

1 **Land Trusts Protection and Advocacy Office Amendments**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Derrin R. Owens**

House Sponsor: Jefferson S. Burton

2  
3 **LONG TITLE**

4 **Committee Note:**

5 The Natural Resources, Agriculture, and Environment Interim Committee recommended  
6 this bill.

7 Legislative Vote: 13 voting for 0 voting against 6 absent

8 **General Description:**

9 This bill clarifies the Land Trusts Protection and Advocacy Office's role and implements  
10 distribution accountability requirements for non-public education trust beneficiaries.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ defines terms;
- 14 ▶ clarifies the authority and purpose of the advocacy office as the primary representative of  
15 the trust beneficiaries;
- 16 ▶ refines the duties of the advocacy office director;
- 17 ▶ defines accountability requirements for use of trust distributions in response to a  
18 legislative audit;
- 19 ▶ updates the composition of the nominating committees for the trustee boards; and
- 20 ▶ makes technical and conforming changes.

21 **Money Appropriated in this Bill:**

22 None

23 **Other Special Clauses:**

24 This bill provides a special effective date.

25 **Utah Code Sections Affected:**

26 AMENDS:

27 **53C-1-103**, as last amended by Laws of Utah 2018, Chapter 448

28 **53C-1-203**, as last amended by Laws of Utah 2018, Chapters 415, 448

29 **53C-1-301**, as last amended by Laws of Utah 2025, Chapter 302

30 **53C-1-303**, as last amended by Laws of Utah 2025, Chapter 496

- 31 **53D-1-102**, as last amended by Laws of Utah 2019, Chapter 136
- 32 **53D-1-303**, as last amended by Laws of Utah 2018, Chapter 200
- 33 **53D-1-401**, as last amended by Laws of Utah 2018, Chapter 448
- 34 **53D-1-403**, as last amended by Laws of Utah 2018, Chapters 415, 448
- 35 **53D-1-501**, as last amended by Laws of Utah 2018, Chapter 448
- 36 **53D-2-102**, as enacted by Laws of Utah 2018, Chapter 448
- 37 **53F-9-201**, as last amended by Laws of Utah 2024, Chapter 268
- 38 **53G-7-1206**, as last amended by Laws of Utah 2025, Chapter 424

39 ENACTS:

- 40 **53D-2-301**, Utah Code Annotated 1953
- 41 **53D-2-302**, Utah Code Annotated 1953
- 42 **53D-2-303**, Utah Code Annotated 1953
- 43 **53D-2-304**, Utah Code Annotated 1953
- 44 **53D-2-401**, Utah Code Annotated 1953
- 45 **53D-2-402**, Utah Code Annotated 1953
- 46 **53D-2-501**, Utah Code Annotated 1953

47 REPEALS AND REENACTS:

- 48 **53D-2-201**, as last amended by Laws of Utah 2021, Chapter 336
- 49 **53D-2-202**, as enacted by Laws of Utah 2018, Chapter 448

50 RENUMBERS AND AMENDS:

- 51 **53D-2-601**, (Renumbered from 53D-2-204, as last amended by Laws of Utah 2019,
- 52 Chapter 191)

53 REPEALS:

- 54 **53D-2-203**, as last amended by Laws of Utah 2025, First Special Session, Chapter 9

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

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

58 **53C-1-103 . Definitions.**

59 As used in this title:

- 60 (1) "Administration" means the School and Institutional Trust Lands Administration.
- 61 (2) "Advocacy office" means the School and Institutional Trust Beneficiaries' Advocacy
- 62 Office, created in Section 53D-2-201.
- 63 [~~2~~] (3) "Board" or "board of trustees" means the School and Institutional Trust Lands
- 64 Board of Trustees.

- 65     ~~[(3)]~~ (4) "Director" or "director of school and institutional trust lands" means the chief  
66         executive officer of the School and Institutional Trust Lands Administration.
- 67     ~~[(4)]~~ (5) "Mineral" includes oil, gas, and hydrocarbons.
- 68     ~~[(5)]~~ (6) "Nominating committee" means the committee that nominates candidates for  
69         positions and vacancies on the board.
- 70     ~~[(6)]~~ (7) "Policies" means statements applying to the administration that broadly prescribe a  
71         future course of action and guiding principles.
- 72     ~~[(7)~~ "Primary beneficiary representative" means ~~the the Land Trusts Protection and~~  
73         ~~Advocacy Office, created in Section 53D-2-201, acting as representative on behalf of the~~  
74         ~~following trusts:]~~
- 75         ~~[(a) the trust established for common schools;]~~  
76         ~~[(b) the trust established for schools for the blind; and]~~  
77         ~~[(c) the trust established for schools for the deaf.]~~
- 78     (8) "School and institutional trust lands" or "trust lands" means those properties ~~[granted by]~~  
79         the United States grants in the Utah Enabling Act to the state and placed in trust under  
80         Utah Constitution, Article XX, Section 2, and other lands transferred to the trust, which [  
81         ~~must]~~ shall be managed for the ~~[benefit of:]~~ beneficiaries listed in Subsection  
82         53D-2-201(2).
- 83         ~~[(a) the state's public education system; or]~~  
84                 ~~[(b) the institutions of the state which are designated by the Utah Enabling Act as~~  
85                 ~~beneficiaries of trust lands.]~~
- 86         Section 2. Section **53C-1-203** is amended to read:
- 87         **53C-1-203 . Board of trustees nominating committee -- Composition --**
- 88         **Responsibilities -- Per diem and expenses.**
- 89         (1) There is established ~~[an 11-]~~ a nine-member board of trustees nominating committee.
- 90         ~~[(2)(a)(i) Through July 30, 2018, the State Board of Education shall appoint five~~  
91                 ~~members to the nominating committee from different geographical areas of the~~  
92                 ~~state.]~~
- 93                 ~~[(ii) Beginning on August 1, 2018, the five members of the Land Trusts Protection~~  
94                 ~~and Advocacy Committee, created in Section 53D-2-202, shall serve on the~~  
95                 ~~nominating committee.]~~
- 96         ~~[(b) The governor shall appoint five members to the nominating committee on or before~~  
97                 ~~the December 1 of the year preceding the vacancy on the nominating committee as~~  
98                 ~~follows:]~~

99           ~~[(i)(A) through July 30, 2018, one individual from a nomination list of at least~~  
 100           ~~two names of individuals knowledgeable about institutional trust lands~~  
 101           ~~submitted on or before the October 1 of the year preceding the vacancy on the~~  
 102           ~~nominating committee by the University of Utah and Utah State University on~~  
 103           ~~an alternating basis every four years; and]~~

104           ~~[(B) beginning on August 1, 2018, one individual who is knowledgeable about~~  
 105           ~~real estate development;]~~

106           ~~[(ii) one individual from a nomination list of at least two names submitted by the~~  
 107           ~~Utah Farm Bureau in consultation with the Utah Cattleman's Association and the~~  
 108           ~~Utah Wool Growers' Association on or before the October 1 of the year preceding~~  
 109           ~~the vacancy on the nominating committee;]~~

110           ~~[(iii) one individual from a nomination list of at least two names submitted by the~~  
 111           ~~Utah Petroleum Association on or before the October 1 of the year preceding the~~  
 112           ~~vacancy on the nominating committee;]~~

113           ~~[(iv) one individual from a nomination list of at least two names submitted by the~~  
 114           ~~Utah Mining Association on or before the October 1 of the year preceding the~~  
 115           ~~vacancy on the nominating committee; and]~~

116           ~~[(v) one individual from a nomination list of at least two names submitted by the~~  
 117           ~~executive director of the Department of Natural Resources after consultation with~~  
 118           ~~statewide wildlife and conservation organizations on or before the October 1 of~~  
 119           ~~the year preceding the vacancy on the nominating committee.]~~

120           ~~[(e) The president of the Utah Association of Counties shall designate the chair of the~~  
 121           ~~Public Lands Steering Committee, who must be an elected county commissioner or~~  
 122           ~~councilor, to serve as the eleventh member of the nominating committee.]~~

123           (2)(a) The council chair of the School and Institutional Trust Beneficiaries' Advocacy  
 124           Council, created in Section 53D-2-303, shall appoint three members to serve on the  
 125           nominating committee contingent on the member's council membership.

