) optimization of revenue to all trust beneficiaries.

407 (6) To fulfill the advocacy office's duties to trust beneficiaries, the advocacy office  
408 shall:

409 (a) stay informed on the administration of the trust and trust assets, including:

410 (i) major School and Institutional Trust Land Administration transactions; and

411 (ii) the School and Institutional Trust Fund Office investments and investment policy  
412 statements;

413 (b) fulfill advocacy office responsibilities and manage advocacy office activities in a  
414 prudent and professional manner;

415 (c) promote efficient use of trust budgets for trust beneficiaries; and

416 (d) properly account to trust beneficiaries and the Legislature, as described in Section  
417 [53D-2-203](#).

418 Section 15. Section **53D-2-202** is enacted to read:

419 **53D-2-202. Land Trusts Protection and Advocacy Committee -- Duties --**

420 **Governance.**

421 (1) There is created the Land Trusts Protection and Advocacy Committee to:

422 (a) oversee the activities of the advocacy director and the advocacy office;

423 (b) submit advocacy director candidate names to the state treasurer, as described in

424 Section [53D-2-203](#);

425 (c) receive quarterly reports from the advocacy director;

426 (d) review, amend as necessary, and transmit to the state treasurer proposed rules  
427 submitted by the advocacy director;

428 (e) receive the annual report described in Section [53D-2-203](#) from the advocacy  
429 director; and

430 (f) give policy direction to the advocacy office.

- 431 (2) In accordance with Subsection (3), the advocacy committee consists of the  
432 following five members:
- 433 (a) two individuals appointed by the School and Institutional Trust Lands Board of  
434 Trustees;
- 435 (b) one individual appointed by the School and Institutional Trust Fund Board of  
436 Trustees;
- 437 (c) one individual appointed by the state treasurer; and  
438 (d) one individual appointed by the State Board of Education.
- 439 (3) A member of the advocacy committee:
- 440 (a) may not be a current member of:
- 441 (i) the School and Institutional Trust Lands Board of Trustees;  
442 (ii) the School and Institutional Trust Fund Board of Trustees; or  
443 (iii) the State Board of Education;
- 444 (b) shall have significant qualifications related to the purposes and activities of the  
445 school and institutional trust, such as:
- 446 (i) nonrenewable resource development;  
447 (ii) renewable resource management;  
448 (iii) real estate development; or  
449 (iv) investment management; and
- 450 (c) shall have demonstrated a commitment of time and loyalty to the purposes of the  
451 trust.
- 452 (4) (a) Except as provided in Subsections (4)(b) and (c), a member of the advocacy  
453 committee shall:
- 454 (i) serve a four-year term; and  
455 (ii) receive notification of an appointment on or before December 1 of the year before  
456 the vacancy occurs for which the member is appointed.
- 457 (b) At the time of appointment or reappointment, the state treasurer shall adjust the  
458 length of the initial terms of the advocacy committee's members to ensure that the terms are  
459 staggered so that approximately half of the advocacy committee is appointed every two years.
- 460 (c) If a vacancy occurs during the course of a member's term, the appointing entity  
461 shall immediately appoint a replacement for the unexpired term.

- 462 (5) Advocacy committee members shall annually elect a chair.
- 463 (6) (a) The advocacy committee shall meet at least quarterly, at a time set by the chair.
- 464 (b) The chair or any two members of the advocacy committee may call an additional
- 465 meeting.
- 466 (7) (a) A quorum for the transaction of business is four members of the advocacy
- 467 committee.
- 468 (b) Action by a majority of a quorum present constitutes the action of the advocacy
- 469 committee.
- 470 (8) An advocacy committee member may not receive compensation or benefits for the
- 471 member's service, but may receive per diem and travel expenses in accordance with:
- 472 (a) Section [63A-3-106](#);
- 473 (b) Section [63A-3-107](#); and
- 474 (c) rules made by the Division of Finance pursuant to Sections [63A-3-106](#) and
- 475 [63A-3-107](#).
- 476 (9) The state treasurer's office shall provide staff support to the advocacy committee.
- 477 Section 16. Section **53D-2-203** is enacted to read:
- 478 **53D-2-203. Land Trusts Protection and Advocacy Office director -- Appointment**
- 479 **-- Removal -- Power and duties.**
- 480 (1) (a) The advocacy committee shall:
- 481 (i) discuss candidates who may qualify for appointment as the advocacy director, as
- 482 described in Subsection (1)(b);
- 483 (ii) determine the two most qualified candidates; and
- 484 (iii) submit the names of those two candidates to the state treasurer as potential
- 485 appointees for the advocacy director.
- 486 (b) A potential appointee for advocacy director shall have significant expertise and
- 487 qualifications relating to generating revenue to the school and institutional trust and the duties
- 488 of the advocacy office and the advocacy director, which may include expertise in:
- 489 (i) business;
- 490 (ii) finance;
- 491 (iii) economics;
- 492 (iv) natural resources; or



493 (v) advocacy.

494 (c) From the individuals described in Subsection (1)(a), the state treasurer shall appoint  
495 one as the advocacy director.

496 (2) (a) An advocacy director shall serve a four-year term.

497 (b) If a vacancy occurs in the advocacy director's position, the advocacy committee and  
498 state treasurer shall, in accordance with Subsection (1), appoint a replacement director for a  
499 four-year term.

500 (3) The advocacy committee may remove the advocacy director during a meeting that  
501 is not closed as described in Section [52-4-204](#), if:

502 (a) removal of the advocacy director is scheduled on the agenda for the meeting; and

503 (b) a majority of a committee quorum votes to remove the advocacy director.

504 (4) In accordance with state and federal law, the advocacy director may attend a  
505 presentation, discussion, meeting, or other gathering related to the school and institutional trust.

