

1                                   **BOND ELECTION PROCESS AMENDMENTS**

2   2005 GENERAL SESSION

3   STATE OF UTAH

4                                   **Sponsor: Fred R. Hunsaker**

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**LONG TITLE**

6 **General Description:**

7                   This bill modifies provisions related to bond elections.

8 **Highlighted Provisions:**

9                   This bill:

- 10                   ▶ changes the dates by which a legislative body must approve bond election  
11 resolutions and bond proposition language to be used at the election in order to meet  
12 ballot preparation and mailing requirements;
- 13                   ▶ implements provisional ballot procedures for challenged ballots in bond elections;
- 14                   ▶ provides that bond elections comply with the general voter registration and voting  
15 procedures contained in the Election Code;
- 16                   ▶ modifies election administration and canvassing procedures for bond elections to  
17 provide consistency with general election procedures;
- 18                   ▶ provides that county clerks, municipal clerks, clerks or chief executive officers of  
19 special districts, and business administrators or superintendents of school districts  
20 may act as election officers to conduct and administer bond elections, and to  
21 supervise and administer certain bond and voted leeway elections;
- 22                   ▶ permits an election officer to appoint or employ agents to assist with the conducting  
23 and administration of bond elections;
- 24                   ▶ provides that election officers in bond elections shall conduct their procedures at the  
25 direction of the municipality calling the election;
- 26                   ▶ clarifies procedures for challenging bond elections and for publishing requirements  
27



- 28 for notice of bond elections by newspaper;
- 29       ▶ removes procedures for mailing of notice of bond elections by postcard;
- 30       ▶ modifies the Election Code to provide consistent procedures for recounts of bond
- 31 election results and challenges to bond elections; and
- 32       ▶ changes the name of the "Utah Municipal Bond Act" to "Local Government
- 33 Bonding Act" to provide consistency in the definition of words commonly used in
- 34 the Utah code;
- 35       ▶ renumbers Title 14, Chapter 11, "Local Government Bonding Act"; and
- 36       ▶ makes technical changes.

37 **Monies Appropriated in this Bill:**

38       None

39 **Other Special Clauses:**

40       None

41 **Utah Code Sections Affected:**

42 AMENDS:

- 43       **9-3-409**, as enacted by Chapter 309, Laws of Utah 1993
- 44       **10-7-8**, as last amended by Chapter 9, Laws of Utah 2001
- 45       **10-7-15**, as last amended by Chapter 90, Laws of Utah 2002
- 46       **10-18-302**, as last amended by Chapter 270, Laws of Utah 2004
- 47       **11-8-2**, as last amended by Chapter 112, Laws of Utah 1991
- 48       **11-13-205**, as renumbered and amended by Chapter 286, Laws of Utah 2002
- 49       **11-13-219**, as renumbered and amended by Chapter 286, Laws of Utah 2002
- 50       **11-17-3**, as last amended by Chapter 131, Laws of Utah 2003
- 51       **11-25-5**, as last amended by Chapter 133, Laws of Utah 2001
- 52       **11-27-3**, as last amended by Chapters 142 and 198, Laws of Utah 1987
- 53       **15-7-12**, as last amended by Chapter 9, Laws of Utah 2001
- 54       **17-12-1**, as last amended by Chapter 133, Laws of Utah 2000
- 55       **17-24-1**, as last amended by Chapter 241, Laws of Utah 2001
- 56       **17-36-54**, as renumbered and amended by Chapter 133, Laws of Utah 2000
- 57       **17-50-303**, as last amended by Chapter 96, Laws of Utah 2001
- 58       **17A-2-306**, as last amended by Chapter 9, Laws of Utah 2001

- 59           **17A-2-307**, as last amended by Chapter 9, Laws of Utah 2001  
60           **17A-2-309**, as last amended by Chapter 9, Laws of Utah 2001  
61           **17A-2-423**, as last amended by Chapter 9, Laws of Utah 2001  
62           **17A-2-428**, as renumbered and amended by Chapter 186, Laws of Utah 1990  
63           **17A-2-543**, as last amended by Chapter 9, Laws of Utah 2001  
64           **17A-2-622**, as last amended by Chapter 90, Laws of Utah 2001  
65           **17A-2-712**, as last amended by Chapter 285, Laws of Utah 2002  
66           **17A-2-821**, as last amended by Chapter 254, Laws of Utah 2000  
67           **17A-2-824**, as last amended by Chapters 1 and 254, Laws of Utah 2000  
68           **17A-2-826**, as last amended by Chapter 9, Laws of Utah 2001  
69           **17A-2-1037**, as last amended by Chapter 9, Laws of Utah 2001  
70           **17A-2-1058**, as last amended by Chapter 9, Laws of Utah 2001  
71           **17A-2-1312**, as last amended by Chapter 9, Laws of Utah 2001  
72           **17A-2-1315**, as last amended by Chapter 5, Laws of Utah 1991  
73           **17A-2-1316**, as last amended by Chapter 9, Laws of Utah 2001  
74           **17A-2-1322**, as last amended by Chapters 9 and 195, Laws of Utah 2001  
75           **17A-2-1414**, as last amended by Chapter 9, Laws of Utah 2001  
76           **17A-2-1439**, as last amended by Chapter 9, Laws of Utah 2001  
77           **17A-2-1440**, as last amended by Chapter 254, Laws of Utah 2000  
78           **17A-2-1823**, as enacted by Chapter 216, Laws of Utah 1995  
79           **17A-2-1825**, as enacted by Chapter 216, Laws of Utah 1995  
80           **17B-2-608**, as enacted by Chapter 284, Laws of Utah 2002  
81           **17B-4-1204**, as enacted by Chapter 133, Laws of Utah 2001  
82           **19-6-503**, as renumbered and amended by Chapter 112, Laws of Utah 1991  
83           **19-6-505**, as last amended by Chapter 9, Laws of Utah 2001  
84           **20A-1-102**, as last amended by Chapters 117 and 127, Laws of Utah 2003  
85           **20A-3-202**, as last amended by Chapter 328, Laws of Utah 2000  
86           **20A-3-304.1**, as enacted by Chapter 195, Laws of Utah 2004  
87           **20A-4-202**, as last amended by Chapter 228, Laws of Utah 1993  
88           **20A-4-301**, as last amended by Chapter 11, Laws of Utah 2002, Fifth Special Session  
89           **20A-4-401**, as last amended by Chapter 133, Laws of Utah 2002

90           **20A-4-402**, as enacted by Chapter 1, Laws of Utah 1993  
91           **20A-4-403**, as enacted by Chapter 1, Laws of Utah 1993  
92           **20A-5-400.5**, as enacted by Chapter 344, Laws of Utah 1998  
93           **20A-5-401**, as last amended by Chapter 116, Laws of Utah 2003  
94           **20A-6-301**, as last amended by Chapter 57, Laws of Utah 2001  
95           **20A-6-303**, as last amended by Chapter 57, Laws of Utah 2001  
96           **20A-6-402**, as last amended by Chapter 57, Laws of Utah 2001  
97           **31A-22-502**, as last amended by Chapter 71, Laws of Utah 2002  
98           **53A-2-105**, as last amended by Chapter 294, Laws of Utah 1998  
99           **53A-18-101**, as last amended by Chapter 9, Laws of Utah 2001  
100          **53A-18-102**, as last amended by Chapter 9, Laws of Utah 2001  
101          **53A-21-104**, as last amended by Chapter 199, Laws of Utah 2003  
102          **53A-28-302**, as last amended by Chapter 9, Laws of Utah 2001  
103          **54-9-103**, as renumbered and amended by Chapter 286, Laws of Utah 2002  
104          **54-9-106**, as renumbered and amended by Chapter 286, Laws of Utah 2002  
105          **59-7-601**, as enacted by Chapter 169, Laws of Utah 1993  
106          **59-12-603**, as last amended by Chapters 156 and 255, Laws of Utah 2004  
107          **59-12-703**, as last amended by Chapters 255 and 317, Laws of Utah 2004  
108          **59-12-802**, as last amended by Chapter 255, Laws of Utah 2004  
109          **59-12-804**, as last amended by Chapter 255, Laws of Utah 2004  
110          **59-12-1402**, as last amended by Chapters 255 and 317, Laws of Utah 2004  
111          **59-12-1503**, as last amended by Chapters 90 and 255, Laws of Utah 2004  
112          **63B-2-116**, as enacted by Chapter 304, Laws of Utah 1993  
113          **63B-2-216**, as enacted by Chapter 304, Laws of Utah 1993  
114          **63B-3-116**, as enacted by Chapter 300, Laws of Utah 1994  
115          **63B-3-216**, as enacted by Chapter 300, Laws of Utah 1994  
116          **63B-4-116**, as enacted by Chapter 329, Laws of Utah 1995  
117          **63B-5-116**, as enacted by Chapter 335, Laws of Utah 1996  
118          **63B-6-116**, as enacted by Chapter 391, Laws of Utah 1997  
119          **63B-6-216**, as enacted by Chapter 270, Laws of Utah 1997  
120          **63B-6-416**, as enacted by Chapter 391, Laws of Utah 1997

- 121           **63B-7-116**, as enacted by Chapter 67, Laws of Utah 1998
- 122           **63B-7-216**, as enacted by Chapter 316, Laws of Utah 1998
- 123           **63B-7-416**, as enacted by Chapter 67, Laws of Utah 1998
- 124           **63B-8-116**, as enacted by Chapter 309, Laws of Utah 1999
- 125           **63B-8-216**, as enacted by Chapter 331, Laws of Utah 1999
- 126           **63B-8-416**, as enacted by Chapter 309, Laws of Utah 1999
- 127           **63B-9-216**, as enacted by Chapter 354, Laws of Utah 2000
- 128           **63B-10-116**, as enacted by Chapter 321, Laws of Utah 2001
- 129           **63B-11-116**, as enacted by Chapter 199, Laws of Utah 2002
- 130           **63B-11-216**, as enacted by Chapter 252, Laws of Utah 2002
- 131           **63B-11-316**, as enacted by Chapter 278, Laws of Utah 2002
- 132           **63B-11-516**, as enacted by Chapter 266, Laws of Utah 2002
- 133           **72-2-204**, as renumbered and amended by Chapter 270, Laws of Utah 1998
- 134           **72-2-108**, as last amended by Chapter 318, Laws of Utah 2000
- 135           **73-10d-4**, as last amended by Chapter 9, Laws of Utah 2001
- 136           **73-10d-7**, as last amended by Chapter 9, Laws of Utah 2001

137 ENACTS:

- 138           **11-14-101**, Utah Code Annotated 1953
- 139           **11-14-102**, Utah Code Annotated 1953
- 140           **11-14-103**, Utah Code Annotated 1953
- 141           **11-14-208**, Utah Code Annotated 1953

142 RENUMBERS AND AMENDS:

- 143           **11-14-201**, (Renumbered from 11-14-2, as last amended by Chapter 252, Laws of Utah
- 144 1999)
- 145           **11-14-202**, (Renumbered from 11-14-3, as last amended by Chapter 292, Laws of Utah
- 146 2003)
- 147           **11-14-203**, (Renumbered from 11-14-4, as last amended by Chapter 371, Laws of Utah
- 148 2004)
- 149           **11-14-204**, (Renumbered from 11-14-6, as last amended by Chapter 75, Laws of Utah
- 150 2000)
- 151           **11-14-205**, (Renumbered from 11-14-7, as last amended by Chapter 3, Laws of Utah

152 1996, Second Special Session)  
153           **11-14-206**, (Renumbered from 11-14-10, as last amended by Chapter 281, Laws of  
154 Utah 1981)  
155           **11-14-207**, (Renumbered from 11-14-11, as last amended by Chapter 115, Laws of  
156 Utah 1975)  
157           **11-14-301**, (Renumbered from 11-14-13, as last amended by Chapter 3, Laws of Utah  
158 1988)  
159           **11-14-302**, (Renumbered from 11-14-14, as last amended by Chapter 346, Laws of  
160 Utah 1983)  
161           **11-14-303**, (Renumbered from 11-14-14.5, as last amended by Chapter 191, Laws of  
162 Utah 1987)  
163           **11-14-304**, (Renumbered from 11-14-15, as last amended by Chapter 280, Laws of  
164 Utah 1981)  
165           **11-14-305**, (Renumbered from 11-14-16, as last amended by Chapter 62, Laws of Utah  
166 1983)  
167           **11-14-306**, (Renumbered from 11-14-17, as last amended by Chapter 72, Laws of Utah  
168 2000)  
169           **11-14-307**, (Renumbered from 11-14-17.5, as last amended by Chapter 193, Laws of  
170 Utah 2001)  
171           **11-14-308**, (Renumbered from 11-14-17.6, as last amended by Chapter 205, Laws of  
172 Utah 2001)  
173           **11-14-309**, (Renumbered from 11-14-18, as last amended by Chapter 346, Laws of  
174 Utah 1983)  
175           **11-14-310**, (Renumbered from 11-14-19, as enacted by Chapter 41, Laws of Utah 1965)  
176           **11-14-311**, (Renumbered from 11-14-19.5, as last amended by Chapter 79, Laws of  
177 Utah 1985)  
178           **11-14-312**, (Renumbered from 11-14-19.6, as enacted by Chapter 115, Laws of Utah  
179 1975)  
180           **11-14-313**, (Renumbered from 11-14-19.7, as last amended by Chapter 345, Laws of  
181 Utah 1983)  
182           **11-14-314**, (Renumbered from 11-14-19.8, as enacted by Chapter 280, Laws of Utah

183 1981)  
 184 **11-14-315**, (Renumbered from 11-14-20, as enacted by Chapter 41, Laws of Utah 1965)  
 185 **11-14-316**, (Renumbered from 11-14-21, as last amended by Chapter 201, Laws of  
 186 Utah 1987)  
 187 **11-14-401**, (Renumbered from 11-14-22, as enacted by Chapter 41, Laws of Utah 1965)  
 188 **11-14-402**, (Renumbered from 11-14-23, as last amended by Chapter 69, Laws of Utah  
 189 2001)  
 190 **11-14-403**, (Renumbered from 11-14-24, as enacted by Chapter 41, Laws of Utah 1965)  
 191 **11-14-404**, (Renumbered from 11-14-25, as enacted by Chapter 41, Laws of Utah 1965)  
 192 **11-14-405**, (Renumbered from 11-14-26, as enacted by Chapter 41, Laws of Utah 1965)  
 193 **11-14-406**, (Renumbered from 11-14-27, as last amended by Chapter 10, Laws of Utah  
 194 1997)  
 195 **11-14-501**, (Renumbered from 11-14-28, as enacted by Chapter 69, Laws of Utah 2001)

196 REPEALS:

197 **11-14-1**, as last amended by Chapter 216, Laws of Utah 1995  
 198 **11-14-8**, as enacted by Chapter 41, Laws of Utah 1965  
 199 **11-14-9**, as enacted by Chapter 41, Laws of Utah 1965  
 200 **11-14-12**, as enacted by Chapter 41, Laws of Utah 1965

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

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

204 **9-3-409. Actions on validity or enforceability of bonds -- Time for bringing**  
 205 **action.**

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

210 (2) For a period of 30 days after the publication of the resolution authorizing the bonds,  
 211 or a notice of bonds to be issued by the authority containing those items described in Section  
 212 [~~11-14-21~~] 11-14-316 in a newspaper having general circulation in the area of operation, any  
 213 person may contest the legality of the resolution authorizing any bonds, notice of bonds to be

214 issued, or any provisions made for the security and payment of the bonds. After the 30-day  
215 period no one has any cause of action to contest the regularity, formality, or legality of the  
216 notice of bonds to be issued or the bonds for any cause whatsoever.

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

218 **10-7-8. Resolution on bond issue -- Election as provided by Local Government**  
219 **Bonding Act.**

220 When the board of commissioners, city council or the town board of trustees of any city  
221 or town shall have decided that incurring such bonded indebtedness is advisable, it shall by  
222 resolution specify the purpose for which the indebtedness is to be created and the amount of  
223 bonds which it is proposed to issue, and shall provide for submitting the question of the issue  
224 of such bonds to the qualified electors of the city or town at the next general election, or at a  
225 special election to be called for that purpose by the board of commissioners, city council or  
226 board of trustees in such manner and subject to such conditions as is provided in Title 11,  
227 Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. This section does not  
228 require an election for the issuance of refunding bonds or other bonds not required by the  
229 Constitution to be voted at an election.

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

231 **10-7-15. Sale or lease of electrical generation and distribution system -- Appraisal**  
232 **and vote required -- Manner of conducting the election.**

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

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

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

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

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

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

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

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

254 (3) In the process of selling or leasing in their entirety the municipality's electrical  
255 works and plant, a municipal legislative body may take whatever action it considers appropriate  
256 and in the sequence it considers appropriate, subject to the requirements of this section and  
257 Sections 10-7-16 and 10-7-17.

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

259 **10-18-302. Bonding authority.**

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

264 (a) a cable television service; or

265 (b) a public telecommunications service.

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

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

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

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

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

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

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

275 (ii) notwithstanding Subsection (3)(b) and Subsection 10-18-303(3)(a), from revenues

276 generated under Title 59, Chapter 12, Sales and Use Tax Act, if:

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

280 (I) except as provided in Subsection (3)(a)(ii)(A)(II), pursuant to the provisions of Title  
281 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, that govern bond  
282 elections; and

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

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

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

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

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

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

294 (ii) to which a municipality is a party.

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

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

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

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

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

311 (B) the notice identifies:

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

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

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

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

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

319 (iv) the municipal entity that issues revenue bonds:

320 (A) adopts a final financing plan; and

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

324 (I) the final financing plan; and

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

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

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

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

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

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

338 revenues described in Subsection (3)(a)(ii).

339 (5) On or after July 1, 2007, the requirements of Subsection (3)(a)(ii)(A) do not apply  
340 to a municipality that issues revenue bonds if:

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

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

346 (ii) the notice identifies:

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

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

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

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

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

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

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

360 (a) cable television services; or

361 (b) public telecommunications services.

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

363 **11-8-2. State loans for sewage treatment facilities -- Rules of Water Quality**  
364 **Board.**

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

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

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

373 **11-13-205. Agreement by public agencies to create a new entity to own sewage**  
374 **and wastewater facilities -- Powers and duties of new entities -- Validation of previously**  
375 **created entities.**

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

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

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

396 (a) to adopt, amend, and repeal rules, bylaws, and regulations, policies, and procedures  
397 for the regulation of its affairs and the conduct of its business, to sue and be sued in its own  
398 name, to have an official seal and power to alter that seal at will, and to make and execute  
399 contracts and all other instruments necessary or convenient for the performance of its duties

400 and the exercise of its powers and functions under the Interlocal Cooperation Act;

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

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

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

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

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

419 (5) All proceedings previously had in connection with the creation of any legal or  
420 administrative entity pursuant to this chapter, and all proceedings previously had by any such  
421 entity for the authorization and issuance of bonds of the entity are validated, ratified, and  
422 confirmed; and these entities are declared to be validly created interlocal cooperation entities  
423 under this chapter. These bonds, whether previously or subsequently issued pursuant to these  
424 proceedings, are validated, ratified, and confirmed and declared to constitute, if previously  
425 issued, or when issued, the valid and legally binding obligations of the entity in accordance  
426 with their terms. Nothing in this section shall be construed to affect or validate any bonds, or  
427 the organization of any entity, the legality of which is being contested at the time this act takes  
428 effect.

429 (6) (a) The governing body of each entity created under this section on or after May 4,  
430 1998, shall, within 30 days of the creation, file a written notice of the creation with the State

431 Tax Commission.

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

433 (i) be accompanied by:

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

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

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

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

440 **11-13-219. Publication of resolutions or agreements -- Contesting legality of**  
441 **resolution or agreement.**

442 (1) As used in this section:

443 (a) "Enactment" means:

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

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

449 (b) "Governing body" means:

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

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

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

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

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

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

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

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

462 by this section.

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

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

468 (B) the general subject matter of the agreement;

469 (C) the term of the agreement;

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

471 and

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

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

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

482 (4) (a) If the governing body chooses to publish an enactment, notice of bonds, or  
483 notice of agreement, the governing body shall comply with the requirements of this Subsection  
484 (4).

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

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

491 (A) the official newspaper;

492 (B) the newspaper published in the municipality in which the principal office of the

493 governmental entity is located; or

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

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

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

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

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

506 **CHAPTER 14. LOCAL GOVERNMENT BONDING ACT**

507 **Part 1. General Provisions**

508 **11-14-101. Title.**

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

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

511 **11-14-102. Definitions.**

512 For the purpose of this chapter:

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

515 (2) "Election results" means the same as "election results" as defined in Section  
516 20A-1-102.

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

518 (i) cities;

519 (ii) towns;

520 (iii) counties;

521 (iv) school districts;

522 (v) public transit districts;

523 (vi) improvement districts operating under the authority of Title 17A, Chapter 2, Part

524 3, County Improvement Districts for Water, Sewage, Flood Control, Electric and Gas;  
525 (vii) special service districts operating under the authority of Title 17A, Chapter 2, Part  
526 13, Utah Special Service District Act;  
527 (viii) metropolitan water districts operating under the authority of Title 17A, Chapter 2,  
528 Part 8, Metropolitan Water District Act;  
529 (ix) irrigation districts operating under the authority of Title 17A, Chapter 2, Part 7,  
530 Irrigation District Act;  
531 (x) water conservancy districts operating under the authority of Title 17A, Chapter 2,  
532 Part 14, Water Conservancy Districts; and  
533 (xi) regional service areas operating under the authority of Title 17A, Chapter 2, Part  
534 18, Regional Service Area Act.  
535 (b) "Local political subdivision" does not include the state and its institutions.  
536 Section 10. Section **11-14-103** is enacted to read:  
537 **11-14-103. Bond issues authorized -- Purposes -- Use of bond proceeds.**  
538 (1) Any local political subdivision may, in the manner and subject to the limitations  
539 and restrictions contained in this chapter, issue its negotiable bonds for the purpose of paying  
540 all or part of the cost of acquiring, improving, or extending any one or more improvements,  
541 facilities, or property that the local political subdivision is authorized by law to acquire.  
542 (2) Any local political subdivision may also issue such bonds for the acquisition of or  
543 the acquisition of an interest in any one or more or combination of the following types of  
544 improvements, facilities, or property to be owned by the local political subdivision or to be  
545 owned jointly by two or more local political subdivisions, or for the improvement or extension  
546 of any such wholly or jointly owned facility or property:  
547 (a) public buildings of every nature, including without limitation, offices, courthouses,  
548 jails, fire, police and sheriff's stations, detention homes, and any other buildings to  
549 accommodate or house lawful activities of a local political subdivision;  
550 (b) waterworks, irrigation systems, water systems, dams, reservoirs, water treatment  
551 plants, and any other improvements, facilities, or property used in connection with the  
552 acquisition, storage, transportation, and supplying of water for domestic, industrial, irrigation,  
553 recreational, and other purposes and preventing pollution of water;  
554 (c) sewer systems, sewage treatment plants, incinerators, and other improvements,

555 facilities, or property used in connection with the collection, treatment, and disposal of sewage,  
556 garbage, or other refuse;

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

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

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

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

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

569 (i) educational facilities, including without limitation, schools, gymnasiums,  
570 auditoriums, theaters, museums, art galleries, libraries, stadiums, arenas, and fairgrounds;

571 (j) hospitals, convalescent homes, and homes for the aged or indigent; and

572 (k) electric light works, electric generating systems, and any other improvements,  
573 facilities, or property used in connection with the generation and acquisition of electricity for  
574 these local political subdivisions and transmission facilities and substations if they do not  
575 duplicate transmission facilities and substations of other entities operating in the state prepared  
576 to provide the proposed service unless these transmission facilities and substations proposed to  
577 be constructed will be more economical to these local political subdivisions.

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

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

581 (a) the cost of equipment and furnishings for such improvements, facilities, or  
582 property;

583 (b) all costs incident to the authorization and issuance of bonds, including engineering,  
584 legal, and fiscal advisers' fees;

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

586 on bond anticipation notes;

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

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

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

593 **Part 2. Bond Elections**

594 ~~[11-14-2].~~ **11-14-201. Election on bond issues -- Qualified electors --**  
595 **Resolution and notice.**

596 (1) ~~[(a)]~~ The ~~[governing]~~ legislative body of any ~~[municipality desiring]~~ local political  
597 subdivision who wishes to issue bonds under the authority granted in Section ~~[11-14-1]~~  
598 11-14-103 shall ~~[by resolution provide for the holding of an election in the municipality on],~~ at  
599 least 75 days before the date of election:

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

602 (b) provide a copy of the resolution to:

603 (i) the lieutenant governor; and

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

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

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

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

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

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

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

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

618 (a) refunding bonds; or

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

620 ~~[(b)]~~ (4) The resolution calling the election [and the election notice] shall [state:]

621 include a ballot proposition, in substantially final form, that complies with the requirements of  
622 Subsection 11-14-206(2).

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

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

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

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

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

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

636 ~~[11-14-3].~~ **11-14-202. Notice of election -- Contents -- Publication -- Mailing.**

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

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

640 11-14-316; and

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

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

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

647 ~~[(2) When the debt service on the bonds to be issued will increase the property tax~~

648 imposed upon the average value of a residence by an amount that is greater than or equal to \$15  
 649 per year, the governing body shall, at least seven days but not more than 30 days before the  
 650 bond election, if the bond election is not held on the date of a regular primary election, a  
 651 municipal primary election, a regular general election, or a municipal general election, either  
 652 mail:]

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

655 [(b) a voter information pamphlet prepared by the governing body, if one is prepared,  
 656 that includes the information required by Subsection (4).]

657 [(3)] (2) (a) Except as provided in Subsection [(3)] (2)(b), [election] notice [given for  
 658 any bond election held in this state] of the bond election need not be posted [by any persons].

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

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

667 [(4)] (3) [The printed, posted, and mailed] Any notice required by this section shall  
 668 [identify] include:

669 (a) the date and place of the election;

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

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

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

674 [(5)] (4) The [governing] legislative body shall pay the costs associated with the  
 675 [printed, posted, and mailed] notice required by this section.