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

129           (i) one individual who is knowledgeable about real estate development from a  
 130           nomination the Governor's Office of Economic Opportunity submits on or before  
 131           the October 1 of the year preceding the vacancy on the nominating committee;

132           (ii) one individual from a nomination the Utah Farm Bureau submits in consultation

133 with the Utah Cattlemen's Association and the Utah Wool Growers Association on  
 134 or before the October 1 of the year preceding the vacancy on the nominating  
 135 committee;

136 (iii) one individual from a nomination the Utah Petroleum Association submits on or  
 137 before the October 1 of the year preceding the vacancy on the nominating  
 138 committee;

139 (iv) one individual from a nomination the Utah Mining Association submits on or  
 140 before the October 1 of the year preceding the vacancy on the nominating  
 141 committee; and

142 (v) one individual from a nomination the executive director of the Department of  
 143 Natural Resources submits after consultation with statewide wildlife and  
 144 conservation organizations on or before the October 1 of the year preceding the  
 145 vacancy on the nominating committee.

146 (c) If the governor rejects a nomination under this section, notwithstanding the October  
 147 1 deadline described in Subsection (2)(b), the affected nominating organization shall  
 148 make a new submission.

149 (d) The president of the Utah Association of Counties shall designate the chair of the  
 150 Public Lands Steering Committee, who shall be an elected county commissioner or  
 151 councilor, to serve as the ninth member of the nominating committee.

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

154 (b) The governor shall, at the time of appointment or reappointment, adjust the length of  
 155 terms to ensure that the terms of committee members the governor appoints are  
 156 staggered so that approximately half of the committee is appointed every two years.

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

159 [~~(d) The term of a member of the nominating committee who is appointed under~~  
 160 ~~Subsection (2)(a)(i) or (2)(b)(i)(A) shall end on July 30, 2018.~~]

161 (4) The nominating committee shall select a chair and vice chair from [~~its~~] the nominating  
 162 committee's membership by majority vote.

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

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

- 167 (6) A member may not receive compensation or benefits for the member's service, but may  
 168 receive per diem and travel expenses in accordance with:
- 169 (a) Section 63A-3-106;
- 170 (b) Section 63A-3-107; and
- 171 (c) rules~~[-made by]~~ the Division of Finance ~~[pursuant to]~~ makes in accordance with  
 172 Sections 63A-3-106 and 63A-3-107.
- 173 (7) The ~~[Land Trusts Protection and Advocacy Office]~~ advocacy office, created in Section  
 174 53D-2-201, shall provide staff support to the nominating committee.
- 175 (8) The nominating committee shall, by a majority vote, establish, amend, and publish  
 176 guidelines consistent with this section to govern the nominating process.
- 177 Section 3. Section **53C-1-301** is amended to read:
- 178 **53C-1-301 . Director -- Term -- Compensation -- Removal from office.**
- 179 (1)(a) The board, with the consent of the governor, shall select the director on the basis  
 180 of outstanding professional qualifications pertinent to the purposes and activities of  
 181 the trust.
- 182 (b) If the governor withholds consent from a candidate agreed upon by the board, the  
 183 governor shall give reasons in writing to the board.
- 184 (2) The director shall serve a term of four years, or until a successor is selected and  
 185 qualified.
- 186 (3) When a vacancy occurs in the office of the director, the vacancy shall be filled ~~[pursuant~~  
 187 ~~to]~~ in accordance with Subsection (1) for the remainder of the term.
- 188 (4)(a) The board:
- 189 (i) shall establish the compensation of the director; and
- 190 (ii) annually report the director's compensation to the Legislature.
- 191 (b) The compensation and performance of the director shall be examined each year as  
 192 part of the board's budget review process which may include responses from  
 193 interested parties, the director of the advocacy office, and the director of the School  
 194 and Institutional Trust Fund Office.
- 195 (5)(a) The board may remove the director from office for cause by a majority vote of the  
 196 board.
- 197 (b)(i) The governor may petition the board for removal of the director for cause.
- 198 (ii) The board shall hold a hearing on the governor's petition within 60 days after ~~[its]~~  
 199 the petition's receipt.
- 200 (iii) If after the hearing the board finds by a preponderance of the evidence cause for

201 removal, it shall remove the director from office by a majority vote.

202 Section 4. Section **53C-1-303** is amended to read:

203 **53C-1-303 . Responsibilities of director -- Budget review -- Legal counsel --**  
 204 **Contract for services.**

- 205 (1) In carrying out the policies of the board of trustees and in establishing procedures and  
 206 rules, the director shall:
- 207 (a) take an oath of office before assuming any duties as the director;
  - 208 (b) adopt procedures and rules necessary for the proper administration of matters  
 209 entrusted to the director by state law and board policy;
  - 210 (c) submit to the board for ~~[its]~~ the board's review and concurrence on any rules  
 211 necessary for the proper management of matters entrusted to the administration;
  - 212 (d) faithfully manage the administration under the policies ~~[established by the board]~~ the  
 213 board establishes;
  - 214 (e) submit to the board for public inspection an annual management budget and financial  
 215 plan for operations of the administration and, after approval by the board, submit the  
 216 budget to the governor;
  - 217 (f) direct and control the budget expenditures as finally authorized and appropriated;
  - 218 (g) establish job descriptions and employ, within the limitation of the budget, staff  
 219 necessary to accomplish the purposes of the office subject to Section 53C-1-201;
  - 220 (h) establish, in accordance with generally accepted principles of fund accounting, a  
 221 system to identify and account for the assets and vested interests of each beneficiary;
  - 222 (i) complete an approximate valuation of the administration's entire land portfolio every  
 223 five years by estimating the value of no less than 10% of the administration's land  
 224 portfolio each year;
  - 225 (j) notify the ~~[primary beneficiary representative's designee regarding the trusts listed in~~  
 226 ~~Subsection 53C-1-103(7)]~~ advocacy office on major items that the director knows  
 227 may be useful to the ~~[primary beneficiary representative's designee]~~ advocacy office  
 228 in ~~[protecting]~~ representing beneficiary interests and rights;
  - 229 (k) permit the ~~[primary beneficiary representative's designee regarding a trust listed in~~  
 230 ~~Subsection 53C-1-103(7)]~~ advocacy office reasonable access to inspect records,  
 231 documents, and other trust property pertaining to that trust, provided that the [  
 232 ~~primary beneficiary representative's designee]~~ advocacy office shall maintain  
 233 confidentiality if confidentiality is required of the director;
  - 234 (l) maintain appropriate records of trust activities to enable auditors appointed by

- 235 appropriate state agencies or the board to conduct periodic audits of trust activities;
- 236 (m) provide that all leases, contracts, and agreements be submitted to legal counsel for  
237 review of compliance with applicable law and fiduciary duties prior to execution and  
238 utilize the services of the attorney general as provided in Section 53C-1-305;
- 239 (n) keep the board, beneficiaries, governor, Legislature, and the public informed about  
240 the work of the director and administration by:
- 241 (i) submitting an annual report described in Section 53C-1-307; and  
242 (ii) reporting to the board in a public meeting at least once during each calendar  
243 quarter; and
- 244 (o) respond in writing within a reasonable time to a request by the board or the [~~primary~~  
245 ~~beneficiary representative's designee regarding a trust listed in Subsection~~  
246 ~~53C-1-103(7)] advocacy office for responses to questions on policies and practices  
247 affecting the management of the trust.~~
- 248 (2) The administration shall be the named party in substitution of the Division of [~~State~~  
249 ~~Lands and Forestry~~] Forestry, Fire, and State Lands or [~~its~~] the Division of Forestry, Fire,  
250 and State Lands predecessor agencies, with respect to all documents affecting trust lands  
251 from the effective date of this act.
- 252 (3) The director may:
- 253 (a) with the consent of the state risk manager and the board, manage lands or interests in  
254 lands held by any other public or private party [~~pursuant to~~] in accordance with  
255 policies [~~established by~~]the board establishes and may make rules to implement  
256 these board policies;
- 257 (b) sue or be sued as the director of school and institutional trust lands;
- 258 (c) contract with other public agencies for personnel management services;
- 259 (d) contract with any public or private entity to make improvements to or upon trust  
260 lands and to carry out any of the responsibilities of the office, so long as the contract  
261 requires strict adherence to trust management principles, applicable law and  
262 regulation, and is subject to immediate suspension or termination for cause; and
- 263 (e) with the approval of the board enter into joint ventures and other business  
264 arrangements consistent with the purposes of the trust.
- 265 (4) Any application or bid required for the lease, permitting, or sale of lands in a  
266 competitive process or any request for review [~~pursuant to~~] in accordance with Section  
267 53C-1-304 shall be considered filed or made on the date received by the appropriate  
268 administrative office, whether transmitted by United States mail or in any other manner.