506 (5) In order to fulfill the duties of the advocacy office described in Section [53D-2-201](#),  
507 the advocacy director shall:

508 (a) maintain a direct relationship with each individual who is key to fulfilling the state's  
509 trustee obligations and duties related to the trust;

510 (b) facilitate open communication among key individuals described in Subsection

511 (5)(a);

512 (c) actively seek necessary and accurate information;

513 (d) audit activities involved in generating trust revenue, protecting trust assets, and  
514 distributing funds for the exclusive use of trust beneficiaries;

515 (e) promote accurate record keeping of all records relevant to the trust and distribution  
516 to trust beneficiaries;

517 (f) report at least quarterly to the advocacy committee and the state treasurer on the  
518 current activities of the advocacy office;

519 (g) annually submit a proposed advocacy office budget to the state treasurer;

520 (h) regarding the trust's compliance with law, and among the School and Institutional  
521 Trust Lands System as a whole, report annually to:

522 (i) the advocacy committee;

523 (ii) the state treasurer;

524 (iii) the State Board of Education; and  
525 (iv) the Executive Appropriations Committee;  
526 (i) annually send a financial report regarding the relevant individual trust, and, upon  
527 request, report in person to:  
528 (i) Utah State University, on behalf of the agricultural college trust;  
529 (ii) the University of Utah;  
530 (iii) the Utah State Hospital, on behalf of the mental hospital trust;  
531 (iv) the Utah Schools for the Deaf and the Blind, on behalf of the institution for the  
532 blind trust and the deaf and dumb asylum trust;  
533 (v) the youth in custody program at the State Board of Education, on behalf of the  
534 reform school trust;  
535 (vi) the Division of Water Resources, created in Section [73-10-18](#), on behalf of the  
536 reservoir trust;  
537 (vii) the College of Mines and Earth Sciences created in Section [53B-17-401](#);  
538 (viii) each state teachers' college, based on the college's annual number of teacher  
539 graduates, on behalf of the normal school trust;  
540 (ix) the Miners' Hospital described in Section [53B-17-201](#); and  
541 (x) the State Capitol Preservation Board, created in Section [63C-9-201](#), on behalf of  
542 the public buildings trust;  
543 (j) as requested by the state treasurer, draft proposed rules and submit the proposed  
544 rules to the advocacy committee for review;  
545 (k) in accordance with state and federal law, respond to external requests for  
546 information about the School and Institutional Trust Lands System;  
547 (l) in accordance with state and federal law, speak on behalf of trust beneficiaries:  
548 (i) at School and Institutional Trust Lands Administration meetings;  
549 (ii) at School and Institutional Trust Fund Office meetings; and  
550 (iii) with the media;  
551 (m) review proposed legislation that affects the school and institutional trust and trust  
552 beneficiaries and advocate for legislative change that best serves the interests of the trust  
553 beneficiaries; and  
554 (n) educate the public regarding the School and Institutional Trust Lands System.

555 (6) With regard to auditing the activities described in Subsection (5)(d), the advocacy  
556 director may have access to the financial reports and other data required for the audits.

557 Section 17. Section **53F-2-203** is amended to read:

558 **53F-2-203. Reduction of local education board allocation based on insufficient**  
559 **revenues.**

560 (1) As used in this section, "Minimum School Program funds" means the total of state  
561 and local funds appropriated for the minimum school program, excluding:

562 (a) the state-supported voted local levy program pursuant to Section [53F-2-601](#);

563 (b) the state-supported board local levy program pursuant to Section [53F-2-602](#); and

564 (c) the appropriation to charter schools to replace local property tax revenues pursuant  
565 to Section [53F-2-704](#).

566 (2) If the Legislature reduces appropriations made to support public schools under this  
567 chapter because an Education Fund budget deficit, as defined in Section [63J-1-312](#), exists, the  
568 State Board of Education, after consultation with each local education board, shall allocate the  
569 reduction among school districts and charter schools in proportion to each school district's or  
570 charter school's percentage share of Minimum School Program funds.

571 (3) Except as provided in Subsection (5) and subject to the requirements of Subsection  
572 (7), a local education board shall determine which programs are affected by a reduction  
573 pursuant to Subsection (2) and the amount each program is reduced.

574 (4) Except as provided in Subsections (5) and (6), the requirement to spend a specified  
575 amount in any particular program is waived if reductions are made pursuant to Subsection (2).

576 (5) A local education board may not reduce or reallocate spending of funds distributed  
577 to the school district or charter school for the following programs:

578 (a) educator salary adjustments provided in Section [53F-2-405](#);

579 (b) the Teacher Salary Supplement Program provided in Section [53F-2-504](#);

580 (c) the extended year for special educators provided in Section [53F-2-310](#);

581 (d) USTAR centers provided in Section [53F-2-505](#);

582 (e) the School LAND Trust Program [~~created in Section~~] described in Sections  
583 [53F-2-404](#) and [53F-7-1206](#); or

584 (f) a special education program within the Basic School Program.

585 (6) A local education board may not reallocate spending of funds distributed to the

586 school district or charter school to a reserve account.

587 (7) A local education board that reduces or reallocates funds in accordance with this  
588 section shall report all transfers into, or out of, Minimum School Program programs to the  
589 State Board of Education as part of the school district or charter school's Annual Financial and  
590 Program report.

591 Section 18. Section **53F-2-404** is amended to read:

592 **53F-2-404. School LAND Trust Program distribution of funds.**

593 ~~[(1) As used in this section:]~~

594 ~~[(a) "Charter agreement" means an agreement made in accordance with Section~~  
595 ~~53G-5-303 that authorizes the operation of a charter school.]~~

596 ~~[(b) "Charter school authorizer" means the same as that term is defined in Section~~  
597 ~~53G-5-102.]~~

598 ~~[(c) "Charter trust land council" means a council established by a charter school~~  
599 ~~governing board under this section.]~~

600 ~~[(d) "Council" means a school community council or a charter trust land council.]~~

601 ~~[(e) "District school" means a public school under the control of a local school board~~  
602 ~~elected under Title 20A, Chapter 14, Nomination and Election of State and Local School~~  
603 ~~Boards.]~~

604 ~~[(f) "School community council" means a council established at a district school in~~  
605 ~~accordance with Section 53G-7-1202.]~~

606 ~~[(2) There is established the School LAND (Learning And Nurturing Development)~~  
607 ~~Trust Program to:]~~

608 ~~[(a) provide financial resources to public schools to enhance or improve student~~  
609 ~~academic achievement and implement a component of a district school's school improvement~~  
610 ~~plan or a charter school's charter agreement; and]~~

611 ~~[(b) involve parents and guardians of a school's students in decision making regarding~~  
612 ~~the expenditure of School LAND Trust Program money allocated to the school.]~~

613 ~~[(3)]~~ (1) (a) The ~~[program]~~ School LAND Trust Program, established in Section  
614 53G-7-1206, shall be funded each fiscal year:

615 (i) from the Trust Distribution Account created in Section 53F-9-201; and

616 (ii) in the amount of the sum of the following:

617 (A) on or about July 15 each year, out of the distributions from the investment of  
 618 money in the permanent State School Fund deposited to the Trust Distribution Account [~~on or~~  
 619 ~~about July 15 each year~~]; and

620 (B) interest accrued on the Trust Distribution Account in the immediately preceding  
 621 fiscal year.

