

**BOND ELECTION PROCESS AMENDMENTS**

2005 GENERAL SESSION

STATE OF UTAH

**Sponsor: Fred R. Hunsaker**

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**LONG TITLE**

**General Description:**

This bill modifies provisions related to bond elections.

**Highlighted Provisions:**

This bill:

- ▶ changes the dates by which a legislative body must approve bond election resolutions and bond proposition language to be used at the election in order to meet ballot preparation and mailing requirements;
- ▶ implements provisional ballot procedures for challenged ballots in bond elections;
- ▶ provides that bond elections comply with the general voter registration and voting procedures contained in the Election Code;
- ▶ modifies election administration and canvassing procedures for bond elections to provide consistency with general election procedures;
- ▶ provides that county clerks, municipal clerks, clerks or chief executive officers of special districts, and business administrators or superintendents of school districts may act as election officers to conduct and administer bond elections, and to supervise and administer certain bond and voted leeway elections;
- ▶ permits an election officer to appoint or employ agents to assist with conducting and administering bond elections;
- ▶ provides that election officers in bond elections shall conduct their procedures at the direction of the municipality calling the election;
- ▶ clarifies procedures for challenging bond elections and for publishing requirements for notice of bond elections by newspaper;
- ▶ removes procedures for mailing of notice of bond elections by postcard;

- ▶ modifies the Election Code to provide consistent procedures for recounts of bond election results and challenges to bond elections; and
- ▶ changes the name of the "Utah Municipal Bond Act" to "Local Government Bonding Act" to provide consistency in the definition of words commonly used in the Utah Code;
- ▶ renumbers Title 14, Chapter 11, "Local Government Bonding Act"; and
- ▶ makes technical changes.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

**AMENDS:**

- 9-3-409**, as enacted by Chapter 309, Laws of Utah 1993
- 10-7-8**, as last amended by Chapter 9, Laws of Utah 2001
- 10-7-15**, as last amended by Chapter 90, Laws of Utah 2002
- 10-18-302**, as last amended by Chapter 270, Laws of Utah 2004
- 11-8-2**, as last amended by Chapter 112, Laws of Utah 1991
- 11-13-205**, as renumbered and amended by Chapter 286, Laws of Utah 2002
- 11-13-219**, as renumbered and amended by Chapter 286, Laws of Utah 2002
- 11-17-3**, as last amended by Chapter 131, Laws of Utah 2003
- 11-25-5**, as last amended by Chapter 133, Laws of Utah 2001
- 11-27-3**, as last amended by Chapters 142 and 198, Laws of Utah 1987
- 15-7-12**, as last amended by Chapter 9, Laws of Utah 2001
- 17-12-1**, as last amended by Chapter 133, Laws of Utah 2000
- 17-24-1**, as last amended by Chapter 241, Laws of Utah 2001
- 17-36-54**, as renumbered and amended by Chapter 133, Laws of Utah 2000
- 17-50-303**, as last amended by Chapter 96, Laws of Utah 2001

**17A-2-306**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-307**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-309**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-423**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-428**, as renumbered and amended by Chapter 186, Laws of Utah 1990  
**17A-2-543**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-622**, as last amended by Chapter 90, Laws of Utah 2001  
**17A-2-712**, as last amended by Chapter 285, Laws of Utah 2002  
**17A-2-821**, as last amended by Chapter 254, Laws of Utah 2000  
**17A-2-824**, as last amended by Chapters 1 and 254, Laws of Utah 2000  
**17A-2-826**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-1037**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-1058**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-1312**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-1315**, as last amended by Chapter 5, Laws of Utah 1991  
**17A-2-1316**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-1322**, as last amended by Chapters 9 and 195, Laws of Utah 2001  
**17A-2-1414**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-1439**, as last amended by Chapter 9, Laws of Utah 2001  
**17A-2-1440**, as last amended by Chapter 254, Laws of Utah 2000  
**17A-2-1823**, as enacted by Chapter 216, Laws of Utah 1995  
**17A-2-1825**, as enacted by Chapter 216, Laws of Utah 1995  
**17B-2-608**, as enacted by Chapter 284, Laws of Utah 2002  
**17B-4-1204**, as enacted by Chapter 133, Laws of Utah 2001  
**19-6-503**, as renumbered and amended by Chapter 112, Laws of Utah 1991  
**19-6-505**, as last amended by Chapter 9, Laws of Utah 2001  
**20A-1-102**, as last amended by Chapters 117 and 127, Laws of Utah 2003  
**20A-3-202**, as last amended by Chapter 328, Laws of Utah 2000

**20A-3-304.1**, as enacted by Chapter 195, Laws of Utah 2004  
**20A-4-202**, as last amended by Chapter 228, Laws of Utah 1993  
**20A-4-301**, as last amended by Chapter 11, Laws of Utah 2002, Fifth Special Session  
**20A-4-401**, as last amended by Chapter 133, Laws of Utah 2002  
**20A-4-402**, as enacted by Chapter 1, Laws of Utah 1993  
**20A-4-403**, as enacted by Chapter 1, Laws of Utah 1993  
**20A-5-400.5**, as enacted by Chapter 344, Laws of Utah 1998  
**20A-5-401**, as last amended by Chapter 116, Laws of Utah 2003  
**20A-6-301**, as last amended by Chapter 57, Laws of Utah 2001  
**20A-6-303**, as last amended by Chapter 57, Laws of Utah 2001  
**20A-6-402**, as last amended by Chapter 57, Laws of Utah 2001  
**31A-22-502**, as last amended by Chapter 71, Laws of Utah 2002  
**53A-2-105**, as last amended by Chapter 294, Laws of Utah 1998  
**53A-18-101**, as last amended by Chapter 9, Laws of Utah 2001  
**53A-18-102**, as last amended by Chapter 9, Laws of Utah 2001  
**53A-21-104**, as last amended by Chapter 199, Laws of Utah 2003  
**53A-28-302**, as last amended by Chapter 9, Laws of Utah 2001  
**54-9-103**, as renumbered and amended by Chapter 286, Laws of Utah 2002  
**54-9-106**, as renumbered and amended by Chapter 286, Laws of Utah 2002  
**59-7-601**, as enacted by Chapter 169, Laws of Utah 1993  
**59-12-603**, as last amended by Chapters 156 and 255, Laws of Utah 2004  
**59-12-703**, as last amended by Chapters 255 and 317, Laws of Utah 2004  
**59-12-802**, as last amended by Chapter 255, Laws of Utah 2004  
**59-12-804**, as last amended by Chapter 255, Laws of Utah 2004  
**59-12-1402**, as last amended by Chapters 255 and 317, Laws of Utah 2004  
**59-12-1503**, as last amended by Chapters 90 and 255, Laws of Utah 2004  
**63B-2-116**, as enacted by Chapter 304, Laws of Utah 1993  
**63B-2-216**, as enacted by Chapter 304, Laws of Utah 1993

- 63B-3-116**, as enacted by Chapter 300, Laws of Utah 1994
- 63B-3-216**, as enacted by Chapter 300, Laws of Utah 1994
- 63B-4-116**, as enacted by Chapter 329, Laws of Utah 1995
- 63B-5-116**, as enacted by Chapter 335, Laws of Utah 1996
- 63B-6-116**, as enacted by Chapter 391, Laws of Utah 1997
- 63B-6-216**, as enacted by Chapter 270, Laws of Utah 1997
- 63B-6-416**, as enacted by Chapter 391, Laws of Utah 1997
- 63B-7-116**, as enacted by Chapter 67, Laws of Utah 1998
- 63B-7-216**, as enacted by Chapter 316, Laws of Utah 1998
- 63B-7-416**, as enacted by Chapter 67, Laws of Utah 1998
- 63B-8-116**, as enacted by Chapter 309, Laws of Utah 1999
- 63B-8-216**, as enacted by Chapter 331, Laws of Utah 1999
- 63B-8-416**, as enacted by Chapter 309, Laws of Utah 1999
- 63B-9-216**, as enacted by Chapter 354, Laws of Utah 2000
- 63B-10-116**, as enacted by Chapter 321, Laws of Utah 2001
- 63B-11-116**, as enacted by Chapter 199, Laws of Utah 2002
- 63B-11-216**, as enacted by Chapter 252, Laws of Utah 2002
- 63B-11-316**, as enacted by Chapter 278, Laws of Utah 2002
- 63B-11-516**, as enacted by Chapter 266, Laws of Utah 2002
- 72-2-204**, as renumbered and amended by Chapter 270, Laws of Utah 1998
- 72-2-108**, as last amended by Chapter 318, Laws of Utah 2000
- 73-10d-4**, as last amended by Chapter 9, Laws of Utah 2001
- 73-10d-7**, as last amended by Chapter 9, Laws of Utah 2001

**ENACTS:**

- 11-14-101**, Utah Code Annotated 1953
- 11-14-102**, Utah Code Annotated 1953
- 11-14-103**, Utah Code Annotated 1953
- 11-14-208**, Utah Code Annotated 1953

## RENUMBERS AND AMENDS:

**11-14-201**, (Renumbered from 11-14-2, as last amended by Chapter 252, Laws of Utah 1999)

**11-14-202**, (Renumbered from 11-14-3, as last amended by Chapter 292, Laws of Utah 2003)

**11-14-203**, (Renumbered from 11-14-4, as last amended by Chapter 371, Laws of Utah 2004)

**11-14-204**, (Renumbered from 11-14-6, as last amended by Chapter 75, Laws of Utah 2000)

**11-14-205**, (Renumbered from 11-14-7, as last amended by Chapter 3, Laws of Utah 1996, Second Special Session)

**11-14-206**, (Renumbered from 11-14-10, as last amended by Chapter 281, Laws of Utah 1981)

**11-14-207**, (Renumbered from 11-14-11, as last amended by Chapter 115, Laws of Utah 1975)

**11-14-301**, (Renumbered from 11-14-13, as last amended by Chapter 3, Laws of Utah 1988)

**11-14-302**, (Renumbered from 11-14-14, as last amended by Chapter 346, Laws of Utah 1983)

**11-14-303**, (Renumbered from 11-14-14.5, as last amended by Chapter 191, Laws of Utah 1987)

**11-14-304**, (Renumbered from 11-14-15, as last amended by Chapter 280, Laws of Utah 1981)

**11-14-305**, (Renumbered from 11-14-16, as last amended by Chapter 62, Laws of Utah 1983)

**11-14-306**, (Renumbered from 11-14-17, as last amended by Chapter 72, Laws of Utah 2000)

**11-14-307**, (Renumbered from 11-14-17.5, as last amended by Chapter 193, Laws of

Utah 2001)

**11-14-308**, (Renumbered from 11-14-17.6, as last amended by Chapter 205, Laws of Utah 2001)

**11-14-309**, (Renumbered from 11-14-18, as last amended by Chapter 346, Laws of Utah 1983)

**11-14-310**, (Renumbered from 11-14-19, as enacted by Chapter 41, Laws of Utah 1965)

**11-14-311**, (Renumbered from 11-14-19.5, as last amended by Chapter 79, Laws of Utah 1985)

**11-14-312**, (Renumbered from 11-14-19.6, as enacted by Chapter 115, Laws of Utah 1975)

**11-14-313**, (Renumbered from 11-14-19.7, as last amended by Chapter 345, Laws of Utah 1983)

**11-14-314**, (Renumbered from 11-14-19.8, as enacted by Chapter 280, Laws of Utah 1981)

**11-14-315**, (Renumbered from 11-14-20, as enacted by Chapter 41, Laws of Utah 1965)

**11-14-316**, (Renumbered from 11-14-21, as last amended by Chapter 201, Laws of Utah 1987)

**11-14-401**, (Renumbered from 11-14-22, as enacted by Chapter 41, Laws of Utah 1965)

**11-14-402**, (Renumbered from 11-14-23, as last amended by Chapter 69, Laws of Utah 2001)

**11-14-403**, (Renumbered from 11-14-24, as enacted by Chapter 41, Laws of Utah 1965)

**11-14-404**, (Renumbered from 11-14-25, as enacted by Chapter 41, Laws of Utah 1965)

**11-14-405**, (Renumbered from 11-14-26, as enacted by Chapter 41, Laws of Utah 1965)

**11-14-406**, (Renumbered from 11-14-27, as last amended by Chapter 10, Laws of Utah 1997)

**11-14-501**, (Renumbered from 11-14-28, as enacted by Chapter 69, Laws of Utah 2001)

REPEALS:

**11-14-1**, as last amended by Chapter 216, Laws of Utah 1995

11-14-8, as enacted by Chapter 41, Laws of Utah 1965

11-14-9, as enacted by Chapter 41, Laws of Utah 1965

11-14-12, as enacted by Chapter 41, Laws of Utah 1965

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

Section 1. Section **9-3-409** is amended to read:

**9-3-409. Actions on validity or enforceability of bonds -- Time for bringing action.**

(1) In any suit, action, or proceeding involving the validity or enforceability of any bond issued under this chapter or the security for them, any such bond reciting in substance that it has been issued by the authority in connection with the Utah Science Center shall be conclusively deemed to have been issued for that purpose.

(2) For a period of 30 days after the publication of the resolution authorizing the bonds, or a notice of bonds to be issued by the authority containing those items described in Section [~~11-14-21~~] 11-14-316 in a newspaper having general circulation in the area of operation, any person may contest the legality of the resolution authorizing any bonds, notice of bonds to be issued, or any provisions made for the security and payment of the bonds. After the 30-day period no one has any cause of action to contest the regularity, formality, or legality of the notice of bonds to be issued or the bonds for any cause whatsoever.

Section 2. Section **10-7-8** is amended to read:

**10-7-8. Resolution on bond issue -- Election as provided by Local Government Bonding Act.**

When the board of commissioners, city council or the town board of trustees of any city or town shall have decided that incurring such bonded indebtedness is advisable, it shall by resolution specify the purpose for which the indebtedness is to be created and the amount of bonds which it is proposed to issue, and shall provide for submitting the question of the issue of such bonds to the qualified electors of the city or town at the next general election, or at a special election to be called for that purpose by the board of commissioners, city council or board of trustees in such manner and subject to such conditions as is provided in Title 11, Chapter 14,

[Utah Municipal Bond] Local Government Bonding Act. This section does not require an election for the issuance of refunding bonds or other bonds not required by the Constitution to be voted at an election.

Section 3. Section **10-7-15** is amended to read:

**10-7-15. Sale or lease of electrical generation and distribution system -- Appraisal and vote required -- Manner of conducting the election.**

(1) (a) Before selling or leasing in their entirety the works and plant constructed, purchased, or used by the municipality for the purpose of generating or distributing electrical energy for light, heat, or power purposes, the municipal legislative body shall:

(i) cause an appraisal of the property proposed to be sold or leased to be made under the supervision of three resident taxpayers of the municipality, to be appointed by the municipal legislative body; and

(ii) provide for submitting to the registered voters of the municipality the question of the sale or lease of the property, at the next general election or at a special election called for that purpose.

(b) The value of the property determined in an appraisal under Subsection (1)(a)(i) shall include all items that the municipal legislative body determines to add value to or subtract value from the property.

(2) (a) Subject to Subsection (2)(b), each election under Subsection (1)(a)(ii) shall be called and conducted in the same manner as provided by statute for the issue of bonds in Section 10-7-8, the necessary changes in the form of the ballot being made.

(b) Each notice of election required under Section [~~11-14-3~~] 11-14-202 for an election held under Subsection (1)(a)(ii) shall include:

(i) a summary of the appraisal made under Subsection (1)(a)(i), including the amount of the appraisal; and

(ii) the name of each bidder who submitted a bid that was opened and considered under Section 10-7-17 and the amount of each bid.

(3) In the process of selling or leasing in their entirety the municipality's electrical works

and plant, a municipal legislative body may take whatever action it considers appropriate and in the sequence it considers appropriate, subject to the requirements of this section and Sections 10-7-16 and 10-7-17.

Section 4. Section **10-18-302** is amended to read:

**10-18-302. Bonding authority.**

(1) In accordance with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, the legislative body of a municipality may by resolution determine to issue one or more revenue bonds or general obligation bonds to finance the capital costs for facilities necessary to provide to subscribers:

(a) a cable television service; or

(b) a public telecommunications service.

(2) The resolution described in Subsection (1) shall:

(a) describe the purpose for which the indebtedness is to be created; and

(b) specify the dollar amount of the one or more bonds proposed to be issued.

(3) (a) A revenue bond issued under this section shall be secured and paid for:

(i) from the revenues generated by the municipality from providing:

(A) cable television services with respect to revenue bonds issued to finance facilities for the municipality's cable television services; and

(B) public telecommunications services with respect to revenue bonds issued to finance facilities for the municipality's public telecommunications services; and

(ii) notwithstanding Subsection (3)(b) and Subsection 10-18-303(3)(a), from revenues generated under Title 59, Chapter 12, Sales and Use Tax Act, if:

(A) notwithstanding Subsection [~~11-14-2(2)~~] 11-14-201(3) and except as provided in Subsections (4) and (5), the revenue bond is approved by the registered voters in an election held:

(I) except as provided in Subsection (3)(a)(ii)(A)(II), pursuant to the provisions of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, that govern bond elections; and

(II) notwithstanding Subsection [~~11-14-4~~] 11-14-203(2), at a regular general election;

(B) the revenues described in this Subsection (3)(a)(ii) are pledged as security for the revenue bond; and

(C) the municipality or municipalities annually appropriate the revenues described in this Subsection (3)(a)(ii) to secure and pay the revenue bond issued under this section.

(b) Except as provided in Subsection (3)(a)(ii), a municipality may not pay the origination, financing, or other carrying costs associated with the one or more revenue bonds issued under this section from the general funds or other enterprise funds of the municipality.

(4) (a) As used in this Subsection (4), "municipal entity" means an entity created pursuant to an agreement:

(i) under Title 11, Chapter 13, Interlocal Cooperation Act; and

(ii) to which a municipality is a party.

(b) The requirements of Subsection (3)(a)(ii)(A) do not apply to a municipality or municipal entity that issues revenue bonds, or to a municipality that is a member of a municipal entity that issues revenue bonds, if:

(i) on or before March 2, 2004, the municipality that is issuing revenue bonds or that is a member of a municipal entity that is issuing revenue bonds has published the first notice described in Subsection (4)(b)(iii);

(ii) on or before April 15, 2004, the municipality that is issuing revenue bonds or that is a member of a municipal entity that is issuing revenue bonds makes the decision to pledge the revenues described in Subsection (3)(a)(ii) as security for the revenue bonds described in this Subsection (4)(b)(ii);

(iii) the municipality that is issuing the revenue bonds or the municipality that is a member of the municipal entity that is issuing the revenue bonds has:

(A) held a public hearing for which public notice was given by publication of the notice in a newspaper published in the municipality or in a newspaper of general circulation within the municipality for two consecutive weeks, with the first publication being not less than 14 days before the public hearing; and

(B) the notice identifies:

(I) that the notice is given pursuant to Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act;

(II) the purpose for the bonds to be issued;

(III) the maximum amount of the revenues described in Subsection (3)(a)(ii) that will be pledged in any fiscal year;

(IV) the maximum number of years that the pledge will be in effect; and

(V) the time, place, and location for the public hearing;

(iv) the municipal entity that issues revenue bonds:

(A) adopts a final financing plan; and

(B) in accordance with Title 63, Chapter 2, Government Records Access and Management Act, makes available to the public at the time the municipal entity adopts the final financing plan:

(I) the final financing plan; and

(II) all contracts entered into by the municipal entity, except as protected by Title 63, Chapter 2, Government Records Access and Management Act;

(v) any municipality that is a member of a municipal entity described in Subsection (4)(b)(iv):

(A) not less than 30 calendar days after the municipal entity complies with Subsection (4)(b)(iv)(B), holds a final public hearing;

(B) provides notice, at the time the municipality schedules the final public hearing, to any person who has provided to the municipality a written request for notice; and

(C) makes all reasonable efforts to provide fair opportunity for oral testimony by all interested parties; and

(vi) except with respect to a municipality that issued bonds prior to March 1, 2004, not more than 50% of the average annual debt service of all revenue bonds described in this section to provide service throughout the municipality or municipal entity may be paid from the revenues described in Subsection (3)(a)(ii).

(5) On or after July 1, 2007, the requirements of Subsection (3)(a)(ii)(A) do not apply to

a municipality that issues revenue bonds if:

(a) the municipality that is issuing the revenue bonds has:

(i) held a public hearing for which public notice was given by publication of the notice in a newspaper published in the municipality or in a newspaper of general circulation within the municipality for two consecutive weeks, with the first publication being not less than 14 days before the public hearing; and

(ii) the notice identifies:

(A) that the notice is given pursuant to Title 11, Chapter 14, [~~Utah Municipal Bond~~

Local Government Bonding Act;

(B) the purpose for the bonds to be issued;

(C) the maximum amount of the revenues described in Subsection (3)(a)(ii) that will be pledged in any fiscal year;

(D) the maximum number of years that the pledge will be in effect; and

(E) the time, place, and location for the public hearing; and

(b) except with respect to a municipality that issued bonds prior to March 1, 2004, not more than 50% of the average annual debt service of all revenue bonds described in this section to provide service throughout the municipality or municipal entity may be paid from the revenues described in Subsection (3)(a)(ii).

(6) A municipality that issues bonds pursuant to this section may not make or grant any undue or unreasonable preference or advantage to itself or to any private provider of:

(a) cable television services; or

(b) public telecommunications services.

Section 5. Section **11-8-2** is amended to read:

**11-8-2. State loans for sewage treatment facilities -- Rules of Water Quality Board.**

The Department of Environmental Quality is authorized to negotiate loans to political subdivisions and municipal authorities for the construction, reconstruction, and improvement of municipal sewage treatment facilities. All loans shall be made pursuant to rules made by the Water Quality Board and not exceed 25% of the total cost of the facility. The loans shall be

authorized by the political subdivision involved pursuant to Title 11, Chapter 14, [~~Utah~~  
~~Municipal Bond~~] Local Government Bonding Act, or other applicable law of this state pertaining to indebtedness of political subdivisions.

Section 6. Section **11-13-205** is amended to read:

**11-13-205. Agreement by public agencies to create a new entity to own sewage and wastewater facilities -- Powers and duties of new entities -- Validation of previously created entities.**

(1) It is declared that the policy of the state is to assure the health, safety, and welfare of its citizens, that adequate sewage and wastewater treatment plants and facilities are essential to the well-being of the citizens of the state and that the acquisition of adequate sewage and wastewater treatment plants and facilities on a regional basis in accordance with federal law and state and federal water quality standards and effluent standards in order to provide services to public agencies is a matter of statewide concern and is in the public interest. It is found and declared that there is a statewide need to provide for regional sewage and wastewater treatment plants and facilities, and as a matter of express legislative determination it is declared that the compelling need of the state for construction of regional sewage and wastewater treatment plants and facilities requires the creation of entities under the Interlocal Cooperation Act to own, construct, operate, and finance sewage and wastewater treatment plants and facilities; and it is the purpose of this law to provide for the accomplishment thereof in the manner provided in this section.

(2) Any two or more public agencies of the state may also agree to create a separate legal or administrative entity to accomplish and undertake the purpose of owning, acquiring, constructing, financing, operating, maintaining, and repairing regional sewage and wastewater treatment plants and facilities.

(3) A separate legal or administrative entity created in the manner provided herein is considered to be a political subdivision and body politic and corporate of the state with power to carry out and effectuate its corporate powers, including, but not limited to, the power:

(a) to adopt, amend, and repeal rules, bylaws, and regulations, policies, and procedures

for the regulation of its affairs and the conduct of its business, to sue and be sued in its own name, to have an official seal and power to alter that seal at will, and to make and execute contracts and all other instruments necessary or convenient for the performance of its duties and the exercise of its powers and functions under the Interlocal Cooperation Act;

(b) to own, acquire, construct, operate, maintain, repair, or cause to be constructed, operated, maintained, and repaired one or more regional sewage and wastewater treatment plants and facilities, all as shall be set forth in the agreement providing for its creation;

(c) to borrow money, incur indebtedness and issue revenue bonds, notes or other obligations payable solely from the revenues and receipts derived from all or a portion of the regional sewage and wastewater treatment plants and facilities which it owns, operates, and maintains, such bonds, notes, or other obligations to be issued and sold in compliance with the provisions of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act;

(d) to enter into agreements with public agencies and other parties and entities to provide sewage and wastewater treatment services on such terms and conditions as it considers to be in the best interests of its participants; and

(e) to acquire by purchase or by exercise of the power of eminent domain, any real or personal property in connection with the acquisition and construction of any sewage and wastewater treatment plant and all related facilities and rights-of-way which it owns, operates, and maintains.

(4) The provisions of Part 3, Project Entity Provisions, do not apply to a legal or administrative entity created for regional sewage and wastewater treatment purposes under this section.

(5) All proceedings previously had in connection with the creation of any legal or administrative entity pursuant to this chapter, and all proceedings previously had by any such entity for the authorization and issuance of bonds of the entity are validated, ratified, and confirmed; and these entities are declared to be validly created interlocal cooperation entities under this chapter. These bonds, whether previously or subsequently issued pursuant to these proceedings, are validated, ratified, and confirmed and declared to constitute, if previously

issued, or when issued, the valid and legally binding obligations of the entity in accordance with their terms. Nothing in this section shall be construed to affect or validate any bonds, or the organization of any entity, the legality of which is being contested at the time this act takes effect.

(6) (a) The governing body of each entity created under this section on or after May 4, 1998, shall, within 30 days of the creation, file a written notice of the creation with the State Tax Commission.

(b) Each written notice required under Subsection (6)(a) shall:

(i) be accompanied by:

(A) a copy of the agreement creating the entity; and

(B) a map or plat that delineates a metes and bounds description of the area affected and evidence that the information has been recorded by the county recorder; and

(ii) contain a certification by the governing body that all necessary legal requirements relating to the creation have been completed.

Section 7. Section **11-13-219** is amended to read:

**11-13-219. Publication of resolutions or agreements -- Contesting legality of resolution or agreement.**

(1) As used in this section:

(a) "Enactment" means:

(i) a resolution adopted or proceedings taken by a governing body under the authority of this chapter, and includes a resolution, indenture, or other instrument providing for the issuance of bonds; and

(ii) an agreement or other instrument that is authorized, executed, or approved by a governing body under the authority of this chapter.

(b) "Governing body" means:

(i) the legislative body of a public agency; and

(ii) the governing body of an interlocal entity created under this chapter.

(c) "Notice of bonds" means the notice authorized by Subsection (3)(d).

(d) "Notice of agreement" means the notice authorized by Subsection (3)(c).

(e) "Official newspaper" means the newspaper selected by a governing body under Subsection (4)(b) to publish its enactments.

(2) Any enactment taken or made under the authority of this chapter is not subject to referendum.

(3) (a) A governing body need not publish any enactment taken or made under the authority of this chapter.

(b) A governing body may provide for the publication of any enactment taken or made by it under the authority of this chapter according to the publication requirements established by this section.

(c) (i) If the enactment is an agreement, document, or other instrument, or a resolution or other proceeding authorizing or approving an agreement, document, or other instrument, the governing body may, instead of publishing the full text of the agreement, resolution, or other proceeding, publish a notice of agreement containing:

(A) the names of the parties to the agreement;

(B) the general subject matter of the agreement;

(C) the term of the agreement;

(D) a description of the payment obligations, if any, of the parties to the agreement; and

(E) a statement that the resolution and agreement will be available for review at the governing body's principal place of business during regular business hours for 30 days after the publication of the notice of agreement.

(ii) The governing body shall make a copy of the resolution or other proceeding and a copy of the contract available at its principal place of business during regular business hours for 30 days after the publication of the notice of agreement.

(d) If the enactment is a resolution or other proceeding authorizing the issuance of bonds, the governing body may, instead of publishing the full text of the resolution or other proceeding and the documents pertaining to the issuance of bonds, publish a notice of bonds that contains the information described in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(4) (a) If the governing body chooses to publish an enactment, notice of bonds, or notice

of agreement, the governing body shall comply with the requirements of this Subsection (4).

(b) If there is more than one newspaper of general circulation, or more than one newspaper, published within the boundaries of the governing body, the governing body may designate one of those newspapers as the official newspaper for all publications made under this section.

(c) (i) The governing body shall publish the enactment, notice of bonds, or notice of agreement in:

(A) the official newspaper;

(B) the newspaper published in the municipality in which the principal office of the governmental entity is located; or

(C) if no newspaper is published in that municipality, in a newspaper having general circulation in the municipality.

(ii) The governing body may publish the enactment, notice of bonds, or notice of agreement in a newspaper of general circulation or in a newspaper that is published within the boundaries of any public agency that is a party to the enactment or agreement.

(5) (a) Any person in interest may contest the legality of an enactment or any action performed or instrument issued under the authority of the enactment for 30 days after the publication of the enactment, notice of bonds, or notice of agreement.

(b) After the 30 days have passed, no one may contest the regularity, formality, or legality of the enactment or any action performed or instrument issued under the authority of the enactment for any cause whatsoever.

Section 8. Section **11-14-101** is enacted to read:

**CHAPTER 14. LOCAL GOVERNMENT BONDING ACT**

**Part 1. General Provisions**

**11-14-101. Title.**

This chapter is known as the "Local Government Bonding Act."

Section 9. Section **11-14-102** is enacted to read:

**11-14-102. Definitions.**

For the purpose of this chapter:

(1) "Bond" means any bond authorized to be issued under this chapter, including municipal bonds.

(2) "Election results" means the same as "election results" as defined in Section 20A-1-102.

(3) (a) "Local political subdivision" includes:

(i) cities;

(ii) towns;

(iii) counties;

(iv) school districts;

(v) public transit districts;

(vi) improvement districts operating under the authority of Title 17A, Chapter 2, Part 3, County Improvement Districts for Water, Sewage, Flood Control, Electric and Gas;

(vii) special service districts operating under the authority of Title 17A, Chapter 2, Part 13, Utah Special Service District Act;

(viii) metropolitan water districts operating under the authority of Title 17A, Chapter 2, Part 8, Metropolitan Water District Act;

(ix) irrigation districts operating under the authority of Title 17A, Chapter 2, Part 7, Irrigation District Act;

(x) water conservancy districts operating under the authority of Title 17A, Chapter 2, Part 14, Water Conservancy Districts; and

(xi) regional service areas operating under the authority of Title 17A, Chapter 2, Part 18, Regional Service Area Act.

(b) "Local political subdivision" does not include the state and its institutions.

Section 10. Section **11-14-103** is enacted to read:

**11-14-103. Bond issues authorized -- Purposes -- Use of bond proceeds.**

(1) Any local political subdivision may, in the manner and subject to the limitations and restrictions contained in this chapter, issue its negotiable bonds for the purpose of paying all or

part of the cost of acquiring, improving, or extending any one or more improvements, facilities, or property that the local political subdivision is authorized by law to acquire.

(2) Any local political subdivision may also issue such bonds for the acquisition of or the acquisition of an interest in any one or more or combination of the following types of improvements, facilities, or property to be owned by the local political subdivision or to be owned jointly by two or more local political subdivisions, or for the improvement or extension of any such wholly or jointly owned facility or property:

(a) public buildings of every nature, including without limitation, offices, courthouses, jails, fire, police and sheriff's stations, detention homes, and any other buildings to accommodate or house lawful activities of a local political subdivision;

(b) waterworks, irrigation systems, water systems, dams, reservoirs, water treatment plants, and any other improvements, facilities, or property used in connection with the acquisition, storage, transportation, and supplying of water for domestic, industrial, irrigation, recreational, and other purposes and preventing pollution of water;

(c) sewer systems, sewage treatment plants, incinerators, and other improvements, facilities, or property used in connection with the collection, treatment, and disposal of sewage, garbage, or other refuse;

(d) drainage and flood control systems, storm sewers, and any other improvements, facilities, or property used in connection with the collection, transportation, or disposal of water;

(e) recreational facilities of every kind, including without limitation, athletic and play facilities, playgrounds, athletic fields, gymnasiums, public baths, swimming pools, camps, parks, picnic grounds, fairgrounds, golf courses, zoos, boating facilities, tennis courts, auditoriums, stadiums, arenas, and theaters;

(f) convention centers, sports arenas, auditoriums, theaters, and other facilities for the holding of public assemblies, conventions, and other meetings;

(g) roads, bridges, viaducts, tunnels, sidewalks, curbs, gutters, and parking buildings, lots, and facilities;

(h) airports, landing fields, landing strips, and air navigation facilities;

(i) educational facilities, including without limitation, schools, gymnasiums, auditoriums, theaters, museums, art galleries, libraries, stadiums, arenas, and fairgrounds;  
(j) hospitals, convalescent homes, and homes for the aged or indigent; and  
(k) electric light works, electric generating systems, and any other improvements, facilities, or property used in connection with the generation and acquisition of electricity for these local political subdivisions and transmission facilities and substations if they do not duplicate transmission facilities and substations of other entities operating in the state prepared to provide the proposed service unless these transmission facilities and substations proposed to be constructed will be more economical to these local political subdivisions.

(3) Any such improvement, facility, or property need not lie within the limits of the local political subdivision.

(4) A cost under Subsection (1) may include:

(a) the cost of equipment and furnishings for such improvements, facilities, or property;  
(b) all costs incident to the authorization and issuance of bonds, including engineering, legal, and fiscal advisers' fees;

(c) costs incident to the issuance of bond anticipation notes, including interest to accrue on bond anticipation notes;

(d) interest estimated to accrue on the bonds during the period to be covered by the construction of the improvement, facility, or property and for 12 months after that period; and

(e) other amounts which the legislative body finds necessary to establish bond reserve funds and to provide working capital related to the improvement, facility, or property.

Section 11. Section **11-14-201**, which is renumbered from Section 11-14-2 is renumbered and amended to read:

**Part 2. Bond Elections**

~~[11-14-2].~~ **11-14-201. Election on bond issues -- Qualified electors -- Resolution and notice.**

(1) ~~[(a)]~~ The ~~[governing]~~ legislative body of any ~~[municipality desiring]~~ local political subdivision that wishes to issue bonds under the authority granted in Section ~~[11-14-1]~~

11-14-103 shall ~~[by resolution provide for the holding of an election in the municipality on],~~ at least 75 days before the date of election:

(a) approve a resolution submitting the question of the issuance of the bonds to the voters of the local political subdivision; and

(b) provide a copy of the resolution to:

(i) the lieutenant governor; and

(ii) the election officer, as defined in Section 20A-1-102, charged with conducting the election.

~~[(b) The bonds may be issued only if at the election the issuance of the bonds is approved by a majority of the qualified electors of the municipality who vote on the proposition.]~~

~~[(2) This section does not require an election for the issuance of refunding bonds or other bonds not required by the constitution to be voted at an election.]~~

~~[(3) (a) At least 30 days before the election, the governing body shall:]~~

~~[(i) approve the resolution; and]~~

~~[(ii) provide a copy of the resolution to the county clerk.]~~

(2) The local political subdivision may not issue the bonds unless the majority of the qualified voters of the local political subdivision who vote on the bond proposition approve the issuance of the bonds.

(3) Nothing in this section requires an election for the issuance of:

(a) refunding bonds; or

(b) other bonds not required by law to be voted on at an election.

~~[(b)]~~ (4) The resolution calling the election [and the election notice] shall [state:] include a ballot proposition, in substantially final form, that complies with the requirements of Subsection 11-14-206(2).

~~[(i) the purpose for which the bonds are to be issued;]~~

~~[(ii) the maximum amount of bonds to be issued; and]~~

~~[(iii) the maximum number of years from the issue date of the bonds to maturity.]~~

~~[(c) The purpose may be stated in general terms and need not specify the particular~~

projects for which the bonds are to be issued or the specific amount of bond proceeds to be expended for each project.]

~~[(4) If the municipality is an improvement district and if the bonds are to be payable in part from tax proceeds and in part from the operating revenues of the district or from any combination of tax proceeds and operating revenues, the resolution and notice shall indicate those payment sources, but need not specify how the bonds are to be divided between those sources of payment.]~~

Section 12. Section **11-14-202**, which is renumbered from Section 11-14-3 is renumbered and amended to read:

~~[11-14-3].~~     **11-14-202. Notice of election -- Contents -- Publication -- Mailing.**

(1) (a) ~~[Notice]~~ The legislative body shall ensure that:

(i) notice of the election ~~[shall be]~~ is published once ~~[a]~~ per week during three consecutive weeks in a newspaper designated in accordance with Section ~~[11-14-21;]~~ 11-14-316; and

(ii) the first publication ~~[to be]~~ occurs not less than 21 nor more than 35 days before the election.

~~[(b) If no official newspaper is designated, the notices]~~

(b) Notice shall be published in a newspaper ~~[published in the municipality, or, if no newspaper is published in the municipality, the notices shall be published in a newspaper]~~ having general circulation in the ~~[municipality]~~ local political subdivision.

