

Part 7
Dissolution of Local Building Authority

17D-2-701 Local entity governing body may dissolve local building authority -- Limitation.

- (1) Subject to Subsection (2), the governing body of the creating local entity may at any time dissolve a local building authority created by the creating local entity, by following the procedures in Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act, for the dissolution of a nonprofit corporation.
- (2) A creating local entity's governing body may not dissolve a local building authority unless:
 - (a)
 - (i) the principal, interest, and any redemption premium on all outstanding bonds of the local building authority are paid in full; and
 - (ii) all other obligations of the local building authority are paid in full; or
 - (b) the local building authority has made provision for the payment, when due, of all bond and other obligations described in Subsection (2)(a).

Enacted by Chapter 360, 2008 General Session

17D-2-702 Effect of dissolution.

Upon the dissolution of a local building authority:

- (1) title to all of the local building authority's projects vest in the creating local entity; and
- (2) all assets and net earnings of the local building authority remaining after the payment or providing for the payment of all local building authority bonds and other obligations shall be transferred to the creating local entity.

Enacted by Chapter 360, 2008 General Session