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

678 [~~11-14-4~~]. **11-14-203. Time for election -- Equipment -- Election officials --**

679 **Combining precincts.**680 ~~[(1) (a) The governing body shall:]~~681 ~~[(i) designate the voting places to be used;]~~682 ~~[(ii) fix the hours during which the polls are to be open, which, if the election is a~~  
683 ~~special election, shall be those provided by law for the conduct of regular general elections;]~~684 ~~[(iii) cause to be provided the necessary ballot boxes, ballots, paraphernalia,~~  
685 ~~equipment, and supplies needed for the election as determined by the governing body; and]~~686 ~~[(iv) unless the election officials to serve at each voting place are otherwise appointed~~  
687 ~~under the provisions of general law, appoint three election officials, who shall be qualified~~  
688 ~~electors of the municipality or other entity calling the election, to serve at each voting place.]]~~689 ~~[(b) The governing body may appoint one or more alternate election officials to so~~  
690 ~~serve in case of the absence for any cause of the designated election officials.]]~~691 (1) (a) The local political subdivision shall ensure that bond elections are conducted  
692 and administered according to the procedures set forth in this chapter and the sections of the  
693 Election Code specifically referenced by this chapter.694 (b) When a local political subdivision complies with those procedures, there is a  
695 presumption that the bond election was properly administered.696 (2) (a) ~~[(†)]~~ A bond election may be held, and the proposition for the issuance of bonds  
697 may be submitted ~~[at],~~ on the same date as any general or municipal election held in the  
698 [municipality or other entity] local political subdivision calling the bond election, or at a  
699 special election called for the purpose on a date authorized by Section 20A-1-204.700 ~~[(†)]~~ (b) A bond election may not be held, nor a proposition for issuance of bonds be  
701 submitted, at the Western States Presidential Primary election established in Title 20A, Chapter  
702 9, Part 8, Western States Presidential Primary.703 ~~[(b) The process for calling, the approved purpose, and the date of a special election~~  
704 ~~shall be governed by Sections 20A-1-203 and 20A-1-204.]]~~705 ~~[(c) Where a bond election is being held on the same day as any other election held in~~  
706 ~~the municipality or entity calling the bond election or in some part of that municipality or~~  
707 ~~entity, the election officials serving for the other election may also serve as election officials~~  
708 ~~for the bond election.]]~~709 (3) (a) The bond election shall be conducted and administered by the election officer

710 designated in Sections 20A-1-102 and 20A-5-400.5.

711 (b) (i) The duties of the election officer shall be governed by Title 20A, Chapter 5, Part  
712 4, Election Officer's Duties.

713 (ii) The publishing requirement under Subsection 20A-5-405(1)(j)(iii) does not apply  
714 when notice of a bond election has been provided according to the requirements of Section  
715 11-14-202.

716 (c) The hours during which the polls are to be open shall be consistent with Section  
717 20A-1-302.

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

720 (e) General voting procedures shall be conducted according to the requirements of Title  
721 20A, Chapter 3, Voting.

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

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

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

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

737 ~~[11-14-6].~~ **11-14-204. Challenges to voter qualifications.**

738 ~~[(1) The qualifications as an elector of any person applying for a ballot at a bond~~  
739 ~~election may be challenged for cause by any one or more of the election officials or by any~~  
740 ~~other person at the time the ballot is applied for, but notwithstanding any challenge hereunder;~~

741 any such person shall receive a ballot and be permitted to vote if:]

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

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

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

748 [ELECTOR'S OATH]

749 [STATE OF UTAH →]

750 [COUNTY OF \_\_\_\_\_]

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

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

761 [\_\_\_\_\_]

762 [Signature of Elector]

763 [\_\_\_\_\_]

764 [Address of Elector]

765 [I, the undersigned, Judge of election, hereby certify that the person whose signature  
766 appears above, signed the foregoing statement on this \_\_\_\_\_ (month\day\year);  
767 immediately after I administered to him an oath in the following words: You do solemnly  
768 swear (or affirm) that you have read the oath to which you are about to subscribe your signature  
769 and that the facts recited therein are true and correct, so help you God (or under the pains and  
770 penalties of perjury).]

771 [\_\_\_\_\_]

[Judge of Election]

772  
773 [Each election official is expressly authorized to administer the oath.]

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

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

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

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

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

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

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

796 **[11-14-7]. 11-14-205. Special registration not required -- Official register**  
797 **supplied by clerk.**

798 (1) (a) Voter registration shall be administered according to the requirements of Title  
799 20A, Chapter 2, Voter Registration.

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

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

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

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

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

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

826 Section 16. Section **11-14-206**, which is renumbered from Section 11-14-10 is  
 827 renumbered and amended to read:

828 ~~[11-14-10].~~ **11-14-206. Ballots -- Submission of ballot language -- Form and**  
 829 **contents.**

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

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

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

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

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

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

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

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

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

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

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

855 (ii) Nothing in Subsection (2)(d)(i) prohibits the addition of descriptive information  
856 about the bonds.

857 (3) If a bond [question or questions are] proposition is submitted [at an election not  
858 specifically held for that purpose] to a vote on the same day as any other election held in the local  
859 political subdivision calling the bond election, the bond [question or questions] proposition  
860 may be combined with the candidate ballot in a manner consistent with Section 20A-6-301,  
861 20A-6-303, or 20A-6-402.

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

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

865 Form.

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

868 ~~[11-14-11].~~ **11-14-207. Counting and canvassing -- Official finding.**

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

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

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

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

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

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

887 (e) If a bond proposition is submitted to a vote on the same day as any other election  
888 held in the local political subdivision calling the bond election, the legislative body shall  
889 coordinate the date of its canvass with any other board of canvassers appointed under Section  
890 20A-4-301.

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

893 (i) an official finding as to the total number of votes cast, the number of affirmative  
894 votes, the number of negative votes, [the number of mutilated ballots and] the number of  
895 challenged voters [as above required], the number of challenged voters that were issued a

896 provisional ballot, and the number of provisional ballots that were counted; and [shall declare]  
 897 (ii) an official finding that the bond proposition [to have carried or lost. Such findings  
 898 shall be incorporated in the official minutes of the governing body, and it shall not be necessary  
 899 to file any] was approved or rejected.

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

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

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

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

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

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

914 **11-14-208. Contest of election results -- Procedure.**

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

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

920 (2) Unless the complaint is filed within the period prescribed in Subsection  
 921 20A-4-403(3), a court may not:

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

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

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

926 **Part 3. Issuance of Bonds**

927           ~~[11-14-13].~~   **11-14-301. Issuance of bonds by legislative body -- Computation of**  
928 **indebtedness under constitutional and statutory limitations.**

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

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

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

939           (b) In computing the amount of indebtedness ~~[which]~~ that may be incurred pursuant to  
940 constitutional limitations, the constitutionally permitted percentage shall be applied to the fair  
941 market value, as defined under Section 59-2-102, of the taxable property in the ~~[municipality]~~  
942 local political subdivision as computed from the last equalized assessment rolls for state and  
943 county purposes prior to the incurring of the additional indebtedness, except that in the case of  
944 cities the last equalized assessment rolls for city purposes shall be controlling.

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

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

953           (5) Where bonds are issued by a city, town, or county payable solely from revenues  
954 derived from the operation of revenue-producing facilities of the city, town, or county, or  
955 payable solely from a special fund into which are deposited excise taxes levied and collected by  
956 the city, town, or county, or excise taxes levied by the state and rebated pursuant to law to the  
957 city, town, or county, or any combination of those excise taxes, the bonds shall be included as

958 bonded indebtedness of the city, town, or county only to the extent required by the Utah  
959 Constitution, and any bonds not so required to be included as bonded indebtedness of the city,  
960 town, or county need not be authorized at an election, except as otherwise provided by the Utah  
961 Constitution, the bonds being hereby expressly excluded from the election requirement of  
962 Section ~~[11-14-2. No]~~ 11-14-201.

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

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

969 ~~[11-14-14]~~. **11-14-302. Resolution -- Negotiability -- Registration -- Maturity --**  
970 **Interest -- Payment -- Redemption -- Combining issues -- Sale -- Financing plan.**

971 (1) Bonds issued under this chapter shall be authorized by resolution of the ~~[governing]~~  
972 legislative body, shall be fully negotiable for all purposes, may be made registrable as to  
973 principal alone or as to principal and interest, shall mature at such time or times not more than  
974 40 years from their date, shall bear interest at such rate or rates, if any, shall be payable at such  
975 place or places, shall be in such form, shall be executed in such manner, may be made  
976 redeemable prior to maturity at such times and on such terms, shall be sold in such manner and  
977 at such prices, either at, in excess of, or below face value, and generally shall be issued in such  
978 manner and with such details as may be provided by resolution; it being the express intention  
979 of the legislature that interest rate limitations elsewhere appearing in the laws of Utah shall not  
980 apply to nor limit the rate of interest on bonds issued under this chapter. The resolution shall  
981 specify either the rate or rates of interest, if any, on the bonds or specify the method by which  
982 the interest rate or rates on the bonds may be determined while the bonds are outstanding. If  
983 the resolution specifies a method by which interest on the bonds may be determined, the  
984 resolution shall also specify the maximum rate of interest the bonds may bear. Bonds voted for  
985 different purposes by separate propositions at the same or different bond elections may in the  
986 discretion of the ~~[governing]~~ legislative body be combined and offered for sale as one issue of  
987 bonds. The resolution providing for this combination and the printed bonds for the combined  
988 issue shall separately set forth the amount being issued for each of the purposes provided for in

989 each proposition submitted to the electors. If the [municipality] local political subdivision has  
990 retained a fiscal agent to assist and advise it with respect to the bonds and the fiscal agent has  
991 received or is to receive a fee for such services, the bonds may be sold to the fiscal agent but  
992 only if the sale is made pursuant to a sealed bid submitted by the fiscal agent at an advertised  
993 public sale.

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

999 (b) Upon payment of a bond or coupon, the treasurer of the [municipality] local  
1000 political subdivision or the treasurer's duly authorized agent, shall perforate the bond or coupon  
1001 with a device suitable to indicate payment.

1002 (c) Any bonds or coupons which have been paid or cancelled may be destroyed by the  
1003 treasurer of the [municipality] local political subdivision or by the treasurer's duly authorized  
1004 agent.

1005 (3) Bonds, bond anticipation notes, or tax anticipation notes with maturity dates of one  
1006 year or less may be authorized by a [municipality] local political subdivision from time to time  
1007 pursuant to a plan of financing adopted by the [governing] legislative body. The plan of  
1008 financing shall specify the terms and conditions under which the bonds or notes may be issued,  
1009 sold, and delivered, the officers of the [municipality] local political subdivision authorized to  
1010 issue the bonds or notes, the maximum amount of bonds or notes which may be outstanding at  
1011 any one time, the source or sources of payment of the bonds or notes, and all other details  
1012 necessary for issuance of the bonds or notes. Subject to the Constitution, the [governing]  
1013 legislative body of the [municipality] local political subdivision may include in the plan of  
1014 financing the terms and conditions of agreements which may be entered into by the  
1015 [municipality] local political subdivision with banking institutions for letters of credit or for  
1016 standby letters of credit to secure the bonds or notes, including payment from any legally  
1017 available source of fees, charges, or other amounts coming due under the agreements entered  
1018 into by the [municipality] local political subdivision.

1019 Section 21. Section **11-14-303**, which is renumbered from Section 11-14-14.5 is

1020 renumbered and amended to read:

1021 ~~[11-14-14.5].~~ **11-14-303. Bonds, notes, or other evidences of indebtedness**  
1022 **of political subdivisions exempt from taxation except corporate franchise tax.**

1023 All bonds, notes, or other evidences of indebtedness issued under this chapter or under  
1024 any other law authorizing the issuance of bonds, notes, or indebtedness by any county, city,  
1025 town, school district, public transit district, improvement district, special service district,  
1026 metropolitan water district, water conservancy district, irrigation district, or any other political  
1027 subdivision now existing or subsequently created under the laws of Utah (including, but not  
1028 limited to, bonds payable solely from special assessments and tax anticipation indebtedness)  
1029 and the interest on them shall be exempt from all taxation in this state, except for the corporate  
1030 franchise tax.

1031 Section 22. Section **11-14-304**, which is renumbered from Section 11-14-15 is  
1032 renumbered and amended to read:

1033 ~~[11-14-15].~~ **11-14-304. Facsimile signatures and facsimile seal, use permitted --**  
1034 **Validity of signed bonds.**

1035 (1) If the use of a facsimile signature is authorized by the body empowered by law to  
1036 authorize the issuance of the bonds or other obligations of any agency, instrumentality, or  
1037 institution of this state or of any municipal corporation, political subdivision, improvement  
1038 district, taxing district, or other governmental entity within the state, whether or not issued  
1039 under this chapter, any officer so authorized may execute, authenticate, certify, or endorse, or  
1040 cause to be executed, authenticated, certified, or endorsed the bond or other obligation, or any  
1041 certificate required to be executed on the back thereof, with a facsimile signature in lieu of his  
1042 manual signature if at least one signature required or permitted to be placed on the face thereof  
1043 shall be manually subscribed. Upon compliance with this chapter by the authorized officer, his  
1044 facsimile signature has the same legal effect as his manual signature. When any seal is  
1045 required in the execution, authentication, certification, or endorsement of the bond or other  
1046 obligation, or any certificate required to be executed on the back thereof, the authorized officer  
1047 may cause the seal to be printed, engraved, lithographed, stamped, or otherwise placed in  
1048 facsimile thereon. The facsimile seal has the same legal effect as the impression of the seal.

1049 (2) Bonds or other obligations bearing the signatures (manual or facsimile) of officers  
1050 in office on the date of the execution thereof shall be valid and binding obligations

1051 notwithstanding that before the delivery thereof any or all of the persons whose signatures  
1052 appear thereon shall have ceased to be officers of the [municipality] local political subdivision.

1053 Section 23. Section **11-14-305**, which is renumbered from Section 11-14-16 is  
1054 renumbered and amended to read:

1055 ~~[11-14-16]~~. **11-14-305**. **Registration, denominations and exchange of**  
1056 **obligations.**

1057 (1) Unless otherwise provided by the [municipality] local political subdivision, the  
1058 Registered Public Obligations Act governs and applies to all bonds, bond anticipation notes,  
1059 and tax anticipation notes (bonds, bond anticipation notes and tax anticipation notes being  
1060 referred to in this section as "obligations") issued in registered form. If the Registered Public  
1061 Obligations Act is inapplicable to an issue of obligations, Subsection ~~[11-14-16]~~ (2) governs  
1062 and applies with respect to such issue.

1063 (2) Any obligations issued under this chapter may be issued in denominations of \$100  
1064 or any multiple of \$100. The [governing] legislative body may provide for the exchange of any  
1065 of these obligations after issuance for obligations of larger or smaller denominations in such  
1066 manner as may be provided in the authorizing resolution, provided the obligations in changed  
1067 denominations shall be exchanged for the original obligations in like aggregate principal  
1068 amounts and in such manner that no overlapping interest is paid; and such obligations in  
1069 changed denominations shall bear interest at the same rate or rates, if any, shall mature on the  
1070 same date or dates, shall be as nearly as practicable in the same form except for an appropriate  
1071 recital as to the exchange, and shall in all other respects, except as to denominations and  
1072 numbers, be identical with the original obligations surrendered for exchange. Where any  
1073 exchange is made under this section, the obligations surrendered by the holders at the time of  
1074 exchange shall be cancelled; any such exchange shall be made only at the request of the holders  
1075 of the obligations to be surrendered; and the [governing] legislative body may require all  
1076 expenses incurred in connection with such exchange, including the authorization and issuance  
1077 of the new obligations, to be paid by such holders.

1078 Section 24. Section **11-14-306**, which is renumbered from Section 11-14-17 is  
1079 renumbered and amended to read:

1080 ~~[11-14-17]~~. **11-14-306**. **Additional pledge for general obligation bonds --**  
1081 **Revenue bonds -- Resolution.**

1082 (1) To the extent constitutionally permissible, [~~municipalities~~] local political  
1083 subdivisions may pledge as an additional source of payment for their general obligation bonds  
1084 all or any part of revenues, fees, and charges attributable to the operation or availability of  
1085 facilities or may issue bonds payable solely from such revenues, fees, or charges.

1086 (2) (a) The legislative body may issue bonds payable solely from revenues, fees, or  
1087 charges attributable to extensions and improvements to revenue-producing facilities.

1088 (b) If the legislative body issues bonds under Subsection (2)(a), the resolution  
1089 authorizing these bonds shall set forth as a finding of the legislative body:

1090 (i) the value of the then existing facility and the value of this facility after completion  
1091 of the extensions or improvements proposed to be constructed; and

1092 (ii) that portion of the revenues, fees, or charges derived from the entire facility when  
1093 the contemplated extensions and improvements are completed which the value of the existing  
1094 facility bears to the value of the facility after completion shall be considered to be revenue  
1095 derived from the existing facility and the remainder may be set aside and pledged to the  
1096 payment of the principal of and interest on the bonds and for the establishment of appropriate  
1097 reserve fund or funds, and such portion shall be considered to be revenue derived exclusively  
1098 from the extensions and improvements.

1099 (3) (a) Any resolution or trust indenture authorizing bonds to which such revenues,  
1100 fees, or charges are pledged may contain such covenants with the future holder or holders of  
1101 the bonds as to the management and operation of the affected facilities, the imposition,  
1102 collection, and disposition of rates, fees, and charges for commodities and services furnished  
1103 thereby, the issuance of future bonds, the creation of future liens and encumbrances against the  
1104 facilities, the carrying of insurance, the keeping of books and records, the deposit and paying  
1105 out of revenues, fees, or charges and bond proceeds, the appointment and duties of a trustee,  
1106 and other pertinent matters as may be considered proper by the [~~governing~~] legislative body.

1107 (b) If the revenue, fee, or charge so pledged involves either sewer or water revenues,  
1108 fees, or charges or both sewer and water revenues, fees, or charges, provision may be made for  
1109 charges for sewer services and water services to be billed in a single bill and for the suspension  
1110 of water or sewer services, or both, to any customer who shall become delinquent in the  
1111 payment due for either.

1112 (c) Provision may be made for the securing of such bonds by a trust indenture, but no

1113 such indenture shall convey, mortgage, or create any lien upon property of the [municipality]  
1114 local political subdivision.

1115 (d) Either the bond resolution or such trust indenture may impose in the holders of the  
1116 bonds full rights to enforce the provisions thereof, and may include terms and conditions upon  
1117 which the holders of the bonds or any proportion of them, or a trustee therefor, shall be entitled  
1118 to the appointment of a receiver who may enter and take possession of the facility or facilities,  
1119 the revenues, fees, or charges of which are so pledged, and may operate and maintain them,  
1120 prescribe charges and collect, receive, and apply all revenues, fees, or charges therefrom arising  
1121 in the same manner as the [municipality] local political subdivision itself might do.

1122 Section 25. Section **11-14-307**, which is renumbered from Section 11-14-17.5 is  
1123 renumbered and amended to read:

1124 ~~[11-14-17.5]~~. **11-14-307. Revenue bonds payable out of excise tax**  
1125 **revenues.**

1126 (1) To the extent constitutionally permissible, cities, towns, or counties may issue  
1127 bonds payable solely from a special fund into which are to be deposited excise taxes levied and  
1128 collected by the city, town, or county, or excise taxes levied by the state and rebated pursuant to  
1129 law to the city, town, or county, or any combination of those excise taxes, or may pledge all or  
1130 any part thereof as an additional source of payment for their general obligation bonds.

1131 (2) (a) Any resolution authorizing the issuance of bonds payable in whole or in part  
1132 from the proceeds of excise tax revenues may contain covenants with the holder or holders of  
1133 the bonds as to the excise tax revenues, the disposition of the excise tax revenues, the issuance  
1134 of future bonds, and other pertinent matters that are considered necessary by the [governing]  
1135 legislative body to assure the marketability of those bonds, provided the covenants are not  
1136 inconsistent with the provisions of this chapter.

1137 (b) The resolution may also include provisions to insure the enforcement, collection,  
1138 and proper application of excise tax revenues as the [governing] legislative body may think  
1139 proper.

1140 (c) The proceeds of bonds payable in whole or in part from pledged class B or C road  
1141 funds shall be used to construct, repair, and maintain streets and roads in accordance with  
1142 Sections 72-6-108 and 72-6-110 and to fund any reserves and costs incidental to the issuance of  
1143 the bonds.

1144 (d) When any bonds payable from excise tax revenues have been issued, the resolution  
1145 or other enactment of the [~~governing~~] legislative body imposing the excise tax and pursuant to  
1146 which the tax is being collected, the obligation of the [~~governing~~] legislative body to continue  
1147 to levy, collect, and allocate the excise tax, and to apply the revenues derived therefrom in  
1148 accordance with the provisions of the authorizing resolution or other enactment, shall be  
1149 irrevocable until the bonds have been paid in full as to both principal and interest, and is not  
1150 subject to amendment in any manner which would impair the rights of the holders of those  
1151 bonds or which would in any way jeopardize the timely payment of principal or interest when  
1152 due.

1153 (3) (a) The state pledges to and agrees with the holders of any bonds issued by a city,  
1154 town, or county to which the proceeds of excise taxes collected by the state and rebated to the  
1155 city, town, or county are devoted or pledged as authorized in this section, that the state will not  
1156 alter, impair, or limit the excise taxes in a manner that reduces the amounts to be rebated to the  
1157 city, town, or county which are devoted or pledged as authorized in this section until the bonds  
1158 or other securities, together with applicable interest, are fully met and discharged.

1159 (b) Nothing in this Subsection (3) precludes alteration, impairment, or limitation of  
1160 excise taxes if adequate provision is made by law for the protection of the holders of the bonds.

1161 (c) Each city, town, or county may include this pledge and undertaking for the state in  
1162 those bonds.

1163 (4) The outstanding bonds to which excise tax revenues have been pledged as the sole  
1164 source of payment may not at any one time exceed an amount for which the average annual  
1165 installments of principal and interest will exceed 80% of the total excise tax revenues received  
1166 by the issuing entity from the collection or rebate of the excise tax revenues during the fiscal  
1167 year of the issuing entity immediately preceding the fiscal year in which the resolution  
1168 authorizing the issuance of bonds is adopted.

1169 (5) Bonds issued solely from a special fund into which are to be deposited excise tax  
1170 revenues constitutes a borrowing solely upon the credit of the excise tax revenues received or  
1171 to be received by the city, town, or county and does not constitute an indebtedness or pledge of  
1172 the general credit of the city, town, or county.

1173 (6) (a) Before issuing any bonds under this section, a city, town, or county shall:

1174 (i) give public notice of its intent to issue the bonds; and

1175 (ii) hold a public hearing to receive input from the public with respect to the issuance  
1176 of the bonds.

1177 (b) The city, county, or town shall:

1178 (i) publish the notice once each week for two consecutive weeks in the official  
1179 newspaper as designated under Section [~~11-14-21~~] 11-14-316, with the first publication being  
1180 not less than 14 days before the public hearing; and

1181 (ii) ensure that the notice identifies:

1182 (A) the purpose for the issuance of the bonds;

1183 (B) the maximum principal amount of the bonds to be issued;

1184 (C) the excise taxes proposed to be pledged for repayment of the bonds; and

1185 (D) the time, place, and location of the public hearing.

1186 (7) A city, town, or county shall submit the question of whether or not to issue any  
1187 bonds under this section to voters for their approval or rejection if, within 30 calendar days  
1188 after the notice required by Subsection (6), a written petition requesting an election and signed  
1189 by at least 20% of the registered voters in the city, town, or county is filed with the city, town,  
1190 or county.

1191 Section 26. Section **11-14-308**, which is renumbered from Section 11-14-17.6 is  
1192 renumbered and amended to read:

1193 ~~[11-14-17.6].~~ **11-14-308. Special service district bonds secured by federal**  
1194 **mineral lease payments -- Use of bond proceeds -- Bond resolution -- Nonimpairment of**  
1195 **appropriation formula -- Issuance of bonds.**

1196 (1) Special service districts may:

1197 (a) issue bonds payable, in whole or in part, from federal mineral lease payments which  
1198 are to be deposited into the Mineral Lease Account under Section 59-21-1 and distributed to  
1199 special service districts under Subsection 59-21-2(3)(h); or

1200 (b) pledge all or any part of the mineral lease payments referred to in Subsection (1)(a)  
1201 as an additional source of payment for their general obligation bonds.

1202 (2) The proceeds of these bonds may be used:

1203 (a) to construct, repair, and maintain streets and roads;

1204 (b) to fund any reserves and costs incidental to the issuance of the bonds and pay any  
1205 associated administrative costs; and

1206 (c) for capital projects of the special service district.

1207 (3) (a) The special service district board shall enact a resolution authorizing the

1208 issuance of bonds which, until the bonds have been paid in full:

1209 (i) shall be irrevocable; and

1210 (ii) may not be amended in any manner that would:

1211 (A) impair the rights of the bond holders; or

1212 (B) jeopardize the timely payment of principal or interest when due.

1213 (b) Notwithstanding any other provision of this chapter, the resolution may contain

1214 covenants with the bond holder regarding:

1215 (i) mineral lease payments, or their disposition;

1216 (ii) the issuance of future bonds; or

1217 (iii) other pertinent matters considered necessary by the [~~governing~~] legislative body

1218 to:

1219 (A) assure the marketability of the bonds; or

1220 (B) insure the enforcement, collection, and proper application of mineral lease

1221 payments.

1222 (4) (a) Except as provided in Subsection (4)(b), the state may not alter, impair, or limit

1223 the statutory appropriation formula provided in Subsection 59-21-2(3)(h), in a manner that

1224 reduces the amounts to be distributed to the special service district until the bonds and the

1225 interest on the bonds are fully met and discharged. Each special service district may include

1226 this pledge and undertaking of the state in these bonds.

1227 (b) Nothing in this section:

1228 (i) may preclude the alteration, impairment, or limitation of these bonds if adequate

1229 provision is made by law for the protection of the bond holders; or

1230 (ii) shall be construed:

1231 (A) as a pledge guaranteeing the actual dollar amount ultimately received by individual

1232 special service districts;

1233 (B) to require the Department of Transportation to allocate the mineral lease payments

1234 in a manner contrary to the general allocation method described in Subsection 59-21-2(3)(h); or

1235 (C) to limit the Department of Transportation in making rules or procedures allocating

1236 mineral lease payments pursuant to Subsection 59-21-2(3)(h).

1237 (5) (a) The average annual installments of principal and interest on bonds to which  
 1238 mineral lease payments have been pledged as the sole source of payment may not at any one  
 1239 time exceed:

1240 (i) 80% of the total mineral lease payments received by the issuing entity during the  
 1241 fiscal year of the issuing entity immediately preceding the fiscal year in which the resolution  
 1242 authorizing the issuance of bonds is adopted; or

1243 (ii) if the bonds are issued during the first fiscal year the issuing entity is eligible to  
 1244 receive funds, 60% of the amount estimated by the Department of Transportation to be  
 1245 appropriated to the issuing entity in that fiscal year.

1246 (b) The Department of Transportation shall not be liable for any loss or damage  
 1247 resulting from reliance on the estimates.

1248 (6) The final maturity date of the bonds may not exceed 15 years from the date of their  
 1249 issuance.

1250 (7) Bonds may not be issued under this section after December 31, 2010.