(2) When the debt service on the bonds to be issued will increase the property tax imposed upon the average value of a residence by an amount that is greater than or equal to \$15 per year, the governing body shall, at least seven days but not more than 30 days before the bond election, if the bond election is not held on the date of a regular primary election, a municipal primary election, a regular general election, or a municipal general election, either mail:

(a) written notice of the bond election on a minimum three inch by five inch postcard to every household containing a registered voter who is eligible to vote on the bonds; or

(b) a voter information pamphlet prepared by the governing body, if one is prepared, that

includes the information required by Subsection (4).

(3) (a) Except as provided in Subsection (3)(b), ~~[election] notice [given for any bond election held in this state]~~ of the bond election need not be posted ~~[by any persons]~~.

(b) (i) In a ~~[city of the third, fourth, or fifth class or a town]~~ local political subdivision where there is no newspaper [is published, the governing] of general circulation, the legislative body may require that notice of a bond election be given by posting in lieu of the publication requirements of Subsection (1).

(ii) When the ~~[governing]~~ legislative body imposes a posting requirement, the ~~[city recorder, town clerk, or other officer designated by the governing]~~ legislative body shall ~~[post]~~ ensure that notice of the bond election is posted in at least five public places in the ~~[city or town]~~ local political subdivision at least 21 days before the election.

(4) ~~[The printed, posted, and mailed]~~ Any notice required by this section shall ~~[identify]~~ include:

(a) the date and place of the election;

(b) the hours during which the polls will be open; and

~~[(c) the purpose for which the bonds are to be issued, the maximum amount of bonds to be issued, and the maximum number of years to maturity of the bonds;]~~

(c) the title and text of the ballot proposition.

(5) The ~~[governing]~~ legislative body shall pay the costs associated with the ~~[printed, posted, and mailed]~~ notice required by this section.

Section 13. Section **11-14-203**, which is renumbered from Section 11-14-4 is renumbered and amended to read:

~~[11-14-4].~~ **11-14-203. Time for election -- Equipment -- Election officials -- Combining precincts.**

~~[(1) (a) The governing body shall:]~~

~~[(i) designate the voting places to be used;]~~

~~[(ii) fix the hours during which the polls are to be open, which, if the election is a special election, shall be those provided by law for the conduct of regular general elections;]~~

~~[(iii) cause to be provided the necessary ballot boxes, ballots, paraphernalia, equipment, and supplies needed for the election as determined by the governing body; and]~~

~~[(iv) unless the election officials to serve at each voting place are otherwise appointed under the provisions of general law, appoint three election officials, who shall be qualified electors of the municipality or other entity calling the election, to serve at each voting place.]~~

~~[(b) The governing body may appoint one or more alternate election officials to so serve in case of the absence for any cause of the designated election officials.]~~

(1) (a) The local political subdivision shall ensure that bond elections are conducted and administered according to the procedures set forth in this chapter and the sections of the Election Code specifically referenced by this chapter.

(b) When a local political subdivision complies with those procedures, there is a presumption that the bond election was properly administered.

(2) (a) ~~[(†)]~~ A bond election may be held, and the proposition for the issuance of bonds may be submitted ~~[at]~~, on the same date as any general or municipal election held in the [municipality or other entity] local political subdivision calling the bond election, or at a special election called for the purpose on a date authorized by Section 20A-1-204.

~~[(†)]~~ (b) A bond election may not be held, nor a proposition for issuance of bonds be submitted, at the Western States Presidential Primary election established in Title 20A, Chapter 9, Part 8, Western States Presidential Primary.

~~[(b) The process for calling, the approved purpose, and the date of a special election shall be governed by Sections 20A-1-203 and 20A-1-204.]~~

~~[(c) Where a bond election is being held on the same day as any other election held in the municipality or entity calling the bond election or in some part of that municipality or entity, the election officials serving for the other election may also serve as election officials for the bond election.]~~

(3) (a) The bond election shall be conducted and administered by the election officer designated in Sections 20A-1-102 and 20A-5-400.5.

(b) (i) The duties of the election officer shall be governed by Title 20A, Chapter 5, Part

4, Election Officer's Duties.

(ii) The publishing requirement under Subsection 20A-5-405(1)(j)(iii) does not apply when notice of a bond election has been provided according to the requirements of Section 11-14-202.

(c) The hours during which the polls are to be open shall be consistent with Section 20A-1-302.

(d) The appointment and duties of election judges shall be governed by Title 20A, Chapter 5, Part 6, Election Judges.

(e) General voting procedures shall be conducted according to the requirements of Title 20A, Chapter 3, Voting.

(f) The designation of election crimes and offenses, and the requirements for the prosecution and adjudication of those crimes and offenses are set forth in Title 20A, Election Code.

~~[(3)(a) Voting]~~ (4) When a bond election is being held on a day when no other election is being held in the local political subdivision calling the bond election, voting precincts may be combined for purposes of bond elections~~[-(b) The governing body may designate whatever voting places that it considers best suited;]~~ so long as no voter is required to vote outside the county in which ~~[he]~~ the voter resides.

(5) When a bond election is being held on the same day as any other election held in a local political subdivision calling the bond election, or in some part of that local political subdivision, the polling places and election officials serving for the other election may also serve as the polling places and election officials for the bond election, so long as no voter is required to vote outside the county in which the voter resides.

Section 14. Section **11-14-204**, which is renumbered from Section 11-14-6 is renumbered and amended to read:

~~[11-14-6].~~     **11-14-204. Challenges to voter qualifications.**

~~[(1) The qualifications as an elector of any person applying for a ballot at a bond election may be challenged for cause by any one or more of the election officials or by any other person at~~

the time the ballot is applied for, but notwithstanding any challenge hereunder, any such person shall receive a ballot and be permitted to vote if:]

~~[(a) the person is shown on the registration lists as a registered voter in the municipality or other entity calling the bond election; and]~~

~~[(b) the person takes an oath sworn to before one of the election officials that he is a qualified elector of such municipality or entity.]~~

~~[(2) The oath referred to in Subsection (1) may, but need not, be in substantially the following form:]~~

[ELECTOR'S OATH]

~~[STATE OF UTAH →]~~

~~[COUNTY OF \_\_\_\_\_]~~

~~[The undersigned, having been first duly sworn upon oath, deposes and says under the pains and penalties of perjury, as follows:]~~

~~[That I am a citizen of the United States; that I am 18 years of age or older; that I am now and have been a resident of the state of Utah for not less than 30 days; that I am a resident of \_\_\_\_\_ County and of the voting district or precinct of the (municipality or other entity calling the bond election) in which I am offering to vote; that I am a duly registered voter of \_\_\_\_\_ County and I am a qualified voter of and reside within the confines of (municipality or other entity calling the bond election); and that I have not previously voted at the bond election being held on this \_\_\_\_\_ (month\day\year) in (municipality or other entity calling the bond election).]~~

\_\_\_\_\_

[Signature of Elector]

\_\_\_\_\_

[Address of Elector]

~~[I, the undersigned, Judge of election, hereby certify that the person whose signature appears above, signed the foregoing statement on this \_\_\_\_\_ (month\day\year), immediately after I administered to him an oath in the following words: You do solemnly swear (or affirm) that you have read the oath to which you are about to subscribe your signature and that the facts~~

recited therein are true and correct, so help you God (or under the pains and penalties of perjury):]

\_\_\_\_\_

[Judge of Election]

[Each election official is expressly authorized to administer the oath.]

~~[(3) In the case of challenges made pursuant to Subsection (1), the election officials shall keep a list of the names of each person challenged, the grounds for the challenge, and whether such person was permitted to vote. The list shall be made in duplicate and the duplicate list shall be made available to the governing body when it canvasses the election results.]~~

(1) Any person's qualifications to vote at a bond election may be challenged according to the procedures and requirements of Sections 20A-3-105.5 and 20A-3-202.

~~[(4) No]~~ (2) A bond election [shall] may not be [held invalid] invalidated on the grounds that ~~[unqualified]~~ ineligible voters voted unless;

(a) it [shall be] is shown by clear and convincing evidence [in a contest filed prior to the expiration of the period in which bond election contest may be filed] that [unqualified] ineligible voters voted in sufficient numbers to change the result [voted at] of the bond election[-When the election results are canvassed, the canvass shall show separately the number of votes which were challenged and the number of challenged voters who were permitted to vote, but the]; and

(b) the complaint is filed before the expiration of the time period permitted for contests in Subsection 20A-4-403(3).

(3) The votes cast by the voters shall be accepted as having been legally cast for purposes of determining the outcome of the election, unless the court in a bond election contest [shall find] finds otherwise.

Section 15. Section **11-14-205**, which is renumbered from Section 11-14-7 is renumbered and amended to read:

~~[11-14-7].~~ **11-14-205. Special registration not required -- Official register supplied by clerk.**

(1) (a) Voter registration shall be administered according to the requirements of Title

20A, Chapter 2, Voter Registration.

~~[(1)] (b) [There shall be no] The legislative body may not require or mandate any special registration of voters for a bond election [and the official register last made or revised shall constitute the register for such bond election except that].~~

~~[(a) if the bond election is held on the same day as a general, special, primary, or other election held in the municipality or other bond-issuing entity or in part of the municipality or entity, all persons registered to vote in such other election shall be considered registered to vote in the bond election; and]~~

~~[(b) if the bond election is not to be held on the same day as any other election, the county clerk of each county in which the municipality or entity is wholly or partly located shall register at his office during regular office hours except Saturdays, Sundays, and holidays, and except during the 20-day period immediately preceding the bond election, any person who on the day of the bond election will be a qualified elector, such person to be registered in the same manner as provided by law for registration by satellite registrars.]~~

(2) The county clerk of each county in which a ~~[municipality or entity]~~ local political subdivision holding the bond election is located shall ~~[make registration lists or copies of such lists available at each polling place for use by registered electors entitled to use such voting place]~~ prepare the official register for the bond election according to the requirements of Section 20A-5-401.

~~[(3) If the registration lists furnished include electors who do not reside within the municipality or entity whose bonds are being voted upon, the county clerk or the municipality or other entity shall cause to be indicated on the registration lists the names of the registered electors who do not reside in such municipality or entity, but the failure to so indicate or]~~

(3) The official register's failure to identify those voters not residing in the local political subdivision holding the bond election, or any inaccuracy in [such indication shall not be considered an irregularity or] that identification, is not a ground for invalidating the bond election.

Section 16. Section **11-14-206**, which is renumbered from Section 11-14-10 is

renumbered and amended to read:

~~[11-14-10].~~ **11-14-206. Ballots -- Submission of ballot language -- Form and contents.**

~~[(1) The governing body shall prescribe the form of ballot to be used at the election, but the proposition appearing thereon shall include a statement of]~~

(1) At least 75 days before the election, the legislative body shall prepare and submit to the election officer:

(a) a ballot title for the bond proposition that includes the name of the local political subdivision issuing the bonds and the word "bond" or an identification of the type of bonds; and

(b) a ballot proposition that meets the requirements of Subsection (2).

(2) (a) The ballot proposition shall include:

(i) the maximum principal amount of the bonds[;];

(ii) the maximum number of years [they are to run from their respective dates, and in general terms,] from the issuance of the bonds to final maturity; and

(iii) the general purpose for which [they] the bonds are to be issued. [In addition, if]

(b) The purpose of the bonds may be stated in general terms and need not specify the particular projects for which the bonds are to be issued or the specific amount of bond proceeds to be expended for each project.

(c) If the bonds are to be payable in part from tax proceeds and in part from the operating revenues of the [municipality] local political subdivision, or from any combination [thereof, the] of tax proceeds and operating revenues, the bond proposition shall [so indicate, but need not specify how the bonds are to be divided as to source of payment. The proposition] indicate those payment sources, but need not specify how the bonds are to be divided between those sources of payment.

(d) (i) The bond proposition shall be followed by the words, "For the issuance of bonds" and "Against the issuance of bonds," with appropriate boxes in which the voter may indicate his choice.

(ii) Nothing in Subsection (2)(d)(i) prohibits the addition of descriptive information

about the bonds.

~~(3) If a bond [question or questions are] proposition is submitted [at an election not specially held for that purpose] to a vote on the same day as any other election held in the local political subdivision calling the bond election, the bond [question or questions] proposition may be combined with the candidate ballot in a manner consistent with Section 20A-6-301, 20A-6-303, or 20A-6-402.~~

~~[(2) Where voting machines are used, the ballot shall be in such form as is appropriate for such use, and absentee ballots shall be in the form prescribed by law for such ballots.]~~

~~(4) The ballot form shall comply with the requirements of Title 20A, Chapter 6, Ballot Form.~~

Section 17. Section **11-14-207**, which is renumbered from Section 11-14-11 is renumbered and amended to read:

~~[11-14-11].~~ **11-14-207. Counting and canvassing -- Official finding.**

~~[Immediately after the closing of the polls the judges of the election shall proceed to count and canvass the ballots cast and make returns thereof to the governing body. The governing body shall not later than ten days after the election meet and canvass the returns. The oaths taken pursuant to Subsection (1) of Section 11-14-6 and the ballots and ballot boxes shall be held in safekeeping in the manner and for the period provided by law with respect to ballots for other elections.]~~

(1) (a) Following the election officer's inspection and count of the ballots in accordance with the procedures of Title 20A, Chapter 4, Part 1, Counting Ballots and Tabulating Results, and Part 2, Transmittal and Disposition of Ballots and Election Returns, the legislative body shall meet and canvass the election results.

(b) (i) The legislative body of the local political subdivision is the board of canvassers for the bond proposition.

(ii) The board of canvassers shall always consist of a quorum of the legislative body.

(c) The canvass of the election [returns] results shall be made in public [and at its conclusion the governing] no sooner than seven days after the election and no later than 14 days

after the election.

(d) The canvass of election results shall be conducted according to the procedures and requirements of Subsection 20A-4-301(3) and Sections 20A-4-302 and 20A-4-303.

(e) If a bond proposition is submitted to a vote on the same day as any other election held in the local political subdivision calling the bond election, the legislative body shall coordinate the date of its canvass with any other board of canvassers appointed under Section 20A-4-301.

(2) (a) After the canvass of election returns, the legislative body shall [make] record in its minutes:

(i) an official finding as to the total number of votes cast, the number of affirmative votes, the number of negative votes, [the number of mutilated ballots and] the number of challenged voters [as above required], the number of challenged voters that were issued a provisional ballot, and the number of provisional ballots that were counted; and [shall declare]

(ii) an official finding that the bond proposition [to have carried or lost. Such findings shall be incorporated in the official minutes of the governing body, and it shall not be necessary to file any] was approved or rejected.

(b) The legislative body need not file with the county clerk or with any other official:

(i) any statement or certificate of [such] the election results [or];

(ii) any affidavit with respect to the facts pertaining to the election [nor]; or

(iii) any affidavit pertaining to the indebtedness and valuation of the municipality [with the county clerk or with any other official].

(3) The [determination of the governing body] official finding that [a] the majority of the qualified [electors] voters of the [municipality] local political subdivision voting on the bond proposition[; have assented to] approved the issuance of the bonds[; shall be] is conclusive in any action or proceeding involving the validity of the election or involving the determination or declaration of the result [thereof instituted] of the election if the action is filed after the expiration of the period provided in [Section 11-14-12 for the filing of actions contesting the validity of bond elections and after the date of delivery of and payment for any part of the bonds] Subsection 20A-4-403(3).

Section 18. Section **11-14-208** is enacted to read:

**11-14-208. Contest of election results -- Procedure.**

(1) (a) Any person wishing to contest the results of a bond election shall comply with the procedures and requirements of Title 20A, Chapter 4, Part 4, Recounts and Election Contests.

(b) The local political subdivision calling the election shall be regarded as the defendant.

(2) Unless the complaint is filed within the period prescribed in Subsection 20A-4-403(3), a court may not:

(a) allow an action contesting the bond election to be maintained; or

(b) set aside or hold the bond election invalid.

Section 19. Section **11-14-301**, which is renumbered from Section 11-14-13 is renumbered and amended to read:

**Part 3. Issuance of Bonds**

**[11-14-13]. 11-14-301. Issuance of bonds by legislative body -- Computation of indebtedness under constitutional and statutory limitations.**

(1) If the [governing] legislative body has declared the bond proposition to have carried and no contest has been filed, or if [the] a contest [is] has been filed [after it has been] and favorably terminated, the [governing] legislative body may proceed to issue the bonds voted at the election.

(2) It is not necessary that all of the bonds be issued at one time, but [no] bonds [so voted] approved by the voters may not be issued more than ten years after the date of the election. [No bonds so voted]

(3) (a) Bonds approved by the voters may not be issued to an amount which will cause the indebtedness of the [municipality] local political subdivision to exceed that permitted by the Utah Constitution or statutes.

(b) In computing the amount of indebtedness [which] that may be incurred pursuant to constitutional limitations, the constitutionally permitted percentage shall be applied to the fair market value, as defined under Section 59-2-102, of the taxable property in the [municipality] local political subdivision as computed from the last equalized assessment rolls for state and

county purposes prior to the incurring of the additional indebtedness, except that in the case of cities the last equalized assessment rolls for city purposes shall be controlling.

(c) In determining the fair market value of the taxable property in the [~~municipality~~] local political subdivision as provided in this section, the value of all tax equivalent property, as defined in Section 59-3-102, shall be included as a part of the total fair market value of taxable property in the [~~municipality~~] local political subdivision, as provided in Title 59, Chapter 3, the Tax Equivalent Property Act.

(4) Bonds of improvement districts issued in a manner that they are payable solely from the revenues to be derived from the operation of the facilities of the district may not be included as bonded indebtedness for the purposes of the computation.

(5) Where bonds are issued by a city, town, or county payable solely from revenues derived from the operation of revenue-producing facilities of the city, town, or county, or payable solely from a special fund into which are deposited excise taxes levied and collected by the city, town, or county, or excise taxes levied by the state and rebated pursuant to law to the city, town, or county, or any combination of those excise taxes, the bonds shall be included as bonded indebtedness of the city, town, or county only to the extent required by the Utah Constitution, and any bonds not so required to be included as bonded indebtedness of the city, town, or county need not be authorized at an election, except as otherwise provided by the Utah Constitution, the bonds being hereby expressly excluded from the election requirement of Section [~~11-14-2. No~~] 11-14-201.

(6) A bond election is not void [~~because~~] when the amount of bonds authorized at the election exceeded the limitation applicable to the [~~municipality~~] local political subdivision at the time of holding the election, but the bonds may be issued from time to time in an amount within the applicable limitation at the time the bonds are issued.

Section 20. Section **11-14-302**, which is renumbered from Section 11-14-14 is renumbered and amended to read:

~~[11-14-14].~~ **11-14-302. Resolution -- Negotiability -- Registration -- Maturity -- Interest -- Payment -- Redemption -- Combining issues -- Sale -- Financing plan.**

(1) Bonds issued under this chapter shall be authorized by resolution of the [governing] legislative body, shall be fully negotiable for all purposes, may be made registrable as to principal alone or as to principal and interest, shall mature at such time or times not more than 40 years from their date, shall bear interest at such rate or rates, if any, shall be payable at such place or places, shall be in such form, shall be executed in such manner, may be made redeemable prior to maturity at such times and on such terms, shall be sold in such manner and at such prices, either at, in excess of, or below face value, and generally shall be issued in such manner and with such details as may be provided by resolution; it being the express intention of the legislature that interest rate limitations elsewhere appearing in the laws of Utah shall not apply to nor limit the rate of interest on bonds issued under this chapter. The resolution shall specify either the rate or rates of interest, if any, on the bonds or specify the method by which the interest rate or rates on the bonds may be determined while the bonds are outstanding. If the resolution specifies a method by which interest on the bonds may be determined, the resolution shall also specify the maximum rate of interest the bonds may bear. Bonds voted for different purposes by separate propositions at the same or different bond elections may in the discretion of the [governing] legislative body be combined and offered for sale as one issue of bonds. The resolution providing for this combination and the printed bonds for the combined issue shall separately set forth the amount being issued for each of the purposes provided for in each proposition submitted to the electors. If the [municipality] local political subdivision has retained a fiscal agent to assist and advise it with respect to the bonds and the fiscal agent has received or is to receive a fee for such services, the bonds may be sold to the fiscal agent but only if the sale is made pursuant to a sealed bid submitted by the fiscal agent at an advertised public sale.

(2) (a) All bonds shall be paid by the treasurer of the [municipality] local political subdivision or the treasurer's duly authorized agent on their respective maturity dates or on the dates fixed for the bonds redemption. All bond coupons, other than coupons cancelled because of the redemption of the bonds to which they apply, shall similarly be paid on their respective dates or as soon thereafter as the bonds or coupons are surrendered.

(b) Upon payment of a bond or coupon, the treasurer of the [municipality] local political

subdivision or the treasurer's duly authorized agent, shall perforate the bond or coupon with a device suitable to indicate payment.

(c) Any bonds or coupons which have been paid or cancelled may be destroyed by the treasurer of the [municipality] local political subdivision or by the treasurer's duly authorized agent.

(3) Bonds, bond anticipation notes, or tax anticipation notes with maturity dates of one year or less may be authorized by a [municipality] local political subdivision from time to time pursuant to a plan of financing adopted by the [governing] legislative body. The plan of financing shall specify the terms and conditions under which the bonds or notes may be issued, sold, and delivered, the officers of the [municipality] local political subdivision authorized to issue the bonds or notes, the maximum amount of bonds or notes which may be outstanding at any one time, the source or sources of payment of the bonds or notes, and all other details necessary for issuance of the bonds or notes. Subject to the Constitution, the [governing] legislative body of the [municipality] local political subdivision may include in the plan of financing the terms and conditions of agreements which may be entered into by the [municipality] local political subdivision with banking institutions for letters of credit or for standby letters of credit to secure the bonds or notes, including payment from any legally available source of fees, charges, or other amounts coming due under the agreements entered into by the [municipality] local political subdivision.

Section 21. Section **11-14-303**, which is renumbered from Section 11-14-14.5 is renumbered and amended to read:

~~[11-14-14.5].~~        **11-14-303. Bonds, notes, or other evidences of indebtedness of political subdivisions exempt from taxation except corporate franchise tax.**

All bonds, notes, or other evidences of indebtedness issued under this chapter or under any other law authorizing the issuance of bonds, notes, or indebtedness by any county, city, town, school district, public transit district, improvement district, special service district, metropolitan water district, water conservancy district, irrigation district, or any other political subdivision now existing or subsequently created under the laws of Utah (including, but not limited to, bonds

payable solely from special assessments and tax anticipation indebtedness) and the interest on them shall be exempt from all taxation in this state, except for the corporate franchise tax.

Section 22. Section **11-14-304**, which is renumbered from Section 11-14-15 is renumbered and amended to read:

**[11-14-15]. 11-14-304. Facsimile signatures and facsimile seal, use permitted --  
Validity of signed bonds.**

(1) If the use of a facsimile signature is authorized by the body empowered by law to authorize the issuance of the bonds or other obligations of any agency, instrumentality, or institution of this state or of any municipal corporation, political subdivision, improvement district, taxing district, or other governmental entity within the state, whether or not issued under this chapter, any officer so authorized may execute, authenticate, certify, or endorse, or cause to be executed, authenticated, certified, or endorsed the bond or other obligation, or any certificate required to be executed on the back thereof, with a facsimile signature in lieu of his manual signature if at least one signature required or permitted to be placed on the face thereof shall be manually subscribed. Upon compliance with this chapter by the authorized officer, his facsimile signature has the same legal effect as his manual signature. When any seal is required in the execution, authentication, certification, or endorsement of the bond or other obligation, or any certificate required to be executed on the back thereof, the authorized officer may cause the seal to be printed, engraved, lithographed, stamped, or otherwise placed in facsimile thereon. The facsimile seal has the same legal effect as the impression of the seal.

(2) Bonds or other obligations bearing the signatures (manual or facsimile) of officers in office on the date of the execution thereof shall be valid and binding obligations notwithstanding that before the delivery thereof any or all of the persons whose signatures appear thereon shall have ceased to be officers of the [municipality] local political subdivision.

Section 23. Section **11-14-305**, which is renumbered from Section 11-14-16 is renumbered and amended to read:

**[11-14-16]. 11-14-305. Registration, denominations and exchange of obligations.**

(1) Unless otherwise provided by the [municipality] local political subdivision, the

Registered Public Obligations Act governs and applies to all bonds, bond anticipation notes, and tax anticipation notes (bonds, bond anticipation notes and tax anticipation notes being referred to in this section as "obligations") issued in registered form. If the Registered Public Obligations Act is inapplicable to an issue of obligations, Subsection [~~11-14-16~~] (2) governs and applies with respect to such issue.

(2) Any obligations issued under this chapter may be issued in denominations of \$100 or any multiple of \$100. The [~~governing~~] legislative body may provide for the exchange of any of these obligations after issuance for obligations of larger or smaller denominations in such manner as may be provided in the authorizing resolution, provided the obligations in changed denominations shall be exchanged for the original obligations in like aggregate principal amounts and in such manner that no overlapping interest is paid; and such obligations in changed denominations shall bear interest at the same rate or rates, if any, shall mature on the same date or dates, shall be as nearly as practicable in the same form except for an appropriate recital as to the exchange, and shall in all other respects, except as to denominations and numbers, be identical with the original obligations surrendered for exchange. Where any exchange is made under this section, the obligations surrendered by the holders at the time of exchange shall be cancelled; any such exchange shall be made only at the request of the holders of the obligations to be surrendered; and the [~~governing~~] legislative body may require all expenses incurred in connection with such exchange, including the authorization and issuance of the new obligations, to be paid by such holders.

Section 24. Section **11-14-306**, which is renumbered from Section 11-14-17 is renumbered and amended to read:

~~[11-14-17]~~. **11-14-306. Additional pledge for general obligation bonds -- Revenue bonds -- Resolution.**

(1) To the extent constitutionally permissible, [~~municipalities~~] local political subdivisions may pledge as an additional source of payment for their general obligation bonds all or any part of revenues, fees, and charges attributable to the operation or availability of facilities or may issue bonds payable solely from such revenues, fees, or charges.

(2) (a) The legislative body may issue bonds payable solely from revenues, fees, or charges attributable to extensions and improvements to revenue-producing facilities.

(b) If the legislative body issues bonds under Subsection (2)(a), the resolution authorizing these bonds shall set forth as a finding of the legislative body:

(i) the value of the then existing facility and the value of this facility after completion of the extensions or improvements proposed to be constructed; and

(ii) that portion of the revenues, fees, or charges derived from the entire facility when the contemplated extensions and improvements are completed which the value of the existing facility bears to the value of the facility after completion shall be considered to be revenue derived from the existing facility and the remainder may be set aside and pledged to the payment of the principal of and interest on the bonds and for the establishment of appropriate reserve fund or funds, and such portion shall be considered to be revenue derived exclusively from the extensions and improvements.

(3) (a) Any resolution or trust indenture authorizing bonds to which such revenues, fees, or charges are pledged may contain such covenants with the future holder or holders of the bonds as to the management and operation of the affected facilities, the imposition, collection, and disposition of rates, fees, and charges for commodities and services furnished thereby, the issuance of future bonds, the creation of future liens and encumbrances against the facilities, the carrying of insurance, the keeping of books and records, the deposit and paying out of revenues, fees, or charges and bond proceeds, the appointment and duties of a trustee, and other pertinent matters as may be considered proper by the [~~governing~~] legislative body.

(b) If the revenue, fee, or charge so pledged involves either sewer or water revenues, fees, or charges or both sewer and water revenues, fees, or charges, provision may be made for charges for sewer services and water services to be billed in a single bill and for the suspension of water or sewer services, or both, to any customer who shall become delinquent in the payment due for either.

(c) Provision may be made for the securing of such bonds by a trust indenture, but no such indenture shall convey, mortgage, or create any lien upon property of the [~~municipality~~]

local political subdivision.

(d) Either the bond resolution or such trust indenture may impose in the holders of the bonds full rights to enforce the provisions thereof, and may include terms and conditions upon which the holders of the bonds or any proportion of them, or a trustee therefor, shall be entitled to the appointment of a receiver who may enter and take possession of the facility or facilities, the revenues, fees, or charges of which are so pledged, and may operate and maintain them, prescribe charges and collect, receive, and apply all revenues, fees, or charges therefrom arising in the same manner as the [~~municipality~~] local political subdivision itself might do.

Section 25. Section **11-14-307**, which is renumbered from Section 11-14-17.5 is renumbered and amended to read:

~~[11-14-17.5].~~            **11-14-307. Revenue bonds payable out of excise tax revenues.**

(1) To the extent constitutionally permissible, cities, towns, or counties may issue bonds payable solely from a special fund into which are to be deposited excise taxes levied and collected by the city, town, or county, or excise taxes levied by the state and rebated pursuant to law to the city, town, or county, or any combination of those excise taxes, or may pledge all or any part thereof as an additional source of payment for their general obligation bonds.

(2) (a) Any resolution authorizing the issuance of bonds payable in whole or in part from the proceeds of excise tax revenues may contain covenants with the holder or holders of the bonds as to the excise tax revenues, the disposition of the excise tax revenues, the issuance of future bonds, and other pertinent matters that are considered necessary by the [~~governing~~] legislative body to assure the marketability of those bonds, provided the covenants are not inconsistent with the provisions of this chapter.

(b) The resolution may also include provisions to insure the enforcement, collection, and proper application of excise tax revenues as the [~~governing~~] legislative body may think proper.

(c) The proceeds of bonds payable in whole or in part from pledged class B or C road funds shall be used to construct, repair, and maintain streets and roads in accordance with Sections 72-6-108 and 72-6-110 and to fund any reserves and costs incidental to the issuance of the bonds.

(d) When any bonds payable from excise tax revenues have been issued, the resolution or other enactment of the [~~governing~~] legislative body imposing the excise tax and pursuant to which the tax is being collected, the obligation of the [~~governing~~] legislative body to continue to levy, collect, and allocate the excise tax, and to apply the revenues derived therefrom in accordance with the provisions of the authorizing resolution or other enactment, shall be irrevocable until the bonds have been paid in full as to both principal and interest, and is not subject to amendment in any manner which would impair the rights of the holders of those bonds or which would in any way jeopardize the timely payment of principal or interest when due.

(3) (a) The state pledges to and agrees with the holders of any bonds issued by a city, town, or county to which the proceeds of excise taxes collected by the state and rebated to the city, town, or county are devoted or pledged as authorized in this section, that the state will not alter, impair, or limit the excise taxes in a manner that reduces the amounts to be rebated to the city, town, or county which are devoted or pledged as authorized in this section until the bonds or other securities, together with applicable interest, are fully met and discharged.

(b) Nothing in this Subsection (3) precludes alteration, impairment, or limitation of excise taxes if adequate provision is made by law for the protection of the holders of the bonds.

(c) Each city, town, or county may include this pledge and undertaking for the state in those bonds.

(4) The outstanding bonds to which excise tax revenues have been pledged as the sole source of payment may not at any one time exceed an amount for which the average annual installments of principal and interest will exceed 80% of the total excise tax revenues received by the issuing entity from the collection or rebate of the excise tax revenues during the fiscal year of the issuing entity immediately preceding the fiscal year in which the resolution authorizing the issuance of bonds is adopted.

(5) Bonds issued solely from a special fund into which are to be deposited excise tax revenues constitutes a borrowing solely upon the credit of the excise tax revenues received or to be received by the city, town, or county and does not constitute an indebtedness or pledge of the general credit of the city, town, or county.

(6) (a) Before issuing any bonds under this section, a city, town, or county shall:

(i) give public notice of its intent to issue the bonds; and

(ii) hold a public hearing to receive input from the public with respect to the issuance of the bonds.

(b) The city, county, or town shall:

(i) publish the notice once each week for two consecutive weeks in the official newspaper as designated under Section [~~11-14-21~~] 11-14-316, with the first publication being not less than 14 days before the public hearing; and

(ii) ensure that the notice identifies:

(A) the purpose for the issuance of the bonds;

(B) the maximum principal amount of the bonds to be issued;

(C) the excise taxes proposed to be pledged for repayment of the bonds; and

(D) the time, place, and location of the public hearing.

(7) A city, town, or county shall submit the question of whether or not to issue any bonds under this section to voters for their approval or rejection if, within 30 calendar days after the notice required by Subsection (6), a written petition requesting an election and signed by at least 20% of the registered voters in the city, town, or county is filed with the city, town, or county.

Section 26. Section **11-14-308**, which is renumbered from Section 11-14-17.6 is renumbered and amended to read:

~~[11-14-17.6].~~            **11-14-308. Special service district bonds secured by federal mineral lease payments -- Use of bond proceeds -- Bond resolution -- Nonimpairment of appropriation formula -- Issuance of bonds.**

(1) Special service districts may:

(a) issue bonds payable, in whole or in part, from federal mineral lease payments which are to be deposited into the Mineral Lease Account under Section 59-21-1 and distributed to special service districts under Subsection 59-21-2(3)(h); or

(b) pledge all or any part of the mineral lease payments referred to in Subsection (1)(a) as an additional source of payment for their general obligation bonds.

(2) The proceeds of these bonds may be used:

(a) to construct, repair, and maintain streets and roads;

(b) to fund any reserves and costs incidental to the issuance of the bonds and pay any associated administrative costs; and

(c) for capital projects of the special service district.

(3) (a) The special service district board shall enact a resolution authorizing the issuance of bonds which, until the bonds have been paid in full:

(i) shall be irrevocable; and

(ii) may not be amended in any manner that would:

(A) impair the rights of the bond holders; or

(B) jeopardize the timely payment of principal or interest when due.

(b) Notwithstanding any other provision of this chapter, the resolution may contain covenants with the bond holder regarding:

(i) mineral lease payments, or their disposition;

(ii) the issuance of future bonds; or

(iii) other pertinent matters considered necessary by the ~~[governing]~~ legislative body to:

(A) assure the marketability of the bonds; or

(B) insure the enforcement, collection, and proper application of mineral lease payments.

(4) (a) Except as provided in Subsection (4)(b), the state may not alter, impair, or limit the statutory appropriation formula provided in Subsection 59-21-2(3)(h), in a manner that reduces the amounts to be distributed to the special service district until the bonds and the interest on the bonds are fully met and discharged. Each special service district may include this pledge and undertaking of the state in these bonds.

(b) Nothing in this section:

(i) may preclude the alteration, impairment, or limitation of these bonds if adequate provision is made by law for the protection of the bond holders; or

(ii) shall be construed:

(A) as a pledge guaranteeing the actual dollar amount ultimately received by individual

special service districts;

(B) to require the Department of Transportation to allocate the mineral lease payments in a manner contrary to the general allocation method described in Subsection 59-21-2(3)(h); or

(C) to limit the Department of Transportation in making rules or procedures allocating mineral lease payments pursuant to Subsection 59-21-2(3)(h).

(5) (a) The average annual installments of principal and interest on bonds to which mineral lease payments have been pledged as the sole source of payment may not at any one time exceed:

(i) 80% of the total mineral lease payments received by the issuing entity during the fiscal year of the issuing entity immediately preceding the fiscal year in which the resolution authorizing the issuance of bonds is adopted; or

(ii) if the bonds are issued during the first fiscal year the issuing entity is eligible to receive funds, 60% of the amount estimated by the Department of Transportation to be appropriated to the issuing entity in that fiscal year.

(b) The Department of Transportation shall not be liable for any loss or damage resulting from reliance on the estimates.

(6) The final maturity date of the bonds may not exceed 15 years from the date of their issuance.

(7) Bonds may not be issued under this section after December 31, 2010.

(8) Bonds which are payable solely from a special fund into which mineral lease payments are deposited constitute a borrowing based solely upon the credit of the mineral lease payments received or to be received by the special service district and do not constitute an indebtedness or pledge of the general credit of the special service district or the state.

Section 27. Section **11-14-309**, which is renumbered from Section 11-14-18 is renumbered and amended to read:

~~[11-14-18]~~. **11-14-309. Refunding bonds -- Limitation on redemption of bonds.**

(1) Any bond issued under this chapter may be refunded as provided in the Utah Refunding Bond Act.

(2) Nothing contained in this ~~[act]~~ chapter nor in any other law of this state ~~[shall]~~ may be construed to permit any ~~[municipality]~~ local political subdivision to call outstanding bonds ~~[now or hereafter outstanding]~~ for redemption in order to refund ~~[such]~~ those bonds or in order to pay them prior to their stated maturities, unless:

(a) the right to call ~~[such]~~ the bonds for redemption was specifically reserved and stated in ~~[such]~~ the bonds at the time of their issuance~~[-];~~ and

(b) all conditions with respect to the manner, price, and time applicable to ~~[such]~~ the redemption as set forth in the proceedings authorizing the outstanding bonds are strictly observed~~[-, the intention of this paragraph being to make it certain that the holder of no]~~.

