

73-10d-5 Bond issues -- Debt not authorized -- Project not a public utility -- Financing as an industrial facility.

- (1) The governing body of any municipality or county may, under Title 11, Chapter 17, Utah Industrial Facilities and Development Act, and this chapter, issue bonds to finance the costs of privatization projects within or partially within its own jurisdiction, on behalf of private owner/operators, all pursuant to contracts and other arrangements provided for in the proceedings under which the bonds are issued. Privatization projects shall provide services to one or more political subdivisions, which may include the municipality or county issuing bonds.
- (2) All bonds issued under this chapter shall be limited obligations of the municipality or county issuing the bonds. Bonds issued under this chapter or interest on them do not constitute nor give rise to a general obligation of the state, the issuer of the bonds, or any other political subdivision, nor are they a charge against the general credit or taxing powers of the state, the issuer, or any other political subdivision. This limitation shall be plainly stated on the face of the bonds. The bonds are not payable from any funds other than those of the municipality or county that shall be specifically pledged for that purpose in accordance with this chapter and Title 11, Chapter 17, Utah Industrial Facilities and Development Act.
- (3) All expenses incurred in carrying out any provision of this chapter with respect to a privatization project are payable solely as provided under this chapter, and nothing in this chapter shall be construed to authorize the issuer of bonds to incur indebtedness or liability on behalf of or payable by the state or any political subdivision.
- (4) A privatization project or its private owner/operator is not a "public utility" for any purpose of Title 54, Chapter 2, Definitions, with respect to any privatization project or the services provided thereby.
- (5) For purposes of Title 11, Chapter 17, Utah Industrial Facilities and Development Act, a privatization project is a "project" as defined in Section 11-17-2.

Amended by Chapter 93, 1990 General Session