269 Section 5. Section **53D-1-102** is amended to read:

270 **53D-1-102 . Definitions.**

271 As used in this chapter:

272 (1) "Account" means the School and Institutional Trust Fund Management Account, created  
273 in Section 53D-1-203.

274 (2) "Advocacy office" means the School and Institutional Trust Beneficiaries' Advocacy  
275 Office, created in Section 53D-2-201.

276 [~~(2)~~] (3) "Advocacy office director" means the director of the [~~Land Trusts Protection and~~]  
277 School and Institutional Trust Beneficiaries' Advocacy Office, appointed under [~~Section~~  
278 ~~53D-2-203~~] Section 53D-2-401.

279 [~~(3)~~] (4) "Beneficiaries":

280 (a) means those listed in Subsection 53D-2-201(3) for whose benefit the trust fund is  
281 managed and preserved, consistent with the enabling act, the Utah Constitution, and  
282 state law; and

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

285 [~~(4)~~] (5) "Board" means the board of trustees established in Section 53D-1-301.

286 [~~(5)~~] (6) "Director" means the director of the office.

287 [~~(6)~~] (7) "Enabling act" means the act of Congress, dated July 16, 1894, enabling the people  
288 of Utah to form a constitution and state government and to be admitted into the Union.

289 [~~(7)~~] "~~Land Trusts Protection and Advocacy Office~~" or "~~advocacy office~~" means the ~~Land~~  
290 ~~Trusts Protection and Advocacy Office~~ ~~created in Section 53D-2-201.~~]

291 (8) "Nominating committee" means the committee established under Section 53D-1-501.

292 (9) "Office" means the School and Institutional Trust Fund Office, created in Section  
293 53D-1-201.

294 (10) "Trust fund" means money derived from:

295 (a) the sale or use of land granted to the state under Sections 6, 8, and 12 of the [  
296 ~~enabling act~~] Utah Enabling Act;

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

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

300 Section 6. Section **53D-1-303** is amended to read:

301 **53D-1-303 . Board authority and duties.**

302 (1) The board has broad policymaking authority over the office and the trust fund.

- 303 (2)(a) The board shall establish policies for the management of:
- 304 (i) the office, including:
- 305 (A) an investment management code of conduct and associated compliance policy;
- 306 (B) a policy for the strategic allocation of trust fund assets;
- 307 (C) a soft dollar policy; and
- 308 (D) a policy articulating the board's investment philosophy for trust fund assets;
- 309 and
- 310 (ii) the trust fund.
- 311 (b) Policies that the board adopts shall:
- 312 (i) be consistent with the enabling act, the Utah Constitution, and other applicable
- 313 state law;
- 314 (ii) reflect undivided loyalty to the beneficiaries consistent with fiduciary duties;
- 315 (iii) be designed to prudently optimize trust fund returns and increase the value of the
- 316 trust fund, consistent with the balancing of short-term and long-term interests, so
- 317 that the fiduciary duty of intergenerational equity is met;
- 318 (iv) be designed to maintain the integrity of the trust fund and prevent the
- 319 misapplication of money in the trust fund;
- 320 (v) enable the board to oversee the activities of the office; and
- 321 (vi) otherwise be in accordance with standard trust principles as provided by state law.
- 322 (3) The board shall:
- 323 (a) establish a conflict of interest policy for the office and board members;
- 324 (b) establish policies governing the evaluation, selection, and monitoring of independent
- 325 custodial arrangements;
- 326 (c) ensure that the office is managed according to law;
- 327 (d) establish bylaws to govern the board;
- 328 (e) establish the compensation of the director;
- 329 (f) annually examine the compensation and performance of the director as part of the
- 330 board's budget review process which may include responses from:
- 331 (i) interested parties;
- 332 (ii) the advocacy office director; and
- 333 (iii) the director of the School and Institutional Trust Lands Administration;
- 334 (g) annually report the director's compensation to the Legislature; and
- 335 (h)(i) adopt policies to provide for annual training of board members regarding [~~their~~]
- 336 the board member's duties and responsibilities; and

337 (ii) ensure that any training described in Subsection (3)(h)(i) complies with Title  
338 63G, Chapter 22, State Training and Certification Requirements.

339 (4) The board may:

340 (a) after conferring with the director:

341 (i) hire one or more consultants to advise the board, director, or office on issues  
342 affecting the management of the trust fund; and

343 (ii) pay compensation to any consultant hired under Subsection (4)(a)(i), subject to  
344 budgetary constraints; and

345 (b) submit to the director a written question or set of questions concerning policies and  
346 practices affecting the management of the trust fund.

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

348 **53D-1-401 . Appointment of director -- Qualifications -- Nature of employment --**

349 **Removal by petition.**

350 (1) ~~[The office shall be managed by a director]~~ A director shall manage the office.

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

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

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

356 (b) expertise in institutional investment management.

357 (4) The director is an at-will employee who ~~[may be removed by]~~the board may remove at  
358 any time with or without cause.

359 (5) The state treasurer, as board chair, may consult about the appointment of the director  
360 with the chair of the School and Institutional Trust Beneficiaries' Advocacy Council,  
361 pursuant to Subsection 53D-2-303(4)(b).

362 ~~[(5)(a) The advocacy office director may submit a written petition to the board~~  
363 ~~requesting the board to remove the director for cause, explained in the petition.]~~

364 ~~[(b) The board shall hold a hearing on a petition under Subsection (5)(a) within 45 days~~  
365 ~~after receiving the petition.]~~

366 ~~[(c) If, after holding a hearing, the board finds by a preponderance of the evidence that~~  
367 ~~there is cause for removing the director, the board shall remove the director.]~~

368 Section 8. Section **53D-1-403** is amended to read:

369 **53D-1-403 . Reports.**

370 (1) At least annually, the director shall report in person to the Legislative Management

371 Committee, the governor, and the advocacy office, concerning the office's investments,  
372 performance, estimated distributions, and other activities.

373 (2) The director shall report to the board concerning the work of the director and the  
374 investment activities and other activities of the office:

375 (a) in a public meeting at least ~~[six]~~ four times per year; and

376 (b) as ~~[otherwise requested by]~~ the board requests.

377 (3)~~[(a) Before November 1 of each year, the]~~ The director shall~~[:]~~ annually post a report  
378 for the general public on the office website concerning the office's investments,  
379 performance, estimated distributions, and other activities.

380 ~~[(i) submit a written report to school community councils, created under Section~~  
381 ~~53G-7-1202, and charter trust land councils, established under Section 53G-7-1205,~~  
382 ~~concerning the office's investments, performance, estimated distributions, and~~  
383 ~~other activities; and]~~

384 ~~[(ii) post the written report described in Subsection (3)(a)(i) on the office's website.]~~

385 ~~[(b) A report under Subsection (3)(a) shall be prepared in simple language designed to~~  
386 ~~be understood by the general public.]~~

387 (4) The director shall provide to the board:

388 ~~[(a) monthly written reports on the activities of the office;]~~

389 ~~[(b)]~~ (a) quarterly financial reports; and

390 ~~[(c)]~~ (b) any other report ~~[requested by]~~ the board requests.

391 (5) The director shall:

392 (a) invite the advocacy office director to attend any meeting at which the director gives a  
393 report under this section; and

394 (b) provide the advocacy office director:

395 (i) a copy of any written report prepared under this section; and

396 (ii) any other report ~~[requested by]~~ the advocacy office director requests.

397 Section 9. Section **53D-1-501** is amended to read:

398 **53D-1-501 . Nominating committee -- Membership -- Terms -- Vacancies --**

399 **Compensation.**

400 (1) There is established a School and Institutional Trust Fund Nominating Committee.