622 (b) The program shall be funded as provided in Subsection [~~(3)~~] (1)(a) up to an amount  
 623 equal to 3% of the funds provided for the Minimum School Program, pursuant to this chapter,  
 624 each fiscal year.

625 (c) [~~(f)~~] The Legislature shall annually allocate, through an appropriation to the State  
 626 Board of Education, a portion of the Trust Distribution Account created in Section [53F-9-201](#)  
 627 to be used for~~[:]~~ the administration of the School LAND Trust Program.

628 [~~(A) the administration of the School LAND Trust Program; and~~]

629 [~~(B) the performance of duties described in Section [53E-3-514](#).]~~]

630 [~~(f)~~] (d) Any unused balance remaining from an amount appropriated under  
 631 Subsection [~~(3)~~]~~(c)~~(f) (1)(c) shall be deposited in the Trust Distribution Account for  
 632 distribution to schools in the School LAND Trust Program.

633 [~~(4)~~] (2) (a) The State Board of Education shall allocate the money referred to in  
 634 Subsection [~~(3)~~] (1) annually as follows:

635 (i) the Utah Schools for the Deaf and the Blind shall receive funding equal to the  
 636 product of:

637 (A) enrollment on October 1 in the prior year at the Utah Schools for the Deaf and the  
 638 Blind divided by enrollment on October 1 in the prior year in public schools statewide; and

639 (B) the total amount available for distribution under Subsection [~~(3)~~] (1);

640 (ii) charter schools shall receive funding equal to the product of:

641 (A) charter school enrollment on October 1 in the prior year, divided by enrollment on  
 642 October 1 in the prior year in public schools statewide; and

643 (B) the total amount available for distribution under Subsection [~~(3)~~] (1); and

644 (iii) of the funds available for distribution under Subsection [~~(3)~~] (1) after the  
 645 allocation of funds for the Utah Schools for the Deaf and the Blind and charter schools:

646 (A) school districts shall receive 10% of the funds on an equal basis; and

647 (B) the remaining 90% of the funds shall be distributed to school districts on a per

648 student basis.

649 (b) (i) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
650 the State Board of Education shall make rules specifying a formula to distribute the amount  
651 allocated under Subsection ~~[(4)]~~ (2)(a)(ii) to charter schools.

652 (ii) In making rules under Subsection ~~[(4)]~~ (2)(b)(i), the State Board of Education shall:

653 (A) consult with the State Charter School Board; and

654 (B) ensure that the rules include a provision that allows a charter school in the charter  
655 school's first year of operations to receive funding based on projected enrollment, to be  
656 adjusted in future years based on actual enrollment.

657 (c) A school district shall distribute its allocation under Subsection ~~[(4)]~~ (2)(a)(iii) to  
658 each school within the school district on an equal per student basis.

659 (d) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
660 State Board of Education may make rules regarding the time and manner in which the student  
661 count shall be made for allocation of the money under Subsection ~~[(4)]~~ (2)(a)(iii).

662 ~~[(5) To receive its allocation under Subsection (4):]~~

663 ~~[(a) a district school shall have established a school community council in accordance  
664 with Section 53G-7-1202;]~~

665 ~~[(b) a charter school shall have established a charter trust land council in accordance  
666 with Subsection (9); and]~~

667 ~~[(c) the school's principal shall provide a signed, written assurance that the school is in  
668 compliance with Subsection (5)(a) or (b).]~~

669 ~~[(6) (a) A council shall create a program to use its allocation under Subsection (4) to  
670 implement a component of the school's improvement plan or charter agreement, including:]~~

671 ~~[(i) the school's identified most critical academic needs;]~~

672 ~~[(ii) a recommended course of action to meet the identified academic needs;]~~

673 ~~[(iii) a specific listing of any programs, practices, materials, or equipment which the  
674 school will need to implement a component of its school improvement plan to have a direct  
675 impact on the instruction of students and result in measurable increased student performance;  
676 and]~~

677 ~~[(iv) how the school intends to spend its allocation of funds under this section to  
678 enhance or improve academic excellence at the school.]~~

679 ~~[(b) (i) A council shall create and vote to adopt a plan for the use of School LAND~~  
680 ~~Trust Program money in a meeting of the council at which a quorum is present.]~~

681 ~~[(ii) If a majority of the quorum votes to adopt a plan for the use of School LAND~~  
682 ~~Trust Program money, the plan is adopted.]~~

683 ~~[(c) A council shall:]~~

684 ~~[(i) post a plan for the use of School LAND Trust Program money that is adopted in~~  
685 ~~accordance with Subsection (6)(b) on the School LAND Trust Program website; and]~~

686 ~~[(ii) include with the plan a report noting the number of council members who voted~~  
687 ~~for or against the approval of the plan and the number of council members who were absent for~~  
688 ~~the vote.]~~

689 ~~[(d) (i) The local school board of a district school shall approve or disapprove a plan~~  
690 ~~for the use of School LAND Trust Program money.]~~

691 ~~[(ii) If a local school board disapproves a plan for the use of School LAND Trust~~  
692 ~~Program money:]~~

693 ~~[(A) the local school board shall provide a written explanation of why the plan was~~  
694 ~~disapproved and request the school community council who submitted the plan to revise the~~  
695 ~~plan; and]~~

696 ~~[(B) the school community council shall submit a revised plan in response to a local~~  
697 ~~school board's request under Subsection (6)(d)(ii)(A).]~~

698 ~~[(iii) Once a plan has been approved by a local school board, a school community~~  
699 ~~council may amend the plan, subject to a majority vote of the school community council and~~  
700 ~~local school board approval.]~~