1251 (8) Bonds which are payable solely from a special fund into which mineral lease  
 1252 payments are deposited constitute a borrowing based solely upon the credit of the mineral lease  
 1253 payments received or to be received by the special service district and do not constitute an  
 1254 indebtedness or pledge of the general credit of the special service district or the state.

1255 Section 27. Section **11-14-309**, which is renumbered from Section 11-14-18 is  
 1256 renumbered and amended to read:

1257 ~~[11-14-18].~~ **11-14-309. Refunding bonds -- Limitation on redemption of bonds.**

1258 (1) Any bond issued under this chapter may be refunded as provided in the Utah  
 1259 Refunding Bond Act.

1260 (2) Nothing contained in this ~~[act]~~ chapter nor in any other law of this state ~~[shall]~~ may  
 1261 be construed to permit any ~~[municipality]~~ local political subdivision to call outstanding bonds  
 1262 ~~[now or hereafter outstanding]~~ for redemption in order to refund ~~[such]~~ those bonds or in order  
 1263 to pay them prior to their stated maturities, unless:

1264 (a) the right to call ~~[such]~~ the bonds for redemption was specifically reserved and  
 1265 stated in ~~[such]~~ the bonds at the time of their issuance~~[-];~~; and

1266 (b) all conditions with respect to the manner, price, and time applicable to ~~[such]~~ the  
 1267 redemption as set forth in the proceedings authorizing the outstanding bonds are strictly

1268 observed[, the intention of this paragraph being to make it certain that the holder of no].

1269 (3) A holder of an outstanding bond may not be compelled to surrender [~~such~~] the bond  
1270 for refunding [~~prior to~~] before its stated maturity or optional date of redemption expressly  
1271 reserved [~~therein~~] in the bond, even though [~~such~~] the refunding might result in financial  
1272 benefit to the [~~issuing municipality~~] local political subdivision issuing the bond.

1273 Section 28. Section **11-14-310**, which is renumbered from Section 11-14-19 is  
1274 renumbered and amended to read:

1275 [~~11-14-19~~]. **11-14-310. General obligation bonds -- Levy and collection of taxes.**

1276 (1) Any bonds issued [~~hereunder~~] under this chapter in such manner that they are not  
1277 payable solely from revenues other than those derived from ad valorem taxes [~~shall constitute~~]  
1278 are full general obligations of the [~~municipality~~] local political subdivision, for the prompt and  
1279 punctual payment of principal of and interest on which the full faith and credit of the  
1280 [~~municipality~~] local political subdivision are pledged, and the [~~municipality~~] local political  
1281 subdivision is hereby expressly required, regardless of any limitations which may otherwise  
1282 exist on the amount of taxes which the [~~municipality~~] local political subdivision may levy, to  
1283 provide for the levy and collection annually of ad valorem taxes without limitation as to rate or  
1284 amount on all taxable property in the [~~municipality~~] local political subdivision fully sufficient  
1285 for such purpose. If by law ad valorem taxes for the [~~municipality~~] local political subdivision  
1286 are levied by a board other than its [~~governing~~] legislative body, the taxes for which provision  
1287 is herein made shall be levied by such other board and the [~~municipality~~] local political  
1288 subdivision shall be under the duty in due season in each year to provide such other board with  
1289 all information necessary to the levy of taxes in the required amount. Such taxes shall be  
1290 levied and collected by the same officers, at the same time and in the same manner as are other  
1291 taxes levied for the [~~municipality~~] local political subdivision.

1292 (2) If any [~~municipality~~] local political subdivision shall neglect or fail for any reason  
1293 to levy or collect or cause to be levied or collected sufficient taxes for the prompt and punctual  
1294 payment of such principal and interest, any person in interest may enforce levy and collection  
1295 thereof in any court having jurisdiction of the subject matter, and any suit, action or proceeding  
1296 brought by such person in interest shall be a preferred cause and shall be heard and disposed of  
1297 without delay. All provisions of the constitution and laws relating to the collection of county  
1298 and municipal taxes and tax sales shall also apply to and regulate the collection of the taxes

1299 levied pursuant to this section, through the officer whose duty it is to collect the taxes and  
1300 money due the [municipality] local political subdivision.

1301 Section 29. Section **11-14-311**, which is renumbered from Section 11-14-19.5 is  
1302 renumbered and amended to read:

1303 ~~[11-14-19.5]~~. **11-14-311. Bond anticipation notes.**

1304 (1) Whenever the [governing] legislative body considers it advisable and in the  
1305 interests of the [municipality] local political subdivision to anticipate the issuance of bonds to  
1306 be issued under this chapter, the [governing] legislative body may, pursuant to appropriate  
1307 resolution, issue bond anticipation notes. Each resolution authorizing the issuance of bond  
1308 anticipation notes shall:

1309 (a) describe the bonds in anticipation of which the notes are to be issued; and

1310 (b) specify the principal amount of the notes and the maturity dates of the notes. The  
1311 resolution shall specify either the rates of interest, if any, on the notes or specify the method by  
1312 which interest on the notes may be determined while the notes are outstanding. If the  
1313 resolution specifies a method by which the interest rates on the notes may be determined, the  
1314 resolution may specify the maximum rate of interest which the notes may bear.

1315 (2) Bond anticipation notes shall be issued and sold in a manner and at a price, either  
1316 at, below, or above face value, as the [governing] legislative body determines by resolution.  
1317 Interest on bond anticipation notes may be made payable semiannually, annually, or at  
1318 maturity. Bond anticipation notes may be made redeemable prior to maturity at the option of  
1319 the [governing] legislative body in the manner and upon the terms fixed by the resolution  
1320 authorizing their issuance. Bond anticipation notes shall be executed and shall be in a form  
1321 and have details and terms as provided in the authorizing resolution.

1322 (3) Contemporaneously with the issuance of the bonds in anticipation of which bond  
1323 anticipation notes are issued, provision shall be made for the retirement of any outstanding  
1324 bond anticipation notes.

1325 (4) Whenever the bonds in anticipation of which notes are issued are to be payable  
1326 from ad valorem taxes and constitute full general obligations of the [municipality] local  
1327 political subdivision, the bond anticipation notes and the interest on them shall be secured by a  
1328 pledge of the full faith and credit of the [municipality] local political subdivision in the manner  
1329 provided in Section ~~[11-14-19]~~ 11-14-310 and shall also be made payable from funds derived

1330 from the sale of the bonds in anticipation of which the notes are issued. Whenever the bonds in  
1331 anticipation of which the notes are to be issued are to be payable solely from revenues derived  
1332 from the operation of revenue-producing facilities, these bond anticipation notes and the  
1333 interest on them shall be secured by a pledge of the income and revenues derived by the  
1334 [~~municipality~~] local political subdivision from the revenue-producing facilities and shall also  
1335 be made payable from funds derived from the sale of the bonds in anticipation of which the  
1336 notes are issued.

1337 (5) Bond anticipation notes issued under this section may be refunded by the issuance  
1338 of other bond anticipation notes issued under this section.

1339 (6) Sections [~~11-14-15, 11-14-16, 11-14-20, 11-14-21, and 11-14-22~~] 11-14-304,  
1340 11-14-305, 11-14-315, 11-14-316, and 11-14-401 apply to all bond anticipation notes issued  
1341 under this section.

1342 (7) Bonds are not considered to have been issued more than ten years after the date of  
1343 the election authorizing the issuance of them, under Section [~~11-14-13~~] 11-14-301, if the  
1344 issuance of these bonds has been anticipated under this section by bond anticipation notes  
1345 issued prior to the expiration of this ten-year period.

1346 Section 30. Section **11-14-312**, which is renumbered from Section 11-14-19.6 is  
1347 renumbered and amended to read:

1348 [~~11-14-19.6~~]. **11-14-312. Prior bonds validated -- Exceptions.**

1349 All bonds issued by any [~~municipality~~] local political subdivision prior to the effective  
1350 date of this [~~act~~] chapter and all proceedings had in the authorization and issuance of them are  
1351 hereby validated, ratified, and confirmed; and all such bonds are declared to constitute legally  
1352 binding obligations in accordance with their terms. Nothing in this section shall be construed  
1353 to affect or validate any bonds, the legality of which is being contested at the time this [~~act~~]  
1354 chapter takes effect.

1355 Section 31. Section **11-14-313**, which is renumbered from Section 11-14-19.7 is  
1356 renumbered and amended to read:

1357 [~~11-14-19.7~~]. **11-14-313. Issuance of negotiable notes or bonds authorized**  
1358 **-- Limitation on amount of tax anticipation notes or bonds -- Procedure.**

1359 (1) For the purpose of meeting the current expenses of the [~~municipality~~] local political  
1360 subdivision and for any other purpose for which funds of the [~~municipality~~] local political

1361 subdivision may be expended, the [governing] legislative body may borrow money not in  
1362 excess of 90% of the taxes and other revenues of the [municipality] local political subdivision  
1363 for the current year, issuing therefor negotiable notes or bonds of the [municipality] local  
1364 political subdivision. In the event that such notes or bonds are issued prior to the annual tax  
1365 levy for the year in which such indebtedness is contracted, the amount so issued shall not  
1366 exceed 75% of the tax revenues and other revenues of the preceding year, and the proceeds  
1367 shall be applied only in payment of current and necessary expenses and other purposes for  
1368 which funds of the [municipality] local political subdivision may be expended, and there shall  
1369 be included in the annual levy a tax and there shall be provision made for the imposition and  
1370 collection of sufficient revenues other than taxes sufficient to pay the same at maturity. In the  
1371 event that the taxes and other revenues in any one year are insufficient through delinquency or  
1372 uncollectibility of taxes or other cause to pay when due all the lawful debts of the  
1373 [municipality] local political subdivision which have been or may hereafter be contracted, the  
1374 [governing] legislative body of the [municipality] local political subdivision is authorized and  
1375 directed to levy and collect in the next succeeding year a sufficient tax and to provide for the  
1376 imposition and collection of sufficient revenues other than taxes to pay all of such lawfully  
1377 contracted indebtedness, and may borrow as provided in this section in anticipation of such tax  
1378 and other revenues to pay any such lawfully contracted indebtedness. Each resolution  
1379 authorizing the issuance of tax anticipation notes shall:

1380 (a) describe the taxes or revenues in anticipation of which the notes are to be issued;  
1381 and

1382 (b) specify the principal amount of the notes, the interest rates, if any, (including a  
1383 variable interest rate), the notes shall bear, and the maturity dates of the notes, which dates  
1384 shall not extend beyond the last day of the issuing [municipality's] local political subdivision's  
1385 fiscal year.

1386 (2) Tax anticipation notes shall be issued and sold in such manner and at such prices  
1387 (whether at, below, or above face value) as the [governing] legislative body shall by resolution  
1388 determine. Tax anticipation notes shall be in bearer form, except that the [governing]  
1389 legislative body may provide for the registration of the notes in the name of the owner, either as  
1390 to principal alone, or as to principal and interest. Tax anticipation notes may be made  
1391 redeemable prior to maturity at the option of the [governing] legislative body in the manner and

1392 upon the terms fixed by the resolution authorizing their issuance. Tax anticipation notes shall  
1393 be executed and shall be in such form and have such details and terms as shall be provided in  
1394 the authorizing resolution.

1395 (3) The provisions of Sections [~~11-14-14.5, 11-14-15, 11-14-16, 11-14-19.7, 11-14-20,~~  
1396 ~~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,  
1397 11-14-315, 11-14-316, 11-14-401, 11-14-403, and 11-14-404 shall apply to all tax anticipation  
1398 notes issued under this section. In applying these sections to tax anticipation notes, "bond" or  
1399 "bonds" as used in these sections shall be deemed to include tax anticipation notes.

1400 [~~(4) "Municipality" as used in this section shall have the meaning set forth in Section~~  
1401 ~~11-14-1.~~]

1402 Section 32. Section **11-14-314**, which is renumbered from Section 11-14-19.8 is  
1403 renumbered and amended to read:

1404 [~~11-14-19.8~~]. **11-14-314. Tax anticipation obligations validated.**

1405 All obligations issued in anticipation of the collection of taxes and other revenues by  
1406 any [~~municipality~~] local political subdivision prior to the effective date of this [~~act~~] chapter and  
1407 all proceedings had in the authorization and issuance of them are validated, ratified, and  
1408 confirmed; and all these obligations are declared to constitute legally binding obligations in  
1409 accordance with their terms. Nothing in this section shall be construed to affect or validate any  
1410 of these obligations, the legality of which is being contested at the time this [~~act~~] chapter takes  
1411 effect.

1412 Section 33. Section **11-14-315**, which is renumbered from Section 11-14-20 is  
1413 renumbered and amended to read:

1414 [~~11-14-20~~]. **11-14-315. Nature and validity of bonds issued -- Applicability of**  
1415 **other statutory provisions -- Budget provision required -- Applicable procedures for**  
1416 **issuance.**

1417 Bonds issued under this [~~act~~] chapter shall have all the qualities of negotiable paper,  
1418 shall be incontestable in the hands of bona fide purchasers or holders for value and shall not be  
1419 invalid for any irregularity or defect in the proceedings for their issuance and sale. This [~~act~~]  
1420 chapter is intended to afford an alternative method for the issuance of bonds by [~~municipalities~~]  
1421 local political subdivisions and shall not be so construed as to deprive any [~~municipality~~] local  
1422 political subdivision of the right to issue its bonds under authority of any other statute, but

1423 nevertheless this [act] chapter shall constitute full authority for the issue and sale of bonds by  
 1424 [municipalities] local political subdivisions. The provisions of Section 11-1-1, Utah Code  
 1425 Annotated 1953, shall not be applicable to bonds issued under this [act] chapter. Any  
 1426 [municipality] local political subdivision subject to the provisions of any budget law shall in its  
 1427 annual budget make proper provision for the payment of principal and interest currently falling  
 1428 due on bonds issued hereunder, but no provision need be made in any such budget prior to the  
 1429 issuance of the bonds for the issuance thereof or for the expenditure of the proceeds thereof.  
 1430 No ordinance, resolution or proceeding in respect to the issuance of bonds hereunder shall be  
 1431 necessary except as herein specifically required, nor shall the publication of any resolution,  
 1432 proceeding or notice relating to the issuance of the bonds be necessary except as herein  
 1433 required. Any publication made hereunder may be made in any newspaper conforming to the  
 1434 terms hereof in which legal notices may be published under the laws of Utah, without regard to  
 1435 the designation thereof as the official journal or newspaper of the [municipality] local political  
 1436 subdivision. No resolution adopted or proceeding taken hereunder shall be subject to  
 1437 referendum petition or to an election other than as herein required. All proceedings adopted  
 1438 hereunder may be adopted on a single reading at any legally convened meeting of the  
 1439 [governing] legislative body.

1440 Section 34. Section **11-14-316**, which is renumbered from Section 11-14-21 is  
 1441 renumbered and amended to read:

1442 ~~[11-14-21].~~ **11-14-316. Publication of notice, resolution, or other proceeding --**  
 1443 **Contest.**

1444 ~~[(1) If a municipality has one or more newspapers published within its boundaries, the~~  
 1445 ~~governing body of the municipality shall, from time to time, designate one of the newspapers~~  
 1446 ~~as the "official newspaper" for the publication of all notices required under this chapter.~~  
 1447 ~~Otherwise, the governing body, from time to time, shall designate a newspaper with general~~  
 1448 ~~circulation in the municipality as the "official newspaper" for the publication of such notices.~~

1449 ~~(2) The governing]~~

1450 (1) The legislative body of any [public body] local political subdivision may provide  
 1451 for the publication of any resolution or other proceeding adopted [by it] under this chapter in  
 1452 [the "official newspaper" designated under Subsection (1)] a newspaper having general  
 1453 circulation in the local political subdivision.

1454 [~~(3) In case of~~] (2) When publication involves a resolution or other proceeding  
1455 providing for the issuance of bonds, the [~~governing~~] legislative body may, in lieu of publishing  
1456 the entire resolution or other proceeding, publish a notice of bonds to be issued, titled as such,  
1457 containing:

- 1458 (a) the name of the issuer;
- 1459 (b) the purpose of the issue;
- 1460 (c) the type of bonds and the maximum principal amount which may be issued;
- 1461 (d) the maximum number of years over which the bonds may mature;
- 1462 (e) the maximum interest rate which the bonds may bear, if any;
- 1463 (f) the maximum discount from par, expressed as a percentage of principal amount, at

1464 which the bonds may be sold; and  
1465 (g) the times and place where a copy of the resolution or other proceeding may be  
1466 examined, which shall be:

- 1467 (i) at an office of the issuer[;];
- 1468 (ii) identified in the notice[;];
- 1469 (iii) during regular business hours of the issuer as described in the notice; and
- 1470 (iv) for a period of at least 30 days after the publication of the notice.

1471 [~~(4)~~] (3) For a period of 30 days after the publication, any person in interest may  
1472 contest:

- 1473 (a) the legality of such resolution or proceeding[;];
- 1474 (b) any bonds which may be authorized by such resolution or proceeding[;]; or
- 1475 (c) any provisions made for the security and payment of the bonds.

1476 (4) A person shall contest the matters set forth in Subsection (3) by filing a verified  
1477 written complaint in the district court of the county in which he resides within the 30-day  
1478 period.

1479 (5) After the 30-day period, no person may contest the regularity, formality, or legality  
1480 of [~~such~~] the resolution or proceeding for any [~~cause~~] reason.

1481 Section 35. Section **11-14-401**, which is renumbered from Section 11-14-22 is  
1482 renumbered and amended to read:

**Part 4. Miscellaneous Provisions**

1484 [~~11-14-22~~]. **11-14-401**. Short title -- Title to appear on face of bonds -- Effect of

1485 **future statutes dealing with municipal bond issues.**

1486 (1) This ~~[act may be cited]~~ chapter is known as the ~~["Utah Municipal Bond Act," and]~~  
1487 "Local Government Bonding Act."

1488 (2) All bonds issued pursuant to authority contained in this ~~[act]~~ chapter shall contain  
1489 on their face a recital to that effect, and no ~~[act]~~ chapter hereafter passed by the Legislature  
1490 amending other ~~[acts]~~ chapters under which bonds authorized to be issued by this ~~[act]~~ chapter  
1491 might be issued or dealing with bond issues of ~~[municipalities]~~ local political subdivisions  
1492 shall be construed to affect the authority to proceed under this ~~[act]~~ chapter in the manner  
1493 herein provided unless such future statute amends this ~~[act]~~ chapter and specifically provides  
1494 that it is to be applicable to bonds issued under this ~~[act]~~ chapter.

1495 (3) All bonds referencing the prior title of this chapter, "Utah Municipal Bond Act,"  
1496 that were issued prior to May 2, 2005 pursuant to the authority contained in this chapter shall  
1497 be considered to reference this chapter and shall be construed according to the terms of  
1498 Subsection (1) as if they refer to the current title of this chapter.

1499 Section 36. Section **11-14-402**, which is renumbered from Section 11-14-23 is  
1500 renumbered and amended to read:

1501 ~~[11-14-23].~~ **11-14-402. Exemptions from application of chapter -- Exception.**

1502 (1) Except as provided in Subsection (2), this chapter does not apply to bonds issued by  
1503 the state of Utah nor to bonds or obligations payable solely from special assessments levied on  
1504 benefited property.

1505 (2) Sections ~~[11-14-14.5]~~ 11-14-303 and ~~[11-14-28]~~ 11-14-501 have general  
1506 application in accordance with their terms.

1507 Section 37. Section **11-14-403**, which is renumbered from Section 11-14-24 is  
1508 renumbered and amended to read:

1509 ~~[11-14-24].~~ **11-14-403. Conflict of laws.**

1510 To the extent that any one or more provisions of this ~~[act]~~ chapter shall be in conflict  
1511 with any other law or laws, the provisions of this ~~[act]~~ chapter shall be controlling.

1512 Section 38. Section **11-14-404**, which is renumbered from Section 11-14-25 is  
1513 renumbered and amended to read:

1514 ~~[11-14-25].~~ **11-14-404. Severability clause.**

1515 If any one or more sentences, clauses, phrases, provisions or sections of this ~~[act]~~

1516 chapter or the application thereof to any set of circumstances shall be held by final judgment of  
 1517 any court of competent jurisdiction to be invalid, the remaining sentences, clauses, phrases,  
 1518 provisions and sections hereof and the application of this [act] chapter to other sets of  
 1519 circumstances shall nevertheless continue to be valid and effective, the legislature hereby  
 1520 declaring that all provisions of this [act] chapter are severable.

1521 Section 39. Section **11-14-405**, which is renumbered from Section 11-14-26 is  
 1522 renumbered and amended to read:

1523 ~~[11-14-26].~~ **11-14-405. Validity of prior bond issues.**

1524 All bonds issued by any [~~municipality~~] local political subdivision prior to the effective  
 1525 date of this [act] chapter and all proceedings had in the authorization and issuance thereof are  
 1526 hereby validated, ratified and confirmed and all such bonds are declared to constitute legally  
 1527 binding obligations in accordance with their terms. Nothing in this section shall be construed  
 1528 to affect or validate any bonds, the legality of which is being contested at the time this [act]  
 1529 chapter takes effect.

1530 Section 40. Section **11-14-406**, which is renumbered from Section 11-14-27 is  
 1531 renumbered and amended to read:

1532 ~~[11-14-27].~~ **11-14-406. Application of act.**

1533 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,~~  
 1534 ~~and 11-14-18]~~ 11-14-201, 11-14-202, 11-14-203, 11-14-204, 11-14-205, and 11-14-208 shall  
 1535 apply to all bond elections [~~and to all bonds issued~~] held by any city, town, county, school  
 1536 district, public transit district, improvement district under Title 17A, Chapter 2, Part 3, special  
 1537 service district operating under authority of the Utah Special Service District Act, water  
 1538 conservancy district, metropolitan water district and, except as otherwise provided in Section  
 1539 [~~11-14-23]~~ 11-14-402, by any other taxing district or governmental entity whether or not the  
 1540 bonds are issued [~~pursuant to~~] under authority granted by this [act and, as to matters provided  
 1541 in Section 11-14-18, this act shall apply to all bonds issued and outstanding as of May 11,  
 1542 1965, as well as to bonds issued after that date] chapter.

1543 Section 41. Section **11-14-501**, which is renumbered from Section 11-14-28 is  
 1544 renumbered and amended to read:

#### 1545 **Part 5. Government Security Interests**

1546 ~~[11-14-28].~~ **11-14-501. Creation and perfection of government security**

1547 **interests.**

1548 (1) As used in this section:

1549 (a) "Bonds" means any bond, note, lease, or other obligation of a governmental unit.

1550 (b) "Governmental unit" has the meaning assigned in Subsection 70A-9a-102(45).

1551 (c) "Pledge" means the creation of a security interest of any kind.

1552 (d) "Property" means any property or interests in property, other than real property.

1553 (e) "Security agreement" means any resolution, ordinance, indenture, document, or  
1554 other agreement or instrument under which the revenues, fees, rents, charges, taxes, or other  
1555 property are pledged to secure the bonds.

1556 (2) This section expressly governs the creation, perfection, priority, and enforcement of  
1557 a security interest created by the state or a governmental unit of the state, notwithstanding  
1558 anything in Title 70A, Chapter 9a, Uniform Commercial Code - Secured Transactions, to the  
1559 contrary.

1560 (3) (a) The revenues, fees, rents, charges, taxes, or other property pledged by a  
1561 governmental unit for the purpose of securing its bonds are immediately subject to the lien of  
1562 the pledge.

1563 (b) (i) The lien is a perfected lien upon the effective date of the security agreement.

1564 (ii) The physical delivery, filing, or recording of a security agreement or financing  
1565 statement under the Uniform Commercial Code or otherwise, or any other similar act, is not  
1566 necessary to perfect the lien.

1567 (c) The lien of any pledge is valid, binding, perfected, and enforceable from the time  
1568 the pledge is made.

1569 (d) The lien of the pledge has priority:

1570 (i) based on the time of the creation of the pledge unless otherwise provided in the  
1571 security agreement; and

1572 (ii) as against all parties having claims of any kind in tort, contract, or otherwise  
1573 against the governmental unit, regardless of whether or not the parties have notice of the lien.

1574 (e) Each pledge and security agreement made for the benefit or security of any of the  
1575 bonds shall continue to be effective until:

1576 (i) the principal, interest, and premium, if any, on the bonds have been fully paid;

1577 (ii) provision for payment has been made; or

1578 (iii) the lien created by the security agreement has been released by agreement of the  
1579 parties in interest or as provided by the security agreement that created the lien.

1580 Section 42. Section **11-17-3** is amended to read:

1581 **11-17-3. Powers of municipalities, counties, and state universities.**

1582 (1) Each municipality, county, and state university may:

1583 (a) finance or acquire, whether by construction, purchase, devise, gift, exchange, or  
1584 lease, or any one or more of those methods, and construct, reconstruct, improve, maintain,  
1585 equip, and furnish or fund one or more projects, which shall be located within this state, and  
1586 which shall be located within, or partially within, the municipality or county or within the  
1587 county within which a state university is located, unless an agreement under the Interlocal  
1588 Cooperation Act has been entered into as authorized by Subsection (5), except that if a  
1589 governing body finds, by resolution, that the effects of international trade practices have been  
1590 or will be adverse to Utah manufacturers of industrial products and, therefore, it is desirable to  
1591 finance a project in order to maintain or enlarge domestic or foreign markets for Utah industrial  
1592 products, a project may consist of the financing on behalf of a user of the costs of acquiring  
1593 industrial products manufactured in, and which are to be exported from, the state [~~of Utah~~];

1594 (b) finance for, sell, lease, contract the management of, or otherwise dispose of to, any  
1595 person, firm, partnership, or corporation, either public or private, including without limitation  
1596 any person, firm, partnership, or corporation engaged in business for a profit, any or all of its  
1597 projects upon the terms and conditions as the governing body [~~deems~~] considers advisable and  
1598 which do not conflict with this chapter;

1599 (c) issue revenue bonds for the purpose of defraying the cost of financing, acquiring,  
1600 constructing, reconstructing, improving, maintaining, equipping, furnishing, or funding any  
1601 project and secure the payment of the bonds as provided in this chapter, which revenue bonds  
1602 may be issued in one or more series or issues where [~~deemed~~] considered advisable, and each  
1603 series or issue may contain different maturity dates, interest rates, priorities on securities  
1604 available for guaranteeing payment of them, and other differing terms and conditions [~~deemed~~]  
1605 considered necessary and not in conflict with this chapter;

1606 (d) (i) grant options to renew any lease with respect to any project and to buy any  
1607 project at a price the governing body [~~deems~~] considers desirable; and

1608 (ii) sell and convey any real or personal property acquired under Subsection (1)(a) at

1609 public or private sale, and make an order respecting the sale [~~deemed~~] considered conducive to  
1610 the best interests of the municipality, county, or state university, the sale or conveyance to be  
1611 subject to the terms of any lease but to be free and clear of any other encumbrance;

1612 (e) establish, acquire, develop, maintain, and operate industrial parks; and

1613 (f) offer to the holders of its bonds issued pursuant to this chapter the right, where its  
1614 governing body [~~deems~~] considers it appropriate, to convert the bonds or some portion of the  
1615 bond obligation into an equity position in some or all of the assets developed with the proceeds  
1616 of the bond offering.