401 (2) The seven-member nominating committee consists of:

402 (a) ~~[four]~~ five members~~[-, appointed by-]~~ the state treasurer appoints upon

403 recommendation by the advocacy office director~~[-, each of whom is a member of a~~  
404 ~~respected professional investment organization;]~~ including:

- 405           (i) four individuals with experience in the field of institutional investment or  
 406           endowments, who belong to a respected professional investment organization, or  
 407           who previously served on the School and Institutional Trust Fund Office's Board  
 408           of Trustees; and
- 409           (ii) one investment officer who administers a public institutional investment fund or  
 410           public university endowment in the state; and
- 411           (b) two members of the School and Institutional Trust Beneficiaries' Advocacy Council  
 412           the advocacy council chair appoints, contingent on the member's council membership.
- 413           ~~[(b) the chief investment officer of the University of Utah endowment;]~~
- 414           ~~[(c) the chief investment officer of the Utah State University endowment; and]~~
- 415           ~~[(d) the advocacy office director.]~~
- 416           (3) An individual appointed as a member of the nominating committee under Subsection  
 417           (2)(a) shall be appointed based on the individual's expertise, contacts, or connections in:  
 418           (a) investment finance;  
 419           (b) institutional asset management;  
 420           (c) trust administration; or  
 421           (d) the practice of law in the areas of capital markets, securities law, trusts, foundations,  
 422           endowments, investment finance, institutional asset management, or trust  
 423           administration.
- 424           (4) The term of a member appointed under Subsection (2)(a) is four years.
- 425           (5) A nominating committee member shall serve until a successor is appointed and  
 426           qualified.
- 427           (6)(a) If a member appointed under Subsection (2)(a) leaves office, the vacancy shall be  
 428           filled in the same manner as the initial appointment under Subsection (2)(a).
- 429           (b) An individual appointed to fill a vacancy under Subsection (6)(a) serves the  
 430           remainder of the unexpired term.
- 431           (7) A member of the nominating committee may not receive compensation or benefits for  
 432           the member's service, but may receive per diem and travel expenses in accordance with:  
 433           (a) Section 63A-3-106;  
 434           (b) Section 63A-3-107; and  
 435           (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
 436           63A-3-107.
- 437           (8) The advocacy office shall provide staff support to the nominating committee.
- 438           (9) The nominating committee shall, by a majority vote, establish, amend, and publish

439 guidelines consistent with this section to govern the nominating process.

440 Section 10. Section **53D-2-102** is amended to read:

441 **CHAPTER 2. School and Institutional Trust Beneficiaries' Advocacy Act**

442 **53D-2-102 . Definitions.**

443 As used in this chapter:

- 444 (1) "Advocacy [~~committee~~] council" means the [~~Land Trusts Protection and Advocacy~~  
 445 ~~Committee~~] School and Institutional Trust Beneficiaries' Advocacy Council, created in [  
 446 ~~Section 53D-2-202~~] Section 53D-2-302.
- 447 (2) "Advocacy director" means the director of the advocacy office, appointed as described  
 448 in [~~Section 53D-2-203~~] Section 53D-2-302.
- 449 (3) "Advocacy office" means the [~~Land Trusts Protection and~~] School and Institutional Trust  
 450 Beneficiaries' Advocacy Office, created in Section 53D-2-201.
- 451 (4) "Institutional beneficiary" means a trust beneficiary that is not subject to the School  
 452 LAND Trust Program.
- 453 (5) "Interests" means the trust beneficiaries' interests listed in Subsection 53D-2-201(5).
- 454 (6) "Rights" means the trust beneficiaries' rights listed in Subsection 53D-2-201(4).
- 455 [(4) "School and institutional trust" or "trust" includes:]
- 456 [(a) school and institutional trust lands, as defined in Section 53C-1-103, and related  
 457 assets; and]
- 458 [(b) funds and investments of school and institutional trust land revenue, as described in  
 459 Title 53D, Chapter 1, School and Institutional Trust Fund Management Act.]
- 460 (7) "School and institutional trust" or "trust" means the respective trusts declared in the  
 461 Utah Constitution, Article XX, Section 2, under which the state is to hold, as school and  
 462 institutional trust lands, the lands granted under Sections 6, 8, and 12 of the Utah  
 463 Enabling Act for the respective beneficiaries and purposes stated in the Utah Enabling  
 464 Act, other lands that may be added to those trusts, and pursuant to which the state holds  
 465 in trusts the funds and investments described in Title 53D, Chapter 1, School and  
 466 Institutional Trust Fund Management Act.
- 467 [(5) "School and Institutional Trust System" means:]
- 468 [(a) the School and Institutional Trust Lands Administration, described in Title 53C,  
 469 School and Institutional Trust Lands Management Act;]
- 470 [(b) the School and Institutional Trust Fund Office, described in Title 53D, Chapter 1,  
 471 School and Institutional Trust Fund Management Act;]
- 472 [(c) the Land Trusts Protection and Advocacy Office, described in this chapter; and]

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

474 (8) "School LAND Trust Program" means the program at the State Board of Education  
 475 which administers trust distributions to public schools, described in Sections 53F-2-404  
 476 and 53G-7-1206.

477 ~~[(6)] (9)(a) "Trust beneficiaries" means [those for whose benefit the school and~~  
 478 ~~institutional trust is managed and preserved, as required by:]~~

479 ~~[(a) the Utah Enabling Act;]~~

480 ~~[(b) the Utah Constitution; and]~~

481 ~~[(e) state law.] the schools and institutions listed in Subsection 53D-2-201(3).~~

482 (b) "Trust beneficiaries" does not include:

483 (i) other institutions or agencies;

484 (ii) the public at large; or

485 (iii) the general welfare of the state.

486 (10) "Trustee agencies" means:

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

489 (b) the School and Institutional Trust Fund Office, described in Title 53D, Chapter 1,  
 490 School and Institutional Trust Fund Management Act.

491 (11) "Trustee boards" means:

492 (a) the School and Institutional Trust Lands Administration Board of Trustees, and

493 (b) the School and Institutional Trust Fund Office Board of Trustees.

494 Section 11. Section **53D-2-201** is repealed and reenacted to read:

495 **Part 2. School and Institutional Trust Beneficiaries' Advocacy Office**

496 **53D-2-201 . Advocacy office -- Office creation -- Trust beneficiaries and liaisons**  
 497 **-- Beneficiary interests and rights.**

498 (1) There is created the School and Institutional Trust Beneficiaries' Advocacy Office with  
 499 delegated agent authority to:

500 (a) represent the trust beneficiaries by performing the duties set forth in this chapter; and

501 (b) advocate for, monitor, and preserve the trust beneficiaries' rights and interests.

502 (2) Notwithstanding Subsection (1), a trust beneficiary may choose to represent the trust  
 503 beneficiary in any specific issue or matter as described in this chapter.

504 (3) Trust beneficiaries and the trust beneficiaries' principal liaisons are:

505 (a) public schools, represented by the staff member who administers the School LAND  
 506 Trust Program, created in Section 53G-7-1206;

- 507 (b) Schools for the Deaf, described in Subsection 53E-8-201(1)(a), represented by the  
 508 superintendent for the State Board of Education, or the superintendent's designee;
- 509 (c) Schools for the Blind, described in Subsection 53E-8-201(1)(b), represented by the  
 510 superintendent for the State Board of Education, or the superintendent's designee;
- 511 (d) University of Utah, represented by the president of the University of Utah or the  
 512 president's designee;
- 513 (e) College of Mines and Earth Sciences, described in Section 53H-4-208, represented  
 514 by the Dean of ~~the~~ **the College of** ~~the~~ Science at the University of Utah, or the dean's  
 514a designee;
- 515 (f) ~~the~~ **Colleges** ~~of~~ Education, described in Section 53C-3-105,  
 515a represented by the chair of the  
 516 Utah Council of Education Deans, or the chair's designee;
- 517 (g) Utah State University, represented by the president of Utah State University or the  
 518 president's designee;
- 519 (h) ~~the~~ **Miners** ~~Hospital~~ ~~for Disabled Miners~~, described in  
 519a Section 53H-4-207, represented  
 520 by the director of the Craig H. Neilsen Rehabilitation Hospital, or the director's  
 521 designee;
- 522 (i) Utah State Hospital, represented by the superintendent of the Utah State Hospital,  
 523 created in Section 26B-1-201, or the superintendent's designee;
- 524 (j) ~~the~~ **Juvenile Justice and Youth Services**, represented by the director  
 524a of the  
 525 Division of Juvenile Justice and Youth Services, created in Section 80-5-103, or the  
 526 director's designee;
- 527 (k) ~~the~~ **Reservoirs**, represented by the director of the Division of  
 527a Water Resources, created in  
 528 Section 73-10-18, or the director's designee; and
- 529 (l) ~~the~~ **Public Buildings**, represented by the executive  
 529a director of the Capitol Preservation  
 530 Board, created in Section 63O-2-201.
- 531 (4) Trust beneficiary rights include:
- 532 (a) the rights recognized in Section 53C-1-102; and
- 533 (b) applicable rights of a trust beneficiary under Utah trust law, including the right to:
- 534 (i) information related to the trust beneficiary's respective trust;

- 535           (ii) timely notice of significant trust activities;  
 536           (iii) distribution of funds as established in law;  
 537           (iv) receive regular accountings;  
 538           (v) impartial treatment; and  
 539           (vi) challenge actions or decisions deemed unlawful or not in the trust beneficiary's  
 540               best interests.