(3) A holder of an outstanding bond may not be compelled to surrender ~~[such]~~ the bond for refunding ~~[prior to]~~ before its stated maturity or optional date of redemption expressly reserved ~~[therein]~~ in the bond, even though ~~[such]~~ the refunding might result in financial benefit to the ~~[issuing municipality]~~ local political subdivision issuing the bond.

Section 28. Section **11-14-310**, which is renumbered from Section 11-14-19 is renumbered and amended to read:

~~[11-14-19]~~. **11-14-310. General obligation bonds -- Levy and collection of taxes.**

(1) Any bonds issued ~~[hereunder]~~ under this chapter in such manner that they are not payable solely from revenues other than those derived from ad valorem taxes ~~[shall constitute]~~ are full general obligations of the ~~[municipality]~~ local political subdivision, for the prompt and punctual payment of principal of and interest on which the full faith and credit of the ~~[municipality]~~ local political subdivision are pledged, and the ~~[municipality]~~ local political subdivision is hereby expressly required, regardless of any limitations which may otherwise exist on the amount of taxes which the ~~[municipality]~~ local political subdivision may levy, to provide for the levy and collection annually of ad valorem taxes without limitation as to rate or amount on all taxable property in the ~~[municipality]~~ local political subdivision fully sufficient for such purpose. If by law ad valorem taxes for the ~~[municipality]~~ local political subdivision are levied by a board other than its ~~[governing]~~ legislative body, the taxes for which provision is herein made shall be levied by such other board and the ~~[municipality]~~ local political subdivision shall

be under the duty in due season in each year to provide such other board with all information necessary to the levy of taxes in the required amount. Such taxes shall be levied and collected by the same officers, at the same time and in the same manner as are other taxes levied for the [municipality] local political subdivision.

(2) If any [municipality] local political subdivision shall neglect or fail for any reason to levy or collect or cause to be levied or collected sufficient taxes for the prompt and punctual payment of such principal and interest, any person in interest may enforce levy and collection thereof in any court having jurisdiction of the subject matter, and any suit, action or proceeding brought by such person in interest shall be a preferred cause and shall be heard and disposed of without delay. All provisions of the constitution and laws relating to the collection of county and municipal taxes and tax sales shall also apply to and regulate the collection of the taxes levied pursuant to this section, through the officer whose duty it is to collect the taxes and money due the [municipality] local political subdivision.

Section 29. Section **11-14-311**, which is renumbered from Section 11-14-19.5 is renumbered and amended to read:

~~[11-14-19.5].~~            **11-14-311. Bond anticipation notes.**

(1) Whenever the [governing] legislative body considers it advisable and in the interests of the [municipality] local political subdivision to anticipate the issuance of bonds to be issued under this chapter, the [governing] legislative body may, pursuant to appropriate resolution, issue bond anticipation notes. Each resolution authorizing the issuance of bond anticipation notes shall:

(a) describe the bonds in anticipation of which the notes are to be issued; and

(b) specify the principal amount of the notes and the maturity dates of the notes. The resolution shall specify either the rates of interest, if any, on the notes or specify the method by which interest on the notes may be determined while the notes are outstanding. If the resolution specifies a method by which the interest rates on the notes may be determined, the resolution may specify the maximum rate of interest which the notes may bear.

(2) Bond anticipation notes shall be issued and sold in a manner and at a price, either at,

below, or above face value, as the [~~governing~~] legislative body determines by resolution. Interest on bond anticipation notes may be made payable semiannually, annually, or at maturity. Bond anticipation notes may be made redeemable prior to maturity at the option of the [~~governing~~] legislative body in the manner and upon the terms fixed by the resolution authorizing their issuance. Bond anticipation notes shall be executed and shall be in a form and have details and terms as provided in the authorizing resolution.

(3) Contemporaneously with the issuance of the bonds in anticipation of which bond anticipation notes are issued, provision shall be made for the retirement of any outstanding bond anticipation notes.

(4) Whenever the bonds in anticipation of which notes are issued are to be payable from ad valorem taxes and constitute full general obligations of the [~~municipality~~] local political subdivision, the bond anticipation notes and the interest on them shall be secured by a pledge of the full faith and credit of the [~~municipality~~] local political subdivision in the manner provided in Section [~~11-14-19~~] 11-14-310 and shall also be made payable from funds derived from the sale of the bonds in anticipation of which the notes are issued. Whenever the bonds in anticipation of which the notes are to be issued are to be payable solely from revenues derived from the operation of revenue-producing facilities, these bond anticipation notes and the interest on them shall be secured by a pledge of the income and revenues derived by the [~~municipality~~] local political subdivision from the revenue-producing facilities and shall also be made payable from funds derived from the sale of the bonds in anticipation of which the notes are issued.

(5) Bond anticipation notes issued under this section may be refunded by the issuance of other bond anticipation notes issued under this section.

(6) Sections [~~11-14-15, 11-14-16, 11-14-20, 11-14-21, and 11-14-22~~] 11-14-304, 11-14-305, 11-14-315, 11-14-316, and 11-14-401 apply to all bond anticipation notes issued under this section.

(7) Bonds are not considered to have been issued more than ten years after the date of the election authorizing the issuance of them, under Section [~~11-14-13~~] 11-14-301, if the issuance of these bonds has been anticipated under this section by bond anticipation notes issued prior to the

expiration of this ten-year period.

Section 30. Section **11-14-312**, which is renumbered from Section 11-14-19.6 is renumbered and amended to read:

~~[11-14-19.6].~~            **11-14-312. Prior bonds validated -- Exceptions.**

All bonds issued by any [municipality] local political subdivision prior to the effective date of this [act] chapter and all proceedings had in the authorization and issuance of them are hereby validated, ratified, and confirmed; and all such bonds are declared to constitute legally binding obligations in accordance with their terms. Nothing in this section shall be construed to affect or validate any bonds, the legality of which is being contested at the time this [act] chapter takes effect.

Section 31. Section **11-14-313**, which is renumbered from Section 11-14-19.7 is renumbered and amended to read:

~~[11-14-19.7].~~            **11-14-313. Issuance of negotiable notes or bonds authorized -- Limitation on amount of tax anticipation notes or bonds -- Procedure.**

(1) For the purpose of meeting the current expenses of the [municipality] local political subdivision and for any other purpose for which funds of the [municipality] local political subdivision may be expended, the [governing] legislative body may borrow money not in excess of 90% of the taxes and other revenues of the [municipality] local political subdivision for the current year, issuing therefor negotiable notes or bonds of the [municipality] local political subdivision. In the event that such notes or bonds are issued prior to the annual tax levy for the year in which such indebtedness is contracted, the amount so issued shall not exceed 75% of the tax revenues and other revenues of the preceding year, and the proceeds shall be applied only in payment of current and necessary expenses and other purposes for which funds of the [municipality] local political subdivision may be expended, and there shall be included in the annual levy a tax and there shall be provision made for the imposition and collection of sufficient revenues other than taxes sufficient to pay the same at maturity. In the event that the taxes and other revenues in any one year are insufficient through delinquency or uncollectibility of taxes or other cause to pay when due all the lawful debts of the [municipality] local political subdivision

which have been or may hereafter be contracted, the ~~[governing]~~ legislative body of the ~~[municipality]~~ local political subdivision is authorized and directed to levy and collect in the next succeeding year a sufficient tax and to provide for the imposition and collection of sufficient revenues other than taxes to pay all of such lawfully contracted indebtedness, and may borrow as provided in this section in anticipation of such tax and other revenues to pay any such lawfully contracted indebtedness. Each resolution authorizing the issuance of tax anticipation notes shall:

(a) describe the taxes or revenues in anticipation of which the notes are to be issued; and  
(b) specify the principal amount of the notes, the interest rates, if any, (including a variable interest rate), the notes shall bear, and the maturity dates of the notes, which dates shall not extend beyond the last day of the issuing ~~[municipality's]~~ local political subdivision's fiscal year.

(2) Tax anticipation notes shall be issued and sold in such manner and at such prices (whether at, below, or above face value) as the ~~[governing]~~ legislative body shall by resolution determine. Tax anticipation notes shall be in bearer form, except that the ~~[governing]~~ legislative body may provide for the registration of the notes in the name of the owner, either as to principal alone, or as to principal and interest. Tax anticipation notes may be made redeemable prior to maturity at the option of the ~~[governing]~~ legislative body in the manner and upon the terms fixed by the resolution authorizing their issuance. Tax anticipation notes shall be executed and shall be in such form and have such details and terms as shall be provided in the authorizing resolution.

(3) The provisions of Sections ~~[11-14-14.5, 11-14-15, 11-14-16, 11-14-19.7, 11-14-20, 11-14-21, 11-14-22, 11-14-24, and 11-14-25]~~ 11-14-303, 11-14-304, 11-14-305, 11-14-313, 11-14-315, 11-14-316, 11-14-401, 11-14-403, and 11-14-404 shall apply to all tax anticipation notes issued under this section. In applying these sections to tax anticipation notes, "bond" or "bonds" as used in these sections shall be deemed to include tax anticipation notes.

~~[(4) "Municipality" as used in this section shall have the meaning set forth in Section 11-14-1.]~~

Section 32. Section **11-14-314**, which is renumbered from Section 11-14-19.8 is renumbered and amended to read:

~~[11-14-19.8].~~            **11-14-314. Tax anticipation obligations validated.**

All obligations issued in anticipation of the collection of taxes and other revenues by any ~~[municipality]~~ local political subdivision prior to the effective date of this ~~[act]~~ chapter and all proceedings had in the authorization and issuance of them are validated, ratified, and confirmed; and all these obligations are declared to constitute legally binding obligations in accordance with their terms. Nothing in this section shall be construed to affect or validate any of these obligations, the legality of which is being contested at the time this ~~[act]~~ chapter takes effect.

Section 33. Section **11-14-315**, which is renumbered from Section 11-14-20 is renumbered and amended to read:

~~[11-14-20].~~    **11-14-315. Nature and validity of bonds issued -- Applicability of other statutory provisions -- Budget provision required -- Applicable procedures for issuance.**

Bonds issued under this ~~[act]~~ chapter shall have all the qualities of negotiable paper, shall be incontestable in the hands of bona fide purchasers or holders for value and shall not be invalid for any irregularity or defect in the proceedings for their issuance and sale. This ~~[act]~~ chapter is intended to afford an alternative method for the issuance of bonds by ~~[municipalities]~~ local political subdivisions and shall not be so construed as to deprive any ~~[municipality]~~ local political subdivision of the right to issue its bonds under authority of any other statute, but nevertheless this ~~[act]~~ chapter shall constitute full authority for the issue and sale of bonds by ~~[municipalities]~~ local political subdivisions. The provisions of Section 11-1-1, Utah Code Annotated 1953, shall not be applicable to bonds issued under this ~~[act]~~ chapter. Any ~~[municipality]~~ local political subdivision subject to the provisions of any budget law shall in its annual budget make proper provision for the payment of principal and interest currently falling due on bonds issued hereunder, but no provision need be made in any such budget prior to the issuance of the bonds for the issuance thereof or for the expenditure of the proceeds thereof. No ordinance, resolution or proceeding in respect to the issuance of bonds hereunder shall be necessary except as herein specifically required, nor shall the publication of any resolution, proceeding or notice relating to the issuance of the bonds be necessary except as herein required.

Any publication made hereunder may be made in any newspaper conforming to the terms hereof in which legal notices may be published under the laws of Utah, without regard to the designation thereof as the official journal or newspaper of the [~~municipality~~] local political subdivision. No resolution adopted or proceeding taken hereunder shall be subject to referendum petition or to an election other than as herein required. All proceedings adopted hereunder may be adopted on a single reading at any legally convened meeting of the [~~governing~~] legislative body.

Section 34. Section **11-14-316**, which is renumbered from Section 11-14-21 is renumbered and amended to read:

~~[11-14-21].~~ **11-14-316. Publication of notice, resolution, or other proceeding -- Contest.**

~~[(1) If a municipality has one or more newspapers published within its boundaries, the governing body of the municipality shall, from time to time, designate one of the newspapers as the "official newspaper" for the publication of all notices required under this chapter. Otherwise, the governing body, from time to time, shall designate a newspaper with general circulation in the municipality as the "official newspaper" for the publication of such notices. (2) The governing]~~

(1) The legislative body of any [~~public body~~] local political subdivision may provide for the publication of any resolution or other proceeding adopted [by it] under this chapter in [the "official newspaper" designated under Subsection (1)] a newspaper having general circulation in the local political subdivision.

~~[(3) In case of]~~ (2) When publication involves a resolution or other proceeding providing for the issuance of bonds, the [~~governing~~] legislative body may, in lieu of publishing the entire resolution or other proceeding, publish a notice of bonds to be issued, titled as such, containing:

- (a) the name of the issuer;
- (b) the purpose of the issue;
- (c) the type of bonds and the maximum principal amount which may be issued;
- (d) the maximum number of years over which the bonds may mature;

(e) the maximum interest rate which the bonds may bear, if any;

(f) the maximum discount from par, expressed as a percentage of principal amount, at which the bonds may be sold; and

(g) the times and place where a copy of the resolution or other proceeding may be examined, which shall be:

(i) at an office of the issuer[;];

(ii) identified in the notice[;];

(iii) during regular business hours of the issuer as described in the notice; and

(iv) for a period of at least 30 days after the publication of the notice.

[~~(4)~~] (3) For a period of 30 days after the publication, any person in interest may contest:

(a) the legality of such resolution or proceeding[;];

(b) any bonds which may be authorized by such resolution or proceeding[;]; or

(c) any provisions made for the security and payment of the bonds.

(4) A person shall contest the matters set forth in Subsection (3) by filing a verified written complaint in the district court of the county in which he resides within the 30-day period.

(5) After the 30-day period, no person may contest the regularity, formality, or legality of [such] the resolution or proceeding for any [cause] reason.

Section 35. Section **11-14-401**, which is renumbered from Section 11-14-22 is renumbered and amended to read:

**Part 4. Miscellaneous Provisions**

~~[11-14-22].~~ **11-14-401. Short title -- Title to appear on face of bonds -- Effect of future statutes dealing with municipal bond issues.**

(1) This [~~act may be cited~~] chapter is known as the [~~"Utah Municipal Bond Act," all~~] "Local Government Bonding Act."

(2) All bonds issued pursuant to authority contained in this [~~act~~] chapter shall contain on their face a recital to that effect, and no [~~act~~] chapter hereafter passed by the Legislature amending other [~~acts~~] chapters under which bonds authorized to be issued by this [~~act~~] chapter might be issued or dealing with bond issues of [~~municipalities~~] local political subdivisions shall

be construed to affect the authority to proceed under this [act] chapter in the manner herein provided unless such future statute amends this [act] chapter and specifically provides that it is to be applicable to bonds issued under this [act] chapter.

(3) All bonds referencing the prior title of this chapter, "Utah Municipal Bond Act," that were issued prior to May 2, 2005 pursuant to the authority contained in this chapter shall be considered to reference this chapter and shall be construed according to the terms of Subsection (1) as if they refer to the current title of this chapter.

Section 36. Section **11-14-402**, which is renumbered from Section 11-14-23 is renumbered and amended to read:

~~[11-14-23].~~ **11-14-402. Exemptions from application of chapter -- Exception.**

(1) Except as provided in Subsection (2), this chapter does not apply to bonds issued by the state of Utah nor to bonds or obligations payable solely from special assessments levied on benefited property.

(2) Sections ~~[11-14-14.5]~~ 11-14-303 and ~~[11-14-28]~~ 11-14-501 have general application in accordance with their terms.

Section 37. Section **11-14-403**, which is renumbered from Section 11-14-24 is renumbered and amended to read:

~~[11-14-24].~~ **11-14-403. Conflict of laws.**

To the extent that any one or more provisions of this [act] chapter shall be in conflict with any other law or laws, the provisions of this [act] chapter shall be controlling.

Section 38. Section **11-14-404**, which is renumbered from Section 11-14-25 is renumbered and amended to read:

~~[11-14-25].~~ **11-14-404. Severability clause.**

If any one or more sentences, clauses, phrases, provisions or sections of this [act] chapter or the application thereof to any set of circumstances shall be held by final judgment of any court of competent jurisdiction to be invalid, the remaining sentences, clauses, phrases, provisions and sections hereof and the application of this [act] chapter to other sets of circumstances shall nevertheless continue to be valid and effective, the legislature hereby declaring that all provisions

of this [act] chapter are severable.

Section 39. Section **11-14-405**, which is renumbered from Section 11-14-26 is renumbered and amended to read:

**[11-14-26]. 11-14-405. Validity of prior bond issues.**

All bonds issued by any [~~municipality~~] local political subdivision prior to the effective date of this [act] chapter and all proceedings had in the authorization and issuance thereof are hereby validated, ratified and confirmed and all such bonds are declared to constitute legally binding obligations in accordance with their terms. Nothing in this section shall be construed to affect or validate any bonds, the legality of which is being contested at the time this [act] chapter takes effect.

Section 40. Section **11-14-406**, which is renumbered from Section 11-14-27 is renumbered and amended to read:

**[11-14-27]. 11-14-406. Application of act.**

Sections [~~11-14-2, 11-14-4, 11-14-6, 11-14-7, 11-14-8, 11-14-9, 11-14-12, 11-14-15, and 11-14-18~~] 11-14-201, 11-14-202, 11-14-203, 11-14-204, 11-14-205, and 11-14-207 shall apply to all bond elections [~~and to all bonds issued~~] held by any city, town, county, school district, public transit district, improvement district under Title 17A, Chapter 2, Part 3, special service district operating under authority of the Utah Special Service District Act, water conservancy district, metropolitan water district and, except as otherwise provided in Section [~~11-14-23~~] 11-14-402, by any other taxing district or governmental entity whether or not the bonds are issued [~~pursuant to~~] under authority granted by this [act and, as to matters provided in Section 11-14-18, this act shall apply to all bonds issued and outstanding as of May 11, 1965, as well as to bonds issued after that date] chapter.

Section 41. Section **11-14-501**, which is renumbered from Section 11-14-28 is renumbered and amended to read:

**Part 5. Government Security Interests**

**[11-14-28]. 11-14-501. Creation and perfection of government security interests.**

(1) As used in this section:

- (a) "Bonds" means any bond, note, lease, or other obligation of a governmental unit.
- (b) "Governmental unit" has the meaning assigned in Subsection 70A-9a-102(45).
- (c) "Pledge" means the creation of a security interest of any kind.
- (d) "Property" means any property or interests in property, other than real property.
- (e) "Security agreement" means any resolution, ordinance, indenture, document, or other agreement or instrument under which the revenues, fees, rents, charges, taxes, or other property are pledged to secure the bonds.

(2) This section expressly governs the creation, perfection, priority, and enforcement of a security interest created by the state or a governmental unit of the state, notwithstanding anything in Title 70A, Chapter 9a, Uniform Commercial Code - Secured Transactions, to the contrary.

(3) (a) The revenues, fees, rents, charges, taxes, or other property pledged by a governmental unit for the purpose of securing its bonds are immediately subject to the lien of the pledge.

(b) (i) The lien is a perfected lien upon the effective date of the security agreement.

(ii) The physical delivery, filing, or recording of a security agreement or financing statement under the Uniform Commercial Code or otherwise, or any other similar act, is not necessary to perfect the lien.

(c) The lien of any pledge is valid, binding, perfected, and enforceable from the time the pledge is made.

(d) The lien of the pledge has priority:

(i) based on the time of the creation of the pledge unless otherwise provided in the security agreement; and

(ii) as against all parties having claims of any kind in tort, contract, or otherwise against the governmental unit, regardless of whether or not the parties have notice of the lien.

(e) Each pledge and security agreement made for the benefit or security of any of the bonds shall continue to be effective until:

(i) the principal, interest, and premium, if any, on the bonds have been fully paid;

(ii) provision for payment has been made; or

(iii) the lien created by the security agreement has been released by agreement of the parties in interest or as provided by the security agreement that created the lien.

Section 42. Section **11-17-3** is amended to read:

**11-17-3. Powers of municipalities, counties, and state universities.**

(1) Each municipality, county, and state university may:

(a) finance or acquire, whether by construction, purchase, devise, gift, exchange, or lease, or any one or more of those methods, and construct, reconstruct, improve, maintain, equip, and furnish or fund one or more projects, which shall be located within this state, and which shall be located within, or partially within, the municipality or county or within the county within which a state university is located, unless an agreement under the Interlocal Cooperation Act has been entered into as authorized by Subsection (5), except that if a governing body finds, by resolution, that the effects of international trade practices have been or will be adverse to Utah manufacturers of industrial products and, therefore, it is desirable to finance a project in order to maintain or enlarge domestic or foreign markets for Utah industrial products, a project may consist of the financing on behalf of a user of the costs of acquiring industrial products manufactured in, and which are to be exported from, the state [~~of Utah~~];

(b) finance for, sell, lease, contract the management of, or otherwise dispose of to, any person, firm, partnership, or corporation, either public or private, including without limitation any person, firm, partnership, or corporation engaged in business for a profit, any or all of its projects upon the terms and conditions as the governing body [~~deems~~] considers advisable and which do not conflict with this chapter;

(c) issue revenue bonds for the purpose of defraying the cost of financing, acquiring, constructing, reconstructing, improving, maintaining, equipping, furnishing, or funding any project and secure the payment of the bonds as provided in this chapter, which revenue bonds may be issued in one or more series or issues where [~~deemed~~] considered advisable, and each series or issue may contain different maturity dates, interest rates, priorities on securities available for guaranteeing payment of them, and other differing terms and conditions [~~deemed~~] considered necessary and not in conflict with this chapter;

(d) (i) grant options to renew any lease with respect to any project and to buy any project at a price the governing body [~~deems~~] considers desirable; and

(ii) sell and convey any real or personal property acquired under Subsection (1)(a) at public or private sale, and make an order respecting the sale [~~deemed~~] considered conducive to the best interests of the municipality, county, or state university, the sale or conveyance to be subject to the terms of any lease but to be free and clear of any other encumbrance;

(e) establish, acquire, develop, maintain, and operate industrial parks; and

(f) offer to the holders of its bonds issued pursuant to this chapter the right, where its governing body [~~deems~~] considers it appropriate, to convert the bonds or some portion of the bond obligation into an equity position in some or all of the assets developed with the proceeds of the bond offering.

(2) An economic development or new venture investment fund shall be considered to be located in the municipality or county where its headquarters is located or where any office of it is located, as long as it is headquartered within the state. It need not make all of its investments within the state of Utah or such county or municipality, so long as it locates within the state of Utah or such county or municipality its headquarters where its actual investment decisions and management functions occur and agrees to, and does, limit the aggregate amount of its investments in companies located outside the state of Utah to an amount which in the aggregate does not exceed the aggregate amount of investments made by institutions and funds located outside the state of Utah in companies headquartered in Utah which the locally managed fund has sponsored or in which it has invested and which it has brought to the attention of investors outside the state of Utah. For purposes of enabling an offering of bonds to fund such a fund, a certification of an executive managerial officer of the manager of said fund of the intention to comply with this provision may be relied upon. Each fund shall at least annually certify to the governmental offeror of such bonds its compliance with this provision.

(3) Before any municipality, county, or state university issues revenue bonds under this chapter for the purpose of defraying the cost of acquiring, constructing, reconstructing, improving, maintaining, equipping, or furnishing any industrial park project, the governing body

of the state university, county, or municipality shall adopt and establish a plan of development for the tracts of land to constitute the industrial park and shall, by resolution, find that the project for the establishment of the industrial park is well conceived and has a reasonable prospect of success, that the project will tend to provide proper economic development of the municipality or county and will encourage industry to locate within or near the municipality or county or, in the case of state universities, will further, through industrial research and development, the instructional progress of the state university. There may be included as a part of any plan of development for any industrial park zoning regulations, restrictions on usage of sites within the boundaries of the industrial park, minimum size of sites, parking and loading regulations, and methods for the providing and furnishing of police and fire protection and for the furnishing of other municipal or county services which are [~~deemed~~] considered necessary in order to provide for the maintenance of the public health and safety. If any water or sewerage facilities are to be acquired as part of the development of the land for an industrial park under this chapter, water and sewerage facilities may be acquired as part of the issue of bonds issued under this chapter, through the issuance of bonds payable from water and sewer charges in the manner as is now or as may hereafter be provided by law, in combination with an issue of refunding bonds, in combination with an issue of bonds upon the consent of the holders of outstanding bonds issued for the same purpose, in combination with bonds issued for the purposes of financing water and sewer facilities which will not be a part of an industrial park, or in any combination of the foregoing. Any municipality, county, or state university establishing an industrial park may lease any land acquired and developed as part of an industrial park to one or more lessees. The lessee may sublease all or a portion of the land so leased from the municipality or county. Municipalities, counties, and state universities may sell or lease land in connection with the establishment, acquisition, development, maintenance, and operation of an industrial park project. Any such lease or sale of land shall be undertaken only after the adoption by the governing body of a resolution authorizing the lease or sale of the land for industrial park purposes.

(4) (a) No municipality, county, or state university may operate any project referred to in

this section, as a business or in any other manner except as the lessor or administrator of it, nor may it acquire any such project, or any part of it, by condemnation. This prohibition does not apply to projects involving research conducted, administered, or managed by a state university.

(b) No municipality, county, or state university may, under this chapter, acquire or lease projects, or issue revenue bonds for the purpose of defraying the cost of any project or part of it, used for the generation, transmission, or distribution of electric energy beyond the project site, or the production, transmission, or distribution of natural gas, except for any project defined in Subsection 11-17-2(8)(b) or (d).

(5) Each municipality, county, and state university may enter, either before or after the bonds have been issued, into interlocal agreements under Title 11, Chapter 13, Interlocal Cooperation Act, with one or more municipalities, counties, state universities, or special service districts created pursuant to Title 17A, Chapter 2, Part 13, Utah Special Service District Act, in order to accomplish economies of scale or other cost savings and any other additional purposes to be specified in the interlocal agreement, for the issuance of bonds under this chapter on behalf of all of the signatories to the interlocal agreement by one of the municipalities, counties, or state universities which is a signatory to the interlocal agreement for the financing or acquisition of projects qualifying as a project under Subsection 11-17-2(8). For all purposes of Section 11-13-207 the signatory to the interlocal agreement designated as the issuer of the bonds constitutes the administrator of the interlocal agreement.

(6) Subsection (4) to the contrary notwithstanding, the governing body of any state university owning or desiring to own facilities or administer projects described in Subsection 11-17-2(8) may:

- (a) become a signatory to the interlocal agreement provided for in Subsection (5);
- (b) enter into a separate security agreement with the issuer of the bonds, as provided in Section 11-17-5 for the financing or acquisition of a project under Subsection 11-17-2(8) to be owned by the state university;
- (c) enter into agreements to secure the obligations of the state university under a security agreement entered into under Subsection (6)(b), or to provide liquidity for such obligations

including, without limitation, letter of credit agreements with banking institutions for letters of credit or for standby letters of credit, reimbursement agreements with financial institutions, line of credit agreements, standby bond purchase agreements, and to provide for payment of fees, charges, and other amounts coming due under the agreements entered into under the authority contained in this Subsection (6)(c);

(d) provide in security agreements entered into under Subsection (6)(b) and in agreements entered into under Subsection (6)(c) that the obligations of the state university under an agreement shall be special obligations payable solely from the revenues derived from the operation or management of the project, owned by the state university and from net profits from proprietary activities and any other revenues pledged other than appropriations by the Utah Legislature, and the governing body of the state university shall pledge all or any part of such revenues to the payment of its obligations under an agreement; and

(e) in order to secure the prompt payment of the obligations of the state university under a security agreement entered into under Subsection (6)(b) or an agreement entered into under Subsection (6)(c) and the proper application of the revenues pledged to them, covenant and provide appropriate provisions in an agreement to the extent permitted and provided for under Section 53B-21-102.

(7) Subsection (4) to the contrary notwithstanding, the governing body of any municipality, county, or special service district owning, desiring to own, or administering projects or facilities described in Subsection 11-17-2(8) may:

(a) become a signatory to the interlocal agreement provided for in Subsection (5);

(b) enter into a separate security agreement with the issuer of the bonds, as provided in Section 11-17-5, for the financing or acquisition of a project under Subsection 11-17-2(8) to be owned by the municipality, county, or special service district, as the case may be, except that no municipality, county, or special service district may mortgage the facilities so financed or acquired;

(c) enter into agreements to secure the obligations of the municipality, county, or special service district, as the case may be, under a security agreement entered into under Subsection

(7)(b), or to provide liquidity for such obligations including, without limitation, letter of credit agreements with banking institutions for letters of credit or for standby letters of credit, reimbursement agreements with financial institutions, line of credit agreements, standby bond purchase agreements, and to provide for payment of fees, charges, and other amounts coming due under the agreements entered into under the authority contained in this Subsection (7)(c);

(d) provide in security agreements entered into under Subsection (7)(b) and in agreements entered into under Subsection (7)(c) that the obligations of the municipality, county, or special service district, as the case may be, under an agreement shall be special obligations payable solely from the revenues derived from the operation or management of the project, owned by the municipality, county, or special service district, as the case may be, and the governing body of the municipality, county, or special service district, as the case may be, shall pledge all or any part of such revenues to the payment of its obligations under an agreement; and

(e) in order to secure the prompt payment of obligations under a security agreement entered into under Subsection (7)(b) or an agreement entered into under Subsection (7)(c) and the proper application of the revenues pledged to them, covenant and provide appropriate provisions in an agreement to the extent permitted and provided for with respect to revenue obligations under Section [~~11-14-17~~] 11-14-306.

(8) In connection with the issuance of bonds under this chapter, a municipality, county, or state university:

(a) may provide for the repurchase of bonds tendered by their owners and may enter into an agreement to provide liquidity for such repurchases, including a letter of credit agreement, line of credit agreement, standby bond purchase agreement, or other type of liquidity agreement;

(b) may enter into remarketing, indexing, tender agent, or other agreements incident to the financing of the project or the performance of the issuer's obligations relative to the bonds; and

(c) may provide for payment of fees, charges, and other amounts coming due under the agreements entered into pursuant to authority contained in Subsection (6).

Section 43. Section **11-25-5** is amended to read:

**11-25-5. Bonds or notes -- Issuance -- Purposes -- Payment -- Maturity of bond anticipation notes.**

An agency may, from time to time, issue its negotiable bonds or notes for the purpose of financing residential rehabilitation as authorized by this act and for the purpose of funding or refunding these bonds or notes in the same manner as it may issue other bonds or notes as provided in Title 17B, Chapter 4, Part 12, Bonds. Every issue of its bonds shall be a special obligation of the agency payable from all or any part of the revenues specified in the act or funds legally received by the agency. In anticipation of the sale of the bonds, the agency may issue negotiable bond anticipation notes in accordance with Section [~~11-14-19.5~~] 11-14-311, and may renew such notes from time to time. Bond anticipation notes may be paid from the proceeds of sale of the bonds of the agency in anticipation of which they were issued. Bond anticipation notes and agreements relating thereto and the resolution or resolutions authorizing the notes and agreements may obtain any provisions, conditions, or limitations which a bond, agreement relating thereto, or bond resolution of the agency may contain except that any note or renewal thereof shall mature at a time not later than five years from the date of the issuance of the original note.

Section 44. Section **11-27-3** is amended to read:

**11-27-3. Action by resolution of governing body -- Purposes for bond issue -- Exchange or sale -- Interest rate limitations inapplicable -- Principal amount -- Investment of proceeds -- Safekeeping and application of proceeds -- Computing indebtedness -- Payment of bonds -- Combination issues -- Laws applicable to issuance -- Payment from taxes or pledged revenues.**

(1) Any formal action taken by the governing body of a public body under the authority of this chapter may be taken by resolution of that governing body.

(2) (a) The governing body of any public body may by resolution provide for the issuance of refunding bonds to refund outstanding bonds issued by the public body or its predecessor, either prior to or after the effective date of this chapter, only:

(i) to pay or discharge all or any part of any outstanding series or issue of bonds,

including applicable interest, in arrears or about to become due and for which sufficient funds are not available;

(ii) to achieve a savings; or

(iii) to achieve another objective that the governing body finds to be beneficial to the public body.

(b) Any refunding bonds may be delivered in exchange for the outstanding bonds being refunded or may be sold in a manner, at terms, with details, and at a price above, at, or below par as the governing body determines advisable. The refunding bonds may be issued without an election, unless an election is required by the Utah Constitution.

(c) It is the express intention of the Legislature that interest rate limitations elsewhere appearing in the laws of the state not apply to nor limit the rates of interest borne by refunding bonds.

(3) Advance refunding bonds may be issued in a principal amount in excess of the principal amount of the bonds to be refunded as determined by the governing body. This amount may be equal to the full amount required to pay the principal of, interest on, and redemption premiums, if any, due in connection with the bonds to be refunded to and including their dates of maturity or redemption in accordance with the advance refunding plan adopted by the governing body, together with all costs incurred in accomplishing this refunding. The principal amount of refunding bonds may be less than or the same as the principal amount of the bonds being refunded so long as provision is duly and sufficiently made for the retirement or redemption of the bonds to be refunded. Any reserves held or taxes levied or collected to secure the bonds to be refunded may be applied to the redemption or retirement of the bonds, or otherwise, as the governing body may determine.

(4) Prior to the application of the proceeds derived from the sale of advance refunding bonds to the purposes for which the bonds have been issued, these proceeds, together with any other legally available funds, including reserve funds, may be invested and reinvested only in government obligations maturing at such times as may be required to provide funds sufficient to pay principal of, interest on, and redemption premiums, if any, due in connection with the bonds

to be refunded or the advance refunding bonds, or both, in accordance with the advance refunding plan. To the extent incidental expenses have been capitalized, these bond proceeds may be used to defray these expenses.

(5) The governing body may contract regarding the safekeeping and application of the proceeds of sale of advance refunding bonds and other funds included with them and the income from them, including the right to appoint a trustee, which may be any trust company or state or national bank having powers of a trust company inside or outside the state. The governing body may provide in the advance refunding plan that until such monies are required to redeem or retire the bonds to be refunded, the advance refunding bond proceeds and other funds, and the income from them, shall be used to pay and secure payment of principal of, interest on, and redemption premiums, if any, due in connection with all or a portion of the advance refunding bonds or the bonds being refunded, or both.

(6) In computing indebtedness for the purpose of any applicable constitutional or statutory debt limitation, there shall be deducted from the amount of outstanding indebtedness the principal amount of outstanding general obligation bonds for the payment of which there has been dedicated and deposited in escrow government obligations, the principal of or interest on which, or both, will be sufficient to provide for the payment of these general obligation bonds as to principal, interest, and redemption premiums, if any, when due at maturity or upon some earlier date upon which the bonds have been called for redemption in accordance with their terms.

(7) When a public body has irrevocably set aside for and pledged to the payment of bonds to be refunded proceeds of advance refunding bonds and other monies in amounts which, together with known earned income from their investment, will be sufficient in amount to pay the principal of, interest on, and any redemption premiums due on the bonds to be refunded as the same become due and to accomplish the refunding as scheduled, the refunded bonds shall be [~~deemed~~] considered duly paid and discharged for the purpose of any applicable constitutional or statutory debt limitation.

(8) Refunding bonds and bonds issued for any other purpose may be issued separately or

issued in combination in one or more series or issues by the same issuer.

(9) Except as specifically provided in this section, refunding bonds issued under this chapter shall be issued in accordance with the provisions of law applicable to the type of bonds of the issuer being refunded in effect either at the time of the issuance of the refunding bonds or at the time of issuance of the bonds to be refunded. Refunding bonds and coupons, if any, pertaining to them may bear facsimile signatures as provided in Section [~~11-14-15~~] 11-14-304.

(10) Refunding bonds may be made payable from any taxes or pledged revenues, or both, or any assessments, special improvement guaranty funds, or other funds which might be legally pledged for the payment of the bonds to be refunded at the time of the issuance of the refunding bonds or at the time of the issuance of the bonds to be refunded, as the governing body may determine.

Section 45. Section **15-7-12** is amended to read:

**15-7-12. Obligations subject to chapter.**

(1) Unless the official or official body of the issuer determines otherwise before or at the time of the original issuance of a registered public obligation, this act is applicable to such registered public obligation. When this act is applicable, the provisions of this act prevail over any inconsistent provision under any other law. Pursuant to Section [~~11-14-22~~] 11-14-401, this act is specifically made applicable to registered public obligations issued under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, in accordance with Section [~~11-14-16~~] 11-14-305.

(2) Nothing in this act limits or prevents the issuance of obligations in any other form or manner authorized by law.