1617 (2) An economic development or new venture investment fund shall be considered to  
1618 be located in the municipality or county where its headquarters is located or where any office of  
1619 it is located, as long as it is headquartered within the state. It need not make all of its  
1620 investments within the state of Utah or such county or municipality, so long as it locates within  
1621 the state of Utah or such county or municipality its headquarters where its actual investment  
1622 decisions and management functions occur and agrees to, and does, limit the aggregate amount  
1623 of its investments in companies located outside the state of Utah to an amount which in the  
1624 aggregate does not exceed the aggregate amount of investments made by institutions and funds  
1625 located outside the state of Utah in companies headquartered in Utah which the locally  
1626 managed fund has sponsored or in which it has invested and which it has brought to the  
1627 attention of investors outside the state of Utah. For purposes of enabling an offering of bonds  
1628 to fund such a fund, a certification of an executive managerial officer of the manager of said  
1629 fund of the intention to comply with this provision may be relied upon. Each fund shall at least  
1630 annually certify to the governmental offeror of such bonds its compliance with this provision.

1631 (3) Before any municipality, county, or state university issues revenue bonds under this  
1632 chapter for the purpose of defraying the cost of acquiring, constructing, reconstructing,  
1633 improving, maintaining, equipping, or furnishing any industrial park project, the governing  
1634 body of the state university, county, or municipality shall adopt and establish a plan of  
1635 development for the tracts of land to constitute the industrial park and shall, by resolution, find  
1636 that the project for the establishment of the industrial park is well conceived and has a  
1637 reasonable prospect of success, that the project will tend to provide proper economic  
1638 development of the municipality or county and will encourage industry to locate within or near  
1639 the municipality or county or, in the case of state universities, will further, through industrial

1640 research and development, the instructional progress of the state university. There may be  
1641 included as a part of any plan of development for any industrial park zoning regulations,  
1642 restrictions on usage of sites within the boundaries of the industrial park, minimum size of  
1643 sites, parking and loading regulations, and methods for the providing and furnishing of police  
1644 and fire protection and for the furnishing of other municipal or county services which are  
1645 [~~deemed~~] considered necessary in order to provide for the maintenance of the public health and  
1646 safety. If any water or sewerage facilities are to be acquired as part of the development of the  
1647 land for an industrial park under this chapter, water and sewerage facilities may be acquired as  
1648 part of the issue of bonds issued under this chapter, through the issuance of bonds payable from  
1649 water and sewer charges in the manner as is now or as may hereafter be provided by law, in  
1650 combination with an issue of refunding bonds, in combination with an issue of bonds upon the  
1651 consent of the holders of outstanding bonds issued for the same purpose, in combination with  
1652 bonds issued for the purposes of financing water and sewer facilities which will not be a part of  
1653 an industrial park, or in any combination of the foregoing. Any municipality, county, or state  
1654 university establishing an industrial park may lease any land acquired and developed as part of  
1655 an industrial park to one or more lessees. The lessee may sublease all or a portion of the land  
1656 so leased from the municipality or county. Municipalities, counties, and state universities may  
1657 sell or lease land in connection with the establishment, acquisition, development, maintenance,  
1658 and operation of an industrial park project. Any such lease or sale of land shall be undertaken  
1659 only after the adoption by the governing body of a resolution authorizing the lease or sale of the  
1660 land for industrial park purposes.

1661 (4) (a) No municipality, county, or state university may operate any project referred to  
1662 in this section, as a business or in any other manner except as the lessor or administrator of it,  
1663 nor may it acquire any such project, or any part of it, by condemnation. This prohibition does  
1664 not apply to projects involving research conducted, administered, or managed by a state  
1665 university.

1666 (b) No municipality, county, or state university may, under this chapter, acquire or  
1667 lease projects, or issue revenue bonds for the purpose of defraying the cost of any project or  
1668 part of it, used for the generation, transmission, or distribution of electric energy beyond the  
1669 project site, or the production, transmission, or distribution of natural gas, except for any  
1670 project defined in Subsection 11-17-2(8)(b) or (d).

1671 (5) Each municipality, county, and state university may enter, either before or after the  
1672 bonds have been issued, into interlocal agreements under Title 11, Chapter 13, Interlocal  
1673 Cooperation Act, with one or more municipalities, counties, state universities, or special  
1674 service districts created pursuant to Title 17A, Chapter 2, Part 13, Utah Special Service District  
1675 Act, in order to accomplish economies of scale or other cost savings and any other additional  
1676 purposes to be specified in the interlocal agreement, for the issuance of bonds under this  
1677 chapter on behalf of all of the signatories to the interlocal agreement by one of the  
1678 municipalities, counties, or state universities which is a signatory to the interlocal agreement  
1679 for the financing or acquisition of projects qualifying as a project under Subsection 11-17-2(8).  
1680 For all purposes of Section 11-13-207 the signatory to the interlocal agreement designated as  
1681 the issuer of the bonds constitutes the administrator of the interlocal agreement.

1682 (6) Subsection (4) to the contrary notwithstanding, the governing body of any state  
1683 university owning or desiring to own facilities or administer projects described in Subsection  
1684 11-17-2(8) may:

1685 (a) become a signatory to the interlocal agreement provided for in Subsection (5);

1686 (b) enter into a separate security agreement with the issuer of the bonds, as provided in  
1687 Section 11-17-5 for the financing or acquisition of a project under Subsection 11-17-2(8) to be  
1688 owned by the state university;

1689 (c) enter into agreements to secure the obligations of the state university under a  
1690 security agreement entered into under Subsection (6)(b), or to provide liquidity for such  
1691 obligations including, without limitation, letter of credit agreements with banking institutions  
1692 for letters of credit or for standby letters of credit, reimbursement agreements with financial  
1693 institutions, line of credit agreements, standby bond purchase agreements, and to provide for  
1694 payment of fees, charges, and other amounts coming due under the agreements entered into  
1695 under the authority contained in this Subsection (6)(c);

1696 (d) provide in security agreements entered into under Subsection (6)(b) and in  
1697 agreements entered into under Subsection (6)(c) that the obligations of the state university  
1698 under an agreement shall be special obligations payable solely from the revenues derived from  
1699 the operation or management of the project, owned by the state university and from net profits  
1700 from proprietary activities and any other revenues pledged other than appropriations by the  
1701 Utah Legislature, and the governing body of the state university shall pledge all or any part of

1702 such revenues to the payment of its obligations under an agreement; and

1703 (e) in order to secure the prompt payment of the obligations of the state university  
1704 under a security agreement entered into under Subsection (6)(b) or an agreement entered into  
1705 under Subsection (6)(c) and the proper application of the revenues pledged to them, covenant  
1706 and provide appropriate provisions in an agreement to the extent permitted and provided for  
1707 under Section 53B-21-102.

1708 (7) Subsection (4) to the contrary notwithstanding, the governing body of any  
1709 municipality, county, or special service district owning, desiring to own, or administering  
1710 projects or facilities described in Subsection 11-17-2(8) may:

1711 (a) become a signatory to the interlocal agreement provided for in Subsection (5);

1712 (b) enter into a separate security agreement with the issuer of the bonds, as provided in  
1713 Section 11-17-5, for the financing or acquisition of a project under Subsection 11-17-2(8) to be  
1714 owned by the municipality, county, or special service district, as the case may be, except that  
1715 no municipality, county, or special service district may mortgage the facilities so financed or  
1716 acquired;

1717 (c) enter into agreements to secure the obligations of the municipality, county, or  
1718 special service district, as the case may be, under a security agreement entered into under  
1719 Subsection (7)(b), or to provide liquidity for such obligations including, without limitation,  
1720 letter of credit agreements with banking institutions for letters of credit or for standby letters of  
1721 credit, reimbursement agreements with financial institutions, line of credit agreements, standby  
1722 bond purchase agreements, and to provide for payment of fees, charges, and other amounts  
1723 coming due under the agreements entered into under the authority contained in this Subsection  
1724 (7)(c);

1725 (d) provide in security agreements entered into under Subsection (7)(b) and in  
1726 agreements entered into under Subsection (7)(c) that the obligations of the municipality,  
1727 county, or special service district, as the case may be, under an agreement shall be special  
1728 obligations payable solely from the revenues derived from the operation or management of the  
1729 project, owned by the municipality, county, or special service district, as the case may be, and  
1730 the governing body of the municipality, county, or special service district, as the case may be,  
1731 shall pledge all or any part of such revenues to the payment of its obligations under an  
1732 agreement; and

1733 (e) in order to secure the prompt payment of obligations under a security agreement  
1734 entered into under Subsection (7)(b) or an agreement entered into under Subsection (7)(c) and  
1735 the proper application of the revenues pledged to them, covenant and provide appropriate  
1736 provisions in an agreement to the extent permitted and provided for with respect to revenue  
1737 obligations under Section [~~11-14-17~~] 11-14-306.

1738 (8) In connection with the issuance of bonds under this chapter, a municipality, county,  
1739 or state university:

1740 (a) may provide for the repurchase of bonds tendered by their owners and may enter  
1741 into an agreement to provide liquidity for such repurchases, including a letter of credit  
1742 agreement, line of credit agreement, standby bond purchase agreement, or other type of  
1743 liquidity agreement;

1744 (b) may enter into remarketing, indexing, tender agent, or other agreements incident to  
1745 the financing of the project or the performance of the issuer's obligations relative to the bonds;  
1746 and

1747 (c) may provide for payment of fees, charges, and other amounts coming due under the  
1748 agreements entered into pursuant to authority contained in Subsection (6).

1749 Section 43. Section **11-25-5** is amended to read:

1750 **11-25-5. Bonds or notes -- Issuance -- Purposes -- Payment -- Maturity of bond**  
1751 **anticipation notes.**

1752 An agency may, from time to time, issue its negotiable bonds or notes for the purpose  
1753 of financing residential rehabilitation as authorized by this act and for the purpose of funding or  
1754 refunding these bonds or notes in the same manner as it may issue other bonds or notes as  
1755 provided in Title 17B, Chapter 4, Part 12, Bonds. Every issue of its bonds shall be a special  
1756 obligation of the agency payable from all or any part of the revenues specified in the act or  
1757 funds legally received by the agency. In anticipation of the sale of the bonds, the agency may  
1758 issue negotiable bond anticipation notes in accordance with Section [~~11-14-19.5~~] 11-14-311,  
1759 and may renew such notes from time to time. Bond anticipation notes may be paid from the  
1760 proceeds of sale of the bonds of the agency in anticipation of which they were issued. Bond  
1761 anticipation notes and agreements relating thereto and the resolution or resolutions authorizing  
1762 the notes and agreements may obtain any provisions, conditions, or limitations which a bond,  
1763 agreement relating thereto, or bond resolution of the agency may contain except that any note

1764 or renewal thereof shall mature at a time not later than five years from the date of the issuance  
1765 of the original note.

1766 Section 44. Section 11-27-3 is amended to read:

1767 **11-27-3. Action by resolution of governing body -- Purposes for bond issue --**  
1768 **Exchange or sale -- Interest rate limitations inapplicable -- Principal amount --**  
1769 **Investment of proceeds -- Safekeeping and application of proceeds -- Computing**  
1770 **indebtedness -- Payment of bonds -- Combination issues -- Laws applicable to issuance --**  
1771 **Payment from taxes or pledged revenues.**

1772 (1) Any formal action taken by the governing body of a public body under the authority  
1773 of this chapter may be taken by resolution of that governing body.

1774 (2) (a) The governing body of any public body may by resolution provide for the  
1775 issuance of refunding bonds to refund outstanding bonds issued by the public body or its  
1776 predecessor, either prior to or after the effective date of this chapter, only:

1777 (i) to pay or discharge all or any part of any outstanding series or issue of bonds,  
1778 including applicable interest, in arrears or about to become due and for which sufficient funds  
1779 are not available;

1780 (ii) to achieve a savings; or

1781 (iii) to achieve another objective that the governing body finds to be beneficial to the  
1782 public body.

1783 (b) Any refunding bonds may be delivered in exchange for the outstanding bonds being  
1784 refunded or may be sold in a manner, at terms, with details, and at a price above, at, or below  
1785 par as the governing body determines advisable. The refunding bonds may be issued without  
1786 an election, unless an election is required by the Utah Constitution.

1787 (c) It is the express intention of the Legislature that interest rate limitations elsewhere  
1788 appearing in the laws of the state not apply to nor limit the rates of interest borne by refunding  
1789 bonds.

1790 (3) Advance refunding bonds may be issued in a principal amount in excess of the  
1791 principal amount of the bonds to be refunded as determined by the governing body. This  
1792 amount may be equal to the full amount required to pay the principal of, interest on, and  
1793 redemption premiums, if any, due in connection with the bonds to be refunded to and including  
1794 their dates of maturity or redemption in accordance with the advance refunding plan adopted by

1795 the governing body, together with all costs incurred in accomplishing this refunding. The  
1796 principal amount of refunding bonds may be less than or the same as the principal amount of  
1797 the bonds being refunded so long as provision is duly and sufficiently made for the retirement  
1798 or redemption of the bonds to be refunded. Any reserves held or taxes levied or collected to  
1799 secure the bonds to be refunded may be applied to the redemption or retirement of the bonds,  
1800 or otherwise, as the governing body may determine.

1801 (4) Prior to the application of the proceeds derived from the sale of advance refunding  
1802 bonds to the purposes for which the bonds have been issued, these proceeds, together with any  
1803 other legally available funds, including reserve funds, may be invested and reinvested only in  
1804 government obligations maturing at such times as may be required to provide funds sufficient  
1805 to pay principal of, interest on, and redemption premiums, if any, due in connection with the  
1806 bonds to be refunded or the advance refunding bonds, or both, in accordance with the advance  
1807 refunding plan. To the extent incidental expenses have been capitalized, these bond proceeds  
1808 may be used to defray these expenses.

1809 (5) The governing body may contract regarding the safekeeping and application of the  
1810 proceeds of sale of advance refunding bonds and other funds included with them and the  
1811 income from them, including the right to appoint a trustee, which may be any trust company or  
1812 state or national bank having powers of a trust company inside or outside the state. The  
1813 governing body may provide in the advance refunding plan that until such monies are required  
1814 to redeem or retire the bonds to be refunded, the advance refunding bond proceeds and other  
1815 funds, and the income from them, shall be used to pay and secure payment of principal of,  
1816 interest on, and redemption premiums, if any, due in connection with all or a portion of the  
1817 advance refunding bonds or the bonds being refunded, or both.

1818 (6) In computing indebtedness for the purpose of any applicable constitutional or  
1819 statutory debt limitation, there shall be deducted from the amount of outstanding indebtedness  
1820 the principal amount of outstanding general obligation bonds for the payment of which there  
1821 has been dedicated and deposited in escrow government obligations, the principal of or interest  
1822 on which, or both, will be sufficient to provide for the payment of these general obligation  
1823 bonds as to principal, interest, and redemption premiums, if any, when due at maturity or upon  
1824 some earlier date upon which the bonds have been called for redemption in accordance with  
1825 their terms.

1826 (7) When a public body has irrevocably set aside for and pledged to the payment of  
1827 bonds to be refunded proceeds of advance refunding bonds and other monies in amounts  
1828 which, together with known earned income from their investment, will be sufficient in amount  
1829 to pay the principal of, interest on, and any redemption premiums due on the bonds to be  
1830 refunded as the same become due and to accomplish the refunding as scheduled, the refunded  
1831 bonds shall be [~~deemed~~] considered duly paid and discharged for the purpose of any applicable  
1832 constitutional or statutory debt limitation.

1833 (8) Refunding bonds and bonds issued for any other purpose may be issued separately  
1834 or issued in combination in one or more series or issues by the same issuer.

1835 (9) Except as specifically provided in this section, refunding bonds issued under this  
1836 chapter shall be issued in accordance with the provisions of law applicable to the type of bonds  
1837 of the issuer being refunded in effect either at the time of the issuance of the refunding bonds  
1838 or at the time of issuance of the bonds to be refunded. Refunding bonds and coupons, if any,  
1839 pertaining to them may bear facsimile signatures as provided in Section [~~11-14-15~~] 11-14-304.

1840 (10) Refunding bonds may be made payable from any taxes or pledged revenues, or  
1841 both, or any assessments, special improvement guaranty funds, or other funds which might be  
1842 legally pledged for the payment of the bonds to be refunded at the time of the issuance of the  
1843 refunding bonds or at the time of the issuance of the bonds to be refunded, as the governing  
1844 body may determine.

1845 Section 45. Section **15-7-12** is amended to read:

1846 **15-7-12. Obligations subject to chapter.**

1847 (1) Unless the official or official body of the issuer determines otherwise before or at  
1848 the time of the original issuance of a registered public obligation, this act is applicable to such  
1849 registered public obligation. When this act is applicable, the provisions of this act prevail over  
1850 any inconsistent provision under any other law. Pursuant to Section [~~11-14-22~~] 11-14-401, this  
1851 act is specifically made applicable to registered public obligations issued under Title 11,  
1852 Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, in accordance with  
1853 Section [~~11-14-16~~] 11-14-305.

1854 (2) Nothing in this act limits or prevents the issuance of obligations in any other form  
1855 or manner authorized by law.

1856 (3) Unless determined otherwise pursuant to Subsection (1), this act is applicable with

1857 respect to obligations which have been approved before enactment of this act by vote,  
1858 referendum, or hearing, which authorized or permitted the authorization of obligations in  
1859 bearer and registered form, or in bearer form only, and such obligations need not be  
1860 resubmitted for a further vote, referendum or hearing, for the purpose of authorizing or  
1861 permitting the authorization of registered public obligations under this act.

1862 Section 46. Section **17-12-1** is amended to read:

1863 **17-12-1. Authority and applicable procedure for issuance of bonds -- Application**  
1864 **of proceeds -- Debt limit.**

1865 Except as otherwise provided under Section 17-50-303, the county legislative body may  
1866 contract a bonded indebtedness in the manner and subject to the conditions provided under  
1867 Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act. The revenue  
1868 derived from the sale of bonds shall be applied only to the purpose or purposes specified in the  
1869 order of the county legislative body. If there is any surplus, it shall be applied to the payment  
1870 of the bonds. In no event may any county become so indebted to an amount, including existing  
1871 indebtedness, exceeding 2% of the fair market value, as defined under Section 59-2-102, of the  
1872 taxable property in the county as computed from the last equalized assessment roll for county  
1873 purposes prior to the incurring of the indebtedness.

1874 Section 47. Section **17-24-1** is amended to read:

1875 **17-24-1. General duties of treasurer.**

1876 The county treasurer shall:

1877 (1) receive all money belonging to the county and all other money by law directed to be  
1878 paid to the treasurer, including proceeds of bonds, notes, or other evidences of indebtedness  
1879 issued under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act;

1880 (2) deposit and invest all money received under Title 51, Chapter 7, State Money  
1881 Management Act;

1882 (3) keep a record of the receipts and expenditures of all such money;

1883 (4) disburse county money:

1884 (a) on a county warrant issued by the county auditor; or

1885 (b) subject to Sections 17-19-1, 17-19-3, and 17-19-5, by a county check or such other  
1886 payment mechanism as may be adopted pursuant to Chapter 36, Uniform Fiscal Procedures Act  
1887 for Counties;

1888 (5) perform the duties assigned to the treasurer under Title 59, Chapter 2, Part 13,  
1889 Collection of Taxes;

1890 (6) perform the duties under Title 59, Chapter 2, Part 13, Collection of Taxes, that have  
1891 been reassigned to the treasurer in an ordinance adopted under Section 17-16-5.5; and

1892 (7) perform other duties that are required by law or ordinance.

1893 Section 48. Section **17-36-54** is amended to read:

1894 **17-36-54. Tax stability and trust fund -- Use of principal -- Determination of**  
1895 **necessity -- Election.**

1896 If the legislative body of a county that has established a tax stability and trust fund  
1897 under Section 17-36-51 determines that it is necessary for purposes of that county to use any  
1898 portion of the principal of the fund, the county legislative body shall submit this proposition to  
1899 the electorate of that county in a special election called and held in the manner provided for in  
1900 Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, for the holding  
1901 of bond elections. If the proposition is approved at this special election by a majority of the  
1902 qualified electors of the county voting at the election, then that portion of the principal of the  
1903 fund covered by the proposition may be transferred to the county's general fund for use for  
1904 purposes of that county.

1905 Section 49. Section **17-50-303** is amended to read:

1906 **17-50-303. County may not give or lend credit -- County may borrow in**  
1907 **anticipation of revenues -- Assistance to nonprofit entities.**

1908 (1) A county may not give or lend its credit to or in aid of any person or corporation,  
1909 or, except as provided in Subsection (3), appropriate money in aid of any private enterprise.

1910 (2) (a) A county may borrow money in anticipation of the collection of taxes and other  
1911 county revenues in the manner and subject to the conditions of Title 11, Chapter 14, [~~Utah~~  
1912 ~~Municipal Bond~~] Local Government Bonding Act.

1913 (b) A county may incur indebtedness under Subsection (2)(a) for any purpose for which  
1914 funds of the county may be expended.

1915 (3) After first holding a public hearing, a county may provide services or give other  
1916 nonmonetary property or assistance to or waive fees required to be paid by a nonprofit entity,  
1917 whether or not the county receives consideration in return.

1918 Section 50. Section **17A-2-306** is amended to read:

1919           **17A-2-306. Bonds.**

1920           (1) The board of trustees may, at any time after its organization, adopt a resolution  
 1921 determining it desirable to issue the bonds of the district for purposes and in amounts stated in  
 1922 the resolution. The resolution shall specify whether the bonds are payable from taxes or from  
 1923 the operating revenues of the district, or both. Where the bonds are payable from taxes, in  
 1924 whole or in part, the board of trustees shall call a bond election. If at the election, the  
 1925 proposition to issue the bonds is approved, the board of trustees shall issue the bonds in the  
 1926 manner provided in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding  
 1927 Act. If the bonds are payable solely from the operating revenues of the district, no election is  
 1928 required to approve their issuance, and such bonds shall be issued pursuant to the resolution  
 1929 and in the manner provided in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government  
 1930 Bonding Act. The board may reduce the amount of bonds.

1931           (2) Any bonds authorized prior to April 28, 1986, by an electric service district created  
 1932 pursuant to Chapter 2, Part 3, County Improvement Districts for Water, Sewerage, Flood  
 1933 Control, Electric and Gas, are considered valid and binding if all of the following conditions  
 1934 have been met:

1935           (a) a resolution has been adopted by the board of trustees of the electric service district,  
 1936 prior to April 28, 1986, for the purpose of authorizing the bonds, whether or not these bonds  
 1937 have been issued;

1938           (b) the bonds are delivered and paid for;

1939           (c) the electric service district which authorized the bonds complied with all of the  
 1940 requirements for electric service districts set forth in Section 17A-2-305; and

1941           (d) the requirements of Subsection (1) are met.

1942           (3) If any bonds have been authorized under the conditions described in Subsection (2),  
 1943 prior to April 28, 1986, the board of trustees of the electric service district may make any  
 1944 necessary changes in the specifications of the bonds or the proceedings authorizing the bonds.

1945           Section 51. Section **17A-2-307** is amended to read:

1946           **17A-2-307. Resolution calling bond election -- Precincts and polling places.**

1947           If, under the provisions of Section 17A-2-306, the board shall determine to call an  
 1948 election on the issuance of the bonds, the board shall adopt a resolution directing that an  
 1949 election be held in the district for the purpose of determining whether bonds in the amount, for

1950 the purpose, and with the maximum maturity specified in the resolution, shall be issued. The  
1951 resolution calling the election shall be adopted, notice of the election shall be given, the  
1952 election shall be held, voters' qualifications shall be determined, and the results thereof  
1953 canvassed in the manner and subject to the conditions provided for in Title 11, Chapter 14,  
1954 [~~Utah Municipal Bond~~] Local Government Bonding Act. The board may for purposes of the  
1955 election treat the entire district as a single precinct or may divide the district into such precincts  
1956 and fix such polling places as it may see fit.

1957 Section 52. Section **17A-2-309** is amended to read:

1958 **17A-2-309. Results of bond election -- Resolution -- Issuance of bonds --**  
1959 **Maximum bonded indebtedness.**

1960 (1) The results of the bond election shall be canvassed by the board of trustees and a  
1961 resolution adopted by the board declaring the results, and a certified copy of the resolution filed  
1962 in the records of the district. The results of all subsequent elections shall be similarly  
1963 canvassed by the board of trustees and resolutions declaring the results of the elections adopted  
1964 and filed.

1965 (2) If, at the bond election, a majority of the qualified voters voting on any bond  
1966 proposition vote in favor of the issuance of the bonds, the board of trustees shall proceed to  
1967 issue the bonds. Bonds may be issued for the purpose of constructing or acquiring any  
1968 improvement provided in Section 17A-2-301, or any part or combination of them, or for  
1969 improving and extending the improvement or combination of improvements, and may include  
1970 the payment of all legal, engineering, and fiscal agent expenses reasonably incurred in  
1971 connection with the construction, acquisition, improving, and extending of these improvements  
1972 and with the authorization and issuance of the bonds. The bonds shall be fully negotiable for  
1973 all purposes and may not be issued in an amount which, together with all other existing  
1974 indebtedness of the district then outstanding, will exceed in total principal amount 2.4% of the  
1975 taxable value of taxable property in the district as computed from the last equalized assessment  
1976 roll for county purposes made and completed prior to the issuance of the bonds. The taxable  
1977 value of all tax equivalent property, as defined in Subsection 59-3-102(2), shall be included as  
1978 a part of the total taxable value of taxable property in the district for purposes of the  
1979 limitations. Bonds issued in the manner that they are payable solely from revenues to be  
1980 derived from the operation of all or part of the facilities of the district may not be included as

1981 bonded indebtedness of the district for the purpose of this computation. All bonds not payable  
1982 solely from revenues shall be the general obligations of the district, and the full faith, credit,  
1983 and resources of the district shall be pledged for their payment; and regardless of any  
1984 limitations contained elsewhere in the laws of Utah and this part, including Section 17A-2-312,  
1985 the board of trustees shall cause to be levied annually on all taxable property in the district  
1986 taxes sufficient to pay principal and interest on general obligation bonds as principal and  
1987 interest fall due, or if the bonds are payable primarily from revenues, then anticipate and make  
1988 up any amounts which may be necessary to pay the principal and interest by reason of  
1989 deficiencies in revenues. The bonds shall be issued and sold in compliance with Title 11,  
1990 Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

1991 Section 53. Section **17A-2-423** is amended to read:

1992 **17A-2-423. Resolution calling election for issuing general obligation and revenue**  
1993 **bonds.**

1994 (1) If under the foregoing provisions the board is authorized to call an election on the  
1995 issuance of the bonds, the board shall adopt a resolution directing that an election be held in the  
1996 county or service area, as the case may be, for the purpose of determining whether bonds in the  
1997 amount, for the purpose, and with the maximum maturity specified in the resolution, shall be  
1998 issued. A proposition for issuing general obligation bonds and a proposition for issuing  
1999 revenue bonds, or any combination thereof, may be submitted at the same election.