541 (5) Trust beneficiary interests include:

- 542           (a) those recognized in Section 53C-1-102;  
 543           (b) the proper and lawful management of trust lands, trust funds, and trust distributions;  
 544           (c) the preservation of trust beneficiary rights; and  
 545           (d) access to information regarding measurable performance by trustee agencies and the  
 546               advocacy office.

547           Section 12. Section **53D-2-202** is repealed and reenacted to read:

548           **53D-2-202 . Advocacy office -- Authority and responsibilities.**

549 (1) The advocacy office, acting with undivided loyalty to the trust beneficiaries, shall:

- 550           (a) represent the trust beneficiaries by:  
 551               (i) staying informed on the administration of the trust assets, budgets, policies, and  
 552               rules, including:  
 553                   (A) significant School and Institutional Trust Lands Administration transactions;  
 554                   and  
 555                   (B) the School and Institutional Trust Fund Office investments and investment  
 556                   policies;  
 557               (ii) communicating on the trust beneficiaries' behalf when appropriate and lawful,  
 558               unless a trust beneficiary notifies the advocacy office in writing that the  
 559               beneficiary will communicate on the beneficiary's own behalf involving a specific  
 560               issue or matter; and  
 561               (iii) reporting to trust beneficiaries and the Legislature, as described in Subsection  
 562               53D-2-402(2)(m);  
 563           (b) advocate on behalf of trust beneficiaries for:  
 564               (i) effective governance of the trusts;  
 565               (ii) proper management and optimal performance of trust assets;  
 566               (iii) efficient and lawful distribution of funds;  
 567               (iv) the trust beneficiaries' current and future best interests; and  
 568               (v) the safeguarding of the trust assets from the pursuit of another state purpose

- 569 which is inconsistent with the beneficiaries' rights and interests; and  
 570 (c) advise the trust beneficiaries by:  
 571 (i) assisting the trust beneficiaries' understanding of collective and respective  
 572 interests and rights;  
 573 (ii) monitoring complaint use of trust distributions by beneficiaries as described in  
 574 Section 53D-2-501;  
 575 (iii) informing the trust beneficiaries of trust activities, proposals, and decisions; and  
 576 (iv) facilitating resolutions of trust beneficiary disputes, as described in Subsection  
 577 53D-2-402(3)(b).

- 578 (2) The advocacy office, whether acting through the advocacy director or the advocacy  
 579 council, or otherwise, does not have authority to nullify trustee agency actions, including  
 580 trustee board actions.

581 Section 13. Section **53D-2-301** is enacted to read:

582 **Part 3. School and Institutional Beneficiaries' Advocacy Office Governance**

583 **53D-2-301 . Advocacy office governance -- State treasurer role and duties.**

- 584 (1) The advocacy council, established in Section 53D-2-302, and the state treasurer govern  
 585 the advocacy office with separate and distinct responsibilities enumerated in this chapter.  
 586 (2) The state treasurer, acting in a fiduciary capacity to the trust beneficiaries, shall:  
 587 (a) appoint an advocacy director, as provided in Section 53D-2-401;  
 588 (b) oversee and provide administrative support to the advocacy office;  
 589 (c) verify compliance with reporting requirements for the advocacy director;  
 590 (d) submit an advocacy office budget to the Legislature; and  
 591 (e) have authority to approve a requested reduction in the annual distribution for an  
 592 institutional beneficiary under the conditions described in Subsection 53D-2-501(4)(f),  
 593 after consultation with the trust beneficiary and the advocacy director.  
 594 (3) A cause of action may not be maintained against the state treasurer for an act or  
 595 omission made in the course of exercising a duty under this chapter if:  
 596 (a) the act or omission is taken in good faith; and  
 597 (b) the act or omission is taken in a manner the treasurer reasonably believes to be in the  
 598 best interests of the trust beneficiaries.

599 Section 14. Section **53D-2-302** is enacted to read:

600 **53D-2-302 . Advocacy office governance -- Advocacy council creation, role, and**  
 601 **duties.**

- 602 (1) There is created the School and Institutional Trust Beneficiaries' Advocacy Council.

- 603 (2) The advocacy council shall:
- 604 (a) oversee the activities of the advocacy office and advise the advocacy director;
- 605 (b) establish, update, and monitor the implementation of comprehensive strategic
- 606 planning for the advocacy office;
- 607 (c) submit advocacy director candidate names to the state treasurer subject to Subsection
- 608 53D-2-401(1)(a);
- 609 (d) determine the advocacy director's compensation and annually review the
- 610 compensation and performance of the advocacy director as part of the council's
- 611 budget review process;
- 612 (e) make rules for the advocacy office in accordance with Title 63G, Chapter 3, Utah
- 613 Administrative Rulemaking Act;
- 614 (f) receive reports, including the annual report described in Subsection 53D-2-402(2)(m),
- 615 from the advocacy director;
- 616 (g) participate on the nominating committees of the trustee agencies as described in
- 617 Subsections 53C-1-203(2)(a) and 53D-1-501(2)(b); and
- 618 (h) develop policies and directives for the management of the advocacy office.

619 Section 15. Section **53D-2-303** is enacted to read:

620 **53D-2-303 . Advocacy council -- Membership -- Meetings.**

- 621 (1) The advocacy council shall consist of the following seven members:
- 622 (a) two individuals the School and Institutional Trust Lands Board of Trustees appoints;
- 623 (b) one individual the School and Institutional Trust Fund Board of Trustees appoints;
- 624 (c) one individual the state treasurer appoints;
- 625 (d) one State Board of Education staff member who administers the School LAND Trust
- 626 Program, designated as described in Section 53G-7-1206; and
- 627 (e) two individuals the advocacy council appoints with consent of the state treasurer,
- 628 including:
- 629 (i) one individual with experience relevant to trust beneficiary issues the advocacy
- 630 council chair nominates in consultation with the chairs of the trustee boards; and
- 631 (ii) one individual representing the institutional beneficiaries the advocacy council
- 632 chair nominates in consultation with the institutional beneficiaries.
- 633 (2) A member of the advocacy council:
- 634 (a) may not be:
- 635 (i) the state treasurer or a current employee of the state treasurer;
- 636 (ii) a member of the trustee boards;

- 637           (iii) an employee of the trustee agencies; or  
638           (iv) an individual currently serving in a publicly elected office;  
639       (b) shall have significant qualifications related to the purposes and activities of the  
640           trusts, such as:  
641           (i) expertise related to the duties and obligations of the member's respective  
642                 appointing entities; and  
643           (ii) familiarity with lawmaking and legislative procedures; and  
644       (c) shall demonstrate a willingness to commit time and loyalty to the purposes of the  
645           trust.
- 646       (3)(a) Except as provided in Subsections (3)(b) and (c), a member of the advocacy  
647           council shall:  
648           (i) serve a four-year term;  
649           (ii) begin service July 1 with staggered terms to ensure that approximately half of the  
650                 advocacy council is appointed every two years; and  
651           (iii) take an oath of office the state treasurer administers that states:  
652                 "I solemnly swear to carry out my duties as a member of the School and  
653                 Institutional Trust Beneficiaries' Advocacy Council with undivided loyalty to the  
654                 trust beneficiaries, to the best of my abilities and consistent with the law."  
655       (b) If a vacancy occurs during the course of an appointed member's term, the appointing  
656           entity shall immediately appoint a replacement for the unexpired term.  
657       (c) Upon the expiration of a member's term, the individual is eligible for one consecutive  
658           reappointment by the respective appointing agency, except for the appointment  
659           described in Subsection (1)(d) which is held by virtue of the position.
- 660       (4)(a) Annually, the advocacy council shall elect:  
661           (i) a chair; and  
662           (ii) a vice-chair who shall perform the duties of the chair in the absence of the chair.  
663       (b) The chair shall faithfully represent the will of the council to the extent the council's  
664           will is consistent with state law.  
665       (c) The advocacy council chair may directly contact, or be directly contacted by, the  
666           chairs of the trustee boards on trust matters.
- 667       (5) By a majority vote, the advocacy council shall adopt and amend guidelines consistent  
668           with this section regarding council business and actions.
- 669       (6)(a) The advocacy council shall meet at least quarterly, at a time set by the chair.  
670       (b) The chair or any two members of the advocacy council may call an additional