(3) Unless determined otherwise pursuant to Subsection (1), this act is applicable with respect to obligations which have been approved before enactment of this act by vote, referendum, or hearing, which authorized or permitted the authorization of obligations in bearer and registered form, or in bearer form only, and such obligations need not be resubmitted for a further vote, referendum or hearing, for the purpose of authorizing or permitting the authorization of registered public obligations under this act.

Section 46. Section **17-12-1** is amended to read:

**17-12-1. Authority and applicable procedure for issuance of bonds -- Application of proceeds -- Debt limit.**

Except as otherwise provided under Section 17-50-303, the county legislative body may contract a bonded indebtedness in the manner and subject to the conditions provided under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. The revenue derived from the sale of bonds shall be applied only to the purpose or purposes specified in the order of the county legislative body. If there is any surplus, it shall be applied to the payment of the bonds. In no event may any county become so indebted to an amount, including existing indebtedness, exceeding 2% of the fair market value, as defined under Section 59-2-102, of the taxable property in the county as computed from the last equalized assessment roll for county purposes prior to the incurring of the indebtedness.

Section 47. Section **17-24-1** is amended to read:

**17-24-1. General duties of treasurer.**

The county treasurer shall:

(1) receive all money belonging to the county and all other money by law directed to be paid to the treasurer, including proceeds of bonds, notes, or other evidences of indebtedness issued under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act;

(2) deposit and invest all money received under Title 51, Chapter 7, State Money Management Act;

(3) keep a record of the receipts and expenditures of all such money;

(4) disburse county money:

(a) on a county warrant issued by the county auditor; or

(b) subject to Sections 17-19-1, 17-19-3, and 17-19-5, by a county check or such other payment mechanism as may be adopted pursuant to Chapter 36, Uniform Fiscal Procedures Act for Counties;

(5) perform the duties assigned to the treasurer under Title 59, Chapter 2, Part 13, Collection of Taxes;

(6) perform the duties under Title 59, Chapter 2, Part 13, Collection of Taxes, that have been reassigned to the treasurer in an ordinance adopted under Section 17-16-5.5; and

(7) perform other duties that are required by law or ordinance.

Section 48. Section **17-36-54** is amended to read:

**17-36-54. Tax stability and trust fund -- Use of principal -- Determination of necessity -- Election.**

If the legislative body of a county that has established a tax stability and trust fund under Section 17-36-51 determines that it is necessary for purposes of that county to use any portion of the principal of the fund, the county legislative body shall submit this proposition to the electorate of that county in a special election called and held in the manner provided for in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, for the holding of bond elections. If the proposition is approved at this special election by a majority of the qualified electors of the county voting at the election, then that portion of the principal of the fund covered by the proposition may be transferred to the county's general fund for use for purposes of that county.

Section 49. Section **17-50-303** is amended to read:

**17-50-303. County may not give or lend credit -- County may borrow in anticipation of revenues -- Assistance to nonprofit entities.**

(1) A county may not give or lend its credit to or in aid of any person or corporation, or, except as provided in Subsection (3), appropriate money in aid of any private enterprise.

(2) (a) A county may borrow money in anticipation of the collection of taxes and other county revenues in the manner and subject to the conditions of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

(b) A county may incur indebtedness under Subsection (2)(a) for any purpose for which funds of the county may be expended.

(3) After first holding a public hearing, a county may provide services or give other nonmonetary property or assistance to or waive fees required to be paid by a nonprofit entity, whether or not the county receives consideration in return.

Section 50. Section **17A-2-306** is amended to read:

**17A-2-306. Bonds.**

(1) The board of trustees may, at any time after its organization, adopt a resolution determining it desirable to issue the bonds of the district for purposes and in amounts stated in the resolution. The resolution shall specify whether the bonds are payable from taxes or from the operating revenues of the district, or both. Where the bonds are payable from taxes, in whole or in part, the board of trustees shall call a bond election. If at the election, the proposition to issue the bonds is approved, the board of trustees shall issue the bonds in the manner provided in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. If the bonds are payable solely from the operating revenues of the district, no election is required to approve their issuance, and such bonds shall be issued pursuant to the resolution and in the manner provided in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. The board may reduce the amount of bonds.

(2) Any bonds authorized prior to April 28, 1986, by an electric service district created pursuant to Chapter 2, Part 3, County Improvement Districts for Water, Sewerage, Flood Control, Electric and Gas, are considered valid and binding if all of the following conditions have been met:

(a) a resolution has been adopted by the board of trustees of the electric service district, prior to April 28, 1986, for the purpose of authorizing the bonds, whether or not these bonds have been issued;

(b) the bonds are delivered and paid for;

(c) the electric service district which authorized the bonds complied with all of the requirements for electric service districts set forth in Section 17A-2-305; and

(d) the requirements of Subsection (1) are met.

(3) If any bonds have been authorized under the conditions described in Subsection (2), prior to April 28, 1986, the board of trustees of the electric service district may make any necessary changes in the specifications of the bonds or the proceedings authorizing the bonds.

Section 51. Section **17A-2-307** is amended to read:

**17A-2-307. Resolution calling bond election -- Precincts and polling places.**

If, under the provisions of Section 17A-2-306, the board shall determine to call an election on the issuance of the bonds, the board shall adopt a resolution directing that an election be held in the district for the purpose of determining whether bonds in the amount, for the purpose, and with the maximum maturity specified in the resolution, shall be issued. The resolution calling the election shall be adopted, notice of the election shall be given, the election shall be held, voters' qualifications shall be determined, and the results thereof canvassed in the manner and subject to the conditions provided for in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. The board may for purposes of the election treat the entire district as a single precinct or may divide the district into such precincts and fix such polling places as it may see fit.

Section 52. Section **17A-2-309** is amended to read:

**17A-2-309. Results of bond election -- Resolution -- Issuance of bonds -- Maximum bonded indebtedness.**

(1) The results of the bond election shall be canvassed by the board of trustees and a resolution adopted by the board declaring the results, and a certified copy of the resolution filed in the records of the district. The results of all subsequent elections shall be similarly canvassed by the board of trustees and resolutions declaring the results of the elections adopted and filed.

(2) If, at the bond election, a majority of the qualified voters voting on any bond proposition vote in favor of the issuance of the bonds, the board of trustees shall proceed to issue the bonds. Bonds may be issued for the purpose of constructing or acquiring any improvement provided in Section 17A-2-301, or any part or combination of them, or for improving and extending the improvement or combination of improvements, and may include the payment of all legal, engineering, and fiscal agent expenses reasonably incurred in connection with the construction, acquisition, improving, and extending of these improvements and with the authorization and issuance of the bonds. The bonds shall be fully negotiable for all purposes and may not be issued in an amount which, together with all other existing indebtedness of the district then outstanding, will exceed in total principal amount 2.4% of the taxable value of

taxable property in the district as computed from the last equalized assessment roll for county purposes made and completed prior to the issuance of the bonds. The taxable value of all tax equivalent property, as defined in Subsection 59-3-102(2), shall be included as a part of the total taxable value of taxable property in the district for purposes of the limitations. Bonds issued in the manner that they are payable solely from revenues to be derived from the operation of all or part of the facilities of the district may not be included as bonded indebtedness of the district for the purpose of this computation. All bonds not payable solely from revenues shall be the general obligations of the district, and the full faith, credit, and resources of the district shall be pledged for their payment; and regardless of any limitations contained elsewhere in the laws of Utah and this part, including Section 17A-2-312, the board of trustees shall cause to be levied annually on all taxable property in the district taxes sufficient to pay principal and interest on general obligation bonds as principal and interest fall due, or if the bonds are payable primarily from revenues, then anticipate and make up any amounts which may be necessary to pay the principal and interest by reason of deficiencies in revenues. The bonds shall be issued and sold in compliance with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

Section 53. Section **17A-2-423** is amended to read:

**17A-2-423. Resolution calling election for issuing general obligation and revenue bonds.**

(1) If under the foregoing provisions the board is authorized to call an election on the issuance of the bonds, the board shall adopt a resolution directing that an election be held in the county or service area, as the case may be, for the purpose of determining whether bonds in the amount, for the purpose, and with the maximum maturity specified in the resolution, shall be issued. A proposition for issuing general obligation bonds and a proposition for issuing revenue bonds, or any combination thereof, may be submitted at the same election.

(2) Adoption of the resolution calling the election, determination of voters' qualifications, notice and conduct of the election, and the canvass of election results shall be accomplished in the manner prescribed in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. The board, for purposes of the election, may treat the entire district as

a single precinct or divide the district into several precincts and it may fix such polling places as it considers appropriate.

Section 54. Section **17A-2-428** is amended to read:

**17A-2-428. Tax anticipation notes.**

(1) The board of trustees of a service area may issue notes in anticipation of the receipt of taxes levied under this part. The amount of notes so issued shall not exceed 75% of the tax revenues and other revenues of the preceding year, and the proceeds shall be applied only to pay current and necessary expenses and for other purposes for which funds for the service area may be expended, and there shall be included in the annual levy a tax in connection with which provision is made for the imposition and collection of sufficient revenues.

(2) Each resolution authorizing the issuance of tax anticipation notes shall:

- (a) describe the taxes or revenues in anticipation of which the notes are to be issued; and
- (b) specify the principal amount of the notes, their rate of interest, which may be variable, and their maturity date, which shall not extend beyond the last day of the fiscal year of the issuing service area.

(3) Tax anticipation notes shall be issued and sold in such manner and at such price (whether at, below, or above face value), as the board of trustees shall by resolution determine. Tax anticipation notes shall be in bearer form, except that the board of trustees may provide for the registration of the notes in the name of the owner, either as to principal alone, or as to principal and interest. Tax anticipation notes may be made redeemable prior to maturity at the option of the board of trustees in the manner and upon the terms fixed by the resolution authorizing their issuance. Tax anticipation notes shall be executed and shall be in such form and have such details and terms as shall be provided for in the authorizing resolution.

(4) The provisions of Sections [~~11-14-14.5, 11-14-15, 11-14-16, 11-14-19.7, 11-14-20, 11-14-21, 11-14-22, 11-14-24, and 11-14-25~~] 11-14-303, 11-14-304, 11-14-305, 11-14-313, 11-14-315, 11-14-316, 11-14-401, 11-14-403, and 11-14-404 shall apply to all tax anticipation notes issued under this section. In applying these sections to tax anticipation notes, "bond" or "bonds" as used in these sections shall be deemed to include tax anticipation notes.

Section 55. Section **17A-2-543** is amended to read:

**17A-2-543. Contractual powers -- Bond issues -- Elections -- Limitations -- Uses.**

Whenever the board of trustees considers it expedient it shall have power, for the purpose of constructing drains, drainage canals and other required improvements necessary to drain lands in the district or conserve the public health or welfare, to make a contract or contracts with the United States providing for the repayment of the principal and such other sums due thereunder at such times as may be agreed upon, or to issue bonds of the district to run not less than five years nor more than 40 years, and to bear interest, payable semiannually, at a rate not exceeding 8% per annum to be called "drainage district bonds," which bonds shall not be sold for less than 90% of their par value, and the proceeds of which shall be used for no other purpose than paying the cost of constructing such drains, drainage canals, or other like work considered necessary to drain lands within the district, or conserve the public health or welfare. Before such contract or contracts shall be made or bonds shall be issued, the board of trustees shall request the county legislative body to order, and the county legislative body shall at once order a special election on the question of the issuance of bonds. The persons authorized to vote in, the giving of notice, the forms of ballots, and the manner of holding the election, and canvassing the results of the election, shall be as provided in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. The expenses of such election shall be paid out of the funds belonging to the drainage district. The terms and times of payment of the bonds so issued shall be fixed by the board of trustees. The bonds shall be issued for the benefit of the district authorizing the issue and shall bear the name and number of the district. The board of trustees shall keep a record of the bonds issued and sold or otherwise disposed of, and such record will also show the lands embraced in the district. In no case shall the amount of bonds exceed the benefits assessed. Each bond issued shall show expressly upon its face that it is to be paid by a tax assessed, levied, and collected on the lands within the drainage district. The board of trustees shall, by resolution, provide for the issuance and disposal of such bonds and for the payment of the interest thereon, the creation of a sinking fund for the ultimate redemption thereof, and for the date and manner of the redemption of the bonds. The board of trustees may sell or dispose of the bonds either at

public or private sale. Before making any such sale, either private or public, the board of trustees shall give due notice of their intention to sell or dispose of the bonds, by publishing notice of sale at least once a week for four consecutive weeks in some newspaper having general circulation in the state and in the county where the district is situated, and by publishing in any other publication they consider advisable. The notice shall state that sealed proposals will be received by the board of trustees at their office, for the purchase of the bonds, until the day and hour fixed by the board of trustees. At the time appointed the board of trustees shall open the proposals, and award the purchase of the bonds to the highest responsible bidder, or may reject all bids. In case no bid is made and accepted as above provided, the board of trustees is hereby authorized to use the bonds for the construction of any ditches, drain or drains, drainage canal or drainage canals, or any other required improvement considered necessary to drain lands or for the public health or welfare.

Section 56. Section **17A-2-622** is amended to read:

**17A-2-622. Petition for bond election -- Petition requirements -- Notice and hearing -- Election regarding issuance of bonds.**

(1) After a fire protection district has been created, a petition may be presented to the fire protection district board of trustees requesting the board to order an election to determine whether the bonds of the district shall be issued to the amount and for the purpose or purposes stated in the petition.

(2) (a) Each petition under Subsection (1) shall be signed by 25% or more of the holders of title of real property, or documentary evidence of title, within the boundaries of the district whose names appear as such upon the last county assessment roll.

(b) If the petition is signed by all of the holders of title or documentary evidence of title within the boundaries of the district, a hearing on the petition and election shall be dispensed with.

(3) (a) The board of trustees shall set a time and place for hearing upon the petition, which shall be not less than four nor more than six weeks from the date of the filing.

(b) The board of trustees shall publish a notice of the time of the hearing once each week

for three successive weeks, previous to the time of the hearing, in a newspaper published within the county, or if there is no newspaper so published, then by posting the notice in at least three public places in the district for a period of 15 days.

(c) Each notice under Subsection (3)(b) shall state that any taxpayer within the district may appear on the date fixed for the hearing and offer objection to the issuance of bonds of such district.

(4) (a) At the time and place fixed for the hearing on the petition or at any adjournment or adjournments of the hearing, which shall not extend the time for determining the petition for more than 30 days in all from the original date of hearing, the board of trustees shall hear the petition and all competent and relevant evidence, oral or written, in support of or in objection to the petition.

(b) The board of trustees shall, after a full hearing, determine whether an election should be held on the question of issuing the bonds.

(5) Adoption of a resolution calling the election, determination of voters' qualifications, notice and conduct of the election, and the canvass of election results shall be accomplished in the manner prescribed in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. The fire protection district board of trustees, for purposes of the election, may treat the entire district as a single precinct or divide the district into several precincts and it may fix such polling places as they consider appropriate.

Section 57. Section **17A-2-712** is amended to read:

**17A-2-712. Additional powers of board.**

(1) Irrigation districts may acquire, purchase, construct, improve, enlarge, and operate water facilities, electric facilities, or any combination thereof.

(2) Irrigation districts may enter into contracts for the sale of all or a portion of the electric power generated at a hydroelectric power plant, whether or not the electric power to be sold is surplus to the needs of the district, and may enter into contracts for the sale of water, for the periods of time and under the terms and conditions the board considers necessary in order to accomplish the purposes of the district. Any sale of electric power or water may be for the period

and upon the terms and conditions as may be provided in contracts authorized by the board and entered into by the district and any purchaser of the electric power or water having a system for distributing the electric power or water. Any revenues received by the district pursuant to power or water sale contracts may be used and pledged for the payment of the principal of and interest and any premium on bonds or notes of the district issued to pay all or part of the cost of acquiring, constructing, improving, or enlarging facilities, or for any other lawful purpose of the district.

(3) The boards of trustees of any two or more irrigation districts may, by appropriate resolutions, enter into agreements with one another, pursuant to Title 11, Chapter 13, Interlocal Cooperation Act, by which the districts may jointly or cooperatively exercise any of the powers conferred by this part.

(4) The board may issue bonds of the district, in the manner provided in this section:

(a) to pay for all or part of the costs of the acquisition, construction, improvement, or enlargement of any facilities and to pay expenses preliminary and incidental thereto;

(b) to pay interest on the bonds during acquisition, construction, improvement, or enlargement of any facilities; and

(c) to provide for necessary reserves and to pay costs of issuance and sale of the bonds, including, without limitation, printing, registration, and transfer costs, legal, financial advisor's, and rating agency fees, insurance premiums, and underwriter's discount.

(5) The board may provide that any bonds issued and sold under this section shall be payable solely out of a special fund into which the district issuing the bonds shall be obligated to deposit, as from time to time received, all or a designated portion of the revenues or other income of the district. Any pledge of revenues creates a lien which:

(a) is perfected and enforceable upon the effective date of the security agreement pursuant to which the bonds are issued;

(b) has priority as against all parties having claims of any kind in tort, contract, or otherwise against the district; and

(c) has priority based on the time of the creation of the pledge unless otherwise provided

in the security agreement.

(6) Bonds of the district may be issued and sold in compliance with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, and Title 11, Chapter 27, Utah Refunding Bond Act, as applicable, and may be in the form and denominations and have the provisions and details as are permitted thereby. The bonds and any evidences of participation interests in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other statute relating to the registration of bonds enacted to meet the requirements of Section 149(a) of the Internal Revenue Code of 1986, or any similar or successor federal law, and applicable regulations. Bonds may be issued under the authority of this section at one time or from time to time. If more than one issue or series of bonds is delivered under the authority of this section, the bonds of the respective issue or series shall have the priorities of payment as provided in the proceedings authorizing the bonds.

(7) Any resolution, indenture, agreement, or other document authorizing bonds may contain covenants with the future holders of the bonds as to:

(a) the management and operation of the facilities of the irrigation district, including the facilities acquired, constructed, improved, enlarged, or operated pursuant to this section;

(b) the imposition and collection of use charges;

(c) the disposition of the revenues;

(d) the issuance of future bonds and the creation of future liens and encumbrances against these facilities and the revenues thereof;

(e) the carrying of insurance on these facilities and the disposition of the proceeds of insurance;

(f) the sale, disposal, or alienation of these facilities; and

(g) other pertinent matters deemed necessary or proper by the board to assure the merchantability of the bonds. These covenants and agreements may not be inconsistent with this section.

(8) The district may undertake in the resolution, indenture, agreement, or other document

authorizing bonds to make the revenues of the facilities sufficient to pay the expense of their operation and maintenance, and may undertake to make the revenues or net revenues of the facilities sufficient to produce in each year an amount in excess of actual requirements for principal of and interest on the bonds in that year as the board may consider necessary to assure the highest marketability of the bonds.

(9) Any resolution, indenture, agreement, or other document authorizing bonds may provide that the bonds will recite that they are issued under authority of this part. The recital will conclusively import full compliance with all of the provisions of this part, and all bonds issued containing the recital will be incontestable for any cause whatsoever after their delivery for value.

(10) When a district has issued bonds and pledged for the payment thereof any revenues of the district, the district shall establish and collect use charges in that amount and at those rates which will be fully sufficient at all times to pay the expenses of operating and maintaining these facilities, to provide a special fund sufficient to assure the prompt payment of principal of and interest on the bonds as principal and interest fall due, and to provide funds for reserves and contingencies and for a depreciation fund for repairs, extensions, and improvements to these facilities as considered necessary to assure adequate and efficient service, all as may be required by the bond resolution. No board or commission other than the board of trustees of the district has authority over or is required to approve the making or fixing of use charges or the acquisition of property by the district or the issuance of its bonds.

(11) (a) If an irrigation district board determines that the interests of the district require the issuance of bonds or the making of a contract with the United States, the board will, except as provided in Subsection (13), adopt a resolution directing that an election be held to determine whether bonds may be issued or a contract with the United States may be entered into for the purposes specified in the resolution.

(b) The following are subject to the conditions provided in Title 11, Chapter 14, [~~Utah~~ **Municipal Bond**] Local Government Bonding Act:

- (i) adoption of the resolution calling the election;
- (ii) giving notice of the election;

- (iii) conduct of the election;
- (iv) determination of voters' qualifications; and
- (v) canvassing of election results.

(12) In designating the voting places for purposes of the election, the board may treat the entire district as a single precinct or divide the district into precincts.

(13) No election is required under this section prior to the issuance of bonds or the making of a contract with the United States except as otherwise required by the constitution or Subsection (14).

(14) Notwithstanding anything to the contrary in this section or Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, no irrigation district may issue bonds, other than bonds issued to refund outstanding bonds, or enter into a contract with the United States unless:

(a) the issuance of the bonds or the making of the contract has been approved at an election called and held as provided in this section; or

(b) the board of trustees:

(i) provides notice of a public hearing on whether to issue the bonds or enter into the contract by:

(A) publishing notice in a newspaper published in or of general circulation in the district at least seven days prior to the public hearing which sets forth:

(I) the maximum principal amount and the purpose of the proposed bond issue or contract;

(II) the date, time, and place of the public hearing;

(III) when and where written comments regarding the bonds or the contract may be filed; and

(IV) whether the district reasonably expects that paying amounts due on the bonds or under the contract will result in a substantial increase in use charges; and

(B) if the district reasonably expects that paying amounts due on the bonds or under the contract will increase use charges by more than \$15 per connection per year, mailing notice to

every household containing a qualified voter who is eligible to vote on the bonds or the contract, at least seven days but not more than 30 days before the public hearing, on a minimum three-inch by five-inch postcard or a voter information pamphlet prepared by the governing body that includes the information required by Subsection (14)(b)(i)(A);

(ii) holds a public hearing on the date and at the time and place specified in the notice of public hearing, provided that the hearing may be adjourned from time to time to a fixed future time and place;

(iii) considers at the public hearing all comments that have been filed or stated at the hearing relating to the bonds or the contract;

(iv) after considering all comments received, adopts a resolution during or after the meeting at which the public hearing is held, declaring the intention of the board of trustees to issue bonds or enter into the contract; and

(v) directs that notice of the district's intention to issue bonds or enter into the contract be published once in a newspaper of general circulation in the district stating:

(A) the maximum principal amount and purpose of the proposed bond issue or contract;

(B) when and where petitions may be filed requesting the calling of an election to determine whether the bonds or the contract should be authorized; and

(C) when and where a form of petition requesting the calling of an election may be obtained from the district.

(15) If, within 30 days after publication of the notice of intention, a petition is filed with the secretary, signed by not less than 5% of the qualified electors of the district, requesting that an election be called to authorize the contract or the bonds, then the board shall call and hold an election as provided in this section before the bonds are issued or the contract is entered into.

(16) If no petition is filed, or if the number of signatures filed within the 30-day period is less than the required number, the board of trustees may proceed to issue the bonds or enter into the contract.

Section 58. Section **17A-2-821** is amended to read:

**17A-2-821. Resolution or ordinance proposing obligations or indebtedness --**

**Election.**

If the board of trustees of any metropolitan water district incorporated under this part determines, by resolution or ordinance adopted by a vote of a majority of the aggregate number of votes of all the members of the board of trustees, that the interests of the district and the public interest or necessity demand the acquisition, construction, or completion of any source of water supply, water, waterworks or other improvement, works or facility, or the making of any contract with the United States or other persons or corporations, or the incurring of any preliminary expense, necessary or convenient to carry out the objects or purposes of the district wherein an indebtedness or obligation shall be created to satisfy which shall require a greater expenditure than the ordinary annual income and revenue of the district shall permit, the board of trustees may order the submission of the proposition of incurring the obligation or bonded or other indebtedness, for the purposes set forth in the resolution or ordinance, to the qualified electors of the district at an election held for that purpose. The resolution or ordinance calling the election shall be adopted, the notice of the election shall be given, the election shall be held, the voters' qualifications shall be determined, and the results of the elections canvassed in the manner and subject to such conditions as are provided in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. The declaration of public interest or necessity so required and the provision for the holding of the election may be included within the same resolution or ordinance, which resolution or ordinance, in addition to the declaration of public interest or necessity, shall recite the objects and purposes for which the indebtedness is proposed to be incurred, the estimated cost of the public works or improvements, or the estimated amount of preliminary expenses, as the case may be, and the maximum amount of the principal of the indebtedness to be incurred.

Section 59. Section **17A-2-824** is amended to read:

**17A-2-824. Revenue indebtedness or general obligation indebtedness -- Procedure for incurring -- Terms.**

(1) (a) Any district which has determined to issue bonds shall issue its bonds under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, for the acquisition

through construction, purchase, or otherwise and for the improvement or extension of any properties necessary or desirable in the obtaining, treatment, and distribution of water and any other properties which the district is authorized to own under this part. Bonds may be issued or a contract indebtedness or obligation may be created:

(i) payable solely from the revenues of the district other than the proceeds of taxes, in which case they shall be known for purposes of this section as "revenue indebtedness";

(ii) payable solely from the proceeds of taxes, in which case they shall be known for purposes of this section as "general obligation indebtedness"; or

(iii) payable from both operating revenues and the proceeds of taxes, in which case they shall be known for purposes of this section as "general obligation revenue indebtedness."

(b) The full faith and credit of the district shall be pledged to the payment of its general obligation and general obligation revenue indebtedness, and taxes shall be levied fully sufficient to pay that part of the principal of and interest on general obligation revenue indebtedness as the revenues of the district pledged for this purpose may not be sufficient to meet.

(c) General obligation indebtedness and general obligation revenue indebtedness may be issued only after approval at an election as provided in Section 17A-2-821.

(d) Revenue indebtedness may be similarly submitted at an election as provided in Section 17A-2-821 if considered desirable by the board of trustees, but nothing in this part shall be construed to require such submission.

(e) Refunding bonds may be issued without approval at an election.

(2) Revenue indebtedness and general obligation revenue indebtedness may be payable from and secured by the pledge of all or any specified part of the revenues to be derived by the district from its water supply and the operation of its water facilities and other properties. It is the duty of the board of trustees to impose for water and water services rendered thereby, rates fully sufficient to carry out all undertakings contained in the resolution authorizing the bonds or the contract. The board of trustees may in the resolution agree to pay the expenses of maintaining and operating the properties of the district from the proceeds of the ad valorem taxes authorized in Subsection 17A-2-818(6) and may enter into those covenants with the future

holders of the bonds or the other contracting party as to the management and operation of the properties, the imposition and collection of fees and charges for water and services furnished thereby, the disposition of the fees and revenues, the issuance of future bonds or the creation of future contract indebtedness or obligations and the creation of future liens and encumbrances against the properties and the revenues from them, the carrying of insurance on the properties, the keeping of books and records, the deposit, securing, and paying out of the proceeds of the bonds, and other pertinent matters, as considered proper by the board of trustees to assure the marketability of the bonds or the making of the contract. The board of trustees may undertake in the resolution to make the revenues of the properties sufficient to pay all or any specified part of the expense of the operation and maintenance of them. Covenants may be contained in the resolution with respect to the manner of the imposition and collection of water charges, and provision also may be made in it for the appointment of a receiver for the properties of the district in the event of a default by the district in carrying out the covenants and agreements contained in the resolution. Provision may also be made in the resolution for a receiver to perform those services with respect to the holding and paying out of the revenues of the district and the proceeds of the bonds, and otherwise, as may be considered advisable. Maintenance and operation costs and expenses as referred to in this section shall be construed to include any payments made by the district to the United States of America, to any water users' association, or to any other public or private entity for the cost of operating facilities used in providing water for the district.

Section 60. Section **17A-2-826** is amended to read:

**17A-2-826. Sale of bonds.**

Bonds issued under this part shall be sold in compliance with the provisions of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

Section 61. Section **17A-2-1037** is amended to read:

**17A-2-1037. Elections.**

All district elections shall be held in accordance with the provisions of the elections code of the state [~~of Utah~~] as they now exist or may be amended for the holding of elections in general

law cities in so far as the same are not in conflict with this part; provided all elections upon the issuance of bonds of a district shall be called, held, and conducted pursuant to the provisions of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, and the provisions of the election code shall not be applicable to any such bond election.

Section 62. Section **17A-2-1058** is amended to read:

**17A-2-1058. District may issue bonds.**

Any district organized under this part may, in the manner and subject to the limitations and restrictions contained in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, authorize, issue and dispose of its negotiable bonds for purposes of paying all or part of the cost of acquiring, improving, or extending any one or more improvements, facilities, or property authorized to be acquired under this part.

Section 63. Section **17A-2-1312** is amended to read:

**17A-2-1312. General obligation bonds authorized by petition of property owners -- Contest.**

(1) With respect to any service district established under this part, if there is no individual residing in the service district, such that compliance with the election requirements of [~~Article XIV, Section 8;~~] the Utah Constitution[;] and Section [~~11-14-2~~] 11-14-201 is otherwise impossible, then, 75% of the owners of real property located in the district, as shown on the most recent assessment roll of the county or municipality, as the case may be, may by written petition require the governing body of the county or municipality which established the service district to issue general obligation bonds pledging the full faith and credit of the district in an amount which may lawfully be issued by the district but not to exceed the amount set forth in the petition.

Except for the election provisions of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, the bonds required to be issued shall be issued in accordance with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. Any such petition to require issuance of bonds shall be equivalent to and have the same force and effect as an election approving the issuance of the bonds by a majority of the qualified electors of the district.

(2) Upon receiving the petition described in Subsection (1), the governing body of the

county or municipality which established the district shall proceed to issue the bonds in accordance with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

(3) The determination by the governing body that 75% of the owners of real property located in the district have duly filed a written petition requiring the issuance of bonds as provided in Subsection (1), shall be conclusive in any action or proceeding involving the validity of the petition or the district's authority to issue the bonds instituted after the expiration of the period provided in Subsection (4), for the filing of actions contesting the validity of the bonds and after the date of delivery of and payment for any part of the bonds.

(4) When the validity of any bond issue under this section is contested, the plaintiff or plaintiffs shall, within 40 days after the validity of the petition has been declared by the governing body, file with the clerk of the district court of the county in which the district is located, a verified written complaint setting forth specifically:

(a) the name of the party contesting the issuance of the bonds, and that he is an owner of property within the district; and

(b) the grounds of such contest. No such contest may be maintained and the issuance of the bonds may not be set aside or held invalid unless such a complaint is filed within the period prescribed in this section.

Section 64. Section **17A-2-1315** is amended to read:

**17A-2-1315. Powers of improvement districts within special districts.**

(1) In addition to all other rights, powers, and authority granted by law or by other provisions of this part, a service district established by a county under this part may organize an improvement district under Chapter 3, Part 2. This improvement district has all the rights, powers, and authority of an improvement district otherwise organized under Chapter 3, Part 3, except:

(a) notwithstanding Subsection 17A-3-228(4), any bonds issued under Chapter 3, Part 2, need comply only with the requirements of Section [~~11-14-15~~] 11-14-304 with regard to the use of manual and facsimile signatures;

(b) the governing authority of the service district may act in the same capacity as the

governing body of a county with respect to all actions required to be taken in the creation or administration of an improvement district under Chapter 3, Part 2; and

(c) notwithstanding Subsection 17A-3-204(1), an improvement district created by a service district may be organized to include any incorporated or unincorporated area of the county and may cause improvements to be made within any incorporated or unincorporated area of the county, and the consent of the governing body of the municipality in which an incorporated area lies is not required prior to the establishment of an improvement district that includes all or part of that incorporated area.

(2) In addition to all other rights, powers, and authority granted by law or by other provisions of this part, a service district established by a municipality under this part may organize an improvement district under Chapter 3, Part 3. This improvement district has all the rights, powers, and authority of an improvement district otherwise organized under Chapter 3, Part 3, except that:

(a) notwithstanding Section 17A-3-328, any bonds issued under Chapter 3, Part 3, need comply only with the requirements of Section [~~11-14-15~~] 11-14-304, with regard to the use of manual and facsimile signatures;

(b) the governing authority of the service district may act in the same capacity as the governing body of a municipality with respect to all actions required to be taken in the creation or administration of an improvement district under Chapter 3, Part 3; and

(c) notwithstanding Subsection 17A-3-313(1), assessments for improvements in an improvement district organized under Chapter 3, Part 3, may include assessments for all interest on any bonds issued.

Section 65. Section **17A-2-1316** is amended to read:

**17A-2-1316. Borrowing power -- Issuance of bonds and notes -- Use of proceeds.**

(1) A service district may borrow money and incur indebtedness, issuing its bonds or notes therefor, including, without limitation:

(a) bonds payable in whole or in part from taxes levied on the taxable property in the service district;

- (b) bonds payable from revenues derived from the operation of revenue-producing facilities of the service district;
- (c) bonds payable from both such revenues and taxes;
- (d) guaranteed bonds, payable in whole or in part from taxes levied on the taxable property in the service district;
- (e) tax anticipation notes;
- (f) bond anticipation notes;
- (g) refunding bonds; and
- (h) bonds payable in whole or in part from mineral lease payments as provided in Section ~~[11-14-17.6]~~ 11-14-308.

(2) Tax anticipation notes are notes issued in anticipation of the collection of taxes and other revenues of a service district which are due and payable in not more than one year from their date of issue and, together with all other such notes then outstanding, do not exceed the estimated amount of taxes and other revenues to be collected from the date of issue until maturity.

(3) Bond anticipation notes are notes issued in anticipation of the receipt of the proceeds of bonds of the service district.

(4) All these bonds and notes shall be issued and sold in the manner, at either public or private sale, shall be in the form, and signed by the person or persons, who may, but need not, be officers of the county or municipality which established the service district and generally shall be issued in the manner and with the details as is provided for in proceedings of the governing authority of the service district authorizing the issuance of the bonds or notes; but all these bonds and notes and the interest on them shall be exempt from all taxation in this state, except for the corporate franchise tax, and all these bonds and notes may contain those terms and provisions as are permitted by and shall be issued in compliance with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

(5) The proceeds of bonds or notes issued under the authority of this part shall be used to pay the costs of acquisition or construction of service district facilities or the providing of

services including, without limitation:

(a) all costs of planning, designing, acquiring, and constructing a facility, including architectural, planning, engineering, legal, and fiscal advisor's costs;

(b) all costs incident to the authorization and issuance of the bonds or notes, including accountants' fees, attorneys' fees, financial advisors' fees, underwriting fees, including underwriting fees or bond discount, and other professional services and printing costs;

(c) interest estimated to accrue on bonds or notes for a reasonable time before, during, and for a reasonable time after the completion of the acquisition or construction of the facilities or services; and

(d) all amounts deemed necessary to establish one or more bond reserves and maintenance, repair, replacement, contingency funds and accounts, and all amounts necessary to provide working capital for the facility.

Section 66. Section **17A-2-1322** is amended to read:

**17A-2-1322. Tax levy and bonds -- Approval by majority of electors voting in election -- Procedure for election.**

(1) The governing authority of a county or municipality which has established a service district may levy a tax on all taxable property within the service district in addition to all other taxes on such property levied or imposed by the county or municipality or by any other public corporation, district, or political subdivision in which the service district is located, and may also issue bonds payable in whole or in part from these taxes. No tax may be levied and no bonds or guaranteed bonds shall be issued, however, unless authorized, except as otherwise provided in Section 17A-2-1325, by a majority of the qualified electors of the service district voting at an election for that purpose held as provided in this section.

(2) The proposition to levy the tax or to issue the bonds shall be submitted to the qualified electors of the service district at an election called and held and for which notice is given in the same manner as is provided in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, for the holding of bond elections. The proposition shall state the purpose or purposes for which the taxes are to be levied or the bonds are to be issued. In

addition, a proposition for the issuance of bonds shall state the maximum amount of bonds to be issued, the maximum number of years from their respective dates for which the bonds may run, and, if the bonds are to be payable in whole or in part from taxes, that fact and that taxes may be levied on all taxable property in the service district to pay the principal of and interest on the bonds. The purpose or purposes may be stated in general terms and need not specify the particular projects or services for which the taxes are to be levied or the bonds are to be issued nor the specific amount of the proceeds of the taxes or of the bonds to be expended for each project or service. If bonds are to be payable in part from tax proceeds and in part from the operating revenues of the service district or from any combination of them, the proposition shall so indicate but need not specify how the bonds are to be divided as to source of payment. If the bonds are to be issued as guaranteed bonds, the proposition shall also clearly state that fact together with the name or names of the guarantors. A proposition for the levy of taxes and for the issuance of bonds may be combined as a single proposition.

(3) (a) A tax levied under this section shall be the sole source of funding for a special service district that provides jail service as provided in Subsection 17A-2-1304(1)(a)(x).

(b) Each tax levied under this section for a special service district that provides jail service as provided in Subsection 17A-2-1304(1)(a)(x) shall be considered to be levied by the county for purposes of the county's tax limitation under Section 59-2-908.