701 ~~[(e) A charter trust land council's plan for the use of School LAND Trust Program~~  
702 ~~money is subject to approval by the:]~~

703 ~~[(i) charter school governing board; and]~~

704 ~~[(ii) charter school's charter school authorizer:]~~

705 ~~[(7) (a) A district school or charter school shall:]~~

706 ~~[(i) implement the program as approved;]~~

707 ~~[(ii) provide ongoing support for the council's program; and]~~

708 ~~[(iii) meet State Board of Education reporting requirements regarding financial and~~  
709 ~~performance accountability of the program.]~~

710 ~~[(b) (i) A district school or charter school shall prepare and post an annual report of the~~  
711 ~~program on the School LAND Trust Program website each fall.]~~

712 ~~[(ii) The report shall detail the use of program funds received by the school under this~~  
713 ~~section and an assessment of the results obtained from the use of the funds.]~~

714 ~~[(iii) A summary of the report shall be provided to parents or guardians of students~~  
715 ~~attending the school.]~~

716 ~~[(8) On or before October 1 of each year, a school district shall record the amount of~~  
717 ~~the program funds distributed to each school under Subsection (4)(c) on the School LAND~~  
718 ~~Trust Program website to assist schools in developing the annual report described in~~  
719 ~~Subsection (7)(b).]~~

720 ~~[(9) (a) The governing board of a charter school shall establish a council, which shall~~  
721 ~~prepare a plan for the use of School LAND Trust Program money that includes the elements~~  
722 ~~listed in Subsection (6).]~~

723 ~~[(b) (i) The membership of the council shall include parents or guardians of students~~  
724 ~~enrolled at the school and may include other members.]~~

725 ~~[(ii) The number of council members who are parents or guardians of students enrolled~~  
726 ~~at the school shall exceed all other members combined by at least two.]~~

727 ~~[(c) A charter school governing board may serve as the council that prepares a plan for~~  
728 ~~the use of School LAND Trust Program money if the membership of the charter school~~  
729 ~~governing board meets the requirements of Subsection (9)(b)(ii).]~~

730 ~~[(d) (i) Except as provided in Subsection (9)(d)(ii), council members who are parents~~  
731 ~~or guardians of students enrolled at the school shall be elected in accordance with procedures~~  
732 ~~established by the charter school governing board.]~~

733 ~~[(ii) Subsection (9)(d)(i) does not apply to a charter school governing board that serves~~  
734 ~~as the council that prepares a plan for the use of School LAND Trust Program money.]~~

735 ~~[(e) A parent or guardian of a student enrolled at the school shall serve as chair or~~  
736 ~~cochair of a council that prepares a plan for the use of School LAND Trust Program money.]~~

737 ~~[(10) The president or chair of a local school board or charter school governing board~~  
738 ~~shall ensure that the members of the local school board or charter school governing board are~~  
739 ~~provided with annual training on the requirements of this section.]~~

740 ~~[(H)]~~ (3) If the amount of money prescribed for funding the School LAND Trust



741 Program under this section is less than or greater than the money appropriated for the School  
742 LAND Trust Program, the appropriation shall be equal to the amount of money prescribed for  
743 funding the School LAND Trust Program in this section, up to a maximum of an amount equal  
744 to 3% of the funds provided for the Minimum School Program.

745 ~~[(12)]~~ (4) The State Board of Education shall distribute the money appropriated in  
746 Subsection ~~[(11)]~~ (3) in accordance with this section and rules established by the board in  
747 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

748 Section 19. Section **53F-9-201** is amended to read:

749 **53F-9-201. Uniform School Fund -- Contents -- Trust Distribution Account.**

750 (1) The Uniform School Fund, a special revenue fund within the Education Fund,  
751 established by Utah Constitution, Article X, Section 5, consists of:

752 (a) distributions derived from the investment of money in the permanent State School  
753 Fund established by Utah Constitution, Article X, Section 5;

754 (b) money transferred to the fund pursuant to Title 67, Chapter 4a, Revised Uniform  
755 Unclaimed Property Act; and

756 (c) all other constitutional or legislative allocations to the fund, including revenues  
757 received by donation.

758 (2) (a) There is created within the Uniform School Fund a restricted account known as  
759 the Trust Distribution Account.

760 (b) The Trust Distribution Account consists of the average of:

761 (i) 4% of the average market value of the permanent State School Fund based on an  
762 annual review each July of the past 12 consecutive quarters; and

763 (ii) the prior year's distribution from the Trust Distribution Account as described in  
764 Section **53F-2-404**, increased by prior year changes in the percentage of student enrollment  
765 growth and in the consumer price index.

766 (3) Notwithstanding Subsection (2)(b), the distribution may not exceed 4% of the  
767 average market value of the permanent State School Fund over the past 12 consecutive  
768 quarters.

769 (4) The School and Institutional Trust Fund Board of Trustees created in Section  
770 **53D-1-301** shall:

771 (a) annually review distribution of the Trust Distribution Account; and

772 (b) make recommendations, if necessary, to the Legislature for changes to the formula  
773 described in Subsection (2)(b).

774 (5) (a) Upon appropriation by the Legislature, the director of the School and  
775 Institutional Trust Fund Office created in Section 53D-1-201 shall place in the Trust  
776 Distribution Account funds for:

777 (i) the administration of the School LAND Trust Program as [~~provided in Section~~]  
778 described in Sections 53F-2-404 and 53G-7-1206;

779 [~~(ii) the performance of duties described in Section 53E-3-514;~~]

780 [(iii)] (ii) the School and Institutional Trust Fund Office; and

781 [(iv)] (iii) the School and Institutional Trust Fund Board of Trustees created in Section  
782 53D-1-301.

783 (b) The Legislature may appropriate any remaining balance for the support of the  
784 public education system.