- 671 meeting.
- 672 (7)(a) A quorum for the transaction of business is five members of the advocacy council.
- 673 (b) Action by a majority of the quorum present constitutes an action of the advocacy
- 674 council, except for the following actions which require a majority vote of the council
- 675 as a whole:
- 676 (i) adopting resolutions;
- 677 (ii) approving administrative rules;
- 678 (iii) taking action on the request of a trustee agency; or
- 679 (iv) terminating the advocacy director as provided in Subsection 53D-2-401(5)(b).
- 680 (8) An advocacy council member may not receive compensation or benefits for the
- 681 member's service, but may receive per diem and travel expenses in accordance with:
- 682 (a) Section 63A-3-106;
- 683 (b) Section 63A-3-107; and
- 684 (c) rules the Division of Finance makes pursuant to Sections 63A-3-106 and 63A-3-107.
- 685 (9) The advocacy office shall provide staff support to the advocacy council.
- 686 (10) Advocacy council members shall annually complete a conflict-of-interest disclosure
- 687 statement, in accordance with the requirements of Title 67, Chapter 16, Utah Public
- 688 Officers' and Employees' Ethics Act.
- 689 Section 16. Section **53D-2-304** is enacted to read:
- 690 **53D-2-304 . Advocacy office -- Application of other law.**
- 691 (1) The advocacy office, council, and director shall comply with all applicable law for
- 692 government records according to Title 63G, Chapter 2, Government Records Access and
- 693 Management Act.
- 694 (2) The advocacy director:
- 695 (a) may attend committee meetings and closed sessions of trustee boards relating to
- 696 activities, policies, or transactions impacting trust beneficiaries unless attendance is
- 697 refused pursuant to:
- 698 (i) lawful privilege;
- 699 (ii) other law;
- 700 (iii) where the information is made strictly confidential under binding contract; or
- 701 (iv) discussions regarding personnel, character, or competence of an individual; and
- 702 (b) shall maintain the confidentiality of any information shared pursuant to Subsection
- 703 53C-1-303(1)(j) and Section 53D-1-202.
- 704 (3) Notwithstanding Section 52-4-204, and in addition to the reasons to close a meeting

- 705 under Section 52-4-205:
- 706 (a) the advocacy council may hold a closed meeting to discuss matters addressed in a
- 707 closed session of the trustee boards; and
- 708 (b) any information the advocacy director shares in the closed meeting from a closed
- 709 session of the trustee boards, is strictly limited to information that the advocacy
- 710 director can lawfully share with the advocacy council and may not include any
- 711 non-public information subject to a confidentiality agreement, or any information
- 712 shared in a closed session in accordance with Subsection 52-4-205(1)(a).
- 713 (4) The applicable statutes and the policies of the trustee boards govern trust beneficiaries'
- 714 direct access to meetings and records of the trustee agencies.

715 Section 17. Section **53D-2-401** is enacted to read:

716 **Part 4. School and Institutional Trust Beneficiaries' Advocacy Office Director**

717 **53D-2-401 . School and Institutional Trust Beneficiaries' Advocacy Office**

718 **director -- Appointment -- Removal.**

- 719 (1)(a) A director shall manage the advocacy office.
- 720 (b) If there is a vacancy in the advocacy director position, the advocacy council may
- 721 appoint an interim director and shall:
- 722 (i) consider and interview candidates who may qualify for appointment as the
- 723 advocacy director, as described in Subsection (1)(c);
- 724 (ii) determine the two most qualified candidates; and
- 725 (iii) submit the names of the two candidates described in Subsection (1)(b)(ii) to the
- 726 state treasurer as nominees for the advocacy director.
- 727 (c) A nominee for advocacy director shall have significant expertise and qualifications
- 728 relating to trust management and the duties of the advocacy office and the advocacy
- 729 director, which may include expertise in:
- 730 (i) business and finance;
- 731 (ii) lawmaking and legislative procedures;
- 732 (iii) economics;
- 733 (iv) natural resources;
- 734 (v) land development; or
- 735 (vi) communication and advocacy.
- 736 (d) The advocacy council chair may consult about the nominees for advocacy director
- 737 with the chairs of the trustee boards, as described in Subsection 53D-2-303(4)(b).
- 738 (2)(a) The state treasurer shall appoint one of the individuals described in Subsection

- 739 (1)(b)(iii) as the advocacy director.
- 740 (b) The state treasurer may return a submission of nominees to the advocacy council if:
- 741 (i) the treasurer determines that the submission is incomplete;
- 742 (ii) the submission contains unqualified candidates; or
- 743 (iii) the submission otherwise fails to comply with the requirements of this section.
- 744 (c) If the state treasurer declares that the state treasurer will not appoint either of the
- 745 nominees, the state treasurer and the advocacy council shall repeat the procedure for
- 746 nomination and appointment of an advocacy director until appointing a new
- 747 advocacy director, as provided in this section.
- 748 (3) Upon the appointment of an advocacy director, the state treasurer shall administer an
- 749 oath of office which states:
- 750 "I solemnly swear to carry out my duties as the Director of the School and
- 751 Institutional Trust Beneficiaries' Advocacy Office with undivided loyalty to the trust
- 752 beneficiaries, to the best of my abilities and consistent with the law."
- 753 (4) The advocacy director shall undergo an annual comprehensive performance review the
- 754 advocacy council conducts, which includes responses from interested parties and trustee
- 755 agency directors.
- 756 (5) The director is an at-will employee whom the advocacy council may remove at any time
- 757 with or without cause.
- 758 (6) The advocacy council may remove the advocacy director during a meeting that is not
- 759 closed, as described in Section 52-4-204, if:
- 760 (a) the advocacy council schedules the removal of the advocacy director on the agenda;
- 761 and
- 762 (b) a majority of the council votes to remove the advocacy director.
- 763 Section 18. Section **53D-2-402** is enacted to read:
- 764 **53D-2-402 . Advocacy director -- Powers and duties.**
- 765 (1) The advocacy director has broad authority to manage the responsibilities and duties of
- 766 the advocacy office in a prudent and professional manner, subject to advocacy council
- 767 oversight.
- 768 (2) To fulfill the responsibilities and duties of the advocacy office described in Section
- 769 53D-2-201, the advocacy director shall:
- 770 (a) maintain direct relationships and open communication with individuals who are key
- 771 to fulfilling the state's trustee obligations and duties related to the trusts;
- 772 (b) facilitate the cooperative formulation of protocols for interactions between the

- 773 advocacy office and trustee agencies, and the advocacy office and beneficiaries;  
774 (c) identify and maintain a list of principal liaisons for each trust beneficiary to facilitate  
775 orderly communication, representation, advocacy, and reporting;  
776 (d) serve as an official intermediary through which information can be provided to or  
777 received from trust beneficiaries and to which the trustee agencies can give notice to  
778 a beneficiary;  
779 (e) seek necessary and accurate information regarding management of trust assets;  
780 (f) be permitted to attend any relevant trust presentation, discussion, meeting, or other  
781 gathering relating to activity, policy, or transactions impacting trust beneficiaries  
782 subject to the limitations of Subsection 53D-2-304(2);  
783 (g) monitor and, if necessary, recommend that the state auditor review activities  
784 involving trust assets or distributions;  
785 (h) promote accurate record keeping of all records relevant to each respective trust and  
786 distributions to trust beneficiaries;  
787 (i) report at least quarterly, or as requested, to the advocacy council and the state  
788 treasurer on the current activities of the advocacy office;  
789 (j) annually submit a proposed advocacy office budget to the state treasurer after  
790 consultation with the advocacy council;  
791 (k) develop training about trust principles in consultation with the trustee agencies to:  
792 (i) annually conduct and document completion of the training for the advocacy  
793 council and advocacy office staff; and  
794 (ii) make the training available for voluntary use by trustee agencies and elected  
795 officials;  
796 (l) report annually on advocacy office activity, a summary of each trust beneficiary's  
797 trust assets and use of distributions, and an overview of the respective responsibilities  
798 of trustee agencies to:  
799 (i) the advocacy council;  
800 (ii) the state treasurer;  
801 (iii) all trust beneficiaries;  
802 (iv) the trustee agencies;  
803 (v) the State Board of Education;  
804 (vi) the relevant appropriations subcommittee;  
805 (vii) the governor's office; and  
806 (viii) the general public by posting on the advocacy office website;

- 807 (m) upon request, report in person to a trust beneficiary or the Legislature;  
 808 (n) draft and submit proposed rules to the advocacy council for review and adoption;  
 809 (o) respond to external and media requests for information related to trust beneficiaries'  
 810 interests and rights;  
 811 (p) speak on behalf of trust beneficiaries about activities related to the beneficiaries'  
 812 trusts, unless a trust beneficiary notifies the advocacy office in writing that the trust  
 813 beneficiary will speak on the trust beneficiary's own behalf involving a specific issue  
 814 or matter;  
 815 (q) review proposed legislation that affects trust beneficiaries and advocate for  
 816 legislative changes that serve the best interests and rights of the trust beneficiaries;  
 817 (r) promote awareness of the trusts and trust principles described in Subsection  
 818 53C-1-102(2) to beneficiaries, stakeholders, elected officials, and the public; and  
 819 (s) facilitate an objective nomination process for trustee board positions pursuant to  
 820 Sections 53C-1-203 and 53D-1-501.