Section 67. Section **17A-2-1414** is amended to read:

**17A-2-1414. Who may enter into contracts -- Permissible purposes of contracts -- Agreements and leases -- Elections for water purchase contracts.**

(1) Any water conservancy district and any incorporated municipality located within or without the boundaries of the district or other district created under any law of this state are expressly authorized and empowered to enter into contracts with each other and with any other person or corporation, public or private, for any of the following purposes:

- (a) the joint operation of water facilities owned by any district or municipality;
- (b) the exchange of water, water rights, or facilities;
- (c) the leasing of water or water facilities; or

(d) the sale of water.

(2) (a) Any agreement about the operation or use of water facilities owned by a municipality or district by another municipality or district, the joint operation of facilities, or the lease of water or water facilities, may provide for the joint use of water facilities owned by one of the contracting parties under appropriate arrangements for reasonable compensation.

(b) Any agreement may provide for the renting or loan of water by one contracting party to the other or for the sale of water by one party and its purchase by another. No limitation contained in any existing law requiring the water of any district to be supplied to its own residents on a priority basis shall be applicable to any contract made under this section.

(c) Any contract for the sale of water may run for a term of years as may be specified. The contract may require the purchasing party to pay for a minimum amount of water annually, provided the water is available, without regard to actual taking or use. The contract may provide for the payment for water sold or contracted to be sold from any of the following sources of revenue:

- (i) the general funds or other funds of the purchasing municipality or district;
- (ii) the proceeds of class B assessments imposed under the Water Conservancy Act;
- (iii) the proceeds of water distributed and sold through the distribution system of the purchasing district or municipality; or
- (iv) any combination of these sources of payment.

(d) The governing body of any municipality agreeing to purchase water under a contract, for the purpose of complying with any pertinent constitutional requirement or for any other reason, may call an election for that purpose. The election shall be conducted in the manner provided in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

Section 68. Section **17A-2-1439** is amended to read:

**17A-2-1439. Contracts providing for payment in installments -- Issuance and sale of bonds -- Sinking fund -- Covenants -- Default -- Revenue obligations -- Refunding bonds.**

(1) (a) (i) To pay for construction, operation, and maintenance of works, and expenses preliminary and incidental to them, the board may enter into contracts with the United States of

America or its agencies, providing for payment in installments.

(ii) To pay for all or part of the cost of the construction or acquisition of any works, to pay for the improvement and extension of them, to pay expenses preliminary and incidental to them, to pay interest on the bonds during acquisition and construction, to provide for necessary reserves, and to pay costs of issuance and sale of the bonds (including, without limitation, printing, registration and transfer costs, legal fees, financial advisor's fees, and underwriter's discount), the board may issue the bonds of the district as provided in this section.

(b) The indebtedness or obligation represented by any bonds issued by or any contract entered into by the board may be payable in whole or in part from all or part of the revenues derived by the district from the operation of all or any designated portion of its works, from the proceeds of assessments and taxes levied under this part, or from any combination of those revenues, assessments, and taxes.

(c) The indebtedness or obligation represented by any bonds issued by or any contract entered into by the board may be incurred for the acquisition, construction, or both, of all or part of any works, for the improvement or extension of any works, or for a system of works for the distribution of water or for the treatment of water or both, whether or not the works of the district so acquired, constructed, improved, or extended include a source of water supply.

(d) (i) These bonds shall be issued and sold in compliance with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, and may be in the form and denominations and have provisions and details permitted by Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, except that the bonds shall mature serially or otherwise and contract payment installments shall fall due at any time or times not later than 50 years from their date.

(ii) The bonds and any evidences of participation interests in the bonds may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other statute relating to the registration of bonds enacted to meet the requirements of Section 103 of the Internal Revenue Code of 1954, as amended, or any similar or successor federal law, and applicable regulations.

(2) (a) Bonds may be issued hereunder at one time or from time to time.

(b) If more than one issue or series of bonds is delivered hereunder, the bonds of the respective issues or series shall have priorities of payment as provided in the proceedings authorizing the bonds.

(3) (a) Any resolution authorizing the issuance of bonds or the entering into of a contract indebtedness or obligation payable in installments hereunder shall provide for the creation of a sinking fund into which shall be paid from the revenues, assessments, and taxes, any or all, pledged to the payment in the authorizing resolution sums fully sufficient to pay the principal of and interest on the bonds or on the contract indebtedness or obligation and to create a reserve for contingencies as required by the resolution.

(b) Any resolution so authorizing bonds or the entering into of a contract indebtedness or obligation may contain those covenants with the future holders of the bonds or the other contracting party as to the management and operation of the properties and works of the district, the imposition and collection of fees and charges, including taxes and assessments, for the water and services furnished thereby, the disposition of the fees and revenues, the issuance of future bonds and the incurring of future contract indebtedness or obligations and the creation of future liens and encumbrances against the works and the revenues thereof, the carrying of insurance on the works and the disposition of the proceeds of insurance, the sale, disposal, or alienation of the works, and other pertinent matters considered necessary or proper by the board to assure the merchantability of the bonds or the execution of the contract.

(c) These covenants and agreements may not be inconsistent with this section.

(4) (a) It may be provided in the resolution that any holder of the bonds or any contracting party may by appropriate legal action compel performance of all duties required of the board and the officials of the district by this part and the resolution authorizing the bonds or contract.

(b) If any bond issued or any contract entered into hereunder is permitted to go into default as to any installment of principal or interest, any court of competent jurisdiction may, pursuant to the application of the holder of any bond or of the other contracting party, appoint a

receiver to operate the works of the district and to collect and distribute the revenues thereof under the resolution, this part, and as the court may direct.

(5) (a) When the district has issued bonds or entered into a contract and pledged any revenues of the works for the payment of them as provided in this part, the district shall impose and collect fees and charges for water and services furnished by the works in that amount and at those rates fully sufficient at all times (in conjunction with the proceeds of available taxes and assessments if the bonds or contract indebtedness or obligation are also payable in part from the proceeds of assessments and taxes levied under this part) to pay the expenses of operating and maintaining the works, to provide a sinking fund sufficient to assure the prompt payment of principal of and interest on the bonds or contract indebtedness or obligation as principal and interest fall due, and to provide those funds for reserves and contingencies and for a depreciation fund for repairs, extensions, and improvements to the works as considered necessary to assure adequate and efficient service, all as may be required by the resolution.

(b) No board or commission other than the board of trustees of the district has authority over or is required to approve the making or fixing of fees and charges, the acquisition of property by the district, the issuance of its bonds, or the entering into of a contract.

(6) (a) The board of any district that issues or has issued any bonds under this part, or that enters or has entered into any contracts under this part, may issue bonds hereunder for the purpose of refunding all or any part of the outstanding bonds, or the outstanding indebtedness or obligation represented by the contracts, or in part for the purpose of the refunding and in part for the purpose of acquiring, constructing, improving, or extending works for the district.

(b) If bonds are issued solely for refunding purposes, the election required by Section 17A-2-1440 is not a condition precedent to the issuance of the bonds.

(c) Refunding bonds so authorized:

(i) may be sold and the proceeds thereof applied to or deposited in an escrow and invested pending the retirement of the outstanding bonds; or

(ii) may be delivered in exchange for the outstanding bonds.

(d) The refunding bonds shall be authorized and secured in the manner herein provided

for the issuance and securing of other bonds and may, but are not required to, have the same source of security and payment as the bonds refunded.

(7) (a) If bonds have been issued or a contract indebtedness or obligation has been incurred hereunder payable in whole or in part from revenues to be derived from supplying water to the inhabitants of territory which was not at the time of the issuance of the bonds or the entering into of the contract contained within the corporate limits of any municipality or any other district created for the purpose of supplying water to the territory, the district shall thereafter be the sole public corporation or political subdivision authorized to supply water to this area.

(b) No municipal corporation or other district into which any part of the territory is incorporated or included has authority either to supply water to the inhabitants of the corporation or district or to grant a franchise for the supplying of the water.

(c) Nothing contained in this Subsection (7) prevents the modification of this restriction contained by the district if modification does not in any way jeopardize the prompt payment of principal of and interest on the bonds of the district then outstanding or of the payment of installments of indebtedness or obligation under a contract.

Section 69. Section **17A-2-1440** is amended to read:

**17A-2-1440. Election for issuance of bonds or incurring contract indebtedness or obligation -- When an election is not required.**

(1) If the majority of a water conservancy district board approves a resolution determining that the interests of the district and the public interest or necessity demand the acquisition, construction, or completion of any water supply, waterworks, improvements, or facilities, or the making of any contract with the United States or other persons or corporations, public or private, to carry out the purposes of the district, wherein an indebtedness or obligation is created, to satisfy which requires an expenditure greater than the ordinary annual income and revenue of the district, the board shall adopt a resolution directing that an election be held to determine whether bonds shall be issued, or an indebtedness or obligation under a contract shall be incurred in the amount and for the purposes specified in the resolution.

(2) The following shall be subject to the conditions provided in Title 11, Chapter 14, ~~[Utah Municipal Bond]~~ Local Government Bonding Act:

- (a) adoption of the resolution calling the election;
- (b) giving notice of the election;
- (c) conduct of the election;
- (d) determination of voters' qualifications; and
- (e) canvassing of election results.

(3) The board may, for purposes of the election:

- (a) treat the entire district as a single precinct or divide the district into precincts; and
- (b) fix polling places.

(4) If bonds or the indebtedness or obligations under a contract are payable solely from revenues derived from the operation of all or any part of the district's works, no election is required under this section prior to issuance of the bonds or the entering into of the contract, except as provided in Subsection (5).

(5) No district may issue bonds or incur an indebtedness or obligation under a contract payable solely from revenues unless:

(a) the issuance of the bonds or the incurring of the contract indebtedness or obligation has been approved at an election called and held as provided in this section; or

(b) the board of trustees adopts a resolution declaring the intention of the district to issue bonds or incur a contract indebtedness or liability payable solely from revenues in the amount and for the purpose provided in the resolution and directs that notice of this intention be published once in a newspaper of general circulation in the district.

(i) The notice of intention shall set forth:

(A) the amount and purpose of the proposed bond issue or contract; and

(B) when and where petitions may be filed requesting the calling of an election to determine whether the bonds may be issued or the contract indebtedness or obligation may be incurred.

(ii) The resolution of the board shall specify the form of the petitions.

(iii) If, within 30 days after the publication of the notice of intention, a petition is filed with the secretary of the board, signed by not less than 5% of the qualified electors of the district, requesting that an election be called to authorize the issuance of the bonds or the incurring of the contract indebtedness or liability payable solely from revenues, then the board shall proceed to call and hold an election as provided in this section. The qualified electors of the district shall be certified to the board, prior to the adoption of the resolution, by the clerks of the counties in which portions of the district are located.

(iv) If no petition is filed, or if the number of signatures filed within the 30-day period is less than the required number, the board of trustees may adopt the resolution and proceed to issue the bonds or enter into the contract.

Section 70. Section **17A-2-1823** is amended to read:

**17A-2-1823. Bond issuance.**

(1) Any regional service area may:

(a) in accordance with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, authorize, issue, and dispose of its negotiable bonds for the purpose of paying all or part of the cost of acquiring, improving, or extending any improvement, facility, or property authorized to be acquired under this part;

(b) in accordance with Title 11, Chapter 27, Utah Refunding Bond Act, authorize, issue, and dispose of its bonds; and

(c) enjoy the benefits of Title 11, Chapter 30, Utah Bond Validation Act.

(2) A regional service area may issue bonds and anticipated notes based upon revenue from property taxes, user charges, and other revenues and federal, state or local grants, borrow money, and incur debts as authorized by law or this part. A regional service area may satisfy any indebtedness as provided in this part or in any other applicable law and may, for purposes of satisfaction of this indebtedness, incur new obligations of the type satisfied.

(3) All elections for the issuance of bonds of a regional service area shall be called, held, and conducted under the provisions of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. The provisions of the election code shall not be applicable to the

bond election.

(4) If the board of trustees provides in any resolution authorizing revenue bonds for the creation of a reserve fund to assure the prompt payment of principal and interest, the board may provide for the accumulation of this fund not only from the revenues of the facilities, but also from a part of the bond proceeds it may consider advisable.

Section 71. Section **17A-2-1825** is amended to read:

**17A-2-1825. Recital in bonds -- Effect.**

The resolution authorizing the issuance of any bonds of a regional service area may provide that the bonds recite that they are issued under the authority of this part. Any bonds issued containing this recital shall be incontestable for any cause whatsoever after their delivery for value and the recital shall conclusively establish full compliance with all of the provisions of this part and Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

Section 72. Section **17B-2-608** is amended to read:

**17B-2-608. Resolution approving or rejecting withdrawal -- Criteria for approval or rejection -- Terms and conditions.**

(1) (a) On or before the date of the board meeting next following the public hearing under Section 17B-2-606, but in no case later than 90 days after the public hearing or, if no hearing is held, within 90 days after the filing of a petition under Section 17B-2-603, the board of trustees of the local district in which the area proposed to be withdrawn is located shall adopt a resolution:

- (i) approving the withdrawal of some or all of the area from the local district; or
- (ii) rejecting the withdrawal.
- (b) Each resolution approving a withdrawal shall:
  - (i) include a legal description of the area proposed to be withdrawn;
  - (ii) state the effective date of the withdrawal; and
  - (iii) set forth the terms and conditions under Subsection (5), if any, of the withdrawal.
- (c) Each resolution rejecting a withdrawal shall include a detailed explanation of the

board of trustees' reasons for the rejection.

(2) Unless denial of the petition is required under Subsection (3), the board of trustees shall adopt a resolution approving the withdrawal of some or all of the area from the local district if the board of trustees determines that:

(a) the area to be withdrawn does not and will not require the service that the local district provides;

(b) the local district will not be able to provide service to the area to be withdrawn for the reasonably foreseeable future; or

(c) the area to be withdrawn has obtained the same service that is provided by the local district or a commitment to provide the same service that is provided by the local district from another source.

(3) The board of trustees shall adopt a resolution denying the withdrawal if it determines that the proposed withdrawal would:

(a) result in a breach or default by the local district under:

(i) any of its notes, bonds, or other debt or revenue obligations;

(ii) any of its agreements with entities which have insured, guaranteed, or otherwise credit-enhanced any debt or revenue obligations of the local district; or

(iii) any of its agreements with the United States or any agency of the United States; provided, however, that, if the local district has entered into an agreement with the United States that requires the consent of the United States for a withdrawal of territory from the district, a withdrawal under this part may occur if the written consent of the United States is obtained and filed with the board of trustees;

(b) adversely affect the ability of the local district to make any payments or perform any other material obligations under:

(i) any of its agreements with the United States or any agency of the United States;

(ii) any of its notes, bonds, or other debt or revenue obligations; or

(iii) any of its agreements with entities which have insured, guaranteed, or otherwise credit-enhanced any debt or revenue obligations of the local district;

(c) result in the reduction or withdrawal of any rating on an outstanding note, bond, or

other debt or revenue obligation of the local district;

(d) create an island or peninsula of nondistrict territory within the local district or of district territory within nondistrict territory that has a material adverse affect on the local district's ability to provide service or materially increases the cost of providing service to the remainder of the local district;

(e) materially impair the operations of the remaining local district; or

(f) require the local district to materially increase the fees it charges or property taxes or other taxes it levies in order to provide to the remainder of the district the same level and quality of service that was provided before the withdrawal.

(4) In determining whether the withdrawal would have any of the results described in Subsection (3), the board of trustees may consider the cumulative impact that multiple withdrawals over a specified period of time would have on the local district.

(5) (a) Despite the presence of one or more of the conditions listed in Subsection (3), the board of trustees may approve a resolution withdrawing an area from the local district imposing terms or conditions that mitigate or eliminate the conditions listed in Subsection (3), including:

(i) a requirement that the owners of property located within the area proposed to be withdrawn or residents within that area pay their proportionate share of any outstanding district bond or other obligation as determined pursuant to Subsection (5)(b);

(ii) a requirement that the owners of property located within the area proposed to be withdrawn or residents within that area make one or more payments in lieu of taxes, fees, or assessments;

(iii) a requirement that the board of trustees and the receiving entity agree to reasonable payment and other terms in accordance with Subsections (5)(f) through (g) regarding the transfer to the receiving entity of district assets that the district used before withdrawal to provide service to the withdrawn area but no longer needs because of the withdrawal; provided that, if those district assets are allocated in accordance with Subsections (5)(f) through (g), the district shall immediately transfer to the receiving entity on the effective date of the withdrawal, all title to and possession of district assets allocated to the receiving entity; or

(iv) any other reasonable requirement considered to be necessary by the board of trustees.

(b) Other than as provided for in Subsection 17B-2-609(2), and except as provided in Subsection (5)(e), in determining the proportionate share of outstanding bonded indebtedness or other obligations under Subsection (5)(a)(i) and for purposes of determining the allocation and transfer of district assets under Subsection (5)(a)(iii), the board of trustees and the receiving entity, or in cases where there is no receiving entity, the board and the sponsors of the petition shall:

(i) engage engineering and accounting consultants chosen by the procedure provided in Subsection (5)(d); provided however, that if the withdrawn area is not receiving service, an engineering consultant need not be engaged; and

(ii) require the engineering and accounting consultants engaged under Subsection (5)(b)(i) to communicate in writing to the board of trustees and the receiving entity, or in cases where there is no receiving entity, the board and the sponsors of the petition the information required by Subsections (5)(f) through (h).

(c) For purposes of this Subsection (5):

(i) "accounting consultant" means a certified public accountant or a firm of certified public accountants with the expertise necessary to make the determinations required under Subsection (5)(h); and

(ii) "engineering consultant" means a person or firm that has the expertise in the engineering aspects of the type of system by which the withdrawn area is receiving service that is necessary to make the determination required under Subsections (5)(f) and (g).

(d) (i) Unless the board of trustees and the receiving entity, or in cases where there is no receiving entity, the board and the sponsors of the petition agree on an engineering consultant and an accounting consultant, each consultant shall be chosen from a list of consultants provided by the Consulting Engineers Council of Utah and the Utah Association of Certified Public Accountants, respectively, as provided in this Subsection (5)(d).

(ii) A list under Subsection (5)(d)(i) may not include a consultant who has had a contract for services with the district or the receiving entity during the two-year period immediately

before the list is provided to the local district.

(iii) Within 20 days of receiving the lists described in Subsection (5)(d)(i), the board of trustees shall eliminate the name of one engineering consultant from the list of engineering consultants and the name of one accounting consultant from the list of accounting consultants and shall notify the receiving entity, or in cases where there is no receiving entity, the sponsors of the petition in writing of the eliminations.

(iv) Within three days of receiving notification under Subsection (5)(d), the receiving entity, or in cases where there is no receiving entity, the sponsors of the petition shall eliminate another name of an engineering consultant from the list of engineering consultants and another name of an accounting consultant from the list of accounting consultants and shall notify the board of trustees in writing of the eliminations.

(v) The board of trustees and the receiving entity, or in cases where there is no receiving entity, the board and the sponsors of the petition shall continue to alternate between them, each eliminating the name of one engineering consultant from the list of engineering consultants and the name of one accounting consultant from the list of accounting consultants and providing written notification of the eliminations within three days of receiving notification of the previous notification, until the name of only one engineering consultant remains on the list of engineering consultants and the name of only one accounting consultant remains on the list of accounting consultants.

(e) The requirement under Subsection (5)(b) to engage engineering and accounting consultants does not apply if the board of trustees and the receiving entity, or in cases where there is no receiving entity, the board and the sponsors of the petition agree on the allocations that are the engineering consultant's responsibility under Subsection (5)(f) or the determinations that are the accounting consultant's responsibility under Subsection (5)(h); provided however, that if engineering and accounting consultants are engaged, the district and the receiving entity, or in cases where there is no receiving entity, the district and the sponsors of the petition shall equally share the cost of the engineering and accounting consultants.

(f) (i) The engineering consultant shall allocate the district assets between the district and

the receiving entity as provided in this Subsection (5)(f).

(ii) The engineering consultant shall allocate:

(A) to the district those assets reasonably needed by the district to provide to the area of the district remaining after withdrawal the kind, level, and quality of service that was provided before withdrawal; and

(B) to the receiving entity those assets reasonably needed by the receiving entity to provide to the withdrawn area the kind and quality of service that was provided before withdrawal.

(iii) If the engineering consultant determines that both the local district and the receiving entity reasonably need a district asset to provide to their respective areas the kind and quality of service provided before withdrawal, the engineering consultant shall:

(A) allocate the asset between the local district and the receiving entity according to their relative needs, if the asset is reasonably susceptible of division; or

(B) allocate the asset to the local district, if the asset is not reasonably susceptible of division.

(g) All district assets remaining after application of Subsection (5)(f) shall be allocated to the local district.

(h) (i) The accounting consultant shall determine the withdrawn area's proportionate share of any redemption premium and the principal of and interest on:

(A) the local district's revenue bonds that were outstanding at the time the petition was filed;

(B) the local district's general obligation bonds that were outstanding at the time the petition was filed; and

(C) the local district's general obligation bonds that:

(I) were outstanding at the time the petition was filed; and

(II) are treated as revenue bonds under Subsection (5)(i); and

(D) the district's bonds that were issued prior to the date the petition was filed to refund the district's revenue bonds, general obligation bonds, or general obligation bonds treated as

revenue bonds.

(ii) For purposes of Subsection (5)(h)(i), the withdrawn area's proportionate share of redemption premium, principal, and interest shall be the amount that bears the same relationship to the total redemption premium, principal, and interest for the entire district that the average annual gross revenues from the withdrawn area during the three most recent complete fiscal years before the filing of the petition bears to the average annual gross revenues from the entire district for the same period.

(i) For purposes of Subsection (5)(h)(i), a district general obligation bond shall be treated as a revenue bond if:

(i) the bond is outstanding on the date the petition was filed; and

(ii) the principal of and interest on the bond, as of the date the petition was filed, had been paid entirely from local district revenues and not from a levy of ad valorem tax.

(j) (i) Before the board of trustees of the local district files a resolution approving a withdrawal, the receiving entity, or in cases where there is no receiving entity, the sponsors of the petition shall irrevocably deposit government obligations, as defined in Subsection 11-27-2(6), into an escrow trust fund the principal of and interest on which are sufficient to provide for the timely payment of the amount determined by the accounting consultant under Subsection (5)(h) or in an amount mutually agreeable to the board of trustees of the local district and the receiving entity, or in cases where there is no receiving entity, the board and the sponsors of the petition. Notwithstanding Subsection 17B-2-610(1), the board of trustees shall not be required to file a resolution approving a withdrawal until the requirements for establishing and funding an escrow trust fund in this Subsection (5)(j)(i) have been met; provided that, if the escrow trust fund has not been established and funded within 180 days after the board of trustees passes a resolution approving a withdrawal, the resolution approving the withdrawal shall be void.

(ii) Concurrently with the creation of the escrow, the receiving entity, or in cases where there is no receiving entity, the sponsors of the petition shall provide to the board of trustees of the local district:

(A) a written opinion of an attorney experienced in the tax-exempt status of municipal

bonds stating that the establishment and use of the escrow to pay the proportionate share of the district's outstanding revenue bonds and general obligation bonds that are treated as revenue bonds will not adversely affect the tax-exempt status of the bonds; and

(B) a written opinion of an independent certified public accountant verifying that the principal of and interest on the deposited government obligations are sufficient to provide for the payment of the withdrawn area's proportionate share of the bonds as provided in Subsection (5)(h).

(iii) The receiving entity, or in cases where there is no receiving entity, the sponsors of the petition shall bear all expenses of the escrow and the redemption of the bonds.

(iv) The receiving entity may issue bonds under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, and Title 11, Chapter 27, Utah Refunding Bond Act, to fund the escrow.

(6) A requirement imposed by the board of trustees as a condition to withdrawal under Subsection (5) shall, in addition to being expressed in the resolution, be reduced to a duly authorized and executed written agreement between the parties to the withdrawal.

(7) An area that is the subject of a withdrawal petition under Section 17B-2-603 that results in a board of trustees resolution denying the proposed withdrawal may not be the subject of another withdrawal petition under Section 17B-2-603 for two years after the date of the board of trustees resolution denying the withdrawal.

Section 73. Section **17B-4-1204** is amended to read:

**17B-4-1204. Contesting the legality of resolution authorizing bonds -- Time limit -- Presumption.**

(1) Any person may contest the legality of the resolution authorizing issuance of the bonds or any provisions for the security and payment of the bonds for a period of 30 days after:

- (a) publication of the resolution authorizing the bonds; or
- (b) publication of a notice of bonds containing substantially the items required under

Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) After the 30-day period under Subsection (1), no lawsuit or other proceeding may be

brought contesting the regularity, formality, or legality of the bonds for any reason.

(3) In a lawsuit or other proceeding involving the question of whether a bond issued under this part is valid or enforceable or involving the security for a bond, if a bond recites that the agency issued the bond in connection with a redevelopment, economic development, or education housing development:

(a) the bond shall be conclusively presumed to have been issued for that purpose; and

(b) the project area plan and project area shall be conclusively presumed to have been properly formed, adopted, planned, located, and carried out in accordance with this chapter.

Section 74. Section **19-6-503** is amended to read:

**19-6-503. Powers and duties of public entities.**

Subject to the powers and rules of the department, the governing body of each public entity may:

(1) supervise and regulate the collection, transportation, and disposition of all solid waste generated within its jurisdiction;

(2) provide solid waste management facilities to handle adequately solid waste generated or existing within or without its jurisdiction;

(3) assume, by agreement, responsibility for the collection and disposition of solid waste whether generated within or without its jurisdictional boundaries;

(4) enter into short or long-term interlocal agreements with other public entities, with public agencies as defined in Title 11, Chapter 13, Interlocal Cooperation Act, with private persons or entities, or any combination of them, to provide for or operate solid waste management facilities;

(5) levy and collect taxes, fees, and charges and require licenses as may be appropriate to discharge its responsibility for the acquisition, construction, operation, maintenance, and improvement of solid waste management facilities or any portion of them, including licensing private collectors operating within its jurisdiction;

(6) require that all solid waste generated within its jurisdiction be delivered to a solid waste management facility;

(7) control the right to collect, transport, and dispose of all solid waste generated within its jurisdiction;

(8) agree that the sole and exclusive right to collect, transport, and dispose of solid waste within its jurisdiction shall be assumed by any other public entity or entities, any private persons or entities, or any combination of them, pursuant to Section 19-6-505;

(9) accept and disburse funds derived from federal or state grants or from private sources or from moneys that may be appropriated by the Legislature for the acquisition, construction, ownership, operation, maintenance, and improvement of solid waste management facilities;

(10) contract for the lease or purchase of land, facilities, and vehicles for the operation of solid waste management facilities;

(11) establish policies for the operation of solid waste management facilities, including hours of operation, character, and kind of wastes accepted at disposal sites, and other rules necessary for the safety of the operating personnel;

(12) sell or contract for the sale, pursuant to short or long-term agreements, of any usable materials, energy, fuel, or heat separated, extracted, recycled, or recovered from solid waste in a solid waste management facility, on terms in its best interests, and to pledge, assign, or otherwise convey as security for the payment of its bonds any revenues and receipts derived from the sale or contract or from the operation and ownership of a solid waste management facility or an interest in it;

(13) issue bonds pursuant to Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act; and

(14) issue industrial development revenue bonds pursuant to Title 11, Chapter 17, Utah Industrial Facilities and Development Act, to pay the costs of financing projects consisting of solid waste management facilities, as defined in Section 19-6-502, on behalf of entities that constitute the users of a solid waste management facility project within the meaning of Section 11-17-2, and agree to construct and operate or to provide for the construction and operation of a solid waste management facility project, which project shall manage the solid waste of one or more public or private entities, all pursuant to contracts and other arrangements provided for in

the proceedings pursuant to which the bonds are issued. In addition to the authority to issue bonds contained in Title 11, Chapter 17, Utah Industrial Facilities and Development Act, bonds may be issued pursuant to the authority contained in this subsection to pay the cost of establishing reserves to pay principal and interest on the bonds as provided for in the proceedings pursuant to which the bonds are issued.

Section 75. Section **19-6-505** is amended to read:

**19-6-505. Long-term agreements for joint action -- Construction, acquisition, or sale of interest in management facilities -- Issuance of bonds.**

(1) (a) Two or more public entities, which for the purposes of this section shall only include any political subdivision of the state, the state and its agencies, and the United States and its agencies, may enter into long-term agreements with one another pursuant to Title 11, Chapter 13, Interlocal Cooperation Act, and any one or more public entities may enter into long-term agreements with any private entity or entities for joint or cooperative action related to the acquisition, construction, ownership, operation, maintenance, and improvement of solid waste management facilities, regardless of whether the facilities are owned or leased by a public entity or entities, private entity or entities, or combination of them and pursuant to which solid waste of one or more public entities, any private entity or entities, or combination of them, are made available for solid waste management pursuant to the terms, conditions, and consideration provided in the agreement.

(b) Any payments made by a public entity for services received under the agreement are not an indebtedness of the public entity within the meaning of any constitutional or statutory restriction, and no election is necessary for the authorization of the agreement.

(c) Any public entity or any public entity in combination with a private entity agreeing to make solid waste management facilities available may, in the agreement, agree to make available to other public entities a specified portion of the capacity of the solid waste management facilities, without regard to its future need of the specified capacity for its own use and may in the agreement agree to increase the capacity of its solid waste management facilities from time to time, as necessary, in order to take care of its own needs and to perform its obligations to the

other parties to the agreement.

(2) (a) Two or more public entities or any one or more public entities together with any private entity or entities may construct or otherwise acquire joint interests in solid waste management facilities, or any part of them, for their common use, or may sell to any other public or private entity or entities a partial interest or interests in its solid waste management facility.

(b) Any public entity otherwise qualifying under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act or Title 11, Chapter 17, Utah Industrial Facilities and Development Act may issue its bonds pursuant to these acts for the purpose of acquiring a joint interest in solid waste management facilities, or any part thereof, whether the joint interest is to be acquired through construction of new facilities or the purchase of an interest in existing facilities.

Section 76. Section **20A-1-102** is amended to read:

**20A-1-102. Definitions.**

As used in this title:

(1) "Active voter" means a registered voter who has not been classified as an inactive voter by the county clerk.

(2) "Automatic tabulating equipment" means apparatus that automatically examines and counts votes recorded on paper ballots or ballot cards and tabulates the results.

(3) "Ballot" means the cardboard, paper, or other material upon which a voter records his votes and includes ballot cards, paper ballots, and secrecy envelopes.

(4) "Ballot card" means a ballot that can be counted using automatic tabulating equipment.

(5) "Ballot label" means the cards, papers, booklet, pages, or other materials that contain the names of offices and candidates and statements of ballot propositions to be voted on and which are used in conjunction with ballot cards.

(6) "Ballot proposition" means opinion questions specifically authorized by the Legislature, constitutional amendments, initiatives, referenda, and judicial retention questions that are submitted to the voters for their approval or rejection.

(7) "Board of canvassers" means the entities established by Sections 20A-4-301 and 20A-4-306 to canvass election returns.

(8) "Bond election" means an election held for the [sole] purpose of approving or rejecting the proposed issuance of bonds by a government entity.

(9) "Book voter registration form" means voter registration forms contained in a bound book that are used by election officers and registration agents to register persons to vote.

(10) "By-mail voter registration form" means a voter registration form designed to be completed by the voter and mailed to the election officer.

(11) "Canvass" means the review of election returns and the official declaration of election results by the board of canvassers.

(12) "Canvassing judge" means an election judge designated to assist in counting ballots at the canvass.

(13) "Convention" means the political party convention at which party officers and delegates are selected.

(14) "Counting center" means one or more locations selected by the election officer in charge of the election for the automatic counting of ballots.

(15) "Counting judge" means a judge designated to count the ballots during election day.

(16) "Counting poll watcher" means a person selected as provided in Section 20A-3-201 to witness the counting of ballots.

(17) "Counting room" means a suitable and convenient private place or room, immediately adjoining the place where the election is being held, for use by the counting judges to count ballots during election day.

(18) "County executive" has the meaning as provided in Subsection 68-3-12(2).

(19) "County legislative body" has the meaning as provided in Subsection 68-3-12(2).

(20) "County officers" means those county officers that are required by law to be elected.

(21) "Election" means a regular general election, a municipal general election, a statewide special election, a local special election, a regular primary election, a municipal primary election, and a special district election.

(22) "Election Assistance Commission" means the commission established by Public Law 107-252, the Help America Vote Act of 2002.

(23) "Election cycle" means the period beginning on the first day persons are eligible to file declarations of candidacy and ending when the canvass is completed.

(24) "Election judge" means each canvassing judge, counting judge, and receiving judge.

(25) "Election officer" means:

(a) the lieutenant governor, for all statewide ballots;

(b) the county clerk or clerks for all county ballots and for certain [~~special district and school district~~] ballots and elections as provided in Section 20A-5-400.5;

(c) the municipal clerk for all municipal ballots and for certain [~~special district and school district~~] ballots and elections as provided in Section 20A-5-400.5; [~~and~~]

(d) the special district clerk or chief executive officer for [~~all special district ballots that are not part of a statewide, county, or municipal ballot.~~] certain ballots and elections as provided in Section 20A-5-400.5; and

(e) the business administrator or superintendent of a school district for certain ballots or elections as provided in Section 20A-5-400.5.

(26) "Election official" means any election officer, election judge, or satellite registrar.

(27) "Election results" means, for bond elections, the count of those votes cast for and against the bond proposition plus any or all of the election returns that the board of canvassers may request.

[~~(27)~~] (28) "Election returns" includes the pollbook, all affidavits of registration, the military and overseas absentee voter registration and voting certificates, one of the tally sheets, any unprocessed absentee ballots, all counted ballots, all excess ballots, all unused ballots, all spoiled ballots, the ballot disposition form, and the total votes cast form.

[~~(28)~~] (29) "Electronic voting system" means a system in which a voting device is used in conjunction with ballots so that votes recorded by the voter are counted and tabulated by automatic tabulating equipment.

[~~(29)~~] (30) "Inactive voter" means a registered voter who has been sent the notice

required by Section 20A-2-306 and who has failed to respond to that notice.

~~[(30)]~~ (31) "Inspecting poll watcher" means a person selected as provided in this title to witness the receipt and safe deposit of voted and counted ballots.

~~[(31)]~~ (32) "Judicial office" means the office filled by any judicial officer.

~~[(32)]~~ (33) "Judicial officer" means any justice or judge of a court of record or any county court judge.

~~[(33)]~~ (34) "Local election" means a regular municipal election, a local special election, a special district election, and a bond election.

~~[(34)]~~ (35) "Local political subdivision" means a county, a municipality, a special district, or a local school district.

~~[(35)]~~ (36) "Local special election" means a special election called by the governing body of a local political subdivision in which all registered voters of the local political subdivision may vote.

~~[(36)]~~ (37) "Municipal executive" means:

(a) the city commission, city council, or town council in the traditional management arrangement established by Title 10, Chapter 3, Part 1, Governing Body;

(b) the mayor in the council-mayor optional form of government defined in Section ~~[10-3-1209]~~ 10-3-101; and

(c) the manager in the council-manager optional form of government defined in Section ~~[10-3-1209]~~ 10-3-101.

~~[(37)]~~ (38) "Municipal general election" means the election held in municipalities and special districts on the first Tuesday after the first Monday in November of each odd-numbered year for the purposes established in Section 20A-1-202.

~~[(38)]~~ (39) "Municipal legislative body" means:

(a) the city commission, city council, or town council in the traditional management arrangement established by Title 10, Chapter 3, Part 1, Governing Body;

(b) the municipal council in the council-mayor optional form of government defined in Section ~~[10-3-1209]~~ 10-3-101; and

(c) the municipal council in the council-manager optional form of government defined in Section ~~[10-3-1209]~~ 10-3-101.

~~[(39)]~~ (40) "Municipal officers" means those municipal officers that are required by law to be elected.

~~[(40)]~~ (41) "Municipal primary election" means an election held to nominate candidates for municipal office.

~~[(41)]~~ (42) "Official ballot" means the ballots distributed by the election officer to the election judges to be given to voters to record their votes.

~~[(42)]~~ (43) "Official endorsement" means:

(a) the information on the ballot that identifies:

- (i) the ballot as an official ballot;
- (ii) the date of the election; and
- (iii) the facsimile signature of the election officer; and

(b) the information on the ballot stub that identifies:

- (i) the election judge's initials; and
- (ii) the ballot number.

~~[(43)]~~ (44) "Official register" means the book furnished election officials by the election officer that contains the information required by Section 20A-5-401.

~~[(44)]~~ (45) "Paper ballot" means a paper that contains:

(a) the names of offices and candidates and statements of ballot propositions to be voted on; and

(b) spaces for the voter to record his vote for each office and for or against each ballot proposition.