785 Section 20. Section 53G-5-410 is amended to read:

786 **53G-5-410. Safe technology utilization and digital citizenship.**

787 A charter school governing board, or a council formed by a charter school governing  
788 board to prepare a plan for the use of School LAND Trust Program money under Section  
789 [~~53F-2-404~~] 53G-7-1206:

790 (1) shall provide for education and awareness on safe technology utilization and digital  
791 citizenship that empowers:

792 (a) a student to make smart media and online choices; and

793 (b) a parent or guardian to know how to discuss safe technology use with the parent's  
794 or guardian's child;

795 (2) shall partner with the school's principal and other administrators to ensure that  
796 adequate on and off campus Internet filtering is installed and consistently configured to prevent  
797 viewing of harmful content by students and school personnel, in accordance with charter school  
798 governing board policy and Subsection 53G-7-216(3); and

799 (3) may partner with one or more non-profit organizations to fulfill the duties described  
800 in Subsections (1) and (2).

801 Section 21. Section 53G-7-1202 is amended to read:

802 **53G-7-1202. School community councils -- Duties -- Composition -- Election**

803 **procedures and selection of members.**

804 (1) As used in this section:

805 (a) "Digital citizenship" means the norms of appropriate, responsible, and healthy  
806 behavior related to technology use, including digital literacy, ethics, etiquette, and security.807 (b) "District school" means a public school under the control of a local school board  
808 elected under Title 20A, Chapter 14, Nomination and Election of State and Local School  
809 Boards.810 (c) "Educator" means the same as that term is defined in Section [53E-6-102](#).811 (d) (i) "Parent or guardian member" means a member of a school community council  
812 who is a parent or guardian of a student who:

813 (A) is attending the school; or

814 (B) will be enrolled at the school during the parent's or guardian's term of office.

815 (ii) "Parent or guardian member" may not include an educator who is employed at the  
816 school.817 (e) "School community council" means a council established at a district school in  
818 accordance with this section.819 (f) "School employee member" means a member of a school community council who is  
820 a person employed at the school by the school or school district, including the principal.821 (g) "School LAND Trust Program money" means money allocated to a school pursuant  
822 to Section [53F-2-404](#).823 (2) A district school, in consultation with the district school's local school board, shall  
824 establish a school community council at the school building level for the purpose of:

825 (a) involving parents or guardians of students in decision making at the school level;

826 (b) improving the education of students;

827 (c) prudently expending School LAND Trust Program money for the improvement of  
828 students' education through collaboration among parents and guardians, school employees, and  
829 the local school board; and

830 (d) increasing public awareness of:

831 (i) school trust lands and related land policies;

832 (ii) management of the State School Fund established in Utah Constitution Article X,  
833 Section V; and

834 (iii) educational excellence.

835 (3) (a) Except as provided in Subsection (3)(b), a school community council shall:

836 (i) create a school improvement plan in accordance with Section [53G-7-1204](#);

837 (ii) create the School LAND Trust Program in accordance with Section [~~53F-2-404~~]

838 [53G-7-1206](#);

839 (iii) advise and make recommendations to school and school district administrators and

840 the local school board regarding:

841 (A) the school and its programs;

842 (B) school district programs;

843 (C) a child access routing plan in accordance with Section [53G-4-402](#);

844 (D) safe technology utilization and digital citizenship; and

845 (E) other issues relating to the community environment for students;

846 (iv) provide for education and awareness on safe technology utilization and digital

847 citizenship that empowers:

848 (A) a student to make smart media and online choices; and

849 (B) a parent or guardian to know how to discuss safe technology use with the parent's

850 or guardian's child; and

851 (v) partner with the school's principal and other administrators to ensure that adequate

852 on and off campus Internet filtering is installed and consistently configured to prevent viewing

853 of harmful content by students and school personnel, in accordance with local school board

854 policy and Subsection [53G-7-216\(3\)](#).

855 (b) To fulfill the school community council's duties described in Subsections (3)(a)(iv)

856 and (v), a school community council may:

857 (i) partner with one or more non-profit organizations; or

858 (ii) create a subcommittee.

859 (c) A school or school district administrator may not prohibit or discourage a school

860 community council from discussing issues, or offering advice or recommendations, regarding

861 the school and its programs, school district programs, the curriculum, or the community

862 environment for students.

863 (4) (a) Each school community council shall consist of school employee members and

864 parent or guardian members in accordance with this section.

865 (b) Except as provided in Subsection (4)(c) or (d):

866 (i) each school community council for a high school shall have six parent or guardian  
867 members and four school employee members, including the principal; and

868 (ii) each school community council for a school other than a high school shall have  
869 four parent or guardian members and two school employee members, including the principal.

870 (c) A school community council may determine the size of the school community  
871 council by a majority vote of a quorum of the school community council provided that:

872 (i) the membership includes two or more parent or guardian members than the number  
873 of school employee members; and

874 (ii) there are at least two school employee members on the school community council.

875 (d) (i) The number of parent or guardian members of a school community council who  
876 are not educators employed by the school district shall exceed the number of parent or guardian  
877 members who are educators employed by the school district.

878 (ii) If, after an election, the number of parent or guardian members who are not  
879 educators employed by the school district does not exceed the number of parent or guardian  
880 members who are educators employed by the school district, the parent or guardian members of  
881 the school community council shall appoint one or more parent or guardian members to the  
882 school community council so that the number of parent or guardian members who are not  
883 educators employed by the school district exceeds the number of parent or guardian members  
884 who are educators employed by the school district.

885 (5) (a) Except as provided in Subsection (5)(f), a school employee member, other than  
886 the principal, shall be elected by secret ballot by a majority vote of the school employees and  
887 serve a two-year term. The principal shall serve as an ex officio member with full voting  
888 privileges.

889 (b) (i) Except as provided in Subsection (5)(f), a parent or guardian member shall be  
890 elected by secret ballot at an election held at the school by a majority vote of those voting at the  
891 election and serve a two-year term.

892 (ii) (A) Except as provided in Subsection (5)(b)(ii)(B), only a parent or guardian of a  
893 student attending the school may vote in, or run as a candidate in, the election under Subsection  
894 (5)(b)(i).

895 (B) If an election is held in the spring, a parent or guardian of a student who will be

896 attending the school the following school year may vote in, and run as a candidate in, the  
897 election under Subsection (5)(b)(i).

898 (iii) Any parent or guardian of a student who meets the qualifications of this section  
899 may file or declare the parent's or guardian's candidacy for election to a school community  
900 council.