821 (3) The advocacy director may:

- 822 (a) advocate for or against ballot propositions which impact trust beneficiaries with an  
 823 exemption from Section 20A-11-1203 in such instances; and  
 824 (b) provide an impartial forum and facilitate informal resolution of a conflict or dispute  
 825 among affected trust beneficiaries upon the trust beneficiaries' consent, or upon  
 826 agreement among affected trust beneficiaries and trustee agencies.

827 (4) With regard to reviewing the activities described in Subsection (2)(g), the advocacy  
 828 director may have access to the financial reports and other data, subject to the limitations  
 829 of Subsection 53D-2-304(2).

830 Section 19. Section **53D-2-501** is enacted to read:

831 **Part 5. School and Institutional Trust Distribution Accountability**

832 **53D-2-501 . Trust distributions -- Disposition -- Trust beneficiary requirements**

833 **-- Advocacy office role.**

- 834 (1) The School and Institutional Trust Fund Office shall initiate trust distributions in the  
 835 state finance system and coordinate distribution announcements to trust beneficiaries  
 836 and the public.  
 837 (2) To preserve the confidence in and impact of each beneficiary's permanent fund, trust  
 838 beneficiaries are subject to uniform accountability measures for the use and reporting of  
 839 trust fund distributions.  
 840 (3) Trust distributions to public schools through the School LAND Trust Program are:

- 841 (a) subject to Sections 53F-2-404 and 53G-7-1206; and  
842 (b) exempt from the accountability requirements described in Subsection (4).
- 843 (4) Each institutional beneficiary shall comply with accountability requirements for trust  
844 distributions which include:
- 845 (a) maintaining clear records of distributions and expenditures within the institutional  
846 beneficiary's institutional accounting and budgeting processes;
- 847 (b) annually convening an advisory group composed of stakeholders, including the  
848 impacted end users to:
- 849 (i) adopt and review internal guidance for acceptable expenditures of trust  
850 distributions; and
- 851 (ii) develop an annual spending plan for the estimated distributions;
- 852 (c) obtaining approval of the annual spending plan from the institution's governing body,  
853 chief financial officer, or designee;
- 854 (d) contributing information and documentation for an annual report of trust beneficiary  
855 distributions and uses the advocacy office publishes;
- 856 (e) investing any retained distributions, up to an amount equal to two prior years'  
857 distributions, in a state approved fund;
- 858 (f) managing retained distributions which exceed the allowable amount in Subsection  
859 (4)(e) by returning any excess to the respective permanent fund or seeking a  
860 reduction in distribution per Subsection 53D-2-301(2)(e); and
- 861 (g) participating in periodic compliance reviews by the advocacy office.
- 862 (5) The advocacy council shall make rules to monitor, review, and advise the institutional  
863 beneficiaries on the obligations described in Subsection (4).
- 864 (6) The advocacy council, advocacy director, and advocacy office do not have authority to  
865 nullify decisions or actions of the School LAND Trust Program or an institutional  
866 beneficiary.
- 867 (7) The advocacy office may not:
- 868 (a) perform formal audits; or
- 869 (b) modify distributions to trust beneficiaries.
- 870 (8) The advocacy office shall refer reports of fraud, waste, and abuse, or recurring  
871 noncompliance on the reporting of or the allowable use of distributions by trust  
872 beneficiaries to the state auditor for further action.

873 Section 20. Section **53D-2-601**, which is renumbered from Section 53D-2-204 is renumbered  
874 and amended to read:

**Part 6. School and Institutional Trust Beneficiaries' Advocacy Account**

**[53D-2-204] 53D-2-601 . School and Institutional Trust Beneficiaries' Advocacy Account -- Funding of advocacy office operations.**

(1) As used in this section:

(a) "Account" means the ~~[Land Trusts Protection and]~~ School and Institutional Trust Beneficiaries' Advocacy Account created in this section.

(b) "School and Institutional Trust Fund Office director" or "SITFO director" means the director of the School and Institutional Trust Fund Office, appointed under Section 53D-1-401.

(c) "Trust fund" means the same as that term is defined in Section 53D-1-102.

(d) "Trust fund earnings" means the same as that term is defined in Section 53D-1-203.

(2) There is created an enterprise fund known as the ~~[Land Trusts Protection and]~~ School and Institutional Trust Beneficiaries' Advocacy Account.

(3) The account is funded by money deposited into the account as provided in Subsection (4).

(4)(a) Except as provided in Subsection (4)(c), the ~~[SITFO director]~~ School and Institutional Trust Fund Office shall deposit into the account a total amount of money, taken proportionately from trust fund earnings according to the value of the various funds established for the trust beneficiaries, that is equal to the annual appropriation that the Legislature makes to the advocacy office.

(b) The advocacy office may use money in the account to pay for the advocacy office's operating costs consistent with a budget submitted and approved pursuant to Subsection 53D-2-301(2)(e).

(c) If the amount of money deposited into the account under Subsection (4)(a) in any fiscal year exceeds the amount required by the advocacy office during that fiscal year to fund advocacy office operations, the ~~[SITFO] [director]~~ School and Institutional Trust Fund Office shall, in the following fiscal year, reduce the amount deposited into the account under Subsection (4)(a) by the amount of the unspent appropriation.

Section 21. Section **53F-9-201** is amended to read:

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

(1) As used in this section:

(a) "Annual distribution calculation" means, for a given fiscal year, the average of:

- (i) 5% of the average market value of the State School Fund for that fiscal year; and
- (ii) the distribution amount for the prior fiscal year, multiplied by the sum of:

- 909 (A) one;
- 910 (B) the percent change in student enrollment from the school year two years prior  
911 to the prior school year; and
- 912 (C) the actual total percent change of the consumer price index during the last 12  
913 months as measured in June of the prior fiscal year.
- 914 (b) "Average market value of the State School Fund" means the results of a calculation  
915 completed by the SITFO director each fiscal year that averages the value of the State  
916 School Fund for the past 20 consecutive quarters ending in the prior fiscal year.
- 917 (c) "Consumer [~~price index~~] Price Index" means the Consumer Price Index for All  
918 Urban Consumers: All Items Less Food & Energy, as published by the Bureau of  
919 Labor Statistics of the United States Department of Labor.
- 920 (d) "SITFO director" means the director of the School and Institutional Trust Fund  
921 Office appointed under Section 53D-1-401.
- 922 (e) "State School Fund investment earnings distribution amount" or "distribution  
923 amount" means, for a fiscal year, the lesser of:
- 924 (i) the annual distribution calculation; or
- 925 (ii) 5% of the average market value of the State School Fund.
- 926 (2) The Uniform School Fund, a special revenue fund, established by Utah Constitution,  
927 Article X, Section 5, consists of:
- 928 (a) distributions derived from the investment of money in the permanent State School  
929 Fund established by Utah Constitution, Article X, Section 5;
- 930 (b) money transferred to the fund under Title 67, Chapter 4a, Revised Uniform  
931 Unclaimed Property Act;
- 932 (c) money transferred to the fund under Section 63J-1-207; and
- 933 (d) all other constitutional or legislative allocations to the fund, including:
- 934 (i) appropriations for the Minimum School Program, enrollment growth, and inflation  
935 under Section 53F-9-201.1; and
- 936 (ii) revenues received by donation.
- 937 (3)(a) There is created within the Uniform School Fund a restricted account known as  
938 the Trust Distribution Account.
- 939 (b) The Trust Distribution Account consists of:
- 940 (i) in accordance with Subsection (4), quarterly deposits of the State School Fund  
941 investment earnings distribution amount from the prior fiscal year;
- 942 (ii) all interest earned on the Trust Distribution Account in the prior fiscal year; and