~~[(45)]~~ (46) "Political party" means an organization of registered voters that has qualified to participate in an election by meeting the requirements of Title 20A, Chapter 8, Political Party Formation and Procedures.

~~[(46)]~~ (47) "Polling place" means the building where residents of a voting precinct vote or where absentee voting is conducted.

~~[(47)]~~ (48) "Position" means a square, circle, rectangle, or other geometric shape on a ballot in which the voter marks his choice.

~~[(48)]~~ (49) "Posting list" means a list of registered voters within a voting precinct.

~~[(49)]~~ (50) "Proof of identity" means some form of photo identification, such as a driver license or identification card, that establishes a person's identity.

~~[(50)]~~ (51) "Proof of residence" means some official document or form, such as a driver license or utility bill that establishes a person's residence.

~~[(51)]~~ (52) "Provisional ballot" means a ballot voted provisionally by a person:

(a) whose name is not listed on the official register at the polling place; or

(b) whose legal right to vote is challenged as provided in this title.

~~[(52)]~~ (53) "Provisional ballot envelope" means an envelope printed in the form required by Section 20A-6-105 that is used to identify provisional ballots and to provide information to verify a person's legal right to vote.

~~[(53)]~~ (54) "Primary convention" means the political party conventions at which nominees for the regular primary election are selected.

~~[(54)]~~ (55) "Protective counter" means a separate counter, which cannot be reset, that is built into a voting machine and records the total number of movements of the operating lever.

~~[(55)]~~ (56) "Qualify" or "qualified" means to take the oath of office and begin performing the duties of the position for which the person was elected.

~~[(56)]~~ (57) "Receiving judge" means the election judge that checks the voter's name in the official register, provides the voter with a ballot, and removes the ballot stub from the ballot after the voter has voted.

~~[(57)]~~ (58) "Registration days" means the days designated in Section 20A-2-203 when a voter may register to vote with a satellite registrar.

~~[(58)]~~ (59) "Registration form" means a book voter registration form and a by-mail voter registration form.

~~[(59)]~~ (60) "Regular ballot" means a ballot that is not a provisional ballot.

~~[(60)]~~ (61) "Regular general election" means the election held throughout the state on the

first Tuesday after the first Monday in November of each even-numbered year for the purposes established in Section 20A-1-201.

~~[(61)]~~ (62) "Regular primary election" means the election on the fourth Tuesday of June of each even-numbered year, at which candidates of political parties and nonpolitical groups are voted for nomination.

~~[(62)]~~ (63) "Resident" means a person who resides within a specific voting precinct in Utah.

~~[(63)]~~ (64) "Sample ballot" means a mock ballot similar in form to the official ballot printed and distributed as provided in Section 20A-5-405.

~~[(64)]~~ (65) "Satellite registrar" means a person appointed under Section 20A-5-201 to register voters and perform other duties.

~~[(65)]~~ (66) "Scratch vote" means to mark or punch the straight party ticket and then mark or punch the ballot for one or more candidates who are members of different political parties.

~~[(66)]~~ (67) "Secrecy envelope" means the envelope given to a voter along with the ballot into which the voter places the ballot after he has voted it in order to preserve the secrecy of the voter's vote.

~~[(67)]~~ (68) "Special district" means those local government entities created under the authority of Title 17A.

~~[(68)]~~ (69) "Special district officers" means those special district officers that are required by law to be elected.

~~[(69)]~~ (70) "Special election" means an election held as authorized by Section 20A-1-204.

~~[(70)]~~ (71) "Spoiled ballot" means each ballot that:

- (a) is spoiled by the voter;
- (b) is unable to be voted because it was spoiled by the printer or the election judge; or
- (c) lacks the official endorsement.

~~[(71)]~~ (72) "Statewide special election" means a special election called by the governor or the Legislature in which all registered voters in Utah may vote.

~~[(72)]~~ (73) "Stub" means the detachable part of each ballot.

~~[(73)]~~ (74) "Substitute ballots" means replacement ballots provided by an election officer to the election judges when the official ballots are lost or stolen.

~~[(74)]~~ (75) "Ticket" means each list of candidates for each political party or for each group of petitioners.

~~[(75)]~~ (76) "Transfer case" means the sealed box used to transport voted ballots to the counting center.

~~[(76)]~~ (77) "Vacancy" means the absence of a person to serve in any position created by statute, whether that absence occurs because of death, disability, disqualification, resignation, or other cause.

~~[(77)]~~ (78) "Valid write-in candidate" means a candidate who has qualified as a write-in candidate by following the procedures and requirements of this title.

~~[(78)]~~ (79) "Voter" means a person who meets the requirements for voting in an election, meets the requirements of election registration, is registered to vote, and is listed in the official register book.

~~[(79)]~~ (80) "Voting area" means the area within six feet of the voting booths, voting machines, and ballot box.

~~[(80)]~~ (81) "Voting booth" means the space or compartment within a polling place that is provided for the preparation of ballots and includes the voting machine enclosure or curtain.

~~[(81)]~~ (82) "Voting device" means:

- (a) an apparatus in which ballot cards are used in connection with a punch device for piercing the ballots by the voter;
- (b) a device for marking the ballots with ink or another substance; or
- (c) any other method for recording votes on ballots so that the ballot may be tabulated by means of automatic tabulating equipment.

~~[(82)]~~ (83) "Voting machine" means a machine designed for the sole purpose of recording and tabulating votes cast by voters at an election.

~~[(83)]~~ (84) "Voting poll watcher" means a person appointed as provided in this title to

witness the distribution of ballots and the voting process.

~~[(84)]~~ (85) "Voting precinct" means the smallest voting unit established as provided by law within which qualified voters vote at one polling place.

~~[(85)]~~ (86) "Watcher" means a voting poll watcher, a counting poll watcher, and an inspecting poll watcher.

~~[(86)]~~ (87) "Western States Presidential Primary" means the election established in Title 20A, Chapter 9, Part 8.

~~[(87)]~~ (88) "Write-in ballot" means a ballot containing any write-in votes.

~~[(88)]~~ (89) "Write-in vote" means a vote cast for a person whose name is not printed on the ballot according to the procedures established in this title.

Section 77. Section **20A-3-202** is amended to read:

**20A-3-202. Challenges -- Recorded in official register and in pollbook.**

(1) (a) When any person applies for a ballot or when a person offers a ballot for deposit in the ballot box, the person's right to vote in that voting precinct and in that election may be orally challenged by an election judge or any challenger orally stating the challenged voter's name and the basis for the challenge.

(b) A person may challenge another person's right to vote by alleging that:

(i) the voter is not the person whose name appears in the official register and under which name the right to vote is claimed;

(ii) the voter is not a resident of Utah;

(iii) the voter is not a citizen of the United States;

(iv) the voter has not or will not have resided in Utah for 30 days immediately before the date of the election;

(v) the voter does not live in the voting precinct;

(vi) the voter does not live within the geographic boundaries of the entity holding the election;

(vii) the voter's principal place of residence is not in the voting precinct;

(viii) the voter's principal place of residence is not in the geographic boundaries of the

election area;

(ix) the voter has voted before in the election;

(x) the voter is not at least 18 years old;

(xi) the voter is involuntarily confined or incarcerated in jail or prison and was not a resident of the entity holding the election before the voter was confined or incarcerated;

(xii) the voter is a convicted felon and is incarcerated for the commission of a felony; or

(xiii) in a regular primary election, the voter does not meet the political party affiliation criteria established by the political party whose ballot the voter seeks to vote.

(2) (a) The election judges shall give the voter a ballot and allow the voter to vote if:

(i) the person challenged signs a written affidavit certifying that he meets all the requirements for voting; and

(ii) the election judge determines that the person challenged is registered to vote and, in a regular primary election, meets the political party affiliation criteria established by the political party whose ballot the voter seeks to vote.

(b) The election judges may not give the voter a ballot or allow the voter to vote if:

(i) the person challenged refuses to sign the written affidavit; or

~~[(ii) the election judge determines that the person challenged is not registered to vote; or]~~

~~[(iii)]~~ (ii) in a regular primary election, the election judge determines that the person challenged does not meet the political party affiliation criteria established by the political party whose ballot the voter seeks to vote and is unwilling or unable to take the steps authorized by law to comply with those criteria.

(c) (i) It is unlawful for any person to sign an affidavit certifying that he meets all the requirements for voting when that person knows he does not meet at least one of those requirements.

(ii) Any person who violates this Subsection (2)(c) is guilty of a class B misdemeanor.

(3) (a) Any person may challenge the right to vote of any person whose name appears on the posting list by filing a written signed statement identifying the challenged voter's name and the basis for the challenge with the county clerk on the Friday before the election during regular

business hours.

(b) The person challenging a person's right to vote shall allege one or more of the grounds established in Subsection (1)(b) as the basis for the challenge.

(c) The county clerk shall:

(i) carefully preserve the written challenges;

(ii) write in the appropriate official register opposite the name of any person for whom the county clerk received a written challenge, the words "To be challenged"; and

(iii) transmit the written challenges to election judges of that voting precinct.

(d) On election day, the election judges shall raise the written challenge with the voter before giving the voter a ballot.

(e) If the person challenged takes an oath before any of the election judges that the grounds of the challenge are false, the judges shall allow the person to vote.

(f) If the person applying to vote does not meet the legal requirements to vote, or refuses to take the oath, the election judges may not deliver a ballot to him.

(4) The election judges shall record all challenges in the official register and on the challenge sheets in the pollbook.

(5) If the person challenged under Subsection (3) voted an absentee ballot, the county clerk shall submit the name of the voter and the challenge to the voter to the county attorney, or the district attorney in counties with a prosecution district, for investigation and prosecution for voter fraud.

Section 78. Section **20A-3-304.1** is amended to read:

**20A-3-304.1. Election officer to provide absentee ballot information and status.**

(1) As used in this section:

(a) "Absentee ballot record" means the information about the existence and status of absentee ballot requests required by this section.

(b) "Qualified absentee ballot application" means an absentee ballot application filed under Section 20A-3-304 from a voter who the [~~county clerk~~] election officer determines is eligible to receive an absentee ballot.

(2) (a) Each [~~county clerk~~] election officer shall maintain an absentee ballot record in the [~~county clerk's~~] election officer's office.

(b) The absentee ballot record is a public record under Title 63, Chapter 2, Government Records Access and Management Act.

(3) The [~~county clerk~~] election officer shall ensure that the absentee ballot record contains, for each voting precinct:

(a) the name and address of each person who has filed a qualified absentee ballot application;

(b) the date that the application was received; and

(c) the current status of each qualified absentee ballot application including specifically:

(i) the date that the absentee ballot was mailed to the voter; and

(ii) the date that the voted absentee ballot was received by the [~~county clerk~~] election officer.

(4) (a) Notwithstanding the time limits for response to a request for records under Section 63-2-204 or the time limits for a request for records established in any [~~county~~] ordinance, the [~~county clerk~~] election officer shall ensure that the information required by this section is recorded and made available to the public no later than one business day after its receipt in the [~~clerk's~~] election officer's office.

(b) Notwithstanding the fee requirements of Section 63-2-203 or the fee requirements established in any [~~county~~] ordinance, the [~~clerk~~] election officer shall make copies of the absentee ballot record available to the public for the actual cost of production or copying.

Section 79. Section **20A-4-202** is amended to read:

**20A-4-202. Election officers -- Disposition of ballots.**

(1) (a) Upon receipt of the election returns from an election judge, the election officer shall:

(i) ensure that the election judge has provided all of the ballots and election returns;

(ii) inspect the ballots and election returns to ensure that they are sealed; [~~and~~]

(iii) (A) for paper ballots, deposit and lock the ballots and election returns in a safe and

secure place; or

(B) for punch card ballots[;];

(I) count the ballots; and

(II) deposit and lock the ballots and election returns in a safe and secure place[;]; and

(iv) for bond elections, provide a copy of the election results to the board of canvassers of the local political subdivision that called the bond election.

(b) Inspecting poll watchers appointed as provided in Section 20A-3-201 may be present and observe the election officer's receipt, inspection, and deposit of the ballots and election returns.

(2) Each election officer shall:

(a) preserve ballots for 22 months after the election or until the time has expired during which the ballots could be used in an election contest;

(b) package and seal a true copy of the ballot label used in each voting precinct;

(c) preserve all other official election returns for at least 22 months after an election; and

(d) after that time, destroy them without opening or examining them.

(3) (a) The election officer shall package and retain all tabulating cards and other materials used in the programming of the automatic tabulating equipment[;].

(b) The election officer:

(i) may access these tabulating cards and other materials;

(ii) may make copies of these materials and make changes to the copies;

(iii) may not alter or make changes to the materials themselves; and

(iv) within 22 months after the election in which they were used, may dispose of those materials or retain them.

(4) (a) If an election contest is begun within 12 months, the election officer shall:

(i) keep the ballots and election returns unopened and unaltered until the contest is complete; or

(ii) surrender the ballots and election returns to the custody of the court having jurisdiction of the contest when ordered or subpoenaed to do so by that court.

(b) When all election contests arising from an election are complete, the election officer shall either:

(i) retain the ballots and election returns until the time for preserving them under this section has run; or

(ii) destroy the ballots and election returns remaining in his custody without opening or examining them if the time for preserving them under this section has run.

Section 80. Section **20A-4-301** is amended to read:

**20A-4-301. Board of canvassers.**

(1) (a) Each county legislative body is the board of county canvassers for:

(i) the county [~~and for~~]; and

(ii) each special district whose election is conducted by the county.

(b) (i) Except as provided in Subsection (1)(b)(ii), the board of county canvassers shall meet to canvass the returns at the usual place of meeting of the county legislative body, at a date and time determined by the county clerk that is no sooner than seven days after the election and no later than 14 days after the election.

(ii) When canvassing returns for the Western States Presidential Primary, the board of county canvassers shall meet to canvass the returns at the usual place of meeting of the county legislative body, at noon on the Thursday after the election.

(c) If one or more of the county legislative body fails to attend the meeting of the board of county canvassers, the remaining members shall replace the absent member by appointing in the order named:

(i) the county treasurer;

(ii) the county assessor; or

(iii) the county sheriff.

(d) The board of county canvassers shall always consist of three acting members.

(e) The county clerk is the clerk of the board of county canvassers.

(2) (a) The mayor and the municipal legislative body are the board of municipal canvassers for the municipality.

(b) The board of municipal canvassers shall meet to canvass the returns at the usual place of meeting of the municipal legislative body:

(i) for canvassing of returns from a municipal general election, no sooner than seven days after the election and no later than 14 days after the election; or

(ii) for canvassing of returns from a municipal primary election, no sooner than three days after the election and no later than seven days after the election.

(3) (a) [~~This part does not apply to bond elections.~~] The legislative body of the entity authorizing a bond election is the board of canvassers for each bond election.

(b) [~~Persons responsible for canvassing bond elections~~] The board of canvassers for the bond election shall comply with the canvassing procedures and requirements of [~~Title 11, Chapter 14, Utah Municipal Bond Act~~] Section 11-14-207.

Section 81. Section ~~20A-4-401~~ is amended to read:

**20A-4-401. Recounts -- Procedure.**

(1) (a) (i) For any regular primary, regular general, or municipal general election, or the Western States Presidential primary, when any candidate loses by not more than a total of one vote per voting precinct, the candidate may file a request for a recount within seven days after the canvass with:

(A) the municipal clerk, if the election is a municipal election;

(B) the special district clerk, if the election is a special district election;

(C) the county clerk, for races or ballot propositions voted on entirely within a single county; or

(D) the lieutenant governor, for statewide races and ballot propositions and for multicounty races and ballot propositions.

(ii) For any municipal primary election, when any candidate loses by not more than a total of one vote per voting precinct, the candidate may file a request for a recount with the appropriate election officer within three days after the canvass.

(b) The election officer shall:

(i) supervise the recount;

- (ii) recount all ballots cast for that office;
  - (iii) reexamine all unopened absentee ballots to ensure compliance with Chapter 3, Part 3, [~~Voting By Absent or Physically Disabled Voters~~] Absentee Voting; and
  - (iv) declare elected the person receiving the highest number of votes on the recount.
- (2) (a) Any ten voters who voted in an election when any ballot proposition or bond proposition was on the ballot may file a request for a recount with the appropriate election officer within seven days of the canvass.
- (b) The election officer shall:
    - (i) supervise the recount;
    - (ii) recount all ballots cast for that ballot proposition or bond proposition;
    - (iii) reexamine all unopened absentee ballots to ensure compliance with Chapter 3, Part 3, [~~Voting By Absent or Physically Disabled Voters~~] Absentee Voting; and
    - (iv) declare the ballot proposition or bond proposition to have "passed" or "failed" based upon the results of the recount.
  - (c) Proponents and opponents of the ballot proposition or bond proposition may designate representatives to witness the recount.
  - (d) The [~~person or entity~~] voters requesting the recount shall pay the costs of the recount.
- (3) Costs incurred by recount under Subsection (1) may not be assessed against the person requesting the recount.
- (4) (a) Upon completion of the recount, the election officer shall immediately convene the board of canvassers.
- (b) The board of canvassers shall:
    - (i) canvass the election returns for the race or [~~ballot~~] proposition that was the subject of the recount; and
    - (ii) with the assistance of the election officer, prepare and sign the report required by Section 20A-4-304 or Section 20A-4-306.
  - (c) If the recount is for a statewide or multicounty race or for a statewide [~~ballot~~] proposition, the board of county canvassers shall prepare and transmit a separate report to the

lieutenant governor as required by Subsection 20A-4-304(3).

(d) The canvassers' report prepared as provided in this Subsection (4) is the official result of the race or [ballot] proposition that is the subject of the recount.

Section 82. Section **20A-4-402** is amended to read:

**20A-4-402. Election contests -- Grounds.**

(1) The election or nomination of any person to any public office, and the declared result of the vote on any ballot proposition or bond proposition submitted to a vote of the people may be contested according to the procedures established in this part only:

(a) for malconduct, fraud, or corruption on the part of the judges of election at any polling place, or of any board of canvassers, or any judge or member of the board sufficient to change the result;

(b) when the person declared elected was not eligible for the office at the time of the election;

(c) when the person declared elected has:

(i) given or offered to any registered voter, judge, or canvasser of the election any bribe or reward in money, property, or anything of value for the purpose of influencing the election; or

(ii) committed any other offense against the elective franchise;

(d) when illegal votes have been received or legal votes have been rejected at the polls sufficient to change the result;

(e) for any error of any board of canvassers or judges of election in counting the votes or declaring the result of the election, if the error would change the result;

(f) when the election result would change because a sufficient number of ballots containing uncorrected errors or omissions have been received at the polls;

(g) when the candidate declared elected is ineligible to serve in the office to which the candidate was elected;

(h) when an election judge or clerk was a party to malconduct, fraud, or corruption sufficient to change the result of the election; and

(i) for any other cause that shows that another person was legally elected.

(2) Any irregularity or improper conduct by the election judges does not void an election unless the irregularity or improper conduct would result in the election of a person who did not receive the highest number of legal votes.

(3) When any election held for any office is contested because of any irregularity or improper conduct on the part of a judge of any voting precinct, a court, upon proof of the irregularity or improper conduct may not set aside the election unless the irregularity or improper conduct would change the result for that office.

Section 83. Section **20A-4-403** is amended to read:

**20A-4-403. Election contest -- Petition and response.**

(1) (a) In contesting the results of all elections, except for primary elections[;] and bond elections, a registered voter shall contest the right of any person declared elected to any office by filing a verified written complaint with the district court of the county in which he resides within 40 days after the canvass.

(b) The complaint shall include:

- (i) the name of the party contesting the election;
- (ii) a statement that the party is a registered voter in the jurisdiction in which the election was held;
- (iii) the name of the person whose right to the office is contested;
- (iv) the office to which that person was ostensibly elected;
- (v) one or more of the grounds for an election contest specified in Section 20A-4-402;
- (vi) the person who was purportedly elected to the office as respondent; and
- (vii) if the reception of illegal votes or the rejection of legal votes is alleged as a ground for the contest, the name and address of all persons who allegedly cast illegal votes or whose legal vote was rejected.

(c) When the reception of illegal votes or the rejection of legal votes is alleged as a cause of contest, it is sufficient to state generally that:

- (i) illegal votes were given in one or more specified voting precincts to a person whose election is contested, which, if taken from him, would reduce the number of his legal votes below

the number of legal votes given to some other person for the same office; or

(ii) that legal votes for another person were rejected, which, if counted, would raise the number of legal votes for that person above the number of legal votes cast for the person whose election is contested.

(d) (i) The court may not take or receive evidence of any of the votes described in Subsection (1)(c) unless the party contesting the election delivers to the opposite party, at least three days before the trial, a written list of the number of contested votes and by whom the contested votes were given or offered, which he intends to prove at trial.

(ii) The court may not take or receive any evidence of contested votes except those that are specified in that list.

(2) (a) In contesting the results of a primary election, when contesting the petition nominating an independent candidate, or when challenging any person, election officer, election official, board, or convention for failing to nominate a person, a registered voter shall contest the right of any person declared nominated to any office by filing a verified written complaint within ten days from the date of the primary election, filing of the petition, or date of the convention with:

(i) the district court of the county in which he resides if he is contesting a nomination made only by voters from that county; or

(ii) the Utah Supreme Court, if he is contesting a nomination made by voters in more than one county.

(b) The complaint shall include:

(i) the name of the party contesting the nomination;

(ii) a statement that the contesting party is a registered voter in the jurisdiction in which the election was held;

(iii) the name of the person whose right to nomination is contested or the name of the person who failed to have their name placed in nomination;

(iv) the office to which that person was nominated or should have been nominated;

(v) one or more of the grounds for an election contest specified in Subsection (1);

(vi) the person who was purportedly nominated to the office as respondent; and  
(vii) if the reception of illegal votes or the rejection of legal votes is alleged as a ground for the contest, the name and address of all persons who allegedly cast illegal votes or whose legal vote was rejected.

(c) When the reception of illegal votes or the rejection of legal votes is alleged as a cause of contest, it is sufficient to state generally that:

(i) illegal votes were given to a person whose election is contested, which, if taken from him, would reduce the number of his legal votes below the number of legal votes given to some other person for the same office; or

(ii) legal votes for another person were rejected, which, if counted, would raise the number of legal votes for that person above the number of legal votes cast for the person whose election is contested.

(d) (i) The court may not take or receive evidence of any the votes described in Subsection (2)(c), unless the party contesting the election delivers to the opposite party, at least three days before the trial, a written list of the number of contested votes and by whom the contested votes were given or offered, which he intends to prove at trial.

(ii) The court may not take or receive any evidence of contested votes except those that are specified in that list.

(3) (a) In contesting the results of a bond election, a registered voter shall contest the validity of the declared results by filing a verified written complaint with the district court of the county in which he resides within 40 days after the date of the official finding entered under Section 11-14-207.

(b) The complaint shall include:

(i) the name of the party contesting the election;

(ii) a statement that the party is a registered voter in the jurisdiction in which the election was held;

(iii) the bond proposition that is the subject of the contest;

(iv) one or more of the grounds for an election contest specified in Section 20A-4-402;

and

(v) if the reception of illegal votes or the rejection of legal votes is alleged as a ground for the contest, the name and address of all persons who allegedly cast illegal votes or whose legal vote was rejected.

(c) When the reception of illegal votes or the rejection of legal votes is alleged as a cause of contest, it is sufficient to state generally that:

(i) illegal votes were counted in one or more specified voting precincts which, if taken out of the count, would change the declared result of the vote on the proposition; or

(ii) legal votes were rejected in one or more specified voting precincts, which, if counted, would change the declared result of the vote on the proposition.

(d) (i) The court may not take or receive evidence of any of the votes described in Subsection (3)(c) unless the party contesting the election delivers to the opposite party, at least three days before the trial, a written list of the number of contested votes and by whom the contested votes were given or offered, which he intends to prove at trial.

(ii) The court may not take or receive any evidence of contested votes except those that are specified in that list.

~~[(3)]~~ (4) The court may not reject any statement of the grounds of contest or dismiss the proceedings because of lack of form, if the grounds of the contest are alleged with such certainty as will advise the defendant of the particular proceeding or cause for which the election is contested.

~~[(4)]~~ (5) (a) The petitioner shall serve a copy of the petition on the respondent.

(b) (i) If the petitioner cannot obtain personal service of the petition on the respondent, the petitioner may serve the respondent by leaving a copy of the petition with the clerk of the court with which the petition was filed.

(ii) The clerk shall make diligent inquiry and attempt to inform the respondent that he has five days to answer the complaint.

(c) The respondent shall answer the petition within five days after the service.

(d) If the reception of illegal votes or the rejection of legal votes is alleged as a ground

for the contest, the defendant shall set forth in the answer the name and address of all persons whom the defendant believes were properly or improperly admitted or denied the vote.

(e) If the answer contains a counterclaim, the petitioner shall file a reply within ten days after service of the counterclaim.

~~[(5)]~~ (6) (a) The provisions of this Subsection ~~[(5)]~~ (6) provide additional requirements that apply to municipal election contests that are in addition to the other requirements of this section governing election contest.

(b) Municipal election contests shall be filed, tried, and determined in the district court of the county in which the municipality is located.

(c) (i) As a condition precedent to filing a municipal election contest, the petitioner shall file a written affidavit of intention to contest the election with the clerk of the court within seven days after the votes are canvassed.

(ii) The affidavit shall include:

(A) the petitioner's name;

(B) the fact that the petitioner is a qualified voter of the municipality;

(C) the respondent's name;

(D) the elective office contested;

(E) the time of election; and

(F) the grounds for the contest.

(d) (i) Before the district court takes jurisdiction of a municipal election contest, the petitioner shall file a bond with the clerk of the court with the sureties required by the court.

(ii) The bond shall name the respondent as obligee and be conditioned for the payment of all costs incurred by the respondent if the respondent prevails.

Section 84. Section **20A-5-400.5** is amended to read:

**20A-5-400.5. Election officer for bond and leeway elections -- Billing.**

~~[(1) When a school district holds a voted leeway election or a bond election, and when a special district holds a bond election, the county clerk, municipal clerk, or both the county clerk and municipal clerk shall conduct and administer those elections as provided in this section.]~~

~~[(2)(a)]~~ (1) When a voted leeway or bond election is held on the regular general election date or regular primary election date, the county clerk shall serve as the election officer to conduct and administer that election.

~~[(b)]~~ (2) (a) When a voted leeway or bond election is held on the municipal general election date or ~~[municipal primary election date]~~ any other election date permitted for special elections under Section 20A-1-204, and the ~~[school district or special district]~~ local political subdivision calling the election is entirely within the boundaries of the unincorporated county, the county clerk shall serve as the election officer to conduct and administer that election subject to Subsection (3).

~~[(c)]~~ (b) When a voted leeway or bond election is held on the municipal general election date or ~~[municipal primary election date]~~ any other election date permitted for special elections under Section 20A-1-204, and the ~~[school district or special district]~~ local political subdivision calling the election is entirely within the boundaries of a municipality, the municipal clerk for that municipality shall, except as provided in Subsection (3), serve as the election officer to conduct and administer that election.

~~[(d)]~~ (c) When a voted leeway or bond election is held on the municipal general election date or ~~[municipal primary election date]~~ any other election date permitted for special elections under Section 20A-1-204, and the ~~[school district or special district]~~ local political subdivision calling the election extends beyond the boundaries of a single municipality:

(i) except as provided in Subsection (3), the municipal clerk shall serve as the election officer to conduct and administer the election for those portions of the ~~[school district or special district]~~ local political subdivision where the municipal general election or ~~[municipal primary]~~ other election is being held; and

(ii) except as provided in Subsection (3), the county clerk shall serve as the election officer to conduct and administer the election for the unincorporated county and for those portions of any municipality where no municipal general election or ~~[municipal primary]~~ other election is being held.

(3) When a voted leeway or bond election is held on a date when no other election, other

than another voted leeway or bond election, is being held in the entire area comprising the municipality calling the voted leeway or bond election:

(a) the clerk or chief executive officer of a special district or the business administrator or superintendent of the school district, as applicable, shall serve as the election officer to conduct and administer the bond election for those portions of the municipality in which no other election, other than another voted leeway or bond election, is being held, unless the special district or school district has designated the county clerk, municipal clerk, or both, to serve as the election officer; and

(b) the county clerk, municipal clerk, or both, as determined by the municipality holding the bond election, shall serve as the election officer to conduct and administer the bond election for those portions of the municipality in which another election, other than another voted leeway or bond election is being held.

~~[(3)]~~ (4) (a) In conducting elections under this section:

(i) the ~~[school district or special district]~~ local political subdivision shall provide and pay for election notices; and

(ii) the ~~[county clerk, the municipal clerk, or both]~~ election officer shall determine polling locations[;] and compile ~~[and]~~, prepare ~~[the ballots]~~, and count the ballots~~[-and canvass the vote]~~.

(b) The county clerk, the municipal clerk, or both shall:

(i) establish fees for conducting voted leeway and bond elections for ~~[school districts and special districts]~~ local political subdivisions; and

(ii) bill each ~~[school district and special district]~~ local political subdivision for the cost of conducting the voted leeway or bond election.

(5) An election officer administering and conducting a voted leeway or bond election is authorized to appoint or employ agents and professional services to assist in conducting and administering the voted leeway or bond election.

(6) The election officer in a voted leeway or bond election shall conduct its procedures under the direction of the local political subdivision calling the voted leeway or bond election.

Section 85. Section **20A-5-401** is amended to read:

**20A-5-401. Official register and posting book -- Preparation -- Contents.**

(1) (a) Before the registration days for each regular general, municipal general, regular primary, municipal primary, or Western States Presidential Primary election, each county clerk shall prepare an official register and posting list of voters for each voting precinct that will participate in the election.

(b) The county clerk shall ensure that the official register and posting list are bound or loose leaf books prepared for the alphabetical entry of names and ruled in columns of suitable dimensions to provide for the following entries:

- (i) registered voter's name;
- (ii) party affiliation;
- (iii) grounds for challenge;
- (iv) name of person challenging a voter;
- (v) ballot numbers, primary, November, special;
- (vi) date of birth;
- (vii) place of birth;
- (viii) place of current residence;
- (ix) street address;
- (x) zip code; and
- (xi) space for the voter to sign his name for each election.

(c) When preparing the official register and posting list for the Western States Presidential Primary, the county clerk shall include:

- (i) a column to record the name of the political party whose ballot the voter voted; and
- (ii) a column for the election judge to record changes in the voter's party affiliation.

(d) When preparing the official register and posting list for any regular general election, regular primary election, or election for federal office, the county clerk shall include:

- (i) a column that indicates if the voter is required to show identification before voting;
- (ii) a column for the election judge to record the provisional envelope ballot number for

voters who receive a provisional ballot; and

(iii) a space for the election judge to record the type of proof of identity and the type of proof of residence provided by voters who receive a provisional ballot.

(2) (a) (i) For regular and municipal elections, primary elections, regular municipal elections, special district elections, and bond elections, the county clerk shall make an official register and posting list only for voting precincts affected by the primary, municipal, special district, or bond election.

(ii) If a polling place to be used in a bond election serves both voters residing in the local political subdivision calling the bond election and voters residing outside of that local political subdivision, the official register shall designate whether each voter resides in or outside of the local political subdivision.

~~(iii)~~ (iii) Each county clerk, with the assistance of the clerk of each affected special district, shall provide a detailed map or an indication on the registration list or other means to enable an election judge to determine the voters entitled to vote at an election of special district officers.

(b) Municipalities shall pay the costs of making the official register and posting list for municipal elections.

Section 86. Section **20A-6-301** is amended to read:

**20A-6-301. Paper ballots -- Regular general election.**

(1) Each election officer shall ensure that:

(a) all ballots furnished for use at the regular general election contain no captions or other endorsements except as provided in this section;

(b) (i) the ballot contains a ballot stub at least one inch wide, placed across the top of the ballot, and divided from the rest of ballot by a perforated line;

(ii) the ballot number and the words "Judge's Initial \_\_\_\_" are printed on the stub; and

(iii) ballot stubs are numbered consecutively;

(c) immediately below the perforated ballot stub, the following endorsements are printed in 18-point bold type:

- (i) "Official Ballot for \_\_\_\_ County, Utah";
- (ii) the date of the election; and
- (iii) a facsimile of the signature of the county clerk and the words "county clerk";
- (d) each ticket is placed in a separate column on the ballot in the order determined by the election officer with the party emblem, followed by the party name, at the head of the column;
- (e) the party name or title is printed in capital letters not less than 1/4 of an inch high;
- (f) a circle 1/2 inch in diameter is printed immediately below the party name or title, and the top of the circle is placed not less than two inches below the perforated line;
- (g) unaffiliated candidates and candidates not affiliated with a registered political party are listed in one column, without a party circle, with the following instructions printed at the head of the column: "All candidates not affiliated with a political party are listed below. They are to be considered with all offices and candidates listed to the left. Only one vote is allowed for each office.";
- (h) the columns containing the lists of candidates, including the party name and device, are separated by heavy parallel lines;
- (i) the offices to be filled are plainly printed immediately above the names of the candidates for those offices;
- (j) the names of candidates are printed in capital letters, not less than 1/8 nor more than 1/4 of an inch high in heavy-faced type not smaller than ten-point, between lines or rules 3/8 of an inch apart;
- (k) a square with sides measuring not less than 1/4 of an inch in length is printed at the right of the name of each candidate;
- (l) for the offices of president and vice president and governor and lieutenant governor, one square with sides measuring not less than 1/4 of an inch in length is printed opposite a double bracket enclosing the right side of the names of the two candidates;
- (m) immediately to the right of the unaffiliated ticket on the ballot, the ballot contains a write-in column long enough to contain as many written names of candidates as there are persons to be elected with:

- (i) the offices to be filled printed above the blank spaces on the ticket; and
  - (ii) the words "Write-In Voting Column" printed at the head of the column without a 1/2 inch circle;
  - (n) when required, the ballot includes a nonpartisan ticket placed immediately to the right of the write-in ticket with the word "NONPARTISAN" in reverse type in an 18-point solid rule running vertically the full length of the nonpartisan ballot copy; and
  - (o) constitutional amendments or other questions submitted to the vote of the people, are printed on the ballot after the list of candidates.
- (2) Each election officer shall ensure that:
- (a) each person nominated by any political party or group of petitioners is placed on the ballot:
    - (i) under the party name and emblem, if any; or
    - (ii) under the title of the party or group as designated by them in their certificates of nomination or petition, or, if none is designated, then under some suitable title;
  - (b) the names of all unaffiliated candidates that qualify as required in Title 20A, Chapter 9, Part 5, Candidates not Affiliated with a Party, are placed on the ballot;
  - (c) the names of the candidates for president and vice president are used on the ballot instead of the names of the presidential electors; and
  - (d) the ballots contain no other names.
- (3) When the ballot contains a nonpartisan section, the election officer shall ensure that:
- (a) the designation of the office to be filled in the election and the number of candidates to be elected are printed in type not smaller than eight-point;
  - (b) the words designating the office are printed flush with the left-hand margin;
  - (c) the words, "Vote for one" or "Vote for two or more" extend to the extreme right of the column;
  - (d) the nonpartisan candidates are grouped according to the office for which they are candidates;
  - (e) the names in each group are placed in alphabetical order with the surnames last,

except for candidates for the State Board of Education and local school boards;

(f) the names of candidates for the State Board of Education are placed on the ballot as certified by the lieutenant governor under Section 20A-14-105;

(g) if candidates for membership on a local board of education were selected in a primary election, the name of the candidate who received the most votes in the primary election is listed first on the ballot;

(h) if candidates for membership on a local board of education were not selected in the primary election, the names of the candidates are listed on the ballot in the order determined by a lottery conducted by the county clerk; and

(i) each group is preceded by the designation of the office for which the candidates seek election, and the words, "Vote for one" or "Vote for two or more," according to the number to be elected.

(4) Each election officer shall ensure that:

(a) proposed amendments to the Utah Constitution are listed on the ballot under the heading "Constitutional Amendment Number \_\_\_" with the number of the constitutional amendment as assigned under Section 20A-7-103 placed in the blank;

(b) propositions submitted to the voters by the Utah Legislature are listed on the ballot under the heading "State Proposition Number \_\_\_" with the number of the state proposition as assigned under Section 20A-7-103 placed in the blank;

(c) propositions submitted to the voters by a county are listed on the ballot under the heading "County Proposition Number \_\_\_" with the number of the county proposition as assigned by the county legislative body placed in the blank;

(d) propositions submitted to the voters by a school district are listed on the ballot under the heading "School District Proposition Number \_\_\_" with the number of the school district proposition as assigned by the county legislative body placed in the blank;

(e) state initiatives that have qualified for the ballot are listed on the ballot under the heading "Citizen's State Initiative Number \_\_\_" with the number of the state initiative as assigned by Section 20A-7-209 placed in the blank;

(f) county initiatives that have qualified for the ballot are listed on the ballot under the heading "Citizen's County Initiative Number \_\_\_" with the number of the county initiative as assigned under Section 20A-7-508 placed in the blank;

(g) state referenda that have qualified for the ballot are listed on the ballot under the heading "Citizen's State Referendum Number \_\_\_" with the number of the state referendum as assigned under Sections 20A-7-209 and 20A-7-308 placed in the blank; ~~and~~

(h) county referenda that have qualified for the ballot are listed on the ballot under the heading "Citizen's County Referendum Number \_\_\_" with the number of the county referendum as assigned under Section 20A-7-608 placed in the blank~~[-]; and~~

(i) bond propositions that have qualified for the ballot are listed on the ballot under the title assigned to each bond proposition under Section 11-14-206.