2000 (2) Adoption of the resolution calling the election, determination of voters'  
2001 qualifications, notice and conduct of the election, and the canvass of election results shall be  
2002 accomplished in the manner prescribed in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local  
2003 Government Bonding Act. The board, for purposes of the election, may treat the entire district  
2004 as a single precinct or divide the district into several precincts and it may fix such polling  
2005 places as it considers appropriate.

2006 Section 54. Section **17A-2-428** is amended to read:

2007 **17A-2-428. Tax anticipation notes.**

2008 (1) The board of trustees of a service area may issue notes in anticipation of the receipt  
2009 of taxes levied under this part. The amount of notes so issued shall not exceed 75% of the tax  
2010 revenues and other revenues of the preceding year, and the proceeds shall be applied only to  
2011 pay current and necessary expenses and for other purposes for which funds for the service area

2012 may be expended, and there shall be included in the annual levy a tax in connection with which  
2013 provision is made for the imposition and collection of sufficient revenues.

2014 (2) Each resolution authorizing the issuance of tax anticipation notes shall:

2015 (a) describe the taxes or revenues in anticipation of which the notes are to be issued;

2016 and

2017 (b) specify the principal amount of the notes, their rate of interest, which may be  
2018 variable, and their maturity date, which shall not extend beyond the last day of the fiscal year of  
2019 the issuing service area.

2020 (3) Tax anticipation notes shall be issued and sold in such manner and at such price  
2021 (whether at, below, or above face value), as the board of trustees shall by resolution determine.

2022 Tax anticipation notes shall be in bearer form, except that the board of trustees may provide for  
2023 the registration of the notes in the name of the owner, either as to principal alone, or as to  
2024 principal and interest. Tax anticipation notes may be made redeemable prior to maturity at the  
2025 option of the board of trustees in the manner and upon the terms fixed by the resolution  
2026 authorizing their issuance. Tax anticipation notes shall be executed and shall be in such form  
2027 and have such details and terms as shall be provided for in the authorizing resolution.

2028 (4) The provisions of Sections [~~11-14-14.5, 11-14-15, 11-14-16, 11-14-19.7, 11-14-20,~~  
2029 ~~11-14-21, 11-14-22, 11-14-24, and 11-14-25~~] 11-14-303, 11-14-304, 11-13-305, 11-14-313,  
2030 11-14-315, 11-14-316, 11-14-401, 11-14-403, and 11-14-404 shall apply to all tax anticipation  
2031 notes issued under this section. In applying these sections to tax anticipation notes, "bond" or  
2032 "bonds" as used in these sections shall be deemed to include tax anticipation notes.

2033 Section 55. Section **17A-2-543** is amended to read:

2034 **17A-2-543. Contractual powers -- Bond issues -- Elections -- Limitations -- Uses.**

2035 Whenever the board of trustees considers it expedient it shall have power, for the  
2036 purpose of constructing drains, drainage canals and other required improvements necessary to  
2037 drain lands in the district or conserve the public health or welfare, to make a contract or  
2038 contracts with the United States providing for the repayment of the principal and such other  
2039 sums due thereunder at such times as may be agreed upon, or to issue bonds of the district to  
2040 run not less than five years nor more than 40 years, and to bear interest, payable semiannually,  
2041 at a rate not exceeding 8% per annum to be called "drainage district bonds," which bonds shall  
2042 not be sold for less than 90% of their par value, and the proceeds of which shall be used for no

2043 other purpose than paying the cost of constructing such drains, drainage canals, or other like  
2044 work considered necessary to drain lands within the district, or conserve the public health or  
2045 welfare. Before such contract or contracts shall be made or bonds shall be issued, the board of  
2046 trustees shall request the county legislative body to order, and the county legislative body shall  
2047 at once order a special election on the question of the issuance of bonds. The persons  
2048 authorized to vote in, the giving of notice, the forms of ballots, and the manner of holding the  
2049 election, and canvassing the results of the election, shall be as provided in Title 11, Chapter 14,  
2050 [~~Utah Municipal Bond~~] Local Government Bonding Act. The expenses of such election shall  
2051 be paid out of the funds belonging to the drainage district. The terms and times of payment of  
2052 the bonds so issued shall be fixed by the board of trustees. The bonds shall be issued for the  
2053 benefit of the district authorizing the issue and shall bear the name and number of the district.  
2054 The board of trustees shall keep a record of the bonds issued and sold or otherwise disposed of,  
2055 and such record will also show the lands embraced in the district. In no case shall the amount  
2056 of bonds exceed the benefits assessed. Each bond issued shall show expressly upon its face  
2057 that it is to be paid by a tax assessed, levied, and collected on the lands within the drainage  
2058 district. The board of trustees shall, by resolution, provide for the issuance and disposal of  
2059 such bonds and for the payment of the interest thereon, the creation of a sinking fund for the  
2060 ultimate redemption thereof, and for the date and manner of the redemption of the bonds. The  
2061 board of trustees may sell or dispose of the bonds either at public or private sale. Before  
2062 making any such sale, either private or public, the board of trustees shall give due notice of  
2063 their intention to sell or dispose of the bonds, by publishing notice of sale at least once a week  
2064 for four consecutive weeks in some newspaper having general circulation in the state and in the  
2065 county where the district is situated, and by publishing in any other publication they consider  
2066 advisable. The notice shall state that sealed proposals will be received by the board of trustees  
2067 at their office, for the purchase of the bonds, until the day and hour fixed by the board of  
2068 trustees. At the time appointed the board of trustees shall open the proposals, and award the  
2069 purchase of the bonds to the highest responsible bidder, or may reject all bids. In case no bid is  
2070 made and accepted as above provided, the board of trustees is hereby authorized to use the  
2071 bonds for the construction of any ditches, drain or drains, drainage canal or drainage canals, or  
2072 any other required improvement considered necessary to drain lands or for the public health or  
2073 welfare.

2074 Section 56. Section 17A-2-622 is amended to read:

2075 **17A-2-622. Petition for bond election -- Petition requirements -- Notice and**  
2076 **hearing -- Election regarding issuance of bonds.**

2077 (1) After a fire protection district has been created, a petition may be presented to the  
2078 fire protection district board of trustees requesting the board to order an election to determine  
2079 whether the bonds of the district shall be issued to the amount and for the purpose or purposes  
2080 stated in the petition.

2081 (2) (a) Each petition under Subsection (1) shall be signed by 25% or more of the  
2082 holders of title of real property, or documentary evidence of title, within the boundaries of the  
2083 district whose names appear as such upon the last county assessment roll.

2084 (b) If the petition is signed by all of the holders of title or documentary evidence of title  
2085 within the boundaries of the district, a hearing on the petition and election shall be dispensed  
2086 with.

2087 (3) (a) The board of trustees shall set a time and place for hearing upon the petition,  
2088 which shall be not less than four nor more than six weeks from the date of the filing.

2089 (b) The board of trustees shall publish a notice of the time of the hearing once each  
2090 week for three successive weeks, previous to the time of the hearing, in a newspaper published  
2091 within the county, or if there is no newspaper so published, then by posting the notice in at  
2092 least three public places in the district for a period of 15 days.

2093 (c) Each notice under Subsection (3)(b) shall state that any taxpayer within the district  
2094 may appear on the date fixed for the hearing and offer objection to the issuance of bonds of  
2095 such district.

2096 (4) (a) At the time and place fixed for the hearing on the petition or at any adjournment  
2097 or adjournments of the hearing, which shall not extend the time for determining the petition for  
2098 more than 30 days in all from the original date of hearing, the board of trustees shall hear the  
2099 petition and all competent and relevant evidence, oral or written, in support of or in objection  
2100 to the petition.

2101 (b) The board of trustees shall, after a full hearing, determine whether an election  
2102 should be held on the question of issuing the bonds.

2103 (5) Adoption of a resolution calling the election, determination of voters'  
2104 qualifications, notice and conduct of the election, and the canvass of election results shall be

2105 accomplished in the manner prescribed in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local  
2106 Government Bonding Act. The fire protection district board of trustees, for purposes of the  
2107 election, may treat the entire district as a single precinct or divide the district into several  
2108 precincts and it may fix such polling places as they consider appropriate.

2109 Section 57. Section **17A-2-712** is amended to read:

2110 **17A-2-712. Additional powers of board.**

2111 (1) Irrigation districts may acquire, purchase, construct, improve, enlarge, and operate  
2112 water facilities, electric facilities, or any combination thereof.

2113 (2) Irrigation districts may enter into contracts for the sale of all or a portion of the  
2114 electric power generated at a hydroelectric power plant, whether or not the electric power to be  
2115 sold is surplus to the needs of the district, and may enter into contracts for the sale of water, for  
2116 the periods of time and under the terms and conditions the board considers necessary in order  
2117 to accomplish the purposes of the district. Any sale of electric power or water may be for the  
2118 period and upon the terms and conditions as may be provided in contracts authorized by the  
2119 board and entered into by the district and any purchaser of the electric power or water having a  
2120 system for distributing the electric power or water. Any revenues received by the district  
2121 pursuant to power or water sale contracts may be used and pledged for the payment of the  
2122 principal of and interest and any premium on bonds or notes of the district issued to pay all or  
2123 part of the cost of acquiring, constructing, improving, or enlarging facilities, or for any other  
2124 lawful purpose of the district.

2125 (3) The boards of trustees of any two or more irrigation districts may, by appropriate  
2126 resolutions, enter into agreements with one another, pursuant to Title 11, Chapter 13, Interlocal  
2127 Cooperation Act, by which the districts may jointly or cooperatively exercise any of the powers  
2128 conferred by this part.

2129 (4) The board may issue bonds of the district, in the manner provided in this section:

2130 (a) to pay for all or part of the costs of the acquisition, construction, improvement, or  
2131 enlargement of any facilities and to pay expenses preliminary and incidental thereto;

2132 (b) to pay interest on the bonds during acquisition, construction, improvement, or  
2133 enlargement of any facilities; and

2134 (c) to provide for necessary reserves and to pay costs of issuance and sale of the bonds,  
2135 including, without limitation, printing, registration, and transfer costs, legal, financial advisor's,

2136 and rating agency fees, insurance premiums, and underwriter's discount.

2137 (5) The board may provide that any bonds issued and sold under this section shall be  
2138 payable solely out of a special fund into which the district issuing the bonds shall be obligated  
2139 to deposit, as from time to time received, all or a designated portion of the revenues or other  
2140 income of the district. Any pledge of revenues creates a lien which:

2141 (a) is perfected and enforceable upon the effective date of the security agreement  
2142 pursuant to which the bonds are issued;

2143 (b) has priority as against all parties having claims of any kind in tort, contract, or  
2144 otherwise against the district; and

2145 (c) has priority based on the time of the creation of the pledge unless otherwise  
2146 provided in the security agreement.

2147 (6) Bonds of the district may be issued and sold in compliance with Title 11, Chapter  
2148 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, and Title 11, Chapter 27, Utah  
2149 Refunding Bond Act, as applicable, and may be in the form and denominations and have the  
2150 provisions and details as are permitted thereby. The bonds and any evidences of participation  
2151 interests in the bonds may be issued, executed, authenticated, registered, transferred,  
2152 exchanged, and otherwise made to comply with Title 15, Chapter 7, Registered Public  
2153 Obligations Act, or any other statute relating to the registration of bonds enacted to meet the  
2154 requirements of Section 149(a) of the Internal Revenue Code of 1986, or any similar or  
2155 successor federal law, and applicable regulations. Bonds may be issued under the authority of  
2156 this section at one time or from time to time. If more than one issue or series of bonds is  
2157 delivered under the authority of this section, the bonds of the respective issue or series shall  
2158 have the priorities of payment as provided in the proceedings authorizing the bonds.

2159 (7) Any resolution, indenture, agreement, or other document authorizing bonds may  
2160 contain covenants with the future holders of the bonds as to:

2161 (a) the management and operation of the facilities of the irrigation district, including  
2162 the facilities acquired, constructed, improved, enlarged, or operated pursuant to this section;

2163 (b) the imposition and collection of use charges;

2164 (c) the disposition of the revenues;

2165 (d) the issuance of future bonds and the creation of future liens and encumbrances  
2166 against these facilities and the revenues thereof;

2167 (e) the carrying of insurance on these facilities and the disposition of the proceeds of  
2168 insurance;

2169 (f) the sale, disposal, or alienation of these facilities; and

2170 (g) other pertinent matters deemed necessary or proper by the board to assure the  
2171 merchantability of the bonds. These covenants and agreements may not be inconsistent with  
2172 this section.

2173 (8) The district may undertake in the resolution, indenture, agreement, or other  
2174 document authorizing bonds to make the revenues of the facilities sufficient to pay the expense  
2175 of their operation and maintenance, and may undertake to make the revenues or net revenues of  
2176 the facilities sufficient to produce in each year an amount in excess of actual requirements for  
2177 principal of and interest on the bonds in that year as the board may consider necessary to assure  
2178 the highest marketability of the bonds.

2179 (9) Any resolution, indenture, agreement, or other document authorizing bonds may  
2180 provide that the bonds will recite that they are issued under authority of this part. The recital  
2181 will conclusively import full compliance with all of the provisions of this part, and all bonds  
2182 issued containing the recital will be incontestable for any cause whatsoever after their delivery  
2183 for value.

2184 (10) When a district has issued bonds and pledged for the payment thereof any  
2185 revenues of the district, the district shall establish and collect use charges in that amount and at  
2186 those rates which will be fully sufficient at all times to pay the expenses of operating and  
2187 maintaining these facilities, to provide a special fund sufficient to assure the prompt payment  
2188 of principal of and interest on the bonds as principal and interest fall due, and to provide funds  
2189 for reserves and contingencies and for a depreciation fund for repairs, extensions, and  
2190 improvements to these facilities as considered necessary to assure adequate and efficient  
2191 service, all as may be required by the bond resolution. No board or commission other than the  
2192 board of trustees of the district has authority over or is required to approve the making or fixing  
2193 of use charges or the acquisition of property by the district or the issuance of its bonds.

2194 (11) (a) If an irrigation district board determines that the interests of the district require  
2195 the issuance of bonds or the making of a contract with the United States, the board will, except  
2196 as provided in Subsection (13), adopt a resolution directing that an election be held to  
2197 determine whether bonds may be issued or a contract with the United States may be entered

2198 into for the purposes specified in the resolution.

2199 (b) The following are subject to the conditions provided in Title 11, Chapter 14, [~~Utah~~  
2200 ~~Municipal Bond~~] Local Government Bonding Act:

2201 (i) adoption of the resolution calling the election;

2202 (ii) giving notice of the election;

2203 (iii) conduct of the election;

2204 (iv) determination of voters' qualifications; and

2205 (v) canvassing of election results.

2206 (12) In designating the voting places for purposes of the election, the board may treat  
2207 the entire district as a single precinct or divide the district into precincts.

2208 (13) No election is required under this section prior to the issuance of bonds or the  
2209 making of a contract with the United States except as otherwise required by the constitution or  
2210 Subsection (14).

2211 (14) Notwithstanding anything to the contrary in this section or Title 11, Chapter 14,  
2212 [~~Utah Municipal Bond~~] Local Government Bonding Act, no irrigation district may issue bonds,  
2213 other than bonds issued to refund outstanding bonds, or enter into a contract with the United  
2214 States unless:

2215 (a) the issuance of the bonds or the making of the contract has been approved at an  
2216 election called and held as provided in this section; or

2217 (b) the board of trustees:

2218 (i) provides notice of a public hearing on whether to issue the bonds or enter into the  
2219 contract by:

2220 (A) publishing notice in a newspaper published in or of general circulation in the  
2221 district at least seven days prior to the public hearing which sets forth:

2222 (I) the maximum principal amount and the purpose of the proposed bond issue or  
2223 contract;

2224 (II) the date, time, and place of the public hearing;

2225 (III) when and where written comments regarding the bonds or the contract may be  
2226 filed; and

2227 (IV) whether the district reasonably expects that paying amounts due on the bonds or  
2228 under the contract will result in a substantial increase in use charges; and

2229 (B) if the district reasonably expects that paying amounts due on the bonds or under the  
2230 contract will increase use charges by more than \$15 per connection per year, mailing notice to  
2231 every household containing a qualified voter who is eligible to vote on the bonds or the  
2232 contract, at least seven days but not more than 30 days before the public hearing, on a  
2233 minimum three-inch by five-inch postcard or a voter information pamphlet prepared by the  
2234 governing body that includes the information required by Subsection (14)(b)(i)(A);

2235 (ii) holds a public hearing on the date and at the time and place specified in the notice  
2236 of public hearing, provided that the hearing may be adjourned from time to time to a fixed  
2237 future time and place;

2238 (iii) considers at the public hearing all comments that have been filed or stated at the  
2239 hearing relating to the bonds or the contract;

2240 (iv) after considering all comments received, adopts a resolution during or after the  
2241 meeting at which the public hearing is held, declaring the intention of the board of trustees to  
2242 issue bonds or enter into the contract; and

2243 (v) directs that notice of the district's intention to issue bonds or enter into the contract  
2244 be published once in a newspaper of general circulation in the district stating:

2245 (A) the maximum principal amount and purpose of the proposed bond issue or  
2246 contract;

2247 (B) when and where petitions may be filed requesting the calling of an election to  
2248 determine whether the bonds or the contract should be authorized; and

2249 (C) when and where a form of petition requesting the calling of an election may be  
2250 obtained from the district.

2251 (15) If, within 30 days after publication of the notice of intention, a petition is filed  
2252 with the secretary, signed by not less than 5% of the qualified electors of the district, requesting  
2253 that an election be called to authorize the contract or the bonds, then the board shall call and  
2254 hold an election as provided in this section before the bonds are issued or the contract is  
2255 entered into.

2256 (16) If no petition is filed, or if the number of signatures filed within the 30-day period  
2257 is less than the required number, the board of trustees may proceed to issue the bonds or enter  
2258 into the contract.

2259 Section 58. Section **17A-2-821** is amended to read:

2260           **17A-2-821. Resolution or ordinance proposing obligations or indebtedness --**  
2261 **Election.**

2262           If the board of trustees of any metropolitan water district incorporated under this part  
2263 determines, by resolution or ordinance adopted by a vote of a majority of the aggregate number  
2264 of votes of all the members of the board of trustees, that the interests of the district and the  
2265 public interest or necessity demand the acquisition, construction, or completion of any source  
2266 of water supply, water, waterworks or other improvement, works or facility, or the making of  
2267 any contract with the United States or other persons or corporations, or the incurring of any  
2268 preliminary expense, necessary or convenient to carry out the objects or purposes of the district  
2269 wherein an indebtedness or obligation shall be created to satisfy which shall require a greater  
2270 expenditure than the ordinary annual income and revenue of the district shall permit, the board  
2271 of trustees may order the submission of the proposition of incurring the obligation or bonded or  
2272 other indebtedness, for the purposes set forth in the resolution or ordinance, to the qualified  
2273 electors of the district at an election held for that purpose. The resolution or ordinance calling  
2274 the election shall be adopted, the notice of the election shall be given, the election shall be held,  
2275 the voters' qualifications shall be determined, and the results of the elections canvassed in the  
2276 manner and subject to such conditions as are provided in Title 11, Chapter 14, [~~Utah Municipal~~  
2277 ~~Bond~~] Local Government Bonding Act. The declaration of public interest or necessity so  
2278 required and the provision for the holding of the election may be included within the same  
2279 resolution or ordinance, which resolution or ordinance, in addition to the declaration of public  
2280 interest or necessity, shall recite the objects and purposes for which the indebtedness is  
2281 proposed to be incurred, the estimated cost of the public works or improvements, or the  
2282 estimated amount of preliminary expenses, as the case may be, and the maximum amount of  
2283 the principal of the indebtedness to be incurred.

2284           Section 59. Section **17A-2-824** is amended to read:

2285           **17A-2-824. Revenue indebtedness or general obligation indebtedness --**  
2286 **Procedure for incurring -- Terms.**

2287           (1) (a) Any district which has determined to issue bonds shall issue its bonds under  
2288 Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, for the  
2289 acquisition through construction, purchase, or otherwise and for the improvement or extension  
2290 of any properties necessary or desirable in the obtaining, treatment, and distribution of water

2291 and any other properties which the district is authorized to own under this part. Bonds may be  
2292 issued or a contract indebtedness or obligation may be created:

2293 (i) payable solely from the revenues of the district other than the proceeds of taxes, in  
2294 which case they shall be known for purposes of this section as "revenue indebtedness";

2295 (ii) payable solely from the proceeds of taxes, in which case they shall be known for  
2296 purposes of this section as "general obligation indebtedness"; or

2297 (iii) payable from both operating revenues and the proceeds of taxes, in which case  
2298 they shall be known for purposes of this section as "general obligation revenue indebtedness."

2299 (b) The full faith and credit of the district shall be pledged to the payment of its general  
2300 obligation and general obligation revenue indebtedness, and taxes shall be levied fully  
2301 sufficient to pay that part of the principal of and interest on general obligation revenue  
2302 indebtedness as the revenues of the district pledged for this purpose may not be sufficient to  
2303 meet.

2304 (c) General obligation indebtedness and general obligation revenue indebtedness may  
2305 be issued only after approval at an election as provided in Section 17A-2-821.

2306 (d) Revenue indebtedness may be similarly submitted at an election as provided in  
2307 Section 17A-2-821 if considered desirable by the board of trustees, but nothing in this part  
2308 shall be construed to require such submission.

2309 (e) Refunding bonds may be issued without approval at an election.

2310 (2) Revenue indebtedness and general obligation revenue indebtedness may be payable  
2311 from and secured by the pledge of all or any specified part of the revenues to be derived by the  
2312 district from its water supply and the operation of its water facilities and other properties. It is  
2313 the duty of the board of trustees to impose for water and water services rendered thereby, rates  
2314 fully sufficient to carry out all undertakings contained in the resolution authorizing the bonds or  
2315 the contract. The board of trustees may in the resolution agree to pay the expenses of  
2316 maintaining and operating the properties of the district from the proceeds of the ad valorem  
2317 taxes authorized in Subsection 17A-2-818(6) and may enter into those covenants with the  
2318 future holders of the bonds or the other contracting party as to the management and operation  
2319 of the properties, the imposition and collection of fees and charges for water and services  
2320 furnished thereby, the disposition of the fees and revenues, the issuance of future bonds or the  
2321 creation of future contract indebtedness or obligations and the creation of future liens and

2322 encumbrances against the properties and the revenues from them, the carrying of insurance on  
2323 the properties, the keeping of books and records, the deposit, securing, and paying out of the  
2324 proceeds of the bonds, and other pertinent matters, as considered proper by the board of  
2325 trustees to assure the marketability of the bonds or the making of the contract. The board of  
2326 trustees may undertake in the resolution to make the revenues of the properties sufficient to pay  
2327 all or any specified part of the expense of the operation and maintenance of them. Covenants  
2328 may be contained in the resolution with respect to the manner of the imposition and collection  
2329 of water charges, and provision also may be made in it for the appointment of a receiver for the  
2330 properties of the district in the event of a default by the district in carrying out the covenants  
2331 and agreements contained in the resolution. Provision may also be made in the resolution for a  
2332 receiver to perform those services with respect to the holding and paying out of the revenues of  
2333 the district and the proceeds of the bonds, and otherwise, as may be considered advisable.  
2334 Maintenance and operation costs and expenses as referred to in this section shall be construed  
2335 to include any payments made by the district to the United States of America, to any water  
2336 users' association, or to any other public or private entity for the cost of operating facilities used  
2337 in providing water for the district.

2338 Section 60. Section **17A-2-826** is amended to read:

2339 **17A-2-826. Sale of bonds.**

2340 Bonds issued under this part shall be sold in compliance with the provisions of Title 11,  
2341 Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

2342 Section 61. Section **17A-2-1037** is amended to read:

2343 **17A-2-1037. Elections.**

2344 All district elections shall be held in accordance with the provisions of the elections  
2345 code of the state [~~of Utah~~] as they now exist or may be amended for the holding of elections in  
2346 general law cities in so far as the same are not in conflict with this part; provided all elections  
2347 upon the issuance of bonds of a district shall be called, held, and conducted pursuant to the  
2348 provisions of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act,  
2349 and the provisions of the election code shall not be applicable to any such bond election.

2350 Section 62. Section **17A-2-1058** is amended to read:

2351 **17A-2-1058. District may issue bonds.**

2352 Any district organized under this part may, in the manner and subject to the limitations

2353 and restrictions contained in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government  
 2354 Bonding Act, authorize, issue and dispose of its negotiable bonds for purposes of paying all or  
 2355 part of the cost of acquiring, improving, or extending any one or more improvements, facilities,  
 2356 or property authorized to be acquired under this part.

2357 Section 63. Section **17A-2-1312** is amended to read:

2358 **17A-2-1312. General obligation bonds authorized by petition of property owners**

2359 **-- Contest.**

2360 (1) With respect to any service district established under this part, if there is no  
 2361 individual residing in the service district, such that compliance with the election requirements  
 2362 of [~~Article XIV, Section 8;~~] the Utah Constitution[;] and Section [~~11-14-2~~] 11-14-201 is  
 2363 otherwise impossible, then, 75% of the owners of real property located in the district, as shown  
 2364 on the most recent assessment roll of the county or municipality, as the case may be, may by  
 2365 written petition require the governing body of the county or municipality which established the  
 2366 service district to issue general obligation bonds pledging the full faith and credit of the district  
 2367 in an amount which may lawfully be issued by the district but not to exceed the amount set  
 2368 forth in the petition. Except for the election provisions of Title 11, Chapter 14, [~~Utah~~  
 2369 ~~Municipal Bond~~] Local Government Bonding Act, the bonds required to be issued shall be  
 2370 issued in accordance with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government  
 2371 Bonding Act. Any such petition to require issuance of bonds shall be equivalent to and have  
 2372 the same force and effect as an election approving the issuance of the bonds by a majority of  
 2373 the qualified electors of the district.