901 (iv) (A) Subject to Subsections (5)(b)(iv)(B) and (5)(b)(iv)(C), a timeline for the  
902 election of parent or guardian members of a school community council shall be established by  
903 a local school board for the schools within the school district.

904 (B) An election for the parent or guardian members of a school community council  
905 shall be held near the beginning of the school year or held in the spring and completed before  
906 the last week of school.

907 (C) Each school shall establish a time period for the election of parent or guardian  
908 members of a school community council under Subsection (5)(b)(iv)(B) that is consistent for at  
909 least a four-year period.

910 (c) (i) At least 10 days before the date that voting commences for the elections held  
911 under Subsections (5)(a) and (5)(b), the principal of the school, or the principal's designee,  
912 shall provide notice to each school employee, parent, or guardian, of the opportunity to vote in,  
913 and run as a candidate in, an election under this Subsection (5).

914 (ii) The notice shall include:

915 (A) the dates and times of the elections;

916 (B) a list of council positions that are up for election; and

917 (C) instructions for becoming a candidate for a community council position.

918 (iii) The principal of the school, or the principal's designee, shall oversee the elections  
919 held under Subsections (5)(a) and (5)(b).

920 (iv) Ballots cast in an election held under Subsection (5)(b) shall be deposited in a  
921 secure ballot box.

922 (d) Results of the elections held under Subsections (5)(a) and (5)(b) shall be made  
923 available to the public upon request.

924 (e) (i) If a parent or guardian position on a school community council remains unfilled  
925 after an election is held, the other parent or guardian members of the council shall appoint a  
926 parent or guardian who meets the qualifications of this section to fill the position.

927 (ii) If a school employee position on a school community council remains unfilled after  
928 an election is held, the other school employee members of the council shall appoint a school  
929 employee to fill the position.

930 (iii) A member appointed to a school community council under Subsection (5)(e)(i) or  
931 (ii) shall serve a two-year term.

932 (f) (i) If the number of candidates who file for a parent or guardian position or school  
933 employee position on a school community council is less than or equal to the number of open  
934 positions, an election is not required.

935 (ii) If an election is not held pursuant to Subsection (5)(f)(i) and a parent or guardian  
936 position remains unfilled, the other parent or guardian members of the council shall appoint a  
937 parent or guardian who meets the qualifications of this section to fill the position.

938 (iii) If an election is not held pursuant to Subsection (5)(f)(i) and a school employee  
939 position remains unfilled, the other school employee members of the council shall appoint a  
940 school employee who meets the qualifications of this section to fill the position.

941 (g) The principal shall enter the names of the council members on the School LAND  
942 Trust website on or before October 20 of each year, pursuant to Section [53G-7-1203](#).

943 (h) Terms shall be staggered so that approximately half of the council members stand  
944 for election each year.

945 (i) A school community council member may serve successive terms provided the  
946 member continues to meet the definition of a parent or guardian member or school employee  
947 member as specified in Subsection (1).

948 (j) Each school community council shall elect:

949 (i) a chair from its parent or guardian members; and

950 (ii) a vice chair from either its parent or guardian members or school employee  
951 members, excluding the principal.

952 (6) (a) A school community council may create subcommittees or task forces to:

953 (i) advise or make recommendations to the council; or

954 (ii) develop all or part of a plan listed in Subsection (3).

955 (b) Any plan or part of a plan developed by a subcommittee or task force shall be  
956 subject to the approval of the school community council.

957 (c) A school community council may appoint individuals who are not council members

958 to serve on a subcommittee or task force, including parents or guardians, school employees, or  
959 other community members.

960 (7) (a) A majority of the members of a school community council is a quorum for the  
961 transaction of business.

962 (b) The action of a majority of the members of a quorum is the action of the school  
963 community council.

964 (8) A local school board shall provide training for a school community council each  
965 year, including training:

966 (a) for the chair and vice chair about their responsibilities;

967 (b) on resources available on the School LAND Trust website; and

968 (c) on [~~the following statutes governing school community councils:~~] this part.

969 [~~(i) Section 53G-7-1202;~~]

970 [~~(ii) Section 53G-7-1203;~~]

971 [~~(iii) Section 53G-7-1204; and~~]

972 [~~(iv) Section 53F-2-404.~~]

973 Section 22. Section **53G-7-1203** is amended to read:

974 **53G-7-1203. School community councils -- Open and public meeting**  
975 **requirements.**

976 (1) As used in this section:

977 (a) (i) "Charter trust land council" means a council established by a charter school  
978 governing board under Section [~~53F-2-404~~] 53G-7-1205.

979 (ii) "Charter trust land council" does not include a charter school governing board  
980 acting as a charter trust land council.

981 (b) "School community council" means a council established at a school within a  
982 school district under Section 53G-7-1202.

983 (c) "Council" means a school community council or a charter trust land council.

984 (2) A school community council or a charter trust land council:

985 (a) shall conduct deliberations and take action openly as provided in this section; and

986 (b) is exempt from Title 52, Chapter 4, Open and Public Meetings Act.

987 (3) (a) As required by Section 53G-7-1202, a local school board shall provide training  
988 for the members of a school community council on this section.



989 (b) A charter school governing board shall provide training for the members of a  
990 charter trust land council on this section.

991 (4) (a) A meeting of a council is open to the public.

992 (b) A council may not close any portion of a meeting.

993 (5) A council shall, at least one week prior to a meeting, post the following information  
994 on the school's website:

995 (a) a notice of the meeting, time, and place;

996 (b) an agenda for the meeting; and

997 (c) the minutes of the previous meeting.

998 (6) (a) On or before October 20, a principal shall post the following information on the  
999 school website and in the school office:

1000 (i) the proposed council meeting schedule for the year;

1001 (ii) a telephone number or email address, or both, where each council member can be  
1002 reached directly; and

1003 (iii) a summary of the annual report required under Section [~~53F-2-404~~] [53G-7-1206](#)  
1004 on how the school's School LAND Trust Program money was used to enhance or improve  
1005 academic excellence at the school and implement a component of the school's improvement  
1006 plan.

1007 (b) (i) A council shall identify and use methods of providing the information listed in  
1008 Subsection (6)(a) to a parent or guardian who does not have Internet access.

