

**Senator Leonard M. Blackham** proposes the following substitute bill:

**LOCAL GOVERNMENT FEASIBILITY AND**

**ECONOMIC IMPACT STUDIES**

2004 GENERAL SESSION

STATE OF UTAH

**Sponsor: Scott K. Jenkins**

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**LONG TITLE**

**General Description:**

This bill modifies the provisions related to municipalities and counties to require a study before the municipality or county may expend monies on facilities or services.

**Highlighted Provisions:**

This bill:

- ▶ defines terms;
- ▶ requires a study before the legislative body of a municipality or county may approve the expenditure of monies for facilities or services;
- ▶ requires the hiring of a feasibility consultant to conduct the study;
- ▶ establishes what is to be included in a study; and
- ▶ provides for a hearing on a study.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

ENACTS:

**10-1-119**, Utah Code Annotated 1953



26 17-15-28, Utah Code Annotated 1953

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

29 Section 1. Section **10-1-119** is enacted to read:

30 **10-1-119. Feasibility and economic impact study of noncore facilities or services.**

31 (1) As used in this section:

32 (a) "Facility" means any building, structure, or other improvement on real property.

33 (b) "Feasibility consultant" means a person with expertise in the processes and

34 economics of local government.

35 (2) The legislative body of a municipality shall obtain a feasibility and economic

36 impact study meeting the requirements of Subsection (3) before the legislative body of a

37 municipality may approve the expenditure of monies for:

38 (a) the construction, acquisition, lease, or operation of a facility:

39 (i) (A) that the municipality has not constructed, acquired, leased, or operated before

40 May 3, 2004; or

41 (B) for which the municipality has not expended monies before May 3, 2004, including

42 monies for the planning of the facility; and

43 (ii) that is not directly related to a facility:

44 (A) that the municipality constructed, acquired, leased, or operated before May 3,

45 2004; or

46 (B) for which the municipality has expended monies before May 3, 2004; or

47 (b) the provision of a service:

48 (i) (A) that the municipality has not provided before May 3, 2004; or

49 (B) for which the municipality has not expended monies before May 3, 2004, including

50 monies for the planning of the service; and

51 (ii) that is not directly related to a service:

52 (A) that the municipality provided before May 3, 2004; or

53 (B) for which the municipality has expended monies before May 3, 2004.

54 (3) (a) A municipality shall hire a feasibility consultant to conduct a feasibility and  
55 economic impact study required by Subsection (2) and require the feasibility consultant to:

56 (i) complete the feasibility study in accordance with this section;

57 (ii) submit to the municipality's legislative body by no later than 180 days from the date  
58 the feasibility consultant is hired to conduct the feasibility study:

59 (A) the full written results of the feasibility study; and

60 (B) a summary of the results that is no longer than one page in length; and

61 (iii) attend a public hearing described in Subsection (4) to:

62 (A) present the feasibility study results; and

63 (B) respond to questions from the public.

64 (b) (i) A feasibility and economic impact study required by Subsection (2) for a facility  
65 shall include:

66 (A) for the first five years that the municipality will operate a facility described in  
67 Subsection (2) a projection of:

68 (I) revenue; and

69 (II) expenses;

70 (B) whether the facility described in Subsection (2) meets a need that cannot be met by  
71 facilities operated by private persons;

72 (C) whether one or more facilities similar to the facility described in Subsection (2) are  
73 operated by private persons within 15 miles of the facility described in Subsection (2); and

74 (D) if the facility is operated by the municipality, what economic impacts will be  
75 experienced by:

76 (I) the facilities operated by private persons described in Subsection (3)(b)(i)(C); and

77 (II) the general market in which the facility described in Subsection (2) will operate.

78 (ii) A feasibility and economic impact study required under Subsection (2) for the  
79 provision of services shall include:

80 (A) for the first five years that the municipality will provide the services described in  
81 Subsection (2) projections of:

82 (I) revenue; and

83 (II) expenses;

84 (B) whether provision of the services described in Subsection (2) meets a need that  
85 cannot be met by services provided by private persons;

86 (C) whether one or more private persons provide services similar to the services  
87 described in Subsection (2) within 15 miles of where the municipality would provide the

88 services described in Subsection (2); and

89 (D) if the municipality provides the services described in Subsection (2), what  
90 economic impacts will be experienced by:

91 (I) the private persons providing services described in Subsection (3)(b)(ii)(C); and

92 (II) the general market in which the services described in Subsection (2) will be  
93 provided by the municipality.

94 (4) (a) Upon completion of a feasibility and economic impact study meeting the  
95 requirements of Subsection (3), the municipal legislative body shall at its next regular meeting  
96 schedule at least one public hearing to be held:

97 (i) (A) not less than 20 days from the day on which the meeting at which the public  
98 hearing is scheduled is held; and

99 (B) not more than 60 days from the day on which the meeting at which the public  
100 hearing is scheduled is held; and

101 (ii) for the purpose of allowing the public to:

102 (A) become informed about the feasibility and economic impact study results;

103 (B) ask questions of the municipal legislative body about the results of the feasibility  
104 and economic impact study; and

105 (C) ask questions of the feasibility consultant.

106 (b) (i) Except as provided in Subsection (4)(b)(ii), the municipality shall publish notice  
107 of the public hearings required under this section at least once a week for three consecutive  
108 weeks in a newspaper of general circulation in the municipality.