2374 (2) Upon receiving the petition described in Subsection (1), the governing body of the  
 2375 county or municipality which established the district shall proceed to issue the bonds in  
 2376 accordance with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

2377 (3) The determination by the governing body that 75% of the owners of real property  
 2378 located in the district have duly filed a written petition requiring the issuance of bonds as  
 2379 provided in Subsection (1), shall be conclusive in any action or proceeding involving the  
 2380 validity of the petition or the district's authority to issue the bonds instituted after the expiration  
 2381 of the period provided in Subsection (4), for the filing of actions contesting the validity of the  
 2382 bonds and after the date of delivery of and payment for any part of the bonds.

2383 (4) When the validity of any bond issue under this section is contested, the plaintiff or

2384 plaintiffs shall, within 40 days after the validity of the petition has been declared by the  
2385 governing body, file with the clerk of the district court of the county in which the district is  
2386 located, a verified written complaint setting forth specifically:

2387 (a) the name of the party contesting the issuance of the bonds, and that he is an owner  
2388 of property within the district; and

2389 (b) the grounds of such contest. No such contest may be maintained and the issuance  
2390 of the bonds may not be set aside or held invalid unless such a complaint is filed within the  
2391 period prescribed in this section.

2392 Section 64. Section **17A-2-1315** is amended to read:

2393 **17A-2-1315. Powers of improvement districts within special districts.**

2394 (1) In addition to all other rights, powers, and authority granted by law or by other  
2395 provisions of this part, a service district established by a county under this part may organize an  
2396 improvement district under Chapter 3, Part 2. This improvement district has all the rights,  
2397 powers, and authority of an improvement district otherwise organized under Chapter 3, Part 3,  
2398 except:

2399 (a) notwithstanding Subsection 17A-3-228(4), any bonds issued under Chapter 3, Part  
2400 2, need comply only with the requirements of Section [~~11-14-15~~] 11-14-304 with regard to the  
2401 use of manual and facsimile signatures;

2402 (b) the governing authority of the service district may act in the same capacity as the  
2403 governing body of a county with respect to all actions required to be taken in the creation or  
2404 administration of an improvement district under Chapter 3, Part 2; and

2405 (c) notwithstanding Subsection 17A-3-204(1), an improvement district created by a  
2406 service district may be organized to include any incorporated or unincorporated area of the  
2407 county and may cause improvements to be made within any incorporated or unincorporated  
2408 area of the county, and the consent of the governing body of the municipality in which an  
2409 incorporated area lies is not required prior to the establishment of an improvement district that  
2410 includes all or part of that incorporated area.

2411 (2) In addition to all other rights, powers, and authority granted by law or by other  
2412 provisions of this part, a service district established by a municipality under this part may  
2413 organize an improvement district under Chapter 3, Part 3. This improvement district has all the  
2414 rights, powers, and authority of an improvement district otherwise organized under Chapter 3,

2415 Part 3, except that:

2416 (a) notwithstanding Section 17A-3-328, any bonds issued under Chapter 3, Part 3, need  
2417 comply only with the requirements of Section [~~11-14-15~~] 11-14-304, with regard to the use of  
2418 manual and facsimile signatures;

2419 (b) the governing authority of the service district may act in the same capacity as the  
2420 governing body of a municipality with respect to all actions required to be taken in the creation  
2421 or administration of an improvement district under Chapter 3, Part 3; and

2422 (c) notwithstanding Subsection 17A-3-313(1), assessments for improvements in an  
2423 improvement district organized under Chapter 3, Part 3, may include assessments for all  
2424 interest on any bonds issued.

2425 Section 65. Section **17A-2-1316** is amended to read:

2426 **17A-2-1316. Borrowing power -- Issuance of bonds and notes -- Use of proceeds.**

2427 (1) A service district may borrow money and incur indebtedness, issuing its bonds or  
2428 notes therefor, including, without limitation:

2429 (a) bonds payable in whole or in part from taxes levied on the taxable property in the  
2430 service district;

2431 (b) bonds payable from revenues derived from the operation of revenue-producing  
2432 facilities of the service district;

2433 (c) bonds payable from both such revenues and taxes;

2434 (d) guaranteed bonds, payable in whole or in part from taxes levied on the taxable  
2435 property in the service district;

2436 (e) tax anticipation notes;

2437 (f) bond anticipation notes;

2438 (g) refunding bonds; and

2439 (h) bonds payable in whole or in part from mineral lease payments as provided in

2440 Section [~~11-14-17.6~~] 11-14-308.

2441 (2) Tax anticipation notes are notes issued in anticipation of the collection of taxes and  
2442 other revenues of a service district which are due and payable in not more than one year from  
2443 their date of issue and, together with all other such notes then outstanding, do not exceed the  
2444 estimated amount of taxes and other revenues to be collected from the date of issue until  
2445 maturity.

2446 (3) Bond anticipation notes are notes issued in anticipation of the receipt of the  
2447 proceeds of bonds of the service district.

2448 (4) All these bonds and notes shall be issued and sold in the manner, at either public or  
2449 private sale, shall be in the form, and signed by the person or persons, who may, but need not,  
2450 be officers of the county or municipality which established the service district and generally  
2451 shall be issued in the manner and with the details as is provided for in proceedings of the  
2452 governing authority of the service district authorizing the issuance of the bonds or notes; but all  
2453 these bonds and notes and the interest on them shall be exempt from all taxation in this state,  
2454 except for the corporate franchise tax, and all these bonds and notes may contain those terms  
2455 and provisions as are permitted by and shall be issued in compliance with Title 11, Chapter 14,  
2456 [~~Utah Municipal Bond~~] Local Government Bonding Act.

2457 (5) The proceeds of bonds or notes issued under the authority of this part shall be used  
2458 to pay the costs of acquisition or construction of service district facilities or the providing of  
2459 services including, without limitation:

2460 (a) all costs of planning, designing, acquiring, and constructing a facility, including  
2461 architectural, planning, engineering, legal, and fiscal advisor's costs;

2462 (b) all costs incident to the authorization and issuance of the bonds or notes, including  
2463 accountants' fees, attorneys' fees, financial advisors' fees, underwriting fees, including  
2464 underwriting fees or bond discount, and other professional services and printing costs;

2465 (c) interest estimated to accrue on bonds or notes for a reasonable time before, during,  
2466 and for a reasonable time after the completion of the acquisition or construction of the facilities  
2467 or services; and

2468 (d) all amounts deemed necessary to establish one or more bond reserves and  
2469 maintenance, repair, replacement, contingency funds and accounts, and all amounts necessary  
2470 to provide working capital for the facility.

2471 Section 66. Section **17A-2-1322** is amended to read:

2472 **17A-2-1322. Tax levy and bonds -- Approval by majority of electors voting in**  
2473 **election -- Procedure for election.**

2474 (1) The governing authority of a county or municipality which has established a service  
2475 district may levy a tax on all taxable property within the service district in addition to all other  
2476 taxes on such property levied or imposed by the county or municipality or by any other public

2477 corporation, district, or political subdivision in which the service district is located, and may  
2478 also issue bonds payable in whole or in part from these taxes. No tax may be levied and no  
2479 bonds or guaranteed bonds shall be issued, however, unless authorized, except as otherwise  
2480 provided in Section 17A-2-1325, by a majority of the qualified electors of the service district  
2481 voting at an election for that purpose held as provided in this section.

2482 (2) The proposition to levy the tax or to issue the bonds shall be submitted to the  
2483 qualified electors of the service district at an election called and held and for which notice is  
2484 given in the same manner as is provided in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local  
2485 Government Bonding Act, for the holding of bond elections. The proposition shall state the  
2486 purpose or purposes for which the taxes are to be levied or the bonds are to be issued. In  
2487 addition, a proposition for the issuance of bonds shall state the maximum amount of bonds to  
2488 be issued, the maximum number of years from their respective dates for which the bonds may  
2489 run, and, if the bonds are to be payable in whole or in part from taxes, that fact and that taxes  
2490 may be levied on all taxable property in the service district to pay the principal of and interest  
2491 on the bonds. The purpose or purposes may be stated in general terms and need not specify the  
2492 particular projects or services for which the taxes are to be levied or the bonds are to be issued  
2493 nor the specific amount of the proceeds of the taxes or of the bonds to be expended for each  
2494 project or service. If bonds are to be payable in part from tax proceeds and in part from the  
2495 operating revenues of the service district or from any combination of them, the proposition  
2496 shall so indicate but need not specify how the bonds are to be divided as to source of payment.  
2497 If the bonds are to be issued as guaranteed bonds, the proposition shall also clearly state that  
2498 fact together with the name or names of the guarantors. A proposition for the levy of taxes and  
2499 for the issuance of bonds may be combined as a single proposition.

2500 (3) (a) A tax levied under this section shall be the sole source of funding for a special  
2501 service district that provides jail service as provided in Subsection 17A-2-1304(1)(a)(x).

2502 (b) Each tax levied under this section for a special service district that provides jail  
2503 service as provided in Subsection 17A-2-1304(1)(a)(x) shall be considered to be levied by the  
2504 county for purposes of the county's tax limitation under Section 59-2-908.

2505 Section 67. Section **17A-2-1414** is amended to read:

2506 **17A-2-1414. Who may enter into contracts -- Permissible purposes of contracts --**  
2507 **Agreements and leases -- Elections for water purchase contracts.**

2508 (1) Any water conservancy district and any incorporated municipality located within or  
2509 without the boundaries of the district or other district created under any law of this state are  
2510 expressly authorized and empowered to enter into contracts with each other and with any other  
2511 person or corporation, public or private, for any of the following purposes:

- 2512 (a) the joint operation of water facilities owned by any district or municipality;
- 2513 (b) the exchange of water, water rights, or facilities;
- 2514 (c) the leasing of water or water facilities; or
- 2515 (d) the sale of water.

2516 (2) (a) Any agreement about the operation or use of water facilities owned by a  
2517 municipality or district by another municipality or district, the joint operation of facilities, or  
2518 the lease of water or water facilities, may provide for the joint use of water facilities owned by  
2519 one of the contracting parties under appropriate arrangements for reasonable compensation.

2520 (b) Any agreement may provide for the renting or loan of water by one contracting  
2521 party to the other or for the sale of water by one party and its purchase by another. No  
2522 limitation contained in any existing law requiring the water of any district to be supplied to its  
2523 own residents on a priority basis shall be applicable to any contract made under this section.

2524 (c) Any contract for the sale of water may run for a term of years as may be specified.  
2525 The contract may require the purchasing party to pay for a minimum amount of water annually,  
2526 provided the water is available, without regard to actual taking or use. The contract may  
2527 provide for the payment for water sold or contracted to be sold from any of the following  
2528 sources of revenue:

- 2529 (i) the general funds or other funds of the purchasing municipality or district;
- 2530 (ii) the proceeds of class B assessments imposed under the Water Conservancy Act;
- 2531 (iii) the proceeds of water distributed and sold through the distribution system of the  
2532 purchasing district or municipality; or
- 2533 (iv) any combination of these sources of payment.

2534 (d) The governing body of any municipality agreeing to purchase water under a  
2535 contract, for the purpose of complying with any pertinent constitutional requirement or for any  
2536 other reason, may call an election for that purpose. The election shall be conducted in the  
2537 manner provided in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding  
2538 Act.

2539 Section 68. Section **17A-2-1439** is amended to read:

2540 **17A-2-1439. Contracts providing for payment in installments -- Issuance and sale**  
2541 **of bonds -- Sinking fund -- Covenants -- Default -- Revenue obligations -- Refunding**  
2542 **bonds.**

2543 (1) (a) (i) To pay for construction, operation, and maintenance of works, and expenses  
2544 preliminary and incidental to them, the board may enter into contracts with the United States of  
2545 America or its agencies, providing for payment in installments.

2546 (ii) To pay for all or part of the cost of the construction or acquisition of any works, to  
2547 pay for the improvement and extension of them, to pay expenses preliminary and incidental to  
2548 them, to pay interest on the bonds during acquisition and construction, to provide for necessary  
2549 reserves, and to pay costs of issuance and sale of the bonds (including, without limitation,  
2550 printing, registration and transfer costs, legal fees, financial advisor's fees, and underwriter's  
2551 discount), the board may issue the bonds of the district as provided in this section.

2552 (b) The indebtedness or obligation represented by any bonds issued by or any contract  
2553 entered into by the board may be payable in whole or in part from all or part of the revenues  
2554 derived by the district from the operation of all or any designated portion of its works, from the  
2555 proceeds of assessments and taxes levied under this part, or from any combination of those  
2556 revenues, assessments, and taxes.

2557 (c) The indebtedness or obligation represented by any bonds issued by or any contract  
2558 entered into by the board may be incurred for the acquisition, construction, or both, of all or  
2559 part of any works, for the improvement or extension of any works, or for a system of works for  
2560 the distribution of water or for the treatment of water or both, whether or not the works of the  
2561 district so acquired, constructed, improved, or extended include a source of water supply.

2562 (d) (i) These bonds shall be issued and sold in compliance with Title 11, Chapter 14,  
2563 [~~Utah Municipal Bond~~] Local Government Bonding Act, and may be in the form and  
2564 denominations and have provisions and details permitted by Title 11, Chapter 14, [~~Utah~~  
2565 ~~Municipal Bond~~] Local Government Bonding Act, except that the bonds shall mature serially  
2566 or otherwise and contract payment installments shall fall due at any time or times not later than  
2567 50 years from their date.

2568 (ii) The bonds and any evidences of participation interests in the bonds may be issued,  
2569 executed, authenticated, registered, transferred, exchanged, and otherwise made to comply with

2570 Title 15, Chapter 7, Registered Public Obligations Act, or any other statute relating to the  
2571 registration of bonds enacted to meet the requirements of Section 103 of the Internal Revenue  
2572 Code of 1954, as amended, or any similar or successor federal law, and applicable regulations.

2573 (2) (a) Bonds may be issued hereunder at one time or from time to time.

2574 (b) If more than one issue or series of bonds is delivered hereunder, the bonds of the  
2575 respective issues or series shall have priorities of payment as provided in the proceedings  
2576 authorizing the bonds.

2577 (3) (a) Any resolution authorizing the issuance of bonds or the entering into of a  
2578 contract indebtedness or obligation payable in installments hereunder shall provide for the  
2579 creation of a sinking fund into which shall be paid from the revenues, assessments, and taxes,  
2580 any or all, pledged to the payment in the authorizing resolution sums fully sufficient to pay the  
2581 principal of and interest on the bonds or on the contract indebtedness or obligation and to  
2582 create a reserve for contingencies as required by the resolution.

2583 (b) Any resolution so authorizing bonds or the entering into of a contract indebtedness  
2584 or obligation may contain those covenants with the future holders of the bonds or the other  
2585 contracting party as to the management and operation of the properties and works of the  
2586 district, the imposition and collection of fees and charges, including taxes and assessments, for  
2587 the water and services furnished thereby, the disposition of the fees and revenues, the issuance  
2588 of future bonds and the incurring of future contract indebtedness or obligations and the creation  
2589 of future liens and encumbrances against the works and the revenues thereof, the carrying of  
2590 insurance on the works and the disposition of the proceeds of insurance, the sale, disposal, or  
2591 alienation of the works, and other pertinent matters considered necessary or proper by the board  
2592 to assure the merchantability of the bonds or the execution of the contract.

2593 (c) These covenants and agreements may not be inconsistent with this section.

2594 (4) (a) It may be provided in the resolution that any holder of the bonds or any  
2595 contracting party may by appropriate legal action compel performance of all duties required of  
2596 the board and the officials of the district by this part and the resolution authorizing the bonds or  
2597 contract.

2598 (b) If any bond issued or any contract entered into hereunder is permitted to go into  
2599 default as to any installment of principal or interest, any court of competent jurisdiction may,  
2600 pursuant to the application of the holder of any bond or of the other contracting party, appoint a

2601 receiver to operate the works of the district and to collect and distribute the revenues thereof  
2602 under the resolution, this part, and as the court may direct.

2603 (5) (a) When the district has issued bonds or entered into a contract and pledged any  
2604 revenues of the works for the payment of them as provided in this part, the district shall impose  
2605 and collect fees and charges for water and services furnished by the works in that amount and  
2606 at those rates fully sufficient at all times (in conjunction with the proceeds of available taxes  
2607 and assessments if the bonds or contract indebtedness or obligation are also payable in part  
2608 from the proceeds of assessments and taxes levied under this part) to pay the expenses of  
2609 operating and maintaining the works, to provide a sinking fund sufficient to assure the prompt  
2610 payment of principal of and interest on the bonds or contract indebtedness or obligation as  
2611 principal and interest fall due, and to provide those funds for reserves and contingencies and  
2612 for a depreciation fund for repairs, extensions, and improvements to the works as considered  
2613 necessary to assure adequate and efficient service, all as may be required by the resolution.

2614 (b) No board or commission other than the board of trustees of the district has authority  
2615 over or is required to approve the making or fixing of fees and charges, the acquisition of  
2616 property by the district, the issuance of its bonds, or the entering into of a contract.

2617 (6) (a) The board of any district that issues or has issued any bonds under this part, or  
2618 that enters or has entered into any contracts under this part, may issue bonds hereunder for the  
2619 purpose of refunding all or any part of the outstanding bonds, or the outstanding indebtedness  
2620 or obligation represented by the contracts, or in part for the purpose of the refunding and in part  
2621 for the purpose of acquiring, constructing, improving, or extending works for the district.

2622 (b) If bonds are issued solely for refunding purposes, the election required by Section  
2623 17A-2-1440 is not a condition precedent to the issuance of the bonds.

2624 (c) Refunding bonds so authorized:

2625 (i) may be sold and the proceeds thereof applied to or deposited in an escrow and  
2626 invested pending the retirement of the outstanding bonds; or

2627 (ii) may be delivered in exchange for the outstanding bonds.

2628 (d) The refunding bonds shall be authorized and secured in the manner herein provided  
2629 for the issuance and securing of other bonds and may, but are not required to, have the same  
2630 source of security and payment as the bonds refunded.

2631 (7) (a) If bonds have been issued or a contract indebtedness or obligation has been

2632 incurred hereunder payable in whole or in part from revenues to be derived from supplying  
2633 water to the inhabitants of territory which was not at the time of the issuance of the bonds or  
2634 the entering into of the contract contained within the corporate limits of any municipality or  
2635 any other district created for the purpose of supplying water to the territory, the district shall  
2636 thereafter be the sole public corporation or political subdivision authorized to supply water to  
2637 this area.

2638 (b) No municipal corporation or other district into which any part of the territory is  
2639 incorporated or included has authority either to supply water to the inhabitants of the  
2640 corporation or district or to grant a franchise for the supplying of the water.

2641 (c) Nothing contained in this Subsection (7) prevents the modification of this  
2642 restriction contained by the district if modification does not in any way jeopardize the prompt  
2643 payment of principal of and interest on the bonds of the district then outstanding or of the  
2644 payment of installments of indebtedness or obligation under a contract.

2645 Section 69. Section **17A-2-1440** is amended to read:

2646 **17A-2-1440. Election for issuance of bonds or incurring contract indebtedness or**  
2647 **obligation -- When an election is not required.**

2648 (1) If the majority of a water conservancy district board approves a resolution  
2649 determining that the interests of the district and the public interest or necessity demand the  
2650 acquisition, construction, or completion of any water supply, waterworks, improvements, or  
2651 facilities, or the making of any contract with the United States or other persons or corporations,  
2652 public or private, to carry out the purposes of the district, wherein an indebtedness or obligation  
2653 is created, to satisfy which requires an expenditure greater than the ordinary annual income and  
2654 revenue of the district, the board shall adopt a resolution directing that an election be held to  
2655 determine whether bonds shall be issued, or an indebtedness or obligation under a contract  
2656 shall be incurred in the amount and for the purposes specified in the resolution.

2657 (2) The following shall be subject to the conditions provided in Title 11, Chapter 14,  
2658 [~~Utah Municipal Bond~~] Local Government Bonding Act:

- 2659 (a) adoption of the resolution calling the election;
- 2660 (b) giving notice of the election;
- 2661 (c) conduct of the election;
- 2662 (d) determination of voters' qualifications; and

- 2663 (e) canvassing of election results.
- 2664 (3) The board may, for purposes of the election:
- 2665 (a) treat the entire district as a single precinct or divide the district into precincts; and
- 2666 (b) fix polling places.
- 2667 (4) If bonds or the indebtedness or obligations under a contract are payable solely from
- 2668 revenues derived from the operation of all or any part of the district's works, no election is
- 2669 required under this section prior to issuance of the bonds or the entering into of the contract,
- 2670 except as provided in Subsection (5).
- 2671 (5) No district may issue bonds or incur an indebtedness or obligation under a contract
- 2672 payable solely from revenues unless:
- 2673 (a) the issuance of the bonds or the incurring of the contract indebtedness or obligation
- 2674 has been approved at an election called and held as provided in this section; or
- 2675 (b) the board of trustees adopts a resolution declaring the intention of the district to
- 2676 issue bonds or incur a contract indebtedness or liability payable solely from revenues in the
- 2677 amount and for the purpose provided in the resolution and directs that notice of this intention
- 2678 be published once in a newspaper of general circulation in the district.
- 2679 (i) The notice of intention shall set forth:
- 2680 (A) the amount and purpose of the proposed bond issue or contract; and
- 2681 (B) when and where petitions may be filed requesting the calling of an election to
- 2682 determine whether the bonds may be issued or the contract indebtedness or obligation may be
- 2683 incurred.
- 2684 (ii) The resolution of the board shall specify the form of the petitions.
- 2685 (iii) If, within 30 days after the publication of the notice of intention, a petition is filed
- 2686 with the secretary of the board, signed by not less than 5% of the qualified electors of the
- 2687 district, requesting that an election be called to authorize the issuance of the bonds or the
- 2688 incurring of the contract indebtedness or liability payable solely from revenues, then the board
- 2689 shall proceed to call and hold an election as provided in this section. The qualified electors of
- 2690 the district shall be certified to the board, prior to the adoption of the resolution, by the clerks
- 2691 of the counties in which portions of the district are located.
- 2692 (iv) If no petition is filed, or if the number of signatures filed within the 30-day period
- 2693 is less than the required number, the board of trustees may adopt the resolution and proceed to

2694 issue the bonds or enter into the contract.

2695 Section 70. Section **17A-2-1823** is amended to read:

2696 **17A-2-1823. Bond issuance.**

2697 (1) Any regional service area may:

2698 (a) in accordance with Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government  
2699 Bonding Act, authorize, issue, and dispose of its negotiable bonds for the purpose of paying all  
2700 or part of the cost of acquiring, improving, or extending any improvement, facility, or property  
2701 authorized to be acquired under this part;

2702 (b) in accordance with Title 11, Chapter 27, Utah Refunding Bond Act, authorize,  
2703 issue, and dispose of its bonds; and

2704 (c) enjoy the benefits of Title 11, Chapter 30, Utah Bond Validation Act.

2705 (2) A regional service area may issue bonds and anticipated notes based upon revenue  
2706 from property taxes, user charges, and other revenues and federal, state or local grants, borrow  
2707 money, and incur debts as authorized by law or this part. A regional service area may satisfy  
2708 any indebtedness as provided in this part or in any other applicable law and may, for purposes  
2709 of satisfaction of this indebtedness, incur new obligations of the type satisfied.

2710 (3) All elections for the issuance of bonds of a regional service area shall be called,  
2711 held, and conducted under the provisions of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local  
2712 Government Bonding Act. The provisions of the election code shall not be applicable to the  
2713 bond election.

2714 (4) If the board of trustees provides in any resolution authorizing revenue bonds for the  
2715 creation of a reserve fund to assure the prompt payment of principal and interest, the board may  
2716 provide for the accumulation of this fund not only from the revenues of the facilities, but also  
2717 from a part of the bond proceeds it may consider advisable.

2718 Section 71. Section **17A-2-1825** is amended to read:

2719 **17A-2-1825. Recital in bonds -- Effect.**

2720 The resolution authorizing the issuance of any bonds of a regional service area may  
2721 provide that the bonds recite that they are issued under the authority of this part. Any bonds  
2722 issued containing this recital shall be incontestable for any cause whatsoever after their delivery  
2723 for value and the recital shall conclusively establish full compliance with all of the provisions  
2724 of this part and Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

2725 Section 72. Section **17B-2-608** is amended to read:

2726 **17B-2-608. Resolution approving or rejecting withdrawal -- Criteria for approval**  
2727 **or rejection -- Terms and conditions.**

2728 (1) (a) On or before the date of the board meeting next following the public hearing  
2729 under Section 17B-2-606, but in no case later than 90 days after the public hearing or, if no  
2730 hearing is held, within 90 days after the filing of a petition under Section 17B-2-603, the board  
2731 of trustees of the local district in which the area proposed to be withdrawn is located shall  
2732 adopt a resolution:

2733 (i) approving the withdrawal of some or all of the area from the local district; or

2734 (ii) rejecting the withdrawal.

2735 (b) Each resolution approving a withdrawal shall:

2736 (i) include a legal description of the area proposed to be withdrawn;

2737 (ii) state the effective date of the withdrawal; and

2738 (iii) set forth the terms and conditions under Subsection (5), if any, of the withdrawal.

2739 (c) Each resolution rejecting a withdrawal shall include a detailed explanation of the  
2740 board of trustees' reasons for the rejection.

2741 (2) Unless denial of the petition is required under Subsection (3), the board of trustees  
2742 shall adopt a resolution approving the withdrawal of some or all of the area from the local  
2743 district if the board of trustees determines that:

2744 (a) the area to be withdrawn does not and will not require the service that the local  
2745 district provides;

2746 (b) the local district will not be able to provide service to the area to be withdrawn for  
2747 the reasonably foreseeable future; or

2748 (c) the area to be withdrawn has obtained the same service that is provided by the local  
2749 district or a commitment to provide the same service that is provided by the local district from  
2750 another source.