Section 87. Section **20A-6-303** is amended to read:

**20A-6-303. Machine-counted ballots for regular general elections.**

(1) Each election officer shall ensure that:

(a) copy on the ballot labels are arranged in approximately the same order as paper ballots;

(b) the titles of offices and the names of candidates are printed in vertical columns or in a series of separate pages;

(c) if pages are used, the pages placed on the voting device are of sufficient number to include, after the list of candidates:

(i) the names of candidates for judicial offices and any other nonpartisan offices; and

(ii) any ballot propositions submitted to the voters for their approval or rejection;

(d) the ballot labels include a voting square or position where the voter may record a straight party ticket vote for all the candidates of one party by one mark or punch;

(e) the tickets are printed on the ballot label in the order determined by the county clerk;

(f) the office titles are printed above or at the side of the names of candidates so as to indicate clearly the candidates for each office and the number to be elected;

(g) the party designation of each candidate is printed to the right or below the candidate's

name; and

(h) (i) if possible, all candidates for one office are grouped in one column or upon one page;

(ii) if all candidates for one office cannot be listed in one column or grouped upon one page:

(A) the ballot label is clearly marked to indicate that the list of candidates is continued on the following column or page; and

(B) approximately the same number of names are printed in each column or on each page; and

(i) arrows are used to indicate the place to vote for each candidate and on each measure.

(2) Each election officer shall ensure that:

(a) proposed amendments to the Utah Constitution are listed on the ballot label under the heading "Constitutional Amendment Number \_\_\_" with the number of the constitutional amendment as assigned under Section 20A-7-103 placed in the blank;

(b) propositions submitted to the voters by the Utah Legislature are listed on the ballot label under the heading "State Proposition Number \_\_\_" with the number of the state proposition as assigned under Section 20A-7-103 placed in the blank;

(c) propositions submitted to the voters by a county are listed on the ballot label under the heading "County Proposition Number \_\_\_" with the number of the county proposition as assigned by the county legislative body placed in the blank;

(d) propositions submitted to the voters by a school district are listed on the ballot label under the heading "School District Proposition Number \_\_\_" with the number of the school district proposition as assigned by the county legislative body placed in the blank;

(e) state initiatives that have qualified for the ballot are listed on the ballot label under the heading "Citizen's State Initiative Number \_\_\_" with the number of the state initiative as assigned under Section 20A-7-209 placed in the blank;

(f) county initiatives that have qualified for the ballot are listed on the ballot label under the heading "Citizen's County Initiative Number \_\_\_" with the number of the county initiative as

assigned under Section 20A-7-508 placed in the blank;

(g) state referenda that have qualified for the ballot are listed on the ballot label under the heading "Citizen's State Referendum Number \_\_\_" with the number of the state referendum as assigned under Sections 20A-7-209 and 20A-7-308 placed in the blank; [~~and~~]

(h) county referenda that have qualified for the ballot are listed on the ballot label under the heading "Citizen's County Referendum Number \_\_\_" with the number of the county referendum as assigned under Section 20A-7-608 placed in the blank[~~-~~]; and

(i) bond propositions that have qualified for the ballot are listed on the ballot label under the title assigned to each bond proposition under Section 11-14-206.

Section 88. Section **20A-6-402** is amended to read:

**20A-6-402. Ballots for regular municipal elections.**

(1) Each election officer shall ensure, for paper ballots at municipal general elections, that:

(a) the names of the two candidates who received the highest number of votes for mayor in the municipal primary are placed upon the ballot;

(b) if no municipal primary election was held, the names of the candidates who filed declarations of candidacy for municipal offices are placed upon the ballot;

(c) for other offices:

(i) twice the number of candidates as there are positions to be filled are certified as eligible for election in the municipal general election from those candidates who received the greater number of votes in the primary election; and

(ii) the names of those candidates are placed upon the municipal general election ballot;

(d) propositions submitted to the voters by the municipality are listed on the ballot under the heading "City (or Town) Proposition Number \_\_\_" with the number of the proposition as assigned by the municipal legislative body placed in the blank;

(e) municipal initiatives that have qualified for the ballot are listed on the ballot under the heading "Citizen's City (or Town) Initiative Number \_\_\_" with the number of the municipal initiative as assigned by Section 20A-7-508 placed in the blank; [~~and~~]

(f) municipal referenda that have qualified for the ballot are listed on the ballot under the heading "Citizen's City (or Town) Referendum Number \_\_\_" with the number of the municipal referendum as assigned by Section 20A-7-608 placed in the blank[-]; and

(g) bond propositions that have qualified for the ballot are listed on the ballot under the title assigned to each bond proposition under Section 11-14-206.

(2) Each election officer shall ensure that:

(a) (i) the ballot contains a perforated ballot stub at least one inch wide, placed across the top of the ballot;

(ii) the ballot number and the words "Judge's Initial \_\_\_\_" are printed on the stub; and

(iii) ballot stubs are numbered consecutively;

(b) immediately below the perforated ballot stub, the following endorsements are printed in 18-point bold type:

(i) "Official Ballot for \_\_\_\_ (City or Town), Utah";

(ii) the date of the election; and

(iii) a facsimile of the signature of the election officer and the election officer's title in eight-point type; and

(c) immediately below the election officer's title, two one-point parallel horizontal rules separate endorsements from the rest of the ballot;

(d) immediately below the horizontal rules, an "Instructions to Voters" section is printed in ten-point bold type that states: "To vote for a candidate, place a cross (X) in the square following the name(s) of the person(s) you favor as the candidate(s) for each respective office." followed by two one-point parallel rules;

(e) after the rules, the designation of the office for which the candidates seek election is printed flush with the left-hand margin and the words: "Vote for one" or "Vote for two or more" are printed to extend to the extreme right of the column in ten-point bold type, followed by a hair-line rule;

(f) after the hair-line rule, the names of the candidates are printed in heavy face type between lines or rules 3/8 inch apart, alphabetically according to surnames with surnames last

and grouped according to the office that they seek;

(g) a square with sides not less than 1/4 inch long is printed to the right of the names of the candidates;

(h) following the name of the last candidate for each office, the ballot contains a write-in space for each elective office; and

(i) the candidate groups are separated from each other by one light and one heavy line or rule.

(3) When a municipality has chosen to nominate candidates by convention or committee, the election officer shall ensure that the party name is included with the candidate's name on the ballot.

Section 89. Section **31A-22-502** is amended to read:

**31A-22-502. Employee groups.**

(1) As used in this section:

(a) "Employees" includes:

(i) for one or more affiliated corporations, proprietorships, or partnerships under common control, their:

(A) officers;

(B) managers;

(C) retired employees; and

(D) individual proprietors or partners; and

(ii) for a trusteeship, if their duties are primarily connected with the trusteeship:

(A) trustees;

(B) employees of trustees; or

(C) both Subsection (1)(a)(ii)(A) and (B).

(b) "Employer" includes a Utah public agency.

(c) (i) "Utah public agency" means a public institution that:

(A) derives its authority from this state; and

(B) is not privately owned.

(ii) "Utah public agency" includes:

(A) a ~~[municipality]~~ local political subdivision as defined in ~~[Subsection 11-14-1(1)]~~

Section 11-14-102;

(B) the state;

(C) a department or agency of the state; and

(D) all public educational institutions.

(2) The lives of a group of individuals may be insured under a policy:

(a) issued as policyholder, to:

(i) an employer; or

(ii) the trustees of a fund established by an employer;

(b) insuring employees of the employer for the benefit of persons other than the employer; and

(c) subject to the requirements of Subsections (3) through (5).

(3) (a) All the employer's employees or all of any class of employees of the employer shall be eligible for insurance under the policy described in Subsection (2).

(b) A policy issued to insure the employees of a public body may include elected or appointed officials.

(4) A Utah public agency may pay or authorize the payment out of the Utah public agency's corporate revenue, the premiums required to maintain the group insurance in force.

(5) (a) The premiums for the policy described in Subsection (2) shall be paid by the policyholders:

(i) from the employer's funds;

(ii) funds contributed by the insured employees; or

(iii) both the funds described in Subsections (5)(a)(i) and (ii).

(b) Except as provided under Section 31A-22-512, a policy on which no part of the premium is contributed by the insured employees shall insure all eligible employees.

Section 90. Section **53A-2-105** is amended to read:

**53A-2-105. Transfer of school property -- Indebtedness on transferred property.**

(1) If a transfer of a portion of one school district to another school district is approved under Section 53A-2-104, the state superintendent and the superintendents and presidents of the boards of education of each of the affected school districts shall determine the basis for a transfer of all school property reasonably and fairly allocable to that portion being transferred.

(2) (a) Title to property transferred vests in the transferee board of education.

(b) The transfer of a school building that is in operation at the time of determination shall be made at the close of a fiscal year.

(c) The transfer of all other school property shall be made five days after approval of the transfer of territory under Section 53A-2-104.

(3) (a) The individuals referred to in Subsection (1) shall determine the portion of bonded indebtedness and other indebtedness of the transferor board for which the transferred property remains subject to the levy of taxes to pay a proportionate share of the outstanding indebtedness of the transferor board.

(b) This is done by:

(i) determining the amount of the outstanding bonded indebtedness and other indebtedness of the transferor board of education;

(ii) determining the total taxable value of the property of the transferor district and the taxable value of the property to be transferred; and

(iii) calculating the portion of the indebtedness of the transferor board for which the transferred portion retains liability.

(4) (a) The agreement reflecting these determinations takes effect upon being filed with the State Board of Education.

(b) The transferred property remains subject to the levy of taxes to pay a proportionate share of the outstanding indebtedness of the transferor school board.

(c) The transferee school board may assume the obligation to pay the proportionate share of the transferor school board's indebtedness that has been determined under Subsection (3) to be the obligation of the transferred portion by the approval of a resolution by a majority of the qualified electors of the transferee school district at an election called and held for that purpose

under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

(5) If the transferee school district assumes the obligation to pay this proportionate share of the transferor school board's indebtedness, the transferee school board shall levy a tax in the whole of the transferee district, including the transferred portion, sufficient to pay the assumed indebtedness, and shall turn over the proceeds of the tax to the business administrator of the transferor board.

(6) If the transferee school board does not assume this obligation, the transferee school board shall levy a tax on the transferred territory sufficient to pay the proportionate share of the indebtedness determined under this section, and shall turn over the proceeds of the tax to the business administrator of the transferor board.

(7) For the purposes of school districts affected by repealed laws governing the annexation of an unincorporated area of a school district by a city which included what was formerly known as a city school district, transitions of unincorporated areas and property from the transferor district to the transferee district in progress on the effective date of this act shall revert to the boundaries and ownership prior to the initiation of annexation and may then proceed under this section and Section 53A-2-104.

Section 91. Section **53A-18-101** is amended to read:

**53A-18-101. School district tax anticipation notes.**

(1) A local school board may borrow money in anticipation of the collection of taxes or other revenue of the school district so long as it complies with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

(2) The board may incur indebtedness under this section for any purpose for which district funds may be expended, but not in excess of the estimated district revenues for the current school year.

(3) Revenues include all revenues of the district from the state or any other source.

(4) The district may incur the indebtedness prior to imposing or collecting the taxes or receiving the revenues. The indebtedness bears interest at the lowest obtainable rate or rates.

Section 92. Section **53A-18-102** is amended to read:

**53A-18-102. Additional indebtedness -- Election.**

A local school board may require the qualified electors of the district to vote on a proposition as to whether to incur indebtedness, subject to conditions provided in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, under the following circumstances:

(1) if the debts of the district are equal to school taxes and other estimated revenues for the school year, and it is necessary to create and incur additional indebtedness in order to maintain and support schools within the district; or

(2) the local school board determines it advisable to issue school district bonds to purchase school sites, buildings, or furnishings or to improve existing school property.

Section 93. Section **53A-21-104** is amended to read:

**53A-21-104. School Building Revolving Account -- Access to the account.**

(1) There is created a nonlapsing "School Building Revolving Account" administered within the Uniform School Fund by the state superintendent of public instruction in accordance with rules adopted by the State Board of Education.

(2) Monies received by a school district from the School Building Revolving Account may not exceed the district's bonding limit minus its outstanding bonds.

(3) In order to receive monies from the account, a school district must do the following:

(a) levy a tax of at least .0024 for capital outlay and debt service;

(b) contract with the state superintendent of public instruction to repay the monies, with interest at a rate established by the state superintendent, within five years of their receipt, using future state building monies or local revenues or both;

(c) levy sufficient ad valorem taxes under Section [~~11-14-19~~] 11-14-310 to guarantee annual loan repayments, unless the state superintendent of public instruction alters the payment schedule to improve a hardship situation; and

(d) meet any other condition established by the State Board of Education pertinent to the loan.

(4) (a) The state superintendent shall establish a committee, including representatives

from state and local education entities, to:

- (i) review requests by school districts for loans under this section; and
- (ii) make recommendations regarding approval or disapproval of the loan applications to

the state superintendent.

(b) If the committee recommends approval of a loan application under Subsection (4)(a)(ii), the committee's recommendation shall include:

- (i) the recommended amount of the loan;
- (ii) the payback schedule; and
- (iii) the interest rate to be charged.

(5) (a) There is established within the School Building Revolving Account the Charter School Building Subaccount.

(b) The Charter School Building Subaccount shall consist of:

- (i) money appropriated to the subaccount by the Legislature;
- (ii) money received from the repayment of loans made from the subaccount; and
- (iii) interest earned on monies in the subaccount.

(c) The state superintendent of public instruction shall make loans to charter schools from the Charter School Building Subaccount to pay for the costs of constructing or renovating charter school buildings.

(6) (a) The state superintendent of public instruction shall establish a committee, which shall include individuals who have expertise or experience in finance, real estate, and charter school administration, one of whom shall be nominated by the governor to:

- (i) review requests by charter schools for loans under this section; and
- (ii) make recommendations regarding approval or disapproval of the loan applications to

the state superintendent.

(b) If the committee recommends approval of a loan application under Subsection (6)(a)(ii), the committee's recommendation shall include:

- (i) the recommended amount of the loan;
- (ii) the payback schedule; and

(iii) the interest rate to be charged.

Section 94. Section **53A-28-302** is amended to read:

**53A-28-302. State financial assistance intercept mechanism -- State treasurer duties -- Interest and penalty provisions.**

(1) (a) If one or more payments on bonds are made by the state treasurer as provided in Section 53A-28-301, the state treasurer shall:

(i) immediately intercept any payments from the Uniform School Fund or from any other source of operating monies provided by the state to the board that issued the bonds that would otherwise be paid to the board by the state; and

(ii) apply the intercepted payments to reimburse the state for payments made pursuant to the state's guaranty until all obligations of the board to the state arising from those payments, including interest and penalties, are paid in full.

(b) The state has no obligation to the board or to any person or entity to replace any monies intercepted under authority of Subsection (1)(a).

(2) The board that issued bonds for which the state has made all or part of a debt service payment shall:

(a) reimburse all monies drawn by the state treasurer on its behalf;

(b) pay interest to the state on all monies paid by the state from the date the monies were drawn to the date they are repaid at a rate not less than the average prime rate for national money center banks plus 1%; and

(c) pay all penalties required by this chapter.

(3) (a) The state treasurer shall establish the reimbursement interest rate after considering the circumstances of any prior draws by the board on the state, market interest and penalty rates, and the cost of funds, if any, that were required to be borrowed by the state to make payment on the bonds.

(b) The state treasurer may, after considering the circumstances giving rise to the failure of the board to make payment on its bonds in a timely manner, impose on the board a penalty of not more than 5% of the amount paid by the state pursuant to its guaranty for each instance in

which a payment by the state is made.

(4) (a) (i) If the state treasurer determines that amounts obtained under this section will not reimburse the state in full within one year from the state's payment of a board's scheduled debt service payment, the state treasurer shall pursue any legal action, including mandamus, against the board to compel it to:

(A) levy and provide property tax revenues to pay debt service on its bonds when due as required by Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act; and

(B) meet its repayment obligations to the state.

(ii) In pursuing its rights under this Subsection (4)(a), the state shall have the same substantive and procedural rights under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, as would a holder of the bonds of a board.

(b) The attorney general shall assist the state treasurer in these duties.

(c) The board shall pay the attorney's fees, expenses, and costs of the state treasurer and the attorney general.

(5) (a) Except as provided in Subsection (5)(c), any board whose operating funds were intercepted under this section may replace those funds from other board monies or from ad valorem property taxes, subject to the limitations provided in this Subsection (5).

(b) A board may use ad valorem property taxes or other monies to replace intercepted funds only if the ad valorem property taxes or other monies were derived from:

(i) taxes originally levied to make the payment but which were not timely received by the board;

(ii) taxes from a special levy made to make the missed payment or to replace the intercepted monies;

(iii) monies transferred from the capital outlay fund of the board or the undistributed reserve, if any, of the board; or

(iv) any other source of money on hand and legally available.

(c) Notwithstanding the provisions of Subsections (5)(a) and (b), a board may not replace operating funds intercepted by the state with monies collected and held to make payments on

bonds if that replacement would divert monies from the payment of future debt service on the bonds and increase the risk that the state's guaranty would be called upon a second time.

Section 95. Section **54-9-103** is amended to read:

**54-9-103. Public power entity authority regarding common facilities --  
Determination of needs -- Agreement requirements -- Ownership interest.**

(1) (a) Notwithstanding Title 11, Chapter 13, Interlocal Cooperation Act, and Subsection~~[11-14-1(1)]~~ 11-14-103(2)(k), and in addition to all other powers conferred on public power entities, a public power entity may:

(i) plan, finance, construct, acquire, operate, own, and maintain an undivided interest in common facilities;

(ii) participate in and enter into agreements with one or more public power entities or power utilities; and

(iii) enter into contracts and agreements as may be necessary or appropriate for the joint planning, financing, construction, operation, ownership, or maintenance of common facilities.

(b) (i) Before entering into an agreement providing for common facilities, the governing body of each public power entity shall determine the needs of the public power entity for electric power and energy based on engineering studies and reports.

(ii) In determining the future electric power and energy requirements of a public power entity, the governing body shall consider:

(A) the economies and efficiencies of scale to be achieved in constructing or acquiring common facilities for the generation and transmission of electric power and energy;

(B) the public power entity's need for reserve and peaking capacity, and to meet obligations under pooling and reserve sharing agreements reasonably related to the needs of the public power entity for power and energy;

(C) the estimated useful life of the common facilities;

(D) the estimated time necessary for the planning, financing, construction, and acquisition of the common facilities and the estimated timing of the need for an additional power supply; and

(E) the reliability and availability of existing or alternate power supply sources and the cost of those existing or alternate power supply sources.

(2) (a) Each agreement providing for common facilities shall:

(i) contain provisions not inconsistent with this chapter that the governing body of the public power entity determines to be in the interests of the public power entity, including:

(A) the purposes of the agreement;

(B) the duration of the agreement;

(C) the method of appointing or employing the personnel necessary in connection with the common facilities;

(D) the method of financing the common facilities, including the apportionment of costs of construction and operation;

(E) the ownership interests of the owners in the common facilities and other property used or useful in connection with the common facilities and the procedures for disposition of the common facilities and other property when the agreement expires or is terminated or when the common facilities are abandoned, decommissioned, or dismantled;

(F) any agreement of the parties prohibiting or restricting the alienation or partition of the undivided interests of an owner in the common facilities;

(G) the construction and repair of the common facilities, including, if the parties agree, a determination that a power utility or public power entity may construct or repair the common facilities as agent for all parties to the agreement;

(H) the administration, operation, and maintenance of the common facilities, including, if the parties agree, a determination that a power utility or public power entity may administer, operate, and maintain the common facilities as agent for all parties to the agreement;

(I) the creation of a committee of representatives of the parties to the agreement;

(J) if the parties agree, a provision that if any party defaults in the performance or discharge of its obligations with respect to the common facilities, the other parties may perform or assume, pro rata or otherwise, the obligations of the defaulting party and may, if the defaulting party fails to remedy the default, succeed to or require the disposition of the rights and interests

of the defaulting party in the common facilities;

(K) provisions for indemnification of construction, operation, and administration agents, for completion of construction, for handling emergencies, and for allocation of output of the common facilities among the parties to the agreement according to the ownership interests of the parties;

(L) methods for amending and terminating the agreement; and

(M) any other matter, not inconsistent with this chapter, determined by the parties to the agreement to be necessary and proper;

(ii) clearly disclose the ownership interest of each party;

(iii) provide for an equitable method of allocating operation, repair, and maintenance costs of the common facilities; and

(iv) be approved or ratified by resolution of the governing body of the public power entity.

(b) A provision under Subsection (2)(a)(i)(F) in an agreement providing for common facilities under this Subsection (2) is not subject to any law restricting covenants against alienation or partition.

(c) Each committee created under Subsection (2)(a)(i)(I) in an agreement providing for common facilities under this Subsection (2) shall have the powers, not inconsistent with this chapter, regarding the construction and operation of the common facilities that the agreement provides.

(d) (i) The ownership interest of a public power entity in the common facilities may not be less than the proportion of the funds or the value of property supplied by it for the acquisition, construction, and operation of the common facilities.

(ii) Each public power entity shall own and control the same proportion of the electrical output from the common facilities as its ownership interest in them.

(3) Notwithstanding any other provision of this chapter, an interlocal entity may not act in a manner inconsistent with any provision of the agreement under which it was created.

Section 96. Section **54-9-106** is amended to read:

**54-9-106. Funding -- Power sales contracts -- Revenue bonds -- Fee in lieu of ad valorem property taxes -- Bond issues -- Public purpose.**

(1) A public power entity participating in common facilities under this chapter may furnish money and provide property, both real and personal, and, in addition to any other authority now existing, may issue and sell, either at public or privately negotiated sale, general obligation bonds or revenue bonds, pledging either the revenues of its entire electric system or only its interest or share of the revenues derived from the common facilities in order to pay its respective share of the costs of the planning, financing, acquisition, construction, repair, and replacement of common facilities.

(2) (a) Capacity or output derived by a public power entity from its ownership share of common facilities not then required by the public power entity for its own use and for the use of its customers may be sold or exchanged for a consideration, for a period, and upon other terms and conditions as may be determined by the parties prior to the sale and as embodied in a power sales contract.

(b) Any revenues arising under a power sales contract under Subsection (2)(a) may be pledged by the public power entity to the payment of revenue bonds issued to pay its respective share of the costs of the common facilities.

(c) (i) As used in this Subsection (2)(c), "nonexempt purchaser" means a purchaser that is not exempt from property taxes under Utah Constitution Article XIII, Section 2.

(ii) (A) Each power sales contract between a public power entity and a nonexempt purchaser shall contain a provision requiring the nonexempt purchaser to pay an annual fee to the public power entity in lieu of ad valorem property taxes.

(B) The amount of the fee in lieu of ad valorem property taxes under Subsection (2)(c)(ii)(A) shall be based on the taxable value of the public power entity's percentage ownership of the common facilities used to produce the capacity or output that the public power entity sells to or exchanges with the nonexempt purchaser.

(iii) The public power entity shall pay over to the county treasurer each fee in lieu of ad valorem property taxes that it receives from a nonexempt purchaser for distribution in the same

manner as other ad valorem tax revenues.

(iv) This Subsection (2)(c) does not apply to a public power entity to the extent that its interest in common facilities is subject to or exempt from the fee in lieu of ad valorem property taxes under Section 11-13-302.

(3) A public power entity acquiring or owning an undivided interest in common facilities may contract with a county to pay, solely from the revenues derived from the interest of the public power entity in the common facilities, to the county or counties in which the common facilities are located, an annual fee in lieu of ad valorem property taxes based upon the taxable value of the percentage of the ownership share of the public power entity in the common facilities, which fee in lieu of ad valorem property taxes shall be paid over by the public power entity to the county treasurer of the county or counties in which the common facilities are located for distribution as per distribution of other ad valorem tax revenues.

(4) (a) Bonds issued by a city or town shall be issued under the applicable provisions of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, authorizing the issuance of bonds for the acquisition and construction of electric public utility properties by cities or towns.

(b) Bonds or other debt instruments issued by an interlocal entity shall be issued under Title 11, Chapter 13, Interlocal Cooperation Act, or other applicable law.

(5) All moneys paid or property supplied by a public power entity for the purpose of carrying out powers conferred by this chapter are declared to be for a public purpose.

Section 97. Section **59-7-601** is amended to read:

**59-7-601. Credit of interest income from state and federal securities.**

(1) There shall be allowed as a credit against the tax an amount equal to 1% of the gross interest income included in state taxable income from:

(a) bonds, notes, or other evidences of indebtedness issued by the state and its agencies and instrumentalities, and bonds, notes, or other evidences of indebtedness of any political subdivision as described in Section [~~11-14-14.5~~] 11-14-303; and

(b) stocks, notes, or obligations issued by, or guaranteed by the United States

Government, or any of its agencies and instrumentalities as defined under federal law.

(2) Amounts otherwise qualifying for the credit, but not allowable because the credit exceeds the tax, may be carried back three years or may be carried forward five years as a credit against the tax. Such carryover credits shall be applied against the tax before the application of the credits earned in the current year and on a first-earned first-used basis.

Section 98. Section **59-12-603** is amended to read:

**59-12-603. County tax -- Bases -- Rates -- Use of revenues -- Collection -- Adoption of ordinance required -- Administration -- Distribution -- Enactment or repeal of tax or tax rate change -- Effective date -- Notice requirements.**

(1) In addition to any other taxes, a county legislative body may, as provided in this part, impose a tax as follows:

(a) (i) a county legislative body of any county may impose a tax of not to exceed 3% on all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair or an insurance agreement;

(ii) beginning on or after January 1, 1999, a county legislative body of any county imposing a tax under Subsection (1)(a)(i) may, in addition to imposing the tax under Subsection (1)(a)(i), impose a tax of not to exceed 4% on all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made for the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to a repair or an insurance agreement;

(b) a county legislative body of any county may impose a tax of not to exceed 1% of all sales of prepared foods and beverages that are sold by restaurants; and

(c) a county legislative body of any county may impose a tax of not to exceed .5% on charges for the accommodations and services described in Subsection 59-12-103(1)(i).

(2) The revenue from the imposition of the taxes provided for in Subsections (1)(a) through (c) may be used for the purposes of financing tourism promotion, and the development, operation, and maintenance of tourist, recreation, cultural, and convention facilities as defined in

Section 59-12-602.

(3) The tax imposed under Subsection (1)(c) shall be in addition to the tax imposed under Part 3, Transient Room Tax, and may be imposed only by a county of the first class.

(4) A tax imposed under this part may be pledged as security for bonds, notes, or other evidences of indebtedness incurred by a county under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, to finance tourism, recreation, cultural, and convention facilities.

(5) (a) In order to impose the tax under Subsection (1), each county legislative body shall annually adopt an ordinance imposing the tax.

(b) The ordinance under Subsection (5)(a) shall include provisions substantially the same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on those items and sales described in Subsection (1).

(c) The name of the county as the taxing agency shall be substituted for that of the state where necessary, and an additional license is not required if one has been or is issued under Section 59-12-106.

(6) In order to maintain in effect its tax ordinance adopted under this part, each county legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1, Tax Collection, adopt amendments to its tax ordinance to conform with the applicable amendments to Part 1, Tax Collection.

(7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part shall be administered, collected, and enforced in accordance with:

(A) the same procedures used to administer, collect, and enforce the tax under:

(I) Part 1, Tax Collection; or

(II) Part 2, Local Sales and Use Tax Act; and

(B) Chapter 1, General Taxation Policies.

(ii) Notwithstanding Subsection (7)(a)(i), a tax under this part is not subject to:

(A) Sections 59-12-107.1 through 59-12-107.3;

(B) Subsections 59-12-205(2) through (9); or

(C) Sections 59-12-207.1 through 59-12-207.4.

(b) Except as provided in Subsection (7)(c):

(i) for a tax under this part other than the tax under Subsection (1)(a)(ii), the commission shall distribute the revenues to the county imposing the tax; and

(ii) for a tax under Subsection (1)(a)(ii), the commission shall distribute the revenues according to the distribution formula provided in Subsection (8).

(c) Notwithstanding Subsection (7)(b), the commission shall deduct from the distributions under Subsection (7)(b) an administrative charge for collecting the tax as provided in Section 59-12-206.

(8) The commission shall distribute the revenues generated by the tax under Subsection (1)(a)(ii) to each county collecting a tax under Subsection (1)(a)(ii) according to the following formula:

(a) the commission shall distribute 70% of the revenues based on the percentages generated by dividing the revenues collected by each county under Subsection (1)(a)(ii) by the total revenues collected by all counties under Subsection (1)(a)(ii); and

(b) the commission shall distribute 30% of the revenues based on the percentages generated by dividing the population of each county collecting a tax under Subsection (1)(a)(ii) by the total population of all counties collecting a tax under Subsection (1)(a)(ii).

(9) (a) For purposes of this Subsection (9):

(i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Annexation to County.

(ii) "Annexing area" means an area that is annexed into a county.

(b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or change shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (9)(b)(ii) from the county.

(ii) The notice described in Subsection (9)(b)(i)(B) shall state:

(A) that the county will enact or repeal a tax or change the rate of a tax under this part;

(B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

(C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and

(D) if the county enacts the tax or changes the rate of the tax described in Subsection (9)(b)(ii)(A), the rate of the tax.

(c) (i) Notwithstanding Subsection (9)(b)(i), for a transaction described in Subsection (9)(c)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax or the tax rate increase;

and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under Subsection (1).

(ii) Notwithstanding Subsection (9)(b)(i), for a transaction described in Subsection (9)(c)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax or the tax rate decrease;

and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (1).

(iii) Subsections (9)(c)(i) and (ii) apply to transactions subject to a tax under:

(A) Subsection 59-12-103(1)(e);

(B) Subsection 59-12-103(1)(i); or

(C) Subsection 59-12-103(1)(k).

(d) (i) Except as provided in Subsection (9)(e), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a tax under this part for an annexing area, the enactment, repeal, or change shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

(ii) The notice described in Subsection (9)(d)(i)(B) shall state:

(A) that the annexation described in Subsection (9)(d)(i) will result in an enactment, repeal, or change in the rate of a tax under this part for the annexing area;

(B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

(C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

(D) if the county enacts the tax or changes the rate of the tax described in Subsection (9)(d)(ii)(A), the rate of the tax.

(e) (i) Notwithstanding Subsection (9)(d)(i), for a transaction described in Subsection (9)(e)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax or the tax rate increase; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under Subsection (1).

(ii) Notwithstanding Subsection (9)(d)(i), for a transaction described in Subsection (9)(e)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax or the tax rate decrease; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (1).

(iii) Subsections (9)(e)(i) and (ii) apply to transactions subject to a tax under:

(A) Subsection 59-12-103(1)(e);

(B) Subsection 59-12-103(1)(i); or

(C) Subsection 59-12-103(1)(k).

Section 99. Section **59-12-703** is amended to read:

**59-12-703. Opinion question election -- Imposition of tax -- Uses of tax monies -- Enactment or repeal of tax -- Effective date -- Notice requirements.**

(1) (a) (i) Except as provided in Subsections (1)(a)(ii) and 59-12-207.1(7)(c), a county legislative body may submit an opinion question to the residents of that county, by majority vote of all members of the legislative body, so that each resident of the county, except residents in municipalities that have already imposed a sales and use tax under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, has an opportunity to express the resident's opinion on the imposition of a local sales and use tax of .1% on the transactions described in Subsection 59-12-103(1) located within the county, to fund recreational and zoological facilities, botanical, cultural, and zoological organizations, and rural radio stations, in that county.

(ii) Notwithstanding Subsection (1)(a)(i), a county legislative body may not impose a tax under this section on:

(A) the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104; and

(B) sales and uses within municipalities that have already imposed a sales and use tax under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or Facilities.

(b) For purposes of this Subsection (1), the location of a transaction shall be determined in accordance with Sections 59-12-207.1 through 59-12-207.4.

(c) The election shall follow the procedures outlined in Title 11, Chapter 14, [~~Utah~~ Municipal Bond] Local Government Bonding Act.

(2) (a) If the county legislative body determines that a majority of the county's registered voters voting on the imposition of the tax have voted in favor of the imposition of the tax as prescribed in Subsection (1)(a), the county legislative body may impose the tax by a majority vote of all members of the legislative body on the transactions:

(i) described in Subsection (1); and

(ii) within the county, including the cities and towns located in the county, except those

cities and towns that have already imposed a sales and use tax under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or Facilities.

(b) A county legislative body may revise county ordinances to reflect statutory changes to the distribution formula or eligible recipients of revenues generated from a tax imposed under Subsection (2)(a):

(i) after the county legislative body submits an opinion question to residents of the county in accordance with Subsection (1) giving them the opportunity to express their opinion on the proposed revisions to county ordinances; and

(ii) if the county legislative body determines that a majority of those voting on the opinion question have voted in favor of the revisions.

(3) The monies generated from any tax imposed under Subsection (2) shall be used for funding:

(a) recreational and zoological facilities located within the county or a city or town located in the county, except a city or town that has already imposed a sales and use tax under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; and

(b) ongoing operating expenses of:

(i) recreational facilities described in Subsection (3)(a);

(ii) botanical, cultural, and zoological organizations within the county; and

(iii) rural radio stations within the county.

(4) (a) A tax authorized under this part shall be:

(i) except as provided in Subsection (4)(b), administered, collected, and enforced in accordance with:

(A) the same procedures used to administer, collect, and enforce the tax under:

(I) Part 1, Tax Collection; or

(II) Part 2, Local Sales and Use Tax Act; and

(B) Chapter 1, General Taxation Policies; and

(ii) levied for a period of ten years and may be reauthorized at the end of the ten-year

period in accordance with this section.

(b) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to Subsections 59-12-205(2) through (9).

(5) (a) For purposes of this Subsection (5):

(i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Annexation to County.

(ii) "Annexing area" means an area that is annexed into a county.

(b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (5)(b)(ii) from the county.

(ii) The notice described in Subsection (5)(b)(i)(B) shall state:

(A) that the county will enact or repeal a tax under this part;

(B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);

(C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and

(D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the tax.

(c) (i) Notwithstanding Subsection (5)(b)(i), for a transaction described in Subsection (5)(c)(iii), the enactment of a tax shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax under this section.

(ii) Notwithstanding Subsection (5)(b)(i), for a transaction described in Subsection (5)(c)(iii), the repeal of a tax shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax imposed under this section.

(iii) Subsections (5)(c)(i) and (ii) apply to transactions subject to a tax under:

- (A) Subsection 59-12-103(1)(b);
- (B) Subsection 59-12-103(1)(c);
- (C) Subsection 59-12-103(1)(d);
- (D) Subsection 59-12-103(1)(e);
- (E) Subsection 59-12-103(1)(f);
- (F) Subsection 59-12-103(1)(g);
- (G) Subsection 59-12-103(1)(h);
- (H) Subsection 59-12-103(1)(i);
- (I) Subsection 59-12-103(1)(j); or
- (J) Subsection 59-12-103(1)(k).

(d) (i) Notwithstanding Subsection (5)(b)(i), if a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (5)(b)(i) takes effect:

- (A) on the first day of a calendar quarter; and
- (B) beginning 60 days after the effective date of the enactment or repeal under Subsection (5)(b)(i).

(ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

(e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this part for an annexing area, the enactment or repeal shall take effect:

- (A) on the first day of a calendar quarter; and
- (B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.

(ii) The notice described in Subsection (5)(e)(i)(B) shall state:

- (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or repeal of a tax under this part for the annexing area;
- (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

(C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

(D) the rate of the tax described in Subsection (5)(e)(ii)(A).

(f) (i) Notwithstanding Subsection (5)(e)(i), for a transaction described in Subsection (5)(f)(iii), the enactment of a tax shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax under this section.

(ii) Notwithstanding Subsection (5)(e)(i), for a transaction described in Subsection (5)(f)(iii), the repeal of a tax shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax imposed under this section.