- 943 (iii) any unused appropriation for the administration of the School LAND Trust  
 944 Program, as described in Subsection 53F-2-404(1)(c).
- 945 (4) If, at the end of a fiscal year, the Trust Distribution Account has a balance remaining  
 946 after subtracting the appropriation amount described in Subsection 53F-2-404(1)(a) for  
 947 the next fiscal year, the SITFO director shall, during the next fiscal year, apply the  
 948 amount of the remaining balance from the prior fiscal year toward the current fiscal  
 949 year's distribution amount by reducing a quarterly deposit to the Trust Distribution  
 950 Account by the amount of the remaining balance from the prior fiscal year.
- 951 (5) On or before October 1 of each year, the SITFO director shall:
- 952 (a) in accordance with this section, determine the distribution amount for the following  
 953 fiscal year; and
- 954 (b) report the amount described in Subsection (5)(a) as the funding amount, described in  
 955 Subsection 53F-2-404(1)(c), for the School LAND Trust Program, to:
- 956 (i) the State Treasurer;
- 957 (ii) the Legislative Fiscal Analyst;
- 958 (iii) the Division of Finance;
- 959 (iv) the director of the [~~Land Trusts Protection and Advocacy Office~~] School and  
 960 Institutional Trust Beneficiaries' Advocacy Office, appointed under [~~Section~~  
 961 53D-2-203] Section 53D-2-401;
- 962 (v) the School and Institutional Trust Lands Administration created in Section  
 963 53C-1-201;
- 964 (vi) the state board; and
- 965 (vii) the Governor's Office of Planning and Budget.
- 966 (6) The School and Institutional Trust Fund Board of Trustees created in Section 53D-1-301  
 967 shall:
- 968 (a) annually review the distribution amount; and
- 969 (b) make recommendations, if necessary, to the Legislature for changes to the formula  
 970 for calculating the distribution amount.
- 971 (7) Upon appropriation by the Legislature, the SITFO director shall place in the Trust  
 972 Distribution Account funds for the School LAND Trust Program as described in  
 973 Subsections 53F-2-404(1)(a) and (c).
- 974 Section 22. Section **53G-7-1206** is amended to read:
- 975 **53G-7-1206 . School LAND Trust Program.**
- 976 (1) As used in this section:

- 977 (a) "Charter trust land council" means a council established by a charter school  
978 governing board under Section 53G-7-1205.
- 979 (b) "Council" means a school community council or a charter trust land council.
- 980 (c) "LAND trust plan" means a school's plan to use School LAND Trust Program money  
981 to implement a component of the school's success plan.
- 982 (d) "School community council" means a council established at a district school in  
983 accordance with Section 53G-7-1202.
- 984 (e) "Teacher and student success plan" or "success plan" means the same as that term is  
985 defined in Section 53G-7-1301.
- 986 (2) This section creates the School LAND (Learning And Nurturing Development) Trust  
987 Program under the state board to:
- 988 (a) provide financial resources to public schools to enhance or improve student academic  
989 achievement and implement a component of a district school or charter school's  
990 teacher and student success plan; and
- 991 (b) involve parents of a school's students in decision making regarding the expenditure  
992 of School LAND Trust Program money allocated to the school.
- 993 (3) To receive an allocation under Section 53F-2-404:
- 994 (a) a district school shall have established a school community council in accordance  
995 with Section 53G-7-1202;
- 996 (b) a charter school shall have established a charter trust land council in accordance with  
997 Section 53G-7-1205; and
- 998 (c) the school's principal shall provide a signed, written assurance that the school is in  
999 compliance with Subsection (3)(a) or (b).
- 1000 (4)(a) A council shall create a program to use the school's allocation distributed under  
1001 Section 53F-2-404 to implement a component of the school's success plan, including:
- 1002 (i) the school's identified most critical academic needs;
- 1003 (ii) a recommended action plan to meet the identified academic needs;
- 1004 (iii) a specific listing of any programs, practices, materials, or equipment that the  
1005 school will need to implement the action plan to have a direct impact on the  
1006 instruction of students and result in measurable increased student performance; and
- 1007 (iv) how each proposed expenditure in the action plan will be used to implement a  
1008 component of the action plan to enhance or improve academic excellence at the  
1009 school.
- 1010 (b)(i) A council shall create and vote to adopt a LAND trust plan in a meeting of the

- 1011 council at which a quorum is present.
- 1012 (ii) If a majority of the quorum votes to adopt a LAND trust plan, the LAND trust  
1013 plan is adopted.
- 1014 (c) A council shall:
- 1015 (i) post a LAND trust plan that is adopted in accordance with Subsection (4)(b) on  
1016 the School LAND Trust Program reporting website; and
- 1017 (ii) include with the LAND trust plan a report noting the number of council members  
1018 who voted for or against the approval of the LAND trust plan and the number of  
1019 council members who were absent for the vote.
- 1020 (d)(i) The local school board of a district school shall approve or disapprove a LAND  
1021 trust plan.
- 1022 (ii) If a local school board disapproves a LAND trust plan:
- 1023 (A) the local school board shall provide a written explanation of why the LAND  
1024 trust plan was disapproved and request the school community council who  
1025 submitted the LAND trust plan to revise the LAND trust plan; and
- 1026 (B) the school community council shall submit a revised LAND trust plan in  
1027 response to a local school board's request under Subsection (4)(d)(ii)(A).
- 1028 (iii) Once a LAND trust plan has been approved by a local school board, a school  
1029 community council may amend the LAND trust plan, subject to a majority vote of  
1030 the school community council and local school board approval.
- 1031 (e) A charter trust land council's LAND trust plan is subject to approval by the:
- 1032 (i) charter school governing board; and
- 1033 (ii) budget officer whom the charter school governing board appoints.
- 1034 (5)(a) A district school or charter school shall:
- 1035 (i) implement the program as approved;
- 1036 (ii) provide ongoing support for the council's plan and responsibilities; and
- 1037 (iii) meet state board reporting requirements regarding financial and performance  
1038 accountability of the program.
- 1039 (b)(i) A district school or charter school shall prepare and post an annual report of the  
1040 program on the School LAND Trust Program reporting website before the council  
1041 submits a plan for the following year.
- 1042 (ii) The report shall detail the use of program funds received by the school under this  
1043 section and an assessment of the results obtained from the use of the funds.
- 1044 (iii) A summary of the report shall be provided to parents of students who attend the

- 1045 school.
- 1046 (6) An LEA shall record the LEA's expenditures of School LAND Trust Program funds  
1047 through a financial reporting system that the board identifies to assist schools in  
1048 developing the annual report described in Subsection (5)(b).
- 1049 (7) The president or chair of a local school board or charter school governing board shall  
1050 ensure that the members of the local school board or charter school governing board are  
1051 provided with annual training on the requirements of this section.
- 1052 (8)(a) The state board shall provide annual training opportunities to the entities  
1053 described in Subsection (8)(b) on:
- 1054 (i) the School LAND Trust Program;  
1055 (ii) the responsibilities and formation of:  
1056 (A) a school community council consistent with Section 53G-7-1202; or  
1057 (B) a charter trust land council consistent with Section 53G-7-1205; and  
1058 (iii) as applicable, council responsibilities as described in Section 53G-7-1203.
- 1059 (b) The state board shall provide the training to:
- 1060 (i) a local school board or a charter school governing board;  
1061 (ii) a district business administrator or a charter business official;  
1062 (iii) a school district or a charter school; and  
1063 (iv) a school community council.
- 1064 (9) The state board shall annually review a school's compliance with applicable law,  
1065 including rules adopted by the state board in accordance with Title 63G, Chapter 3, Utah  
1066 Administrative Rulemaking Act, by:
- 1067 (a) reading each School LAND Trust Program plan submitted;  
1068 (b) reviewing proposed expenditures to be made from School LAND Trust Program  
1069 money; and  
1070 (c) conducting an annual compliance review of an LEA using a sample of schools.
- 1071 (10) The superintendent shall calculate and initiate the annual School LAND Trust  
1072 distribution to schools through the state board's finance system to each LEA as outlined  
1073 in Section 53F-2-404.
- 1074 (11) The superintendent shall administer the School LAND Trust website to provide  
1075 transparency and accountability to school communities and the public of School LAND  
1076 Trust plans, reports, and expenditures of trust distributions.
- 1077 (12) The state board shall designate a staff member who administers the School LAND  
1078 Trust Program to serve as a member of the [~~Land Trusts Protection and Advocacy~~

1079 ~~Committee]~~ School and Institutional Trust Beneficiaries' Advocacy Council created  
1080 under [~~Section 53D-2-202]~~ Section 53D-2-302.

1081 Section 23. **Repealer.**

1082 This bill repeals:

1083 Section **53D-2-203, Land Trusts Protection and Advocacy Office director --**  
1084 **Appointment -- Removal -- Power and duties.**

1085 Section 24. **Effective Date.**

1086 This bill takes effect on July 1, 2026.