2751 (3) The board of trustees shall adopt a resolution denying the withdrawal if it  
2752 determines that the proposed withdrawal would:

2753 (a) result in a breach or default by the local district under:

2754 (i) any of its notes, bonds, or other debt or revenue obligations;

2755 (ii) any of its agreements with entities which have insured, guaranteed, or otherwise

2756 credit-enhanced any debt or revenue obligations of the local district; or  
2757 (iii) any of its agreements with the United States or any agency of the United States;  
2758 provided, however, that, if the local district has entered into an agreement with the United  
2759 States that requires the consent of the United States for a withdrawal of territory from the  
2760 district, a withdrawal under this part may occur if the written consent of the United States is  
2761 obtained and filed with the board of trustees;

2762 (b) adversely affect the ability of the local district to make any payments or perform  
2763 any other material obligations under:

2764 (i) any of its agreements with the United States or any agency of the United States;  
2765 (ii) any of its notes, bonds, or other debt or revenue obligations; or  
2766 (iii) any of its agreements with entities which have insured, guaranteed, or otherwise  
2767 credit-enhanced any debt or revenue obligations of the local district;

2768 (c) result in the reduction or withdrawal of any rating on an outstanding note, bond, or  
2769 other debt or revenue obligation of the local district;

2770 (d) create an island or peninsula of nondistrict territory within the local district or of  
2771 district territory within nondistrict territory that has a material adverse affect on the local  
2772 district's ability to provide service or materially increases the cost of providing service to the  
2773 remainder of the local district;

2774 (e) materially impair the operations of the remaining local district; or  
2775 (f) require the local district to materially increase the fees it charges or property taxes  
2776 or other taxes it levies in order to provide to the remainder of the district the same level and  
2777 quality of service that was provided before the withdrawal.

2778 (4) In determining whether the withdrawal would have any of the results described in  
2779 Subsection (3), the board of trustees may consider the cumulative impact that multiple  
2780 withdrawals over a specified period of time would have on the local district.

2781 (5) (a) Despite the presence of one or more of the conditions listed in Subsection (3),  
2782 the board of trustees may approve a resolution withdrawing an area from the local district  
2783 imposing terms or conditions that mitigate or eliminate the conditions listed in Subsection (3),  
2784 including:

2785 (i) a requirement that the owners of property located within the area proposed to be  
2786 withdrawn or residents within that area pay their proportionate share of any outstanding district

2787 bond or other obligation as determined pursuant to Subsection (5)(b);

2788 (ii) a requirement that the owners of property located within the area proposed to be  
2789 withdrawn or residents within that area make one or more payments in lieu of taxes, fees, or  
2790 assessments;

2791 (iii) a requirement that the board of trustees and the receiving entity agree to reasonable  
2792 payment and other terms in accordance with Subsections (5)(f) through (g) regarding the  
2793 transfer to the receiving entity of district assets that the district used before withdrawal to  
2794 provide service to the withdrawn area but no longer needs because of the withdrawal; provided  
2795 that, if those district assets are allocated in accordance with Subsections (5)(f) through (g), the  
2796 district shall immediately transfer to the receiving entity on the effective date of the  
2797 withdrawal, all title to and possession of district assets allocated to the receiving entity; or

2798 (iv) any other reasonable requirement considered to be necessary by the board of  
2799 trustees.

2800 (b) Other than as provided for in Subsection 17B-2-609(2), and except as provided in  
2801 Subsection (5)(e), in determining the proportionate share of outstanding bonded indebtedness  
2802 or other obligations under Subsection (5)(a)(i) and for purposes of determining the allocation  
2803 and transfer of district assets under Subsection (5)(a)(iii), the board of trustees and the  
2804 receiving entity, or in cases where there is no receiving entity, the board and the sponsors of the  
2805 petition shall:

2806 (i) engage engineering and accounting consultants chosen by the procedure provided in  
2807 Subsection (5)(d); provided however, that if the withdrawn area is not receiving service, an  
2808 engineering consultant need not be engaged; and

2809 (ii) require the engineering and accounting consultants engaged under Subsection  
2810 (5)(b)(i) to communicate in writing to the board of trustees and the receiving entity, or in cases  
2811 where there is no receiving entity, the board and the sponsors of the petition the information  
2812 required by Subsections (5)(f) through (h).

2813 (c) For purposes of this Subsection (5):

2814 (i) "accounting consultant" means a certified public accountant or a firm of certified  
2815 public accountants with the expertise necessary to make the determinations required under  
2816 Subsection (5)(h); and

2817 (ii) "engineering consultant" means a person or firm that has the expertise in the

2818 engineering aspects of the type of system by which the withdrawn area is receiving service that  
2819 is necessary to make the determination required under Subsections (5)(f) and (g).

2820 (d) (i) Unless the board of trustees and the receiving entity, or in cases where there is  
2821 no receiving entity, the board and the sponsors of the petition agree on an engineering  
2822 consultant and an accounting consultant, each consultant shall be chosen from a list of  
2823 consultants provided by the Consulting Engineers Council of Utah and the Utah Association of  
2824 Certified Public Accountants, respectively, as provided in this Subsection (5)(d).

2825 (ii) A list under Subsection (5)(d)(i) may not include a consultant who has had a  
2826 contract for services with the district or the receiving entity during the two-year period  
2827 immediately before the list is provided to the local district.

2828 (iii) Within 20 days of receiving the lists described in Subsection (5)(d)(i), the board of  
2829 trustees shall eliminate the name of one engineering consultant from the list of engineering  
2830 consultants and the name of one accounting consultant from the list of accounting consultants  
2831 and shall notify the receiving entity, or in cases where there is no receiving entity, the sponsors  
2832 of the petition in writing of the eliminations.

2833 (iv) Within three days of receiving notification under Subsection (5)(d), the receiving  
2834 entity, or in cases where there is no receiving entity, the sponsors of the petition shall eliminate  
2835 another name of an engineering consultant from the list of engineering consultants and another  
2836 name of an accounting consultant from the list of accounting consultants and shall notify the  
2837 board of trustees in writing of the eliminations.

2838 (v) The board of trustees and the receiving entity, or in cases where there is no  
2839 receiving entity, the board and the sponsors of the petition shall continue to alternate between  
2840 them, each eliminating the name of one engineering consultant from the list of engineering  
2841 consultants and the name of one accounting consultant from the list of accounting consultants  
2842 and providing written notification of the eliminations within three days of receiving  
2843 notification of the previous notification, until the name of only one engineering consultant  
2844 remains on the list of engineering consultants and the name of only one accounting consultant  
2845 remains on the list of accounting consultants.

2846 (e) The requirement under Subsection (5)(b) to engage engineering and accounting  
2847 consultants does not apply if the board of trustees and the receiving entity, or in cases where  
2848 there is no receiving entity, the board and the sponsors of the petition agree on the allocations

2849 that are the engineering consultant's responsibility under Subsection (5)(f) or the  
2850 determinations that are the accounting consultant's responsibility under Subsection (5)(h);  
2851 provided however, that if engineering and accounting consultants are engaged, the district and  
2852 the receiving entity, or in cases where there is no receiving entity, the district and the sponsors  
2853 of the petition shall equally share the cost of the engineering and accounting consultants.

2854 (f) (i) The engineering consultant shall allocate the district assets between the district  
2855 and the receiving entity as provided in this Subsection (5)(f).

2856 (ii) The engineering consultant shall allocate:

2857 (A) to the district those assets reasonably needed by the district to provide to the area  
2858 of the district remaining after withdrawal the kind, level, and quality of service that was  
2859 provided before withdrawal; and

2860 (B) to the receiving entity those assets reasonably needed by the receiving entity to  
2861 provide to the withdrawn area the kind and quality of service that was provided before  
2862 withdrawal.

2863 (iii) If the engineering consultant determines that both the local district and the  
2864 receiving entity reasonably need a district asset to provide to their respective areas the kind and  
2865 quality of service provided before withdrawal, the engineering consultant shall:

2866 (A) allocate the asset between the local district and the receiving entity according to  
2867 their relative needs, if the asset is reasonably susceptible of division; or

2868 (B) allocate the asset to the local district, if the asset is not reasonably susceptible of  
2869 division.

2870 (g) All district assets remaining after application of Subsection (5)(f) shall be allocated  
2871 to the local district.

2872 (h) (i) The accounting consultant shall determine the withdrawn area's proportionate  
2873 share of any redemption premium and the principal of and interest on:

2874 (A) the local district's revenue bonds that were outstanding at the time the petition was  
2875 filed;

2876 (B) the local district's general obligation bonds that were outstanding at the time the  
2877 petition was filed; and

2878 (C) the local district's general obligation bonds that:

2879 (I) were outstanding at the time the petition was filed; and

2880 (II) are treated as revenue bonds under Subsection (5)(i); and

2881 (D) the district's bonds that were issued prior to the date the petition was filed to refund  
2882 the district's revenue bonds, general obligation bonds, or general obligation bonds treated as  
2883 revenue bonds.

2884 (ii) For purposes of Subsection (5)(h)(i), the withdrawn area's proportionate share of  
2885 redemption premium, principal, and interest shall be the amount that bears the same  
2886 relationship to the total redemption premium, principal, and interest for the entire district that  
2887 the average annual gross revenues from the withdrawn area during the three most recent  
2888 complete fiscal years before the filing of the petition bears to the average annual gross revenues  
2889 from the entire district for the same period.

2890 (i) For purposes of Subsection (5)(h)(i), a district general obligation bond shall be  
2891 treated as a revenue bond if:

2892 (i) the bond is outstanding on the date the petition was filed; and

2893 (ii) the principal of and interest on the bond, as of the date the petition was filed, had  
2894 been paid entirely from local district revenues and not from a levy of ad valorem tax.

2895 (j) (i) Before the board of trustees of the local district files a resolution approving a  
2896 withdrawal, the receiving entity, or in cases where there is no receiving entity, the sponsors of  
2897 the petition shall irrevocably deposit government obligations, as defined in Subsection  
2898 11-27-2(6), into an escrow trust fund the principal of and interest on which are sufficient to  
2899 provide for the timely payment of the amount determined by the accounting consultant under  
2900 Subsection (5)(h) or in an amount mutually agreeable to the board of trustees of the local  
2901 district and the receiving entity, or in cases where there is no receiving entity, the board and the  
2902 sponsors of the petition. Notwithstanding Subsection 17B-2-610(1), the board of trustees shall  
2903 not be required to file a resolution approving a withdrawal until the requirements for  
2904 establishing and funding an escrow trust fund in this Subsection (5)(j)(i) have been met;  
2905 provided that, if the escrow trust fund has not been established and funded within 180 days  
2906 after the board of trustees passes a resolution approving a withdrawal, the resolution approving  
2907 the withdrawal shall be void.

2908 (ii) Concurrently with the creation of the escrow, the receiving entity, or in cases where  
2909 there is no receiving entity, the sponsors of the petition shall provide to the board of trustees of  
2910 the local district:

2911 (A) a written opinion of an attorney experienced in the tax-exempt status of municipal  
2912 bonds stating that the establishment and use of the escrow to pay the proportionate share of the  
2913 district's outstanding revenue bonds and general obligation bonds that are treated as revenue  
2914 bonds will not adversely affect the tax-exempt status of the bonds; and

2915 (B) a written opinion of an independent certified public accountant verifying that the  
2916 principal of and interest on the deposited government obligations are sufficient to provide for  
2917 the payment of the withdrawn area's proportionate share of the bonds as provided in Subsection  
2918 (5)(h).

2919 (iii) The receiving entity, or in cases where there is no receiving entity, the sponsors of  
2920 the petition shall bear all expenses of the escrow and the redemption of the bonds.

2921 (iv) The receiving entity may issue bonds under Title 11, Chapter 14, [~~Utah Municipal~~  
2922 ~~Bond~~] Local Government Bonding Act, and Title 11, Chapter 27, Utah Refunding Bond Act, to  
2923 fund the escrow.

2924 (6) A requirement imposed by the board of trustees as a condition to withdrawal under  
2925 Subsection (5) shall, in addition to being expressed in the resolution, be reduced to a duly  
2926 authorized and executed written agreement between the parties to the withdrawal.

2927 (7) An area that is the subject of a withdrawal petition under Section 17B-2-603 that  
2928 results in a board of trustees resolution denying the proposed withdrawal may not be the  
2929 subject of another withdrawal petition under Section 17B-2-603 for two years after the date of  
2930 the board of trustees resolution denying the withdrawal.

2931 Section 73. Section **17B-4-1204** is amended to read:

2932 **17B-4-1204. Contesting the legality of resolution authorizing bonds -- Time limit**  
2933 **-- Presumption.**

2934 (1) Any person may contest the legality of the resolution authorizing issuance of the  
2935 bonds or any provisions for the security and payment of the bonds for a period of 30 days after:

2936 (a) publication of the resolution authorizing the bonds; or

2937 (b) publication of a notice of bonds containing substantially the items required under  
2938 Subsection [~~11-14-21(3)~~] 11-14-316(2).

2939 (2) After the 30-day period under Subsection (1), no lawsuit or other proceeding may  
2940 be brought contesting the regularity, formality, or legality of the bonds for any reason.

2941 (3) In a lawsuit or other proceeding involving the question of whether a bond issued

2942 under this part is valid or enforceable or involving the security for a bond, if a bond recites that  
2943 the agency issued the bond in connection with a redevelopment, economic development, or  
2944 education housing development:

2945 (a) the bond shall be conclusively presumed to have been issued for that purpose; and

2946 (b) the project area plan and project area shall be conclusively presumed to have been  
2947 properly formed, adopted, planned, located, and carried out in accordance with this chapter.

2948 Section 74. Section **19-6-503** is amended to read:

2949 **19-6-503. Powers and duties of public entities.**

2950 Subject to the powers and rules of the department, the governing body of each public  
2951 entity may:

2952 (1) supervise and regulate the collection, transportation, and disposition of all solid  
2953 waste generated within its jurisdiction;

2954 (2) provide solid waste management facilities to handle adequately solid waste  
2955 generated or existing within or without its jurisdiction;

2956 (3) assume, by agreement, responsibility for the collection and disposition of solid  
2957 waste whether generated within or without its jurisdictional boundaries;

2958 (4) enter into short or long-term interlocal agreements with other public entities, with  
2959 public agencies as defined in Title 11, Chapter 13, Interlocal Cooperation Act, with private  
2960 persons or entities, or any combination of them, to provide for or operate solid waste  
2961 management facilities;

2962 (5) levy and collect taxes, fees, and charges and require licenses as may be appropriate  
2963 to discharge its responsibility for the acquisition, construction, operation, maintenance, and  
2964 improvement of solid waste management facilities or any portion of them, including licensing  
2965 private collectors operating within its jurisdiction;

2966 (6) require that all solid waste generated within its jurisdiction be delivered to a solid  
2967 waste management facility;

2968 (7) control the right to collect, transport, and dispose of all solid waste generated  
2969 within its jurisdiction;

2970 (8) agree that the sole and exclusive right to collect, transport, and dispose of solid  
2971 waste within its jurisdiction shall be assumed by any other public entity or entities, any private  
2972 persons or entities, or any combination of them, pursuant to Section 19-6-505;

2973 (9) accept and disburse funds derived from federal or state grants or from private  
2974 sources or from moneys that may be appropriated by the Legislature for the acquisition,  
2975 construction, ownership, operation, maintenance, and improvement of solid waste management  
2976 facilities;

2977 (10) contract for the lease or purchase of land, facilities, and vehicles for the operation  
2978 of solid waste management facilities;

2979 (11) establish policies for the operation of solid waste management facilities, including  
2980 hours of operation, character, and kind of wastes accepted at disposal sites, and other rules  
2981 necessary for the safety of the operating personnel;

2982 (12) sell or contract for the sale, pursuant to short or long-term agreements, of any  
2983 usable materials, energy, fuel, or heat separated, extracted, recycled, or recovered from solid  
2984 waste in a solid waste management facility, on terms in its best interests, and to pledge, assign,  
2985 or otherwise convey as security for the payment of its bonds any revenues and receipts derived  
2986 from the sale or contract or from the operation and ownership of a solid waste management  
2987 facility or an interest in it;

2988 (13) issue bonds pursuant to Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local  
2989 Government Bonding Act; and

2990 (14) issue industrial development revenue bonds pursuant to Title 11, Chapter 17,  
2991 Utah Industrial Facilities and Development Act, to pay the costs of financing projects  
2992 consisting of solid waste management facilities, as defined in Section 19-6-502, on behalf of  
2993 entities that constitute the users of a solid waste management facility project within the  
2994 meaning of Section 11-17-2, and agree to construct and operate or to provide for the  
2995 construction and operation of a solid waste management facility project, which project shall  
2996 manage the solid waste of one or more public or private entities, all pursuant to contracts and  
2997 other arrangements provided for in the proceedings pursuant to which the bonds are issued. In  
2998 addition to the authority to issue bonds contained in Title 11, Chapter 17, Utah Industrial  
2999 Facilities and Development Act, bonds may be issued pursuant to the authority contained in  
3000 this subsection to pay the cost of establishing reserves to pay principal and interest on the  
3001 bonds as provided for in the proceedings pursuant to which the bonds are issued.

3002 Section 75. Section **19-6-505** is amended to read:

3003 **19-6-505. Long-term agreements for joint action -- Construction, acquisition, or**

3004 **sale of interest in management facilities -- Issuance of bonds.**

3005 (1) (a) Two or more public entities, which for the purposes of this section shall only  
3006 include any political subdivision of the state, the state and its agencies, and the United States  
3007 and its agencies, may enter into long-term agreements with one another pursuant to Title 11,  
3008 Chapter 13, Interlocal Cooperation Act, and any one or more public entities may enter into  
3009 long-term agreements with any private entity or entities for joint or cooperative action related  
3010 to the acquisition, construction, ownership, operation, maintenance, and improvement of solid  
3011 waste management facilities, regardless of whether the facilities are owned or leased by a  
3012 public entity or entities, private entity or entities, or combination of them and pursuant to which  
3013 solid waste of one or more public entities, any private entity or entities, or combination of  
3014 them, are made available for solid waste management pursuant to the terms, conditions, and  
3015 consideration provided in the agreement.

3016 (b) Any payments made by a public entity for services received under the agreement  
3017 are not an indebtedness of the public entity within the meaning of any constitutional or  
3018 statutory restriction, and no election is necessary for the authorization of the agreement.

3019 (c) Any public entity or any public entity in combination with a private entity agreeing  
3020 to make solid waste management facilities available may, in the agreement, agree to make  
3021 available to other public entities a specified portion of the capacity of the solid waste  
3022 management facilities, without regard to its future need of the specified capacity for its own use  
3023 and may in the agreement agree to increase the capacity of its solid waste management  
3024 facilities from time to time, as necessary, in order to take care of its own needs and to perform  
3025 its obligations to the other parties to the agreement.

3026 (2) (a) Two or more public entities or any one or more public entities together with any  
3027 private entity or entities may construct or otherwise acquire joint interests in solid waste  
3028 management facilities, or any part of them, for their common use, or may sell to any other  
3029 public or private entity or entities a partial interest or interests in its solid waste management  
3030 facility.

3031 (b) Any public entity otherwise qualifying under Title 11, Chapter 14, [~~Utah Municipal~~  
3032 ~~Bond~~] Local Government Bonding Act or Title 11, Chapter 17, Utah Industrial Facilities and  
3033 Development Act may issue its bonds pursuant to these acts for the purpose of acquiring a joint  
3034 interest in solid waste management facilities, or any part thereof, whether the joint interest is to

3035 be acquired through construction of new facilities or the purchase of an interest in existing  
3036 facilities.

3037 Section 76. Section **20A-1-102** is amended to read:

3038 **20A-1-102. Definitions.**

3039 As used in this title:

3040 (1) "Active voter" means a registered voter who has not been classified as an inactive  
3041 voter by the county clerk.

3042 (2) "Automatic tabulating equipment" means apparatus that automatically examines  
3043 and counts votes recorded on paper ballots or ballot cards and tabulates the results.

3044 (3) "Ballot" means the cardboard, paper, or other material upon which a voter records  
3045 his votes and includes ballot cards, paper ballots, and secrecy envelopes.

3046 (4) "Ballot card" means a ballot that can be counted using automatic tabulating  
3047 equipment.

3048 (5) "Ballot label" means the cards, papers, booklet, pages, or other materials that  
3049 contain the names of offices and candidates and statements of ballot propositions to be voted  
3050 on and which are used in conjunction with ballot cards.

3051 (6) "Ballot proposition" means opinion questions specifically authorized by the  
3052 Legislature, constitutional amendments, initiatives, referenda, and judicial retention questions  
3053 that are submitted to the voters for their approval or rejection.

3054 (7) "Board of canvassers" means the entities established by Sections 20A-4-301 and  
3055 20A-4-306 to canvass election returns.

3056 (8) "Bond election" means an election held for the [~~sole~~] purpose of approving or  
3057 rejecting the proposed issuance of bonds by a government entity.

3058 (9) "Book voter registration form" means voter registration forms contained in a bound  
3059 book that are used by election officers and registration agents to register persons to vote.

3060 (10) "By-mail voter registration form" means a voter registration form designed to be  
3061 completed by the voter and mailed to the election officer.

3062 (11) "Canvass" means the review of election returns and the official declaration of  
3063 election results by the board of canvassers.

3064 (12) "Canvassing judge" means an election judge designated to assist in counting  
3065 ballots at the canvass.

3066 (13) "Convention" means the political party convention at which party officers and  
3067 delegates are selected.

3068 (14) "Counting center" means one or more locations selected by the election officer in  
3069 charge of the election for the automatic counting of ballots.

3070 (15) "Counting judge" means a judge designated to count the ballots during election  
3071 day.

3072 (16) "Counting poll watcher" means a person selected as provided in Section  
3073 20A-3-201 to witness the counting of ballots.

3074 (17) "Counting room" means a suitable and convenient private place or room,  
3075 immediately adjoining the place where the election is being held, for use by the counting  
3076 judges to count ballots during election day.

3077 (18) "County executive" has the meaning as provided in Subsection 68-3-12(2).

3078 (19) "County legislative body" has the meaning as provided in Subsection 68-3-12(2).

3079 (20) "County officers" means those county officers that are required by law to be  
3080 elected.

3081 (21) "Election" means a regular general election, a municipal general election, a  
3082 statewide special election, a local special election, a regular primary election, a municipal  
3083 primary election, and a special district election.

3084 (22) "Election Assistance Commission" means the commission established by Public  
3085 Law 107-252, the Help America Vote Act of 2002.

3086 (23) "Election cycle" means the period beginning on the first day persons are eligible to  
3087 file declarations of candidacy and ending when the canvass is completed.

3088 (24) "Election judge" means each canvassing judge, counting judge, and receiving  
3089 judge.

3090 (25) "Election officer" means:

3091 (a) the lieutenant governor, for all statewide ballots;

3092 (b) the county clerk or clerks for all county ballots and for certain [~~special district and~~  
3093 ~~school district~~] ballots and elections as provided in Section 20A-5-400.5;

3094 (c) the municipal clerk for all municipal ballots and for certain [~~special district and~~  
3095 ~~school district~~] ballots and elections as provided in Section 20A-5-400.5; [~~and~~]

3096 (d) the special district clerk or chief executive officer for [~~all special district ballots that~~

3097 ~~are not part of a statewide, county, or municipal ballot.] certain ballots and elections as~~  
3098 ~~provided in Section 20A-5-400.5; and~~

3099 (e) the business administrator or superintendent of a school district for certain ballots  
3100 or elections as provided in Section 20A-5-400.5.

3101 (26) "Election official" means any election officer, election judge, or satellite registrar.

3102 (27) "Election results" means, for bond elections, the count of those votes cast for and  
3103 against the bond proposition plus any or all of the election returns that the board of canvassers  
3104 may request.

3105 [~~27~~] (28) "Election returns" includes the pollbook, all affidavits of registration, the  
3106 military and overseas absentee voter registration and voting certificates, one of the tally sheets,  
3107 any unprocessed absentee ballots, all counted ballots, all excess ballots, all unused ballots, all  
3108 spoiled ballots, the ballot disposition form, and the total votes cast form.

3109 [~~28~~] (29) "Electronic voting system" means a system in which a voting device is used  
3110 in conjunction with ballots so that votes recorded by the voter are counted and tabulated by  
3111 automatic tabulating equipment.

3112 [~~29~~] (30) "Inactive voter" means a registered voter who has been sent the notice  
3113 required by Section 20A-2-306 and who has failed to respond to that notice.

3114 [~~30~~] (31) "Inspecting poll watcher" means a person selected as provided in this title to  
3115 witness the receipt and safe deposit of voted and counted ballots.

3116 [~~31~~] (32) "Judicial office" means the office filled by any judicial officer.

3117 [~~32~~] (33) "Judicial officer" means any justice or judge of a court of record or any  
3118 county court judge.

3119 [~~33~~] (34) "Local election" means a regular municipal election, a local special  
3120 election, a special district election, and a bond election.

3121 [~~34~~] (35) "Local political subdivision" means a county, a municipality, a special  
3122 district, or a local school district.

3123 [~~35~~] (36) "Local special election" means a special election called by the governing  
3124 body of a local political subdivision in which all registered voters of the local political  
3125 subdivision may vote.

3126 [~~36~~] (37) "Municipal executive" means:

3127 (a) the city commission, city council, or town council in the traditional management

3128 arrangement established by Title 10, Chapter 3, Part 1, Governing Body;

3129 (b) the mayor in the council-mayor optional form of government defined in Section  
3130 [~~10-3-1209~~] 10-3-101; and

3131 (c) the manager in the council-manager optional form of government defined in  
3132 Section [~~10-3-1209~~] 10-3-101.

3133 [~~(37)~~] (38) "Municipal general election" means the election held in municipalities and  
3134 special districts on the first Tuesday after the first Monday in November of each odd-numbered  
3135 year for the purposes established in Section 20A-1-202.

3136 [~~(38)~~] (39) "Municipal legislative body" means:

3137 (a) the city commission, city council, or town council in the traditional management  
3138 arrangement established by Title 10, Chapter 3, Part 1, Governing Body;

3139 (b) the municipal council in the council-mayor optional form of government defined in  
3140 Section [~~10-3-1209~~] 10-3-101; and

3141 (c) the municipal council in the council-manager optional form of government defined  
3142 in Section [~~10-3-1209~~] 10-3-101.

3143 [~~(39)~~] (40) "Municipal officers" means those municipal officers that are required by  
3144 law to be elected.

3145 [~~(40)~~] (41) "Municipal primary election" means an election held to nominate  
3146 candidates for municipal office.

3147 [~~(41)~~] (42) "Official ballot" means the ballots distributed by the election officer to the  
3148 election judges to be given to voters to record their votes.

3149 [~~(42)~~] (43) "Official endorsement" means:

3150 (a) the information on the ballot that identifies:

3151 (i) the ballot as an official ballot;

3152 (ii) the date of the election; and

3153 (iii) the facsimile signature of the election officer; and

3154 (b) the information on the ballot stub that identifies:

3155 (i) the election judge's initials; and

3156 (ii) the ballot number.

3157 [~~(43)~~] (44) "Official register" means the book furnished election officials by the  
3158 election officer that contains the information required by Section 20A-5-401.

3159            [~~(44)~~] (45) "Paper ballot" means a paper that contains:

3160            (a) the names of offices and candidates and statements of ballot propositions to be  
3161 voted on; and

3162            (b) spaces for the voter to record his vote for each office and for or against each ballot  
3163 proposition.