109 (ii) The last publication of notice required under Subsection (4)(b)(i) shall be at least  
110 three days before the first public hearing required under Subsection (4)(a).

111 (iii) (A) If there is no newspaper of general circulation in the municipality, for each  
112 1,000 residents, the municipality shall post at least one notice of the hearings in a conspicuous  
113 place within the municipality that is likely to give notice of the hearings to the greatest number  
114 of residents of the municipality.

115 (B) The municipality shall post the notices at least seven days before the public hearing  
116 required under Subsection (4)(a) is held.

117 Section 2. Section **17-15-28** is enacted to read:

118 **17-15-28. Feasibility and economic impact study of noncore facilities or services.**

- 119 (1) As used in this section:  
120 (a) "Facility" means any building, structure, or other improvement on real property.  
121 (b) "Feasibility consultant" means a person with expertise in the processes and  
122 economics of local government.  
123 (2) The legislative body of a county shall obtain a feasibility and economic impact  
124 study meeting the requirements of Subsection (3) before the legislative body of a county may  
125 approve the expenditure of monies for:  
126 (a) the construction, acquisition, lease, or operation of a facility:  
127 (i) (A) that the county has not constructed, acquired, leased, or operated before May 3,  
128 2004; or  
129 (B) for which the county has not expended monies before May 3, 2004, including  
130 monies for the planning of the facility; and  
131 (ii) that is not directly related to a facility:  
132 (A) that the county constructed, acquired, leased, or operated before May 3, 2004; or  
133 (B) for which the county has expended monies before May 3, 2004;  
134 (b) the provision of a service:  
135 (i) (A) that the county has not provided before May 3, 2004; or  
136 (B) for which the county has not expended monies before May 3, 2004, including  
137 monies for the planning of the service; and  
138 (ii) that is not directly related to a service:  
139 (A) that the county provided before May 3, 2004; or  
140 (B) for which the county has expended monies before May 3, 2004.  
141 (3) (a) A county shall hire a feasibility consultant to conduct a feasibility and economic  
142 impact study required by Subsection (2) and require the feasibility consultant to:  
143 (i) complete the feasibility study in accordance with this section;  
144 (ii) submit to the county's legislative body by no later than 180 days from the date the  
145 feasibility consultant is hired to conduct the feasibility study:  
146 (A) the full written results of the feasibility study; and  
147 (B) a summary of the results that is no longer than one page in length; and  
148 (iii) attend a public hearing described in Subsection (4) to:  
149 (A) present the feasibility study results; and

150           (B) respond to questions from the public.  
151           (b) (i) A feasibility and economic impact study required by Subsection (2) for a facility  
152 shall include:  
153           (A) for the first five years that the county will operate a facility described in Subsection  
154 (2) a projection of:  
155           (I) revenue; and  
156           (II) expenses;  
157           (B) whether the facility described in Subsection (2) meets a need that cannot be met by  
158 facilities operated by private persons;  
159           (C) whether one or more facilities similar to the facility described in Subsection (2) are  
160 operated by private persons within 15 miles of the facility described in Subsection (2); and  
161           (D) if the facility is operated by the county, what economic impacts will be  
162 experienced by:  
163           (I) the facilities operated by private persons described in Subsection (3)(b)(i)(C); and  
164           (II) the general market in which the facility described in Subsection (2) will operate.  
165           (ii) A feasibility and economic impact study required under Subsection (2) for the  
166 provision of services shall include:  
167           (A) for the first five years that the county will provide the services described in  
168 Subsection (2) projections of:  
169           (I) revenue; and  
170           (II) expenses;  
171           (B) whether provision of the services described in Subsection (2) meets a need that  
172 cannot be met by services provided by private persons;  
173           (C) whether one or more private persons provide services similar to the services  
174 described in Subsection (2) within 15 miles of where the county would provide the services  
175 described in Subsection (2); and  
176           (D) if the county provides the services described in Subsection (2), what economic  
177 impacts will be experienced by:  
178           (I) the private persons providing services described in Subsection (3)(b)(ii)(C); and  
179           (II) the general market in which the services described in Subsection (2) will be  
180 provided by the county.

181           (4) (a) Upon completion of a feasibility and economic impact study meeting the  
182 requirements of Subsection (3), the county legislative body shall at its next regular meeting  
183 schedule at least one public hearing to be held:

184           (i) (A) not less than 20 days from the day on which the meeting at which the public  
185 hearing is scheduled is held; and

186           (B) not more than 60 days from the day on which the meeting at which the public  
187 hearing is scheduled is held; and

188           (ii) for the purpose of allowing the public to:

189           (A) become informed about the feasibility and economic impact study results;

190           (B) ask questions of the county legislative body about the results of the feasibility and  
191 economic impact study; and

192           (C) ask questions of the feasibility consultant.

193           (b) (i) Except as provided in Subsection (4)(b)(ii), the county shall publish notice of the  
194 public hearings required under this section at least once a week for three consecutive weeks in  
195 a newspaper of general circulation in the county.

196           (ii) The last publication of notice required under Subsection (4)(b)(i) shall be at least  
197 three days before the first public hearing required under Subsection (4)(a).

198           (iii) (A) If there is no newspaper of general circulation in the county, for each 1,000  
199 residents, the county shall post at least one notice of the hearings in a conspicuous place within  
200 the county that is likely to give notice of the hearings to the greatest number of residents of the  
201 county.

202           (B) The county shall post the notices at least seven days before the public hearing  
203 required under Subsection (4)(a) is held.