1009 (ii) Money allocated to a school under the School LAND Trust Program [~~created in~~  
1010 under Section ~~53F-2-404~~ may not be used to provide information as required by Subsection  
1011 (6)(b)(i).

1012 (7) (a) The notice requirement of Subsection (5) may be disregarded if:

1013 (i) because of unforeseen circumstances it is necessary for a council to hold an  
1014 emergency meeting to consider matters of an emergency or urgent nature; and

1015 (ii) the council gives the best notice practicable of:

1016 (A) the time and place of the emergency meeting; and

1017 (B) the topics to be considered at the emergency meeting.

1018 (b) An emergency meeting of a council may not be held unless:

1019 (i) an attempt has been made to notify all the members of the council; and

- 1020 (ii) a majority of the members of the council approve the meeting.
- 1021 (8) (a) An agenda required under Subsection (5)(b) shall provide reasonable specificity
- 1022 to notify the public as to the topics to be considered at the meeting.
- 1023 (b) Each topic described in Subsection (8)(a) shall be listed under an agenda item on
- 1024 the meeting agenda.
- 1025 (c) A council may not take final action on a topic in a meeting unless the topic is:
- 1026 (i) listed under an agenda item as required by Subsection (8)(b); and
- 1027 (ii) included with the advance public notice required by Subsection (5).
- 1028 (9) (a) Written minutes shall be kept of a council meeting.
- 1029 (b) Written minutes of a council meeting shall include:
- 1030 (i) the date, time, and place of the meeting;
- 1031 (ii) the names of members present and absent;
- 1032 (iii) a brief statement of the matters proposed, discussed, or decided;
- 1033 (iv) a record, by individual member, of each vote taken;
- 1034 (v) the name of each person who:
- 1035 (A) is not a member of the council; and
- 1036 (B) after being recognized by the chair, provided testimony or comments to the
- 1037 council;
- 1038 (vi) the substance, in brief, of the testimony or comments provided by the public under
- 1039 Subsection (9)(b)(v); and
- 1040 (vii) any other information that is a record of the proceedings of the meeting that any
- 1041 member requests be entered in the minutes.
- 1042 (c) The written minutes of a council meeting:
- 1043 (i) are a public record under Title 63G, Chapter 2, Government Records Access and
- 1044 Management Act; and
- 1045 (ii) shall be retained for three years.
- 1046 (10) (a) As used in this Subsection (10), "rules of order and procedure" means a set of
- 1047 rules that govern and prescribe in a public meeting:
- 1048 (i) parliamentary order and procedure;
- 1049 (ii) ethical behavior; and
- 1050 (iii) civil discourse.

- 1051 (b) A council shall:
- 1052 (i) adopt rules of order and procedure to govern a public meeting of the council;
- 1053 (ii) conduct a public meeting in accordance with the rules of order and procedure
- 1054 described in Subsection (10)(b)(i); and
- 1055 (iii) make the rules of order and procedure described in Subsection (10)(b)(i) available
- 1056 to the public:
- 1057 (A) at each public meeting of the council; and
- 1058 (B) on the school's website.

1059 Section 23. Section **53G-7-1205** is enacted to read:

1060 **53G-7-1205. Charter trust land councils.**

1061 (1) To receive School LAND Trust Program funding as described in Section

1062 53F-2-404, a charter school governing board shall establish a charter trust land council, which

1063 shall prepare a plan for the use of School LAND Trust Program money that includes the

1064 elements described in Subsection 53G-7-1206(4).

1065 (2) (a) The membership of the council shall include parents or guardians of students

1066 enrolled at the school and may include other members.

1067 (b) The number of council members who are parents or guardians of students enrolled

1068 at the school shall exceed all other members combined by at least two.

1069 (3) A charter school governing board may serve as the charter trust land council that

1070 prepares a plan for the use of School LAND Trust Program money if the membership of the

1071 charter school governing board meets the requirements of Subsection (2)(b).

1072 (4) (a) Except as provided in Subsection (4)(b), council members who are parents or

1073 guardians of students enrolled at the school shall be elected in accordance with procedures

1074 established by the charter school governing board.

1075 (b) Subsection (4)(a) does not apply to a charter school governing board that serves as

1076 the charter trust land council that prepares a plan for the use of School LAND Trust Program

1077 money.

1078 (5) A parent or guardian of a student enrolled at the school shall serve as chair or

1079 co-chair of a charter trust land council that prepares a plan for the use of School LAND Trust

1080 Program money.

1081 Section 24. Section **53G-7-1206** is enacted to read:

- 1082 **53G-7-1206. School LAND Trust Program.**
- 1083 (1) As used in this section:
- 1084 (a) "Charter agreement" means an agreement made in accordance with Section
- 1085 53G-5-303 that authorizes the operation of a charter school.
- 1086 (b) "Charter school authorizer" means the same as that term is defined in Section
- 1087 53G-5-102.
- 1088 (c) "Charter trust land council" means a council established by a charter school
- 1089 governing board under Section 53G-7-1205.
- 1090 (d) "Council" means a school community council or a charter trust land council.
- 1091 (e) "District school" means a public school under the control of a local school board
- 1092 elected under Title 20A, Chapter 14, Nomination and Election of State and Local School
- 1093 Boards.
- 1094 (f) "School community council" means a council established at a district school in
- 1095 accordance with Section 53G-7-1202.
- 1096 (2) There is established the School LAND (Learning And Nurturing Development)
- 1097 Trust Program to:
- 1098 (a) provide financial resources to public schools to enhance or improve student
- 1099 academic achievement and implement a component of a district school's school improvement
- 1100 plan or a charter school's charter agreement; and
- 1101 (b) involve parents and guardians of a school's students in decision making regarding
- 1102 the expenditure of School LAND Trust Program money allocated to the school.
- 1103 (3) To receive an allocation under Section 53F-2-404:
- 1104 (a) a district school shall have established a school community council in accordance
- 1105 with Section 53G-7-1202;
- 1106 (b) a charter school shall have established a charter trust land council in accordance
- 1107 with Section 53G-7-1205; and
- 1108 (c) the school's principal shall provide a signed, written assurance that the school is in
- 1109 compliance with Subsection (3)(a) or (b).
- 1110 (4) (a) A council shall create a program to use the school's allocation distributed under
- 1111 Section 53F-2-404 to implement a component of the school's improvement plan or charter
- 1112 agreement, including:

- 1113 (i) the school's identified most critical academic needs;  
1114 (ii) a recommended course of action to meet the identified academic needs;  
1115 (iii) a specific listing of any programs, practices, materials, or equipment that the  
1116 school will need to implement a component of its school improvement plan to have a direct  
1117 impact on the instruction of students and result in measurable increased student performance;  
1118 and  
1119 (iv) how the school intends to spend its allocation of funds under this section to  
1120 enhance or improve academic excellence at the school.
- 1121 (b) (i) A council shall create and vote to adopt a plan for the use of School LAND  
1122 Trust Program money in a meeting of the council at which a quorum is present.
- 1123 (ii) If a majority of the quorum votes to adopt a plan for the use of School LAND Trust  
1124 Program money, the plan is adopted.
- 1125 (c) A council shall:
- 1126 (i) post a plan for the use of School LAND Trust Program money that is adopted in  
1127 accordance with Subsection (4)(b) on the School LAND Trust Program website; and  
1128 (ii) include with the plan a report noting the number of council members who voted for  
1129 or against the approval of the plan and the number of council members who were absent for the  
1130 vote.
- 1131 (d) (i) The local school board of a district school shall approve or disapprove a plan for  
1132 the use of School LAND Trust Program money.
- 1133 (ii) If a local school board disapproves a plan for the use of School LAND Trust  
1134 Program money:
- 1135 (A) the local school board shall provide a written explanation of why the plan was  
1136 disapproved and request the school community council who submitted the plan to revise the  
1137 plan; and
- 1138 (B) the school community council shall submit a revised plan in response to a local  
1139 school board's request under Subsection (4)(d)(ii)(A).
- 1140 (iii) Once a plan has been approved by a local school board, a school community  
1141 council may amend the plan, subject to a majority vote of the school community council and  
1142 local school board approval.
- 1143 (e) A charter trust land council's plan for the use of School LAND Trust Program

1144 money is subject to approval by the:

1145 (i) charter school governing board; and

1146 (ii) charter school's charter school authorizer.

1147 (5) (a) A district school or charter school shall:

1148 (i) implement the program as approved;

1149 (ii) provide ongoing support for the council's program; and

1150 (iii) meet State Board of Education reporting requirements regarding financial and

1151 performance accountability of the program.

1152 (b) (i) A district school or charter school shall prepare and post an annual report of the  
1153 program on the School LAND Trust Program website each fall.

1154 (ii) The report shall detail the use of program funds received by the school under this  
1155 section and an assessment of the results obtained from the use of the funds.

1156 (iii) A summary of the report shall be provided to parents or guardians of students  
1157 attending the school.

1158 (6) On or before October 1 of each year, a school district shall record the amount of the  
1159 program funds distributed to each school under Section [53F-2-404](#) on the School LAND Trust  
1160 Program website to assist schools in developing the annual report described in Subsection  
1161 (5)(b).

1162 (7) The president or chair of a local school board or charter school governing board  
1163 shall ensure that the members of the local school board or charter school governing board are  
1164 provided with annual training on the requirements of this section.

1165 (8) (a) The School LAND Trust Program shall provide training to the entities described  
1166 in Subsection (8)(b) on:

1167 (i) the School LAND Trust Program; and

1168 (ii) (A) a school community council; or

1169 (B) a charter trust land council.

1170 (b) The School LAND Trust Program shall provide the training to:

1171 (i) a local school board or a charter school governing board;

1172 (ii) a school district or a charter school; and

1173 (iii) a school community council.

1174 (9) The School LAND Trust Program shall annually review each school's compliance

1175 with applicable law, including rules adopted by the State Board of Education, by:

1176 (a) reading each School LAND Trust Program plan submitted; and

1177 (b) reviewing expenditures made from School LAND Trust Program money.

1178 Section 25. Section **67-4-1** is amended to read:

1179 **67-4-1. Duties.**

1180 (1) The state treasurer shall:

1181 (a) receive and maintain custody of all state funds;

1182 (b) unless otherwise provided by law, invest all funds delivered into the state treasurer's  
1183 custody according to the procedures and requirements of Title 51, Chapter 7, State Money  
1184 Management Act;

1185 (c) pay warrants drawn by the Division of Finance as they are presented;

1186 (d) return each redeemed warrant to the Division of Finance for purposes of  
1187 reconciliation, post-audit, and verification;

1188 (e) ensure that state warrants not presented to the state treasurer for payment within one  
1189 year from the date of issue, or a shorter period if required by federal regulation or contract, are  
1190 canceled and credited to the proper fund;

1191 (f) account for all money received and disbursed;

1192 (g) keep separate account of the different funds;

1193 (h) keep safe all bonds, warrants, and securities delivered into his custody;

1194 (i) at the request of either house of the Legislature, or of any legislative committee,  
1195 give information in writing as to the condition of the treasury, or upon any subject relating to  
1196 the duties of his office;

1197 (j) keep the books open at all times for the inspection by the governor, the state auditor,  
1198 or any member of the Legislature, or any committee appointed to examine them by either house  
1199 of the Legislature;

1200 (k) authenticate and validate documents when necessary;

1201 (l) adopt a seal and file a description and an impression of it with the Division of  
1202 Archives; ~~and~~

1203 (m) discharge the duties of a member of all official boards of which he is or may be  
1204 made a member by the Constitution or laws of Utah[-]; and

1205 (n) oversee and support the advocacy of the Land Trusts Protection and Advocacy

1206 Office, created in Title 53D, Chapter 2, Land Trusts Protection and Advocacy Office.

1207           (2) When necessary to perform his duties, the state treasurer may inspect the books,  
1208 papers, and accounts of any state entity.

1209           (3) The state treasurer may take temporary custody of public funds if ordered by a court  
1210 to do so under Subsection [67-3-1](#)(11).

1211           Section 26. **Repealer.**

1212           This bill repeals:

1213           Section [53E-3-514](#), **Creation of School Children's Trust Section -- Duties.**

1214           Section 27. **Effective date.**

1215           This bill takes effect on July 1, 2018.

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**Legislative Review Note**  
**Office of Legislative Research and General Counsel**