(iii) Subsections (5)(f)(i) and (ii) apply to transactions subject to a tax under:

(A) Subsection 59-12-103(1)(b);

(B) Subsection 59-12-103(1)(c);

(C) Subsection 59-12-103(1)(d);

(D) Subsection 59-12-103(1)(e);

(E) Subsection 59-12-103(1)(f);

(F) Subsection 59-12-103(1)(g);

(G) Subsection 59-12-103(1)(h);

(H) Subsection 59-12-103(1)(i);

(I) Subsection 59-12-103(1)(j); or

(J) Subsection 59-12-103(1)(k).

(g) (i) Notwithstanding Subsection (5)(e)(i), if a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (5)(e)(i) takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment or repeal under

Subsection (5)(e)(i).

(ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

Section 100. Section **59-12-802** is amended to read:

**59-12-802. Imposition of rural county health care facilities tax -- Base -- Rate -- Administration, collection, and enforcement of tax.**

(1) (a) A county legislative body may impose a sales and use tax of up to 1%:

(i) except as provided in Subsections (1)(b) and 59-12-207.1(7)(c), on the transactions described in Subsection 59-12-103(1) located within the county; and

(ii) to fund rural county health care facilities in that county.

(b) Notwithstanding Subsection (1)(a)(i), a county legislative body may not impose a tax under this section on:

(i) the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104; or

(ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in a city that imposes a tax under Section 59-12-804.

(c) For purposes of this Subsection (1), the location of a transaction shall be determined in accordance with Sections 59-12-207.1 through 59-12-207.4.

(2) (a) Before imposing a tax under Subsection (1)(a), a county legislative body shall obtain approval to impose the tax from a majority of the:

(i) members of the county's legislative body; and

(ii) county's registered voters voting on the imposition of the tax.

(b) The county legislative body shall conduct the election according to the procedures and requirements of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

(3) The monies generated by a tax imposed under Subsection (1) may only be used for the financing of:

(a) ongoing operating expenses of a rural county health care facility;

(b) the acquisition of land for a rural county health care facility; or  
(c) the design, construction, equipping, or furnishing of a rural county health care facility.

(4) (a) A tax under this section shall be:

(i) except as provided in Subsection (4)(b), administered, collected, and enforced in accordance with:

(A) the same procedures used to administer, collect, and enforce the tax under:

(I) Part 1, Tax Collection; or

(II) Part 2, Local Sales and Use Tax Act; and

(B) Chapter 1, General Taxation Policies; and

(ii) levied for a period of ten years and may be reauthorized at the end of the ten-year period by the county legislative body as provided in Subsection (1).

(b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to Subsections 59-12-205(2) through (9).

(5) The commission may retain an amount not to exceed 1-1/2% of the tax collected under this section for the cost of administering this tax.

Section 101. Section **59-12-804** is amended to read:

**59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration, collection, and enforcement of tax.**

(1) (a) A city legislative body may impose a sales and use tax of up to 1%:

(i) except as provided in Subsections (1)(b) and 59-12-207.1(7)(c), on the transactions described in Subsection 59-12-103(1) located within the city; and

(ii) to fund rural city hospitals in that city.

(b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax under this section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104.

(c) For purposes of this Subsection (1), the location of a transaction shall be determined in accordance with Sections 59-12-207.1 through 59-12-207.4.

(2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall obtain approval to impose the tax from a majority of the:

- (i) members of the city legislative body; and
- (ii) city's registered voters voting on the imposition of the tax.

(b) The city legislative body shall conduct the election according to the procedures and requirements of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

(3) The monies generated by a tax imposed under Subsection (1) may only be used for the financing of:

- (a) ongoing operating expenses of a rural city hospital;
- (b) the acquisition of land for a rural city hospital; or
- (c) the design, construction, equipping, or furnishing of a rural city hospital.

(4) (a) A tax under this section shall be:

(i) except as provided in Subsection (4)(b), administered, collected, and enforced in accordance with:

(A) the same procedures used to administer, collect, and enforce the tax under:

- (I) Part 1, Tax Collection; or
- (II) Part 2, Local Sales and Use Tax Act; and
- (B) Chapter 1, General Taxation Policies; and

(ii) levied for a period of ten years and may be reauthorized at the end of the ten-year period by the city legislative body as provided in Subsection (1).

(b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to Subsections 59-12-205(2) through (9).

(5) The commission may retain an amount not to exceed 1-1/2% of the tax collected under this section for the cost of administering the tax.

Section 102. Section **59-12-1402** is amended to read:

**59-12-1402. Opinion question election -- Imposition of tax -- Uses of tax monies -- Enactment or repeal of tax -- Effective date -- Notice requirements.**

(1) (a) (i) Except as provided in Subsections (1)(a)(ii) and 59-12-207.1(7)(c), and subject

to Subsection (6), beginning on January 1, 2003, a city or town legislative body subject to this part may submit an opinion question to the residents of that city or town, by majority vote of all members of the legislative body, so that each resident of the city or town has an opportunity to express the resident's opinion on the imposition of a local sales and use tax of .1% on the transactions described in Subsection 59-12-103(1) located within the city or town, to fund recreational and zoological facilities and botanical, cultural, and zoological organizations in that city or town.

(ii) Notwithstanding Subsection (1)(a)(i), a city or town legislative body may not impose a tax under this section:

(A) if the county in which the city or town is located imposes a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

(B) on the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104.

(b) For purposes of this Subsection (1), the location of a transaction shall be determined in accordance with Sections 59-12-207.1 through 59-12-207.4.

(c) The election shall be held at a regular general election or a municipal general election, as those terms are defined in Section 20A-1-102, and shall follow the procedures outlined in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, except as provided in Subsection (6).

(2) If the city or town legislative body determines that a majority of the city's or town's registered voters voting on the imposition of the tax have voted in favor of the imposition of the tax as prescribed in Subsection (1)(a), the city or town legislative body may impose the tax by a majority vote of all members of the legislative body.

(3) The monies generated from any tax imposed under Subsection (2) shall be used for financing:

(a) recreational and zoological facilities within the city or town or within the geographic area of entities that are parties to an interlocal agreement, to which the city or town is a party,

providing for recreational or zoological facilities; and

(b) ongoing operating expenses of botanical, cultural, and zoological organizations within the city or town or within the geographic area of entities that are parties to an interlocal agreement, to which the city or town is a party, providing for the support of botanical, cultural, or zoological organizations.

(4) (a) A tax authorized under this part shall be:

(i) except as provided in Subsection (4)(b), administered, collected, and enforced in accordance with:

(A) the same procedures used to administer, collect, and enforce the tax under:

(I) Part 1, Tax Collection; or

(II) Part 2, Local Sales and Use Tax Act; and

(B) Chapter 1, General Taxation Policies; and

(ii) (A) levied for a period of eight years; and

(B) may be reauthorized at the end of the eight-year period in accordance with this section.

(b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to Subsections 59-12-205(2) through (9).

(5) (a) For purposes of this Subsection (5):

(i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part 4, Annexation.

(ii) "Annexing area" means an area that is annexed into a city or town.

(b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (5)(b)(ii) from the city or town.

(ii) The notice described in Subsection (5)(b)(i)(B) shall state:

(A) that the city or town will enact or repeal a tax under this part;

- (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
- (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
- (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the

tax.

(c) (i) Notwithstanding Subsection (5)(b)(i), for a transaction described in Subsection (5)(c)(iii), the enactment of a tax shall take effect on the first day of the first billing period:

- (A) that begins after the effective date of the enactment of the tax; and
- (B) if the billing period for the transaction begins before the effective date of the

enactment of the tax under this section.

(ii) Notwithstanding Subsection (5)(b)(i), for a transaction described in Subsection (5)(c)(iii), the repeal of a tax shall take effect on the first day of the last billing period:

- (A) that began before the effective date of the repeal of the tax; and
- (B) if the billing period for the transaction begins before the effective date of the repeal

of the tax imposed under this section.

(iii) Subsections (5)(c)(i) and (ii) apply to transactions subject to a tax under:

- (A) Subsection 59-12-103(1)(b);
- (B) Subsection 59-12-103(1)(c);
- (C) Subsection 59-12-103(1)(d);
- (D) Subsection 59-12-103(1)(e);
- (E) Subsection 59-12-103(1)(f);
- (F) Subsection 59-12-103(1)(g);
- (G) Subsection 59-12-103(1)(h);
- (H) Subsection 59-12-103(1)(i);
- (I) Subsection 59-12-103(1)(j); or
- (J) Subsection 59-12-103(1)(k).

(d) (i) Notwithstanding Subsection (5)(b)(i), if a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (5)(b)(i) takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment or repeal under Subsection (5)(b)(i).

(ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

(e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this part for an annexing area, the enactment or repeal shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.

(ii) The notice described in Subsection (5)(e)(i)(B) shall state:

(A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or repeal a tax under this part for the annexing area;

(B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

(C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

(D) the rate of the tax described in Subsection (5)(e)(ii)(A).

(f) (i) Notwithstanding Subsection (5)(e)(i), for a transaction described in Subsection (5)(f)(iii), the enactment of a tax shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax under this section.

(ii) Notwithstanding Subsection (5)(e)(i), for a transaction described in Subsection (5)(f)(iii), the repeal of a tax shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax imposed under this section.

(iii) Subsections (5)(f)(i) and (ii) apply to transactions subject to a tax under:

- (A) Subsection 59-12-103(1)(b);
- (B) Subsection 59-12-103(1)(c);
- (C) Subsection 59-12-103(1)(d);
- (D) Subsection 59-12-103(1)(e);
- (E) Subsection 59-12-103(1)(f);
- (F) Subsection 59-12-103(1)(g);
- (G) Subsection 59-12-103(1)(h);
- (H) Subsection 59-12-103(1)(i);
- (I) Subsection 59-12-103(1)(j); or
- (J) Subsection 59-12-103(1)(k).

(g) (i) Notwithstanding Subsection (5)(e)(i), if a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (5)(e)(i) takes effect:

- (A) on the first day of a calendar quarter; and
- (B) beginning 60 days after the effective date of the enactment or repeal under Subsection (5)(e)(i).

(ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

(6) (a) Before a city or town legislative body submits an opinion question to the residents of the city or town under Subsection (1)(a)(i), the city or town legislative body shall:

(i) submit to the county legislative body in which the city or town is located a written notice of the intent to submit the opinion question to the residents of the city or town; and

(ii) receive from the county legislative body:

(A) a written resolution passed by the county legislative body stating that the county legislative body is not seeking to impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

(B) a written statement that in accordance with Subsection (6)(b) the results of a county opinion question submitted to the residents of the county under Part 7, County Option Funding

for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city or town legislative body to submit the opinion question to the residents of the city or town in accordance with this part.

(b) (i) Within 60 days after the day the county legislative body receives from a city or town legislative body described in Subsection (6)(a) the notice of the intent to submit an opinion question to the residents of the city or town, the county legislative body shall provide the city or town legislative body:

(A) the written resolution described in Subsection (6)(a)(ii)(A); or

(B) written notice that the county legislative body will submit an opinion question to the residents of the county under Part 7, County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under that part.

(ii) If the county legislative body provides the city or town legislative body the written notice that the county legislative body will submit an opinion question as provided in Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no later than, from the date the county legislative body sends the written notice, the later of:

(A) a 12-month period;

(B) the next regular primary election; or

(C) the next regular general election.

(iii) Within 30 days of the date of the canvass of the election at which the opinion question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the city or town legislative body described in Subsection (6)(a) written results of the opinion question submitted by the county legislative body under Part 7, County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

(A) (I) the city or town legislative body may not impose a tax under this part because a majority of the county's registered voters voted in favor of the county imposing the tax and the county legislative body by a majority vote approved the imposition of the tax; or

(II) for at least 12 months from the date the written results are submitted to the city or

town legislative body, the city or town legislative body may not submit to the county legislative body a written notice of the intent to submit an opinion question under this part because a majority of the county's registered voters voted against the county imposing the tax and the majority of the registered voters who are residents of the city or town described in Subsection (6)(a) voted against the imposition of the county tax; or

(B) the city or town legislative body may submit the opinion question to the residents of the city or town in accordance with this part because although a majority of the county's registered voters voted against the county imposing the tax, the majority of the registered voters who are residents of the city or town voted for the imposition of the county tax.

(c) Notwithstanding Subsection (6)(b), at any time a county legislative body may provide a city or town legislative body described in Subsection (6)(a) a written resolution passed by the county legislative body stating that the county legislative body is not seeking to impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, which permits the city or town legislative body to submit under Subsection (1)(a)(i) an opinion question to the city's or town's residents.

Section 103. Section **59-12-1503** is amended to read:

**59-12-1503. Opinion question election -- Imposition of tax -- Use of tax revenues -- Administration, collection, and enforcement of tax by commission -- Administrative fee -- Enactment or repeal of tax -- Annexation -- Notice.**

(1) (a) Beginning on or after April 1, 2004, and subject to the other provisions of this part, the county legislative body of a qualifying county may impose a sales and use tax of .25%:

(i) except as provided in Subsections (1)(b) and 59-12-207.1(7)(c), on the transactions:

(A) described in Subsection 59-12-103(1); and

(B) within the county, including the cities and towns within the county;

(ii) for the purposes determined by the county legislative body in accordance with Subsection (2); and

(iii) in addition to any other sales and use tax authorized under this chapter.

(b) Notwithstanding Subsection (1)(a)(i), a county legislative body may not impose a tax

under this section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104.

(c) For purposes of this Subsection (1), the location of a transaction shall be determined in accordance with Sections 59-12-207.1 through 59-12-207.4.

(2) (a) Subject to Subsection (2)(b), before obtaining the approval required by Subsection (3), a county legislative body shall adopt a resolution specifying the percentage of revenues the county will receive from the tax under this part that will be allocated to fund one or more of the following:

(i) a project or service relating to a fixed guideway system:

(A) for the portion of the project or service that is performed within the county; and

(B) if the fixed guideway system is owned and operated by a public transit district organized under Title 17A, Chapter 2, Part 10, Utah Public Transit District Act;

(ii) a project or service relating to a system for public transit:

(A) for the portion of the project or service that is performed within the county; and

(B) if the system for public transit is owned and operated by a public transit district organized under Title 17A, Chapter 2, Part 10, Utah Public Transit District Act; or

(iii) the following relating to a state highway within the county:

(A) a project beginning on or after the day on which a county legislative body imposes a tax under this part only within the county involving:

(I) new construction;

(II) a renovation;

(III) an improvement; or

(IV) an environmental study;

(B) debt service on a project described in Subsections (2)(a)(iii)(A)(I) through (IV); or

(C) bond issuance costs relating to a project described in Subsections (2)(a)(iii)(A)(I) through (IV).

(b) (i) A county legislative body shall in the resolution required by Subsection (2)(a) allocate as required by Subsection (2)(a) 100% of the revenues the county will receive from the

tax under this part.

(ii) For purposes of this Subsection (2)(b), the revenues a county will receive from the tax under this part do not include amounts retained by the commission in accordance with Subsection (8).

(3) (a) Before imposing a tax under this part, a county legislative body shall:

(i) obtain approval from a majority of the members of the county legislative body to:

(A) impose the tax; and

(B) allocate the revenues the county will receive from the tax in accordance with the resolution adopted in accordance with Subsection (2); and

(ii) subject to Subsection (3)(b), submit an opinion question to the county's registered voters voting on the imposition of the tax so that each registered voter has the opportunity to express the registered voter's opinion on whether a tax should be imposed under this part.

(b) The opinion question required by Subsection (3)(a)(ii) shall state the allocations specified in the resolution:

(i) adopted in accordance with Subsection (2); and

(ii) approved by the county legislative body in accordance with Subsection (3)(a).

(c) The election required by this Subsection (3) shall be held:

(i) (A) at a regular general election; and

(B) in accordance with the procedures and requirements of Title 20A, Election Code, governing regular general elections; or

(ii) (A) at a special election called by the county legislative body;

(B) only on the date of a municipal general election provided in Subsection 20A-1-202(1); and

(C) in accordance with the procedures and requirements of Section 20A-1-203.

(4) (a) Subject to Subsection (8), if a county legislative body determines that a majority of the county's registered voters voting on the imposition of the tax have voted in favor of the imposition of the tax in accordance with Subsection (3), the county legislative body may impose the tax by a majority vote of all of the members of the county legislative body.

(b) If a county legislative body imposes a tax under Subsection (4)(a), the revenues generated by the tax shall be:

(i) allocated in accordance with the allocations specified in the resolution under Subsection (2); and

(ii) expended as provided in this part.

(5) If a county legislative body allocates revenues generated by the tax for a project described in Subsection (2)(a)(iii)(A), before beginning the project the county legislative body shall:

(a) obtain approval from the Transportation Commission to complete the project; and

(b) enter into an interlocal agreement:

(i) established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act;

(ii) with the Department of Transportation; and

(iii) to complete the project.

(6) (a) If after a county legislative body imposes a tax under Subsection (4) the county legislative body seeks to change the allocation of the tax specified in the resolution under Subsection (2), the county legislative body may change the allocation of the tax by:

(i) adopting a resolution in accordance with Subsection (2) specifying the percentage of revenues the county will receive from the tax under this part that will be allocated to fund one or more of the systems or projects described in Subsection (2);

(ii) obtaining approval to change the allocation of the tax from a majority of the members of the county legislative body; and

(iii) (A) submitting an opinion question to the county's registered voters voting on changing the allocation of the tax so that each registered voter has the opportunity to express the registered voter's opinion on whether the allocation of the tax should be changed; and

(B) obtaining approval to change the allocation of the tax from a majority of the county's registered voters voting on changing the allocation of the tax.

(b) (i) The opinion question required by Subsection (6)(a)(iii) shall state the allocations specified in the resolution:

- (A) adopted in accordance with Subsection (6)(a)(i); and
- (B) approved by the county legislative body in accordance with Subsection (6)(a)(ii).
- (ii) The election required by Subsection (6)(a)(iii) shall follow the procedures and

requirements of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

(7) (a) (i) Except as provided in Subsection (7)(a)(ii), revenues generated by a tax under this part that are allocated for a purpose described in Subsection (2)(a)(i) or (ii) shall be transmitted:

- (A) by the commission;
- (B) to the county;
- (C) monthly; and
- (D) by electronic funds transfer.

(ii) Notwithstanding Subsection (7)(a)(i), a county may request that the commission transfer the revenues described in Subsection (7)(a)(i):

(A) directly to a public transit district:

- (I) organized under Title 17A, Chapter 2, Part 10, Utah Public Transit District Act; and
- (II) designated by the county; and

(B) by providing written notice to the commission:

(I) requesting the revenues to be transferred directly to a public transit district as provided in Subsection (7)(a)(ii)(A); and

(II) designating the public transit district to which the revenues are requested to be transferred.

(b) Revenues generated by a tax under this part that are allocated for a purpose described in Subsection (2)(a)(iii) shall be:

(i) deposited into the State Highway Projects Within Counties Fund created by Section 72-2-121.1; and

(ii) expended as provided in Section 72-2-121.1.

(8) (a) (i) Except as provided in Subsection (8)(a)(ii), the tax authorized under this part shall be administered, collected, and enforced in accordance with:

(A) the same procedures used to administer, collect, and enforce the tax under:

- (I) Part 1, Tax Collection; or
  - (II) Part 2, Local Sales and Use Tax Act; and
- (B) Chapter 1, General Taxation Policies.

(ii) Notwithstanding Subsection (8)(a)(i), a tax under this part is not subject to Subsections 59-12-205(2) through (9).

(b) (i) The commission may retain an amount of tax collected under this part of not to exceed the lesser of:

- (A) 1.5%; or
  - (B) an amount equal to the cost to the commission of administering this part.
- (ii) Any amount the commission retains under Subsection (8)(b)(i) shall be:

- (A) placed in the Sales and Use Tax Administrative Fees Account; and
- (B) used as provided in Subsection 59-12-206(2).

(9) (a) (i) Except as provided in Subsection (9)(b) or (c), if, on or after July 1, 2004, a county enacts or repeals a tax under this part, the enactment or repeal shall take effect:

- (A) on the first day of a calendar quarter; and
- (B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (9)(a)(ii) from the county.

(ii) The notice described in Subsection (9)(a)(i)(B) shall state:

- (A) that the county will enact or repeal a tax under this part;
- (B) the statutory authority for the tax described in Subsection (9)(a)(ii)(A);
- (C) the effective date of the tax described in Subsection (9)(a)(ii)(A); and
- (D) if the county enacts the tax described in Subsection (9)(a)(ii)(A), the rate of the tax.

(b) (i) Notwithstanding Subsection (9)(a)(i), for a transaction described in Subsection (9)(b)(iii), the enactment of a tax shall take effect on the first day of the first billing period:

- (A) that begins after the effective date of the enactment of the tax; and
- (B) if the billing period for the transaction begins before the effective date of the

enactment of the tax under Subsection (1).

(ii) Notwithstanding Subsection (9)(a)(i), for a transaction described in Subsection (9)(b)(iii), the repeal of a tax shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax imposed under Subsection (1).

(iii) Subsections (9)(b)(i) and (ii) apply to transactions subject to a tax under:

(A) Subsection 59-12-103(1)(b);

(B) Subsection 59-12-103(1)(c);

(C) Subsection 59-12-103(1)(d);

(D) Subsection 59-12-103(1)(e);

(E) Subsection 59-12-103(1)(f);

(F) Subsection 59-12-103(1)(g);

(G) Subsection 59-12-103(1)(h);

(H) Subsection 59-12-103(1)(i);

(I) Subsection 59-12-103(1)(j); or

(J) Subsection 59-12-103(1)(k).

(c) (i) Notwithstanding Subsection (9)(a)(i), if a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (9)(a)(i) takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment or repeal under Subsection (9)(a)(i).

(ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

(d) (i) Except as provided in Subsection (9)(e) or (f), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this part for an annexing area, the enactment or repeal shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

(ii) The notice described in Subsection (9)(d)(i)(B) shall state:

(A) that the annexation described in Subsection (9)(d)(i)(B) will result in an enactment or repeal of a tax under this part for the annexing area;

(B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

(C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

(D) the rate of the tax described in Subsection (9)(d)(ii)(A).

(e) (i) Notwithstanding Subsection (9)(d)(i), for a transaction described in Subsection (9)(e)(iii), the enactment of a tax shall take effect on the first day of the first billing period:

(A) that begins after the effective date of the enactment of the tax; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax under Subsection (1).

(ii) Notwithstanding Subsection (9)(d)(i), for a transaction described in Subsection (9)(e)(iii), the repeal of a tax shall take effect on the first day of the last billing period:

(A) that began before the effective date of the repeal of the tax; and

(B) if the billing period for the transaction begins before the effective date of the repeal of the tax imposed under Subsection (1).

(iii) Subsections (9)(e)(i) and (ii) apply to transactions subject to a tax under:

(A) Subsection 59-12-103(1)(b);

(B) Subsection 59-12-103(1)(c);

(C) Subsection 59-12-103(1)(d);

(D) Subsection 59-12-103(1)(e);

(E) Subsection 59-12-103(1)(f);

(F) Subsection 59-12-103(1)(g);

(G) Subsection 59-12-103(1)(h);

(H) Subsection 59-12-103(1)(i);

(I) Subsection 59-12-103(1)(j); or

(J) Subsection 59-12-103(1)(k).

(f) (i) Notwithstanding Subsection (9)(d)(i), if a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (9)(d)(i) takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment or repeal under Subsection (9)(d)(i).

(ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

Section 104. Section **63B-2-116** is amended to read:

**63B-2-116. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection [~~H-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 105. Section **63B-2-216** is amended to read:

**63B-2-216. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 106. Section **63B-3-116** is amended to read:

**63B-3-116. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 107. Section **63B-3-216** is amended to read:

**63B-3-216. Publication of resolution or notice -- Limitation on actions to contest**

**legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 108. Section **63B-4-116** is amended to read:

**63B-4-116. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 109. Section **63B-5-116** is amended to read:

**63B-5-116. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 110. Section **63B-6-116** is amended to read:

**63B-6-116. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the

bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 111. Section **63B-6-216** is amended to read:

**63B-6-216. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 112. Section **63B-6-416** is amended to read:

**63B-6-416. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 113. Section **63B-7-116** is amended to read:

**63B-7-116. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 114. Section **63B-7-216** is amended to read:

**63B-7-216. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

- (i) the legality of the resolution;
- (ii) any of the bonds authorized under it; or
- (iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 115. Section **63B-7-416** is amended to read:

**63B-7-416. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

- (i) the legality of the resolution;
- (ii) any of the bonds authorized under it; or
- (iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 116. Section **63B-8-116** is amended to read:

**63B-8-116. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,

titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

- (i) the legality of the resolution;
- (ii) any of the bonds authorized under it; or
- (iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 117. Section **63B-8-216** is amended to read:

**63B-8-216. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

- (i) the legality of the resolution;
- (ii) any of the bonds authorized under it; or
- (iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 118. Section **63B-8-416** is amended to read:

**63B-8-416. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having

general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 119. Section **63B-9-216** is amended to read:

**63B-9-216. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 120. Section **63B-10-116** is amended to read:

**63B-10-116. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 121. Section **63B-11-116** is amended to read:

**63B-11-116. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 122. Section **63B-11-216** is amended to read:

**63B-11-216. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 123. Section **63B-11-316** is amended to read:

**63B-11-316. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the

bonds for any cause.

Section 124. Section **63B-11-516** is amended to read:

**63B-11-516. Publication of resolution or notice -- Limitation on actions to contest legality.**

(1) The commission may:

(a) publish any resolution it adopts under this chapter once in a newspaper having general circulation in Utah; or

(b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued, titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

(2) (a) Any interested person, for 30 days after the date of publication, may contest:

(i) the legality of the resolution;

(ii) any of the bonds authorized under it; or

(iii) any of the provisions made for the security and repayment of the bonds.

(b) After 30 days, a person may not contest the legality of the resolution, any of the bonds authorized under it, or any of the provisions made for the security and repayment of the bonds for any cause.

Section 125. Section **72-2-108** is amended to read:

**72-2-108. Apportionment of funds available for use on class B and class C roads -- Bonds.**

(1) For purposes of this section:

(a) "Graveled road" means a road:

(i) that is:

(A) graded; and

(B) drained by transverse drainage systems to prevent serious impairment of the road by surface water;

(ii) that has an improved surface; and

(iii) that has a wearing surface made of:

(A) gravel;

- (B) broken stone;
- (C) slag;
- (D) iron ore;
- (E) shale; or
- (F) other material that is:
  - (I) similar to a material described in Subsection (1)(a)(iii)(A) through (E); and
  - (II) coarser than sand.

(b) "Paved road" includes a graveled road with a chip seal surface.

(c) "Road mile" means a one-mile length of road, regardless of:

- (i) the width of the road; or
  - (ii) the number of lanes into which the road is divided.
- (d) "Weighted mileage" means the sum of the following:
- (i) paved road miles multiplied by five;
  - (ii) graveled road miles multiplied by two; and
  - (iii) all other road type road miles multiplied by one.

(2) Subject to the provisions of Subsections (3) through (5), funds in the class B and class C roads account shall be apportioned among counties and municipalities in the following manner:

(a) 50% in the ratio that the class B roads weighted mileage within each county and class C roads weighted mileage within each municipality bear to the total class B and class C roads weighted mileage within the state; and

(b) 50% in the ratio that the population of a county or municipality bears to the total population of the state as of the last official federal census or the United States Bureau of Census estimate, whichever is most recent, except that if population estimates are not available from the United States Bureau of Census, population figures shall be derived from the estimate from the Utah Population Estimates Committee.

(3) For purposes of Subsection (2)(b), "the population of a county" means:

- (a) the population of a county outside the corporate limits of municipalities in that

county, if the population of the county outside the corporate limits of municipalities in that county is not less than 14% of the total population of that county, including municipalities; and

(b) if the population of a county outside the corporate limits of municipalities in the county is less than 14% of the total population:

(i) the aggregate percentage of the population apportioned to municipalities in that county shall be reduced by an amount equal to the difference between:

(A) 14%; and

(B) the actual percentage of population outside the corporate limits of municipalities in that county; and

(ii) the population apportioned to the county shall be 14% of the total population of that county, including incorporated municipalities.

(4) (a) If an apportionment under Subsection (2) to a county or municipality is less than 110% of the amount apportioned to the county or municipality from the class B and class C roads account for fiscal year 1996-97, the department shall:

(i) reapportion the funds under Subsection (2) to ensure that the county or municipality receives an amount equal to 110% of the amount apportioned to the county or municipality from the class B and class C roads account for fiscal year 1996-97; and

(ii) decrease proportionately as provided in Subsection (4)(b) the apportionments to counties and municipalities for which the reapportionment under Subsection (4)(a)(i) does not apply.

(b) The aggregate amount of the funds that the department shall decrease proportionately from the apportionments under Subsection (4)(a)(ii) is an amount equal to the aggregate amount reapportioned to counties and municipalities under Subsection (4)(a)(i).

(5) (a) (i) In addition to the apportionment adjustments made under Subsection (4), a county or municipality that qualifies for reapportioned monies under Subsection (4)(a)(i) shall receive 1/3 of the percentage increase in the class B and C road account for the current fiscal year over the previous fiscal year.

(ii) Any percentage increase calculated under Subsection (5)(a)(i) may not include any

increases from increases in fees or tax rates.

(b) The adjustment under Subsection (5)(a) shall be made in the same way as provided in Subsection (4)(a)(ii) and (b).

(6) The governing body of any municipality or county may issue bonds redeemable up to a period of ten years under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, to pay the costs of constructing, repairing, and maintaining class B or class C roads and may pledge class B or class C road funds received pursuant to this section to pay principal, interest, premiums, and reserves for the bonds.

Section 126. Section **72-2-204** is amended to read:

**72-2-204. Loan program procedures -- Repayment.**

(1) A public entity may obtain an infrastructure loan from the department, upon approval by the commission, by entering into a loan contract with the department secured by legally issued bonds, notes, or other evidence of indebtedness validly issued under state law, including pledging all or any portion of a revenue source to the repayment of the loan.

(2) The public entity shall repay the infrastructure loan in accordance with the loan contract from any of the following sources:

- (a) transportation project revenues, including special assessment revenues;
- (b) general funds of the public entity;
- (c) monies withheld under Subsection (5); or
- (d) any other legally available revenues.

(3) An infrastructure loan contract with a public entity may provide that a portion of the proceeds of the loan may be applied to fund a reserve fund to secure the repayment of the loan.

(4) Before obtaining an infrastructure loan, a county or municipality shall:

(a) publish its intention to obtain an infrastructure loan at least once in accordance with the publication of notice requirements under Section [~~11-14-21~~] 11-14-316; and

(b) adopt an ordinance or resolution authorizing the infrastructure loan.

(5) (a) If a public entity fails to comply with the terms of its infrastructure loan contract, the department may seek any legal or equitable remedy to obtain compliance or payment of

damages.

(b) If a public entity fails to make infrastructure loan payments when due, the state shall, at the request of the department, withhold an amount of monies due to the public entity and deposit the withheld monies in the fund to pay the amounts due under the contract.

(c) The department may elect when to request the withholding of monies under this Subsection (5).

(6) All loan contracts, bonds, notes, or other evidence of indebtedness securing the loan contracts shall be held, collected, and accounted for in accordance with Section 63-65-4.

Section 127. Section **73-10d-4** is amended to read:

**73-10d-4. Notice of intention to enter privatization project -- Petition for election -- Election procedures -- Powers of political subdivision -- Public bidding laws not to apply.**

(1) The governing authority of any political subdivision considering entering into a privatization project agreement shall issue a notice of intention setting forth a brief summary of the agreement provisions and the time within which and place at which petitions may be filed requesting the calling of an election in the political subdivision to determine whether the agreement should be approved. The notice of intention shall specify the form of the petitions. If, within 30 days after the publication of the notice of intention, petitions are filed with the clerk, recorder, or similar officer of the political subdivision, signed by at least 5% of the qualified electors of the political subdivision (as certified by the county clerks of the respective counties within which the political subdivision is located) requesting an election be held to authorize the agreement, then the governing authority shall proceed to call and hold an election. If an adequate petition is not filed within 30 days, the governing authority may adopt a resolution so finding and may proceed to enter into the agreement.

(2) If, under Subsection (1), the governing authority of a political subdivision is required to call an election to authorize an agreement, the governing authority shall adopt a resolution directing that an election be held in the political subdivision for the purpose of determining whether the political subdivision may enter into the agreement. The resolution calling the election shall be adopted, notice of the election shall be given, voting precincts shall be

established, the election shall be held, voters' qualifications shall be determined, and the results shall be canvassed in the manner and subject to the conditions provided for in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

(3) A political subdivision may, upon approval of an agreement as provided by Subsections (1) and (2) and subject to the powers and rules of the supervising agency:

(a) supervise and regulate the construction, maintenance, ownership, and operation of all privatization projects within its jurisdiction or in which it has a contractual interest;

(b) contract, by entry into agreements with private owner/operators for the provision within its jurisdiction of the services of privatization projects;

(c) levy and collect taxes, as otherwise provided by law, and impose and collect assessments, fees, or charges for services provided by privatization projects, as appropriate, and, subject to any limitation imposed by the constitution, pledge, assign, or otherwise convey as security for the payment of its obligations under any agreements any revenues and receipts derived from any assessments, fees, or charges for services provided by privatization projects;

(d) require the private owner/operator to obtain any and all licenses as appropriate under federal, state, and local law and impose other requirements which are necessary or desirable to discharge the responsibility of the political subdivision to supervise and regulate the construction, maintenance, ownership, and operation of any privatization project;

(e) control the right to contract, maintain, own, and operate any privatization project and the services provided in connection with that project within its jurisdiction;

(f) purchase, lease, or otherwise acquire all or any part of a privatization project;

(g) with respect to the services of any privatization project, control the right to establish or regulate the rates paid by the users of the services within the jurisdiction of the political subdivision;

(h) agree that the sole and exclusive right to provide the services within its jurisdiction related to privatization projects be assumed by any private owner/operator;

(i) contract for the lease or purchase of land, facilities, equipment, and vehicles for the operation of privatization projects;

(j) lease, sell, or otherwise convey, as permitted by state and local law, but without any requirement of competitive public bidding, land, facilities, equipment, and vehicles, previously used in connection with privatization projects, to private owner/operators; and

(k) establish policies for the operation of any privatization project within its jurisdiction or with respect to which it has a contractual interest, including hours of operation, the character and kinds of services, and other rules necessary for the safety of operating personnel.

(4) Any political subdivision may enter into agreements with respect to privatization projects. Agreements may contain provisions relating to, without limitation, any matter provided for in this section or consistent with the purposes of this chapter.

(5) Any agreement entered into between a political subdivision and a private owner/operator for the provision of the services of a privatization project is considered an exercise of that political subdivision's business or proprietary power binding upon its succeeding governing authorities. Any agreement made by a political subdivision with a private owner/operator for payment for services provided or to be provided may not be construed to be an indebtedness or a lending of credit of the political subdivision within the meaning of any constitutional or statutory restriction.

(6) The provisions of the various laws of the state and the rules or ordinances of a political subdivision which would otherwise require public bidding in respect to any matter provided for in this chapter shall have no application to that matter.

Section 128. Section **73-10d-7** is amended to read:

**73-10d-7. Agreements by political subdivisions for privatization projects -- Joint interests.**

(1) Any one or more political subdivisions, or the United States or any of its agencies, may enter into long-term agreements with any person for joint or cooperative action related to the acquisition, construction, maintenance, ownership, operation, and improvement of privatization projects in accordance with the terms, conditions, and consideration provided in any long-term agreements. Any payments made by a political subdivision under a long-term agreement for joint or cooperative action may not be construed to be an indebtedness of or a lending of the

credit of the political subdivision within the meaning of any constitutional or statutory restriction, and, except as required by this chapter and the constitution, no election is necessary for the authorization of any long-term agreement for joint or cooperative action.

(2) Any one or more political subdivisions may construct, purchase, or otherwise acquire joint interests in any privatization project or any part of a privatization project, for common use with any private entity or other political subdivision, or may sell or lease to any other political subdivision or person a partial interest in a privatization project. Political subdivisions may finance their joint interests in privatization projects in the manner provided for and subject to Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, if otherwise eligible thereunder to finance capital improvement.

**Section 129. Repealer.**

This bill repeals:

**Section 11-14-1, Municipality defined -- Bond issues authorized -- Purposes -- Use of bond proceeds -- Costs allowed.**

**Section 11-14-8, Election officials -- Filling vacancies.**

**Section 11-14-9, Election officials -- Oaths -- Powers and duties -- Expenses of determining qualified voters.**

**Section 11-14-12, Contest of election and legality of bonds -- Procedure.**