3164            [~~(45)~~] (46) "Political party" means an organization of registered voters that has  
3165 qualified to participate in an election by meeting the requirements of Title 20A, Chapter 8,  
3166 Political Party Formation and Procedures.

3167            [~~(46)~~] (47) "Polling place" means the building where residents of a voting precinct vote  
3168 or where absentee voting is conducted.

3169            [~~(47)~~] (48) "Position" means a square, circle, rectangle, or other geometric shape on a  
3170 ballot in which the voter marks his choice.

3171            [~~(48)~~] (49) "Posting list" means a list of registered voters within a voting precinct.

3172            [~~(49)~~] (50) "Proof of identity" means some form of photo identification, such as a  
3173 driver license or identification card, that establishes a person's identity.

3174            [~~(50)~~] (51) "Proof of residence" means some official document or form, such as a  
3175 driver license or utility bill that establishes a person's residence.

3176            [~~(51)~~] (52) "Provisional ballot" means a ballot voted provisionally by a person:

3177            (a) whose name is not listed on the official register at the polling place; or

3178            (b) whose legal right to vote is challenged as provided in this title.

3179            [~~(52)~~] (53) "Provisional ballot envelope" means an envelope printed in the form  
3180 required by Section 20A-6-105 that is used to identify provisional ballots and to provide  
3181 information to verify a person's legal right to vote.

3182            [~~(53)~~] (54) "Primary convention" means the political party conventions at which  
3183 nominees for the regular primary election are selected.

3184            [~~(54)~~] (55) "Protective counter" means a separate counter, which cannot be reset, that is  
3185 built into a voting machine and records the total number of movements of the operating lever.

3186            [~~(55)~~] (56) "Qualify" or "qualified" means to take the oath of office and begin  
3187 performing the duties of the position for which the person was elected.

3188            [~~(56)~~] (57) "Receiving judge" means the election judge that checks the voter's name in  
3189 the official register, provides the voter with a ballot, and removes the ballot stub from the ballot

3190 after the voter has voted.

3191           ~~[(57)]~~ (58) "Registration days" means the days designated in Section 20A-2-203 when  
3192 a voter may register to vote with a satellite registrar.

3193           ~~[(58)]~~ (59) "Registration form" means a book voter registration form and a by-mail  
3194 voter registration form.

3195           ~~[(59)]~~ (60) "Regular ballot" means a ballot that is not a provisional ballot.

3196           ~~[(60)]~~ (61) "Regular general election" means the election held throughout the state on  
3197 the first Tuesday after the first Monday in November of each even-numbered year for the  
3198 purposes established in Section 20A-1-201.

3199           ~~[(61)]~~ (62) "Regular primary election" means the election on the fourth Tuesday of  
3200 June of each even-numbered year, at which candidates of political parties and nonpolitical  
3201 groups are voted for nomination.

3202           ~~[(62)]~~ (63) "Resident" means a person who resides within a specific voting precinct in  
3203 Utah.

3204           ~~[(63)]~~ (64) "Sample ballot" means a mock ballot similar in form to the official ballot  
3205 printed and distributed as provided in Section 20A-5-405.

3206           ~~[(64)]~~ (65) "Satellite registrar" means a person appointed under Section 20A-5-201 to  
3207 register voters and perform other duties.

3208           ~~[(65)]~~ (66) "Scratch vote" means to mark or punch the straight party ticket and then  
3209 mark or punch the ballot for one or more candidates who are members of different political  
3210 parties.

3211           ~~[(66)]~~ (67) "Secrecy envelope" means the envelope given to a voter along with the  
3212 ballot into which the voter places the ballot after he has voted it in order to preserve the secrecy  
3213 of the voter's vote.

3214           ~~[(67)]~~ (68) "Special district" means those local government entities created under the  
3215 authority of Title 17A.

3216           ~~[(68)]~~ (69) "Special district officers" means those special district officers that are  
3217 required by law to be elected.

3218           ~~[(69)]~~ (70) "Special election" means an election held as authorized by Section  
3219 20A-1-204.

3220           ~~[(70)]~~ (71) "Spoiled ballot" means each ballot that:

- 3221 (a) is spoiled by the voter;
- 3222 (b) is unable to be voted because it was spoiled by the printer or the election judge; or
- 3223 (c) lacks the official endorsement.
- 3224 ~~[(71)]~~ (72) "Statewide special election" means a special election called by the governor
- 3225 or the Legislature in which all registered voters in Utah may vote.
- 3226 ~~[(72)]~~ (73) "Stub" means the detachable part of each ballot.
- 3227 ~~[(73)]~~ (74) "Substitute ballots" means replacement ballots provided by an election
- 3228 officer to the election judges when the official ballots are lost or stolen.
- 3229 ~~[(74)]~~ (75) "Ticket" means each list of candidates for each political party or for each
- 3230 group of petitioners.
- 3231 ~~[(75)]~~ (76) "Transfer case" means the sealed box used to transport voted ballots to the
- 3232 counting center.
- 3233 ~~[(76)]~~ (77) "Vacancy" means the absence of a person to serve in any position created
- 3234 by statute, whether that absence occurs because of death, disability, disqualification,
- 3235 resignation, or other cause.
- 3236 ~~[(77)]~~ (78) "Valid write-in candidate" means a candidate who has qualified as a
- 3237 write-in candidate by following the procedures and requirements of this title.
- 3238 ~~[(78)]~~ (79) "Voter" means a person who meets the requirements for voting in an
- 3239 election, meets the requirements of election registration, is registered to vote, and is listed in
- 3240 the official register book.
- 3241 ~~[(79)]~~ (80) "Voting area" means the area within six feet of the voting booths, voting
- 3242 machines, and ballot box.
- 3243 ~~[(80)]~~ (81) "Voting booth" means the space or compartment within a polling place that
- 3244 is provided for the preparation of ballots and includes the voting machine enclosure or curtain.
- 3245 ~~[(81)]~~ (82) "Voting device" means:
- 3246 (a) an apparatus in which ballot cards are used in connection with a punch device for
- 3247 piercing the ballots by the voter;
- 3248 (b) a device for marking the ballots with ink or another substance; or
- 3249 (c) any other method for recording votes on ballots so that the ballot may be tabulated
- 3250 by means of automatic tabulating equipment.
- 3251 ~~[(82)]~~ (83) "Voting machine" means a machine designed for the sole purpose of

3252 recording and tabulating votes cast by voters at an election.

3253           ~~[(83)]~~ (84) "Voting poll watcher" means a person appointed as provided in this title to  
3254 witness the distribution of ballots and the voting process.

3255           ~~[(84)]~~ (85) "Voting precinct" means the smallest voting unit established as provided by  
3256 law within which qualified voters vote at one polling place.

3257           ~~[(85)]~~ (86) "Watcher" means a voting poll watcher, a counting poll watcher, and an  
3258 inspecting poll watcher.

3259           ~~[(86)]~~ (87) "Western States Presidential Primary" means the election established in  
3260 Title 20A, Chapter 9, Part 8.

3261           ~~[(87)]~~ (88) "Write-in ballot" means a ballot containing any write-in votes.

3262           ~~[(88)]~~ (89) "Write-in vote" means a vote cast for a person whose name is not printed on  
3263 the ballot according to the procedures established in this title.

3264           Section 77. Section **20A-3-202** is amended to read:

3265           **20A-3-202. Challenges -- Recorded in official register and in pollbook.**

3266           (1) (a) When any person applies for a ballot or when a person offers a ballot for deposit  
3267 in the ballot box, the person's right to vote in that voting precinct and in that election may be  
3268 orally challenged by an election judge or any challenger orally stating the challenged voter's  
3269 name and the basis for the challenge.

3270           (b) A person may challenge another person's right to vote by alleging that:

3271           (i) the voter is not the person whose name appears in the official register and under  
3272 which name the right to vote is claimed;

3273           (ii) the voter is not a resident of Utah;

3274           (iii) the voter is not a citizen of the United States;

3275           (iv) the voter has not or will not have resided in Utah for 30 days immediately before  
3276 the date of the election;

3277           (v) the voter does not live in the voting precinct;

3278           (vi) the voter does not live within the geographic boundaries of the entity holding the  
3279 election;

3280           (vii) the voter's principal place of residence is not in the voting precinct;

3281           (viii) the voter's principal place of residence is not in the geographic boundaries of the  
3282 election area;

- 3283 (ix) the voter has voted before in the election;
- 3284 (x) the voter is not at least 18 years old;
- 3285 (xi) the voter is involuntarily confined or incarcerated in jail or prison and was not a  
3286 resident of the entity holding the election before the voter was confined or incarcerated;
- 3287 (xii) the voter is a convicted felon and is incarcerated for the commission of a felony;
- 3288 or
- 3289 (xiii) in a regular primary election, the voter does not meet the political party affiliation  
3290 criteria established by the political party whose ballot the voter seeks to vote.
- 3291 (2) (a) The election judges shall give the voter a ballot and allow the voter to vote if:
- 3292 (i) the person challenged signs a written affidavit certifying that he meets all the  
3293 requirements for voting; and
- 3294 (ii) the election judge determines that the person challenged is registered to vote and, in  
3295 a regular primary election, meets the political party affiliation criteria established by the  
3296 political party whose ballot the voter seeks to vote.
- 3297 (b) The election judges may not give the voter a ballot or allow the voter to vote if:
- 3298 (i) the person challenged refuses to sign the written affidavit; or
- 3299 [~~(ii) the election judge determines that the person challenged is not registered to vote;~~
- 3300 ~~or~~]
- 3301 [~~(iii)~~] (ii) in a regular primary election, the election judge determines that the person  
3302 challenged does not meet the political party affiliation criteria established by the political party  
3303 whose ballot the voter seeks to vote and is unwilling or unable to take the steps authorized by  
3304 law to comply with those criteria.
- 3305 (c) (i) It is unlawful for any person to sign an affidavit certifying that he meets all the  
3306 requirements for voting when that person knows he does not meet at least one of those  
3307 requirements.
- 3308 (ii) Any person who violates this Subsection (2)(c) is guilty of a class B misdemeanor.
- 3309 (3) (a) Any person may challenge the right to vote of any person whose name appears  
3310 on the posting list by filing a written signed statement identifying the challenged voter's name  
3311 and the basis for the challenge with the county clerk on the Friday before the election during  
3312 regular business hours.
- 3313 (b) The person challenging a person's right to vote shall allege one or more of the

3314 grounds established in Subsection (1)(b) as the basis for the challenge.

3315 (c) The county clerk shall:

3316 (i) carefully preserve the written challenges;

3317 (ii) write in the appropriate official register opposite the name of any person for whom

3318 the county clerk received a written challenge, the words "To be challenged"; and

3319 (iii) transmit the written challenges to election judges of that voting precinct.

3320 (d) On election day, the election judges shall raise the written challenge with the voter  
3321 before giving the voter a ballot.

3322 (e) If the person challenged takes an oath before any of the election judges that the  
3323 grounds of the challenge are false, the judges shall allow the person to vote.

3324 (f) If the person applying to vote does not meet the legal requirements to vote, or  
3325 refuses to take the oath, the election judges may not deliver a ballot to him.

3326 (4) The election judges shall record all challenges in the official register and on the  
3327 challenge sheets in the pollbook.

3328 (5) If the person challenged under Subsection (3) voted an absentee ballot, the county  
3329 clerk shall submit the name of the voter and the challenge to the voter to the county attorney, or  
3330 the district attorney in counties with a prosecution district, for investigation and prosecution for  
3331 voter fraud.

3332 Section 78. Section **20A-3-304.1** is amended to read:

3333 **20A-3-304.1. Election officer to provide absentee ballot information and status.**

3334 (1) As used in this section:

3335 (a) "Absentee ballot record" means the information about the existence and status of  
3336 absentee ballot requests required by this section.

3337 (b) "Qualified absentee ballot application" means an absentee ballot application filed  
3338 under Section 20A-3-304 from a voter who the [~~county clerk~~] election officer determines is  
3339 eligible to receive an absentee ballot.

3340 (2) (a) Each [~~county clerk~~] election officer shall maintain an absentee ballot record in  
3341 the [~~county clerk's~~] election officer's office.

3342 (b) The absentee ballot record is a public record under Title 63, Chapter 2, Government  
3343 Records Access and Management Act.

3344 (3) The [~~county clerk~~] election officer shall ensure that the absentee ballot record

3345 contains, for each voting precinct:

3346 (a) the name and address of each person who has filed a qualified absentee ballot  
3347 application;

3348 (b) the date that the application was received; and

3349 (c) the current status of each qualified absentee ballot application including  
3350 specifically:

3351 (i) the date that the absentee ballot was mailed to the voter; and

3352 (ii) the date that the voted absentee ballot was received by the [~~county clerk~~] election  
3353 officer.

3354 (4) (a) Notwithstanding the time limits for response to a request for records under  
3355 Section 63-2-204 or the time limits for a request for records established in any [~~county~~]  
3356 ordinance, the [~~county clerk~~] election officer shall ensure that the information required by this  
3357 section is recorded and made available to the public no later than one business day after its  
3358 receipt in the [~~clerk's~~] election officer's office.

3359 (b) Notwithstanding the fee requirements of Section 63-2-203 or the fee requirements  
3360 established in any [~~county~~] ordinance, the [~~clerk~~] election officer shall make copies of the  
3361 absentee ballot record available to the public for the actual cost of production or copying.

3362 Section 79. Section **20A-4-202** is amended to read:

3363 **20A-4-202. Election officers -- Disposition of ballots.**

3364 (1) (a) Upon receipt of the election returns from an election judge, the election officer  
3365 shall:

3366 (i) ensure that the election judge has provided all of the ballots and election returns;

3367 (ii) inspect the ballots and election returns to ensure that they are sealed; [~~and~~]

3368 (iii) (A) for paper ballots, deposit and lock the ballots and election returns in a safe and  
3369 secure place; or

3370 (B) for punch card ballots[;];

3371 (I) count the ballots; and

3372 (II) deposit and lock the ballots and election returns in a safe and secure place[-]; and

3373 (iv) for bond elections, provide a copy of the election results to the board of canvassers  
3374 of the local political subdivision that called the bond election.

3375 (b) Inspecting poll watchers appointed as provided in Section 20A-3-201 may be

3376 present and observe the election officer's receipt, inspection, and deposit of the ballots and  
3377 election returns.

3378 (2) Each election officer shall:

3379 (a) preserve ballots for 22 months after the election or until the time has expired during  
3380 which the ballots could be used in an election contest;

3381 (b) package and seal a true copy of the ballot label used in each voting precinct;

3382 (c) preserve all other official election returns for at least 22 months after an election;

3383 and

3384 (d) after that time, destroy them without opening or examining them.

3385 (3) (a) The election officer shall package and retain all tabulating cards and other  
3386 materials used in the programming of the automatic tabulating equipment[;].

3387 (b) The election officer:

3388 (i) may access these tabulating cards and other materials;

3389 (ii) may make copies of these materials and make changes to the copies;

3390 (iii) may not alter or make changes to the materials themselves; and

3391 (iv) within 22 months after the election in which they were used, may dispose of those  
3392 materials or retain them.

3393 (4) (a) If an election contest is begun within 12 months, the election officer shall:

3394 (i) keep the ballots and election returns unopened and unaltered until the contest is  
3395 complete; or

3396 (ii) surrender the ballots and election returns to the custody of the court having  
3397 jurisdiction of the contest when ordered or subpoenaed to do so by that court.

3398 (b) When all election contests arising from an election are complete, the election  
3399 officer shall either:

3400 (i) retain the ballots and election returns until the time for preserving them under this  
3401 section has run; or

3402 (ii) destroy the ballots and election returns remaining in his custody without opening or  
3403 examining them if the time for preserving them under this section has run.

3404 Section 80. Section **20A-4-301** is amended to read:

3405 **20A-4-301. Board of canvassers.**

3406 (1) (a) Each county legislative body is the board of county canvassers for:

3407 (i) the county [~~and for~~]; and

3408 (ii) each special district whose election is conducted by the county.

3409 (b) (i) Except as provided in Subsection (1)(b)(ii), the board of county canvassers shall  
3410 meet to canvass the returns at the usual place of meeting of the county legislative body, at a  
3411 date and time determined by the county clerk that is no sooner than seven days after the  
3412 election and no later than 14 days after the election.

3413 (ii) When canvassing returns for the Western States Presidential Primary, the board of  
3414 county canvassers shall meet to canvass the returns at the usual place of meeting of the county  
3415 legislative body, at noon on the Thursday after the election.

3416 (c) If one or more of the county legislative body fails to attend the meeting of the board  
3417 of county canvassers, the remaining members shall replace the absent member by appointing in  
3418 the order named:

3419 (i) the county treasurer;

3420 (ii) the county assessor; or

3421 (iii) the county sheriff.

3422 (d) The board of county canvassers shall always consist of three acting members.

3423 (e) The county clerk is the clerk of the board of county canvassers.

3424 (2) (a) The mayor and the municipal legislative body are the board of municipal  
3425 canvassers for the municipality.

3426 (b) The board of municipal canvassers shall meet to canvass the returns at the usual  
3427 place of meeting of the municipal legislative body:

3428 (i) for canvassing of returns from a municipal general election, no sooner than seven  
3429 days after the election and no later than 14 days after the election; or

3430 (ii) for canvassing of returns from a municipal primary election, no sooner than three  
3431 days after the election and no later than seven days after the election.

3432 (3) (a) [~~This part does not apply to bond elections.~~] The legislative body of the entity  
3433 authorizing a bond election is the board of canvassers for each bond election.

3434 (b) [~~Persons responsible for canvassing bond elections~~] The board of canvassers for the  
3435 bond election shall comply with the canvassing procedures and requirements of [Title 11,  
3436 Chapter 14, Utah Municipal Bond Act] Section 11-14-207.

3437 Section 81. Section ~~20A-4-401~~ is amended to read:

3438 **20A-4-401. Recounts -- Procedure.**

3439 (1) (a) (i) For any regular primary, regular general, or municipal general election, or the  
3440 Western States Presidential primary, when any candidate loses by not more than a total of one  
3441 vote per voting precinct, the candidate may file a request for a recount within seven days after  
3442 the canvass with:

3443 (A) the municipal clerk, if the election is a municipal election;

3444 (B) the special district clerk, if the election is a special district election;

3445 (C) the county clerk, for races or ballot propositions voted on entirely within a single  
3446 county; or

3447 (D) the lieutenant governor, for statewide races and ballot propositions and for  
3448 multicounty races and ballot propositions.

3449 (ii) For any municipal primary election, when any candidate loses by not more than a  
3450 total of one vote per voting precinct, the candidate may file a request for a recount with the  
3451 appropriate election officer within three days after the canvass.

3452 (b) The election officer shall:

3453 (i) supervise the recount;

3454 (ii) recount all ballots cast for that office;

3455 (iii) reexamine all unopened absentee ballots to ensure compliance with Chapter 3, Part  
3456 3, [~~Voting By Absent or Physically Disabled Voters~~] Absentee Voting; and

3457 (iv) declare elected the person receiving the highest number of votes on the recount.

3458 (2) (a) Any ten voters who voted in an election when any ballot proposition or bond  
3459 proposition was on the ballot may file a request for a recount with the appropriate election  
3460 officer within seven days of the canvass.

3461 (b) The election officer shall:

3462 (i) supervise the recount;

3463 (ii) recount all ballots cast for that ballot proposition or bond proposition;

3464 (iii) reexamine all unopened absentee ballots to ensure compliance with Chapter 3, Part  
3465 3, [~~Voting By Absent or Physically Disabled Voters~~] Absentee Voting; and

3466 (iv) declare the ballot proposition or bond proposition to have "passed" or "failed"  
3467 based upon the results of the recount.

3468 (c) Proponents and opponents of the ballot proposition or bond proposition may

3469 designate representatives to witness the recount.

3470 (d) The [~~person or entity~~] voters requesting the recount shall pay the costs of the  
3471 recount.

3472 (3) Costs incurred by recount under Subsection (1) may not be assessed against the  
3473 person requesting the recount.

3474 (4) (a) Upon completion of the recount, the election officer shall immediately convene  
3475 the board of canvassers.

3476 (b) The board of canvassers shall:

3477 (i) canvass the election returns for the race or [~~ballot~~] proposition that was the subject  
3478 of the recount; and

3479 (ii) with the assistance of the election officer, prepare and sign the report required by  
3480 Section 20A-4-304 or Section 20A-4-306.

3481 (c) If the recount is for a statewide or multicounty race or for a statewide [~~ballot~~]  
3482 proposition, the board of county canvassers shall prepare and transmit a separate report to the  
3483 lieutenant governor as required by Subsection 20A-4-304(3).

3484 (d) The canvassers' report prepared as provided in this Subsection (4) is the official  
3485 result of the race or [~~ballot~~] proposition that is the subject of the recount.

3486 Section 82. Section **20A-4-402** is amended to read:

3487 **20A-4-402. Election contests -- Grounds.**

3488 (1) The election or nomination of any person to any public office, and the declared  
3489 result of the vote on any ballot proposition or bond proposition submitted to a vote of the  
3490 people may be contested according to the procedures established in this part only:

3491 (a) for malconduct, fraud, or corruption on the part of the judges of election at any  
3492 polling place, or of any board of canvassers, or any judge or member of the board sufficient to  
3493 change the result;

3494 (b) when the person declared elected was not eligible for the office at the time of the  
3495 election;

3496 (c) when the person declared elected has:

3497 (i) given or offered to any registered voter, judge, or canvasser of the election any bribe  
3498 or reward in money, property, or anything of value for the purpose of influencing the election;

3499 or

- 3500 (ii) committed any other offense against the elective franchise;
- 3501 (d) when illegal votes have been received or legal votes have been rejected at the polls
- 3502 sufficient to change the result;
- 3503 (e) for any error of any board of canvassers or judges of election in counting the votes
- 3504 or declaring the result of the election, if the error would change the result;
- 3505 (f) when the election result would change because a sufficient number of ballots
- 3506 containing uncorrected errors or omissions have been received at the polls;
- 3507 (g) when the candidate declared elected is ineligible to serve in the office to which the
- 3508 candidate was elected;
- 3509 (h) when an election judge or clerk was a party to malconduct, fraud, or corruption
- 3510 sufficient to change the result of the election; and
- 3511 (i) for any other cause that shows that another person was legally elected.

3512 (2) Any irregularity or improper conduct by the election judges does not void an  
3513 election unless the irregularity or improper conduct would result in the election of a person  
3514 who did not receive the highest number of legal votes.

3515 (3) When any election held for any office is contested because of any irregularity or  
3516 improper conduct on the part of a judge of any voting precinct, a court, upon proof of the  
3517 irregularity or improper conduct may not set aside the election unless the irregularity or  
3518 improper conduct would change the result for that office.

3519 Section 83. Section **20A-4-403** is amended to read:

3520 **20A-4-403. Election contest -- Petition and response.**

3521 (1) (a) In contesting the results of all elections, except for primary elections[;] and bond  
3522 elections, a registered voter shall contest the right of any person declared elected to any office  
3523 by filing a verified written complaint with the district court of the county in which he resides  
3524 within 40 days after the canvass.

3525 (b) The complaint shall include:

- 3526 (i) the name of the party contesting the election;
- 3527 (ii) a statement that the party is a registered voter in the jurisdiction in which the
- 3528 election was held;
- 3529 (iii) the name of the person whose right to the office is contested;
- 3530 (iv) the office to which that person was ostensibly elected;

3531 (v) one or more of the grounds for an election contest specified in Section 20A-4-402;

3532 (vi) the person who was purportedly elected to the office as respondent; and

3533 (vii) if the reception of illegal votes or the rejection of legal votes is alleged as a  
3534 ground for the contest, the name and address of all persons who allegedly cast illegal votes or  
3535 whose legal vote was rejected.

3536 (c) When the reception of illegal votes or the rejection of legal votes is alleged as a  
3537 cause of contest, it is sufficient to state generally that:

3538 (i) illegal votes were given in one or more specified voting precincts to a person whose  
3539 election is contested, which, if taken from him, would reduce the number of his legal votes  
3540 below the number of legal votes given to some other person for the same office; or

3541 (ii) that legal votes for another person were rejected, which, if counted, would raise the  
3542 number of legal votes for that person above the number of legal votes cast for the person whose  
3543 election is contested.

3544 (d) (i) The court may not take or receive evidence of any of the votes described in  
3545 Subsection (1)(c) unless the party contesting the election delivers to the opposite party, at least  
3546 three days before the trial, a written list of the number of contested votes and by whom the  
3547 contested votes were given or offered, which he intends to prove at trial.

3548 (ii) The court may not take or receive any evidence of contested votes except those that  
3549 are specified in that list.

3550 (2) (a) In contesting the results of a primary election, when contesting the petition  
3551 nominating an independent candidate, or when challenging any person, election officer,  
3552 election official, board, or convention for failing to nominate a person, a registered voter shall  
3553 contest the right of any person declared nominated to any office by filing a verified written  
3554 complaint within ten days from the date of the primary election, filing of the petition, or date of  
3555 the convention with:

3556 (i) the district court of the county in which he resides if he is contesting a nomination  
3557 made only by voters from that county; or

3558 (ii) the Utah Supreme Court, if he is contesting a nomination made by voters in more  
3559 than one county.

3560 (b) The complaint shall include:

3561 (i) the name of the party contesting the nomination;

3562 (ii) a statement that the contesting party is a registered voter in the jurisdiction in which  
3563 the election was held;

3564 (iii) the name of the person whose right to nomination is contested or the name of the  
3565 person who failed to have their name placed in nomination;

3566 (iv) the office to which that person was nominated or should have been nominated;

3567 (v) one or more of the grounds for an election contest specified in Subsection (1);

3568 (vi) the person who was purportedly nominated to the office as respondent; and

3569 (vii) if the reception of illegal votes or the rejection of legal votes is alleged as a  
3570 ground for the contest, the name and address of all persons who allegedly cast illegal votes or  
3571 whose legal vote was rejected.

3572 (c) When the reception of illegal votes or the rejection of legal votes is alleged as a  
3573 cause of contest, it is sufficient to state generally that:

3574 (i) illegal votes were given to a person whose election is contested, which, if taken  
3575 from him, would reduce the number of his legal votes below the number of legal votes given to  
3576 some other person for the same office; or

3577 (ii) legal votes for another person were rejected, which, if counted, would raise the  
3578 number of legal votes for that person above the number of legal votes cast for the person whose  
3579 election is contested.

3580 (d) (i) The court may not take or receive evidence of any the votes described in  
3581 Subsection (2)(c), unless the party contesting the election delivers to the opposite party, at least  
3582 three days before the trial, a written list of the number of contested votes and by whom the  
3583 contested votes were given or offered, which he intends to prove at trial.

3584 (ii) The court may not take or receive any evidence of contested votes except those that  
3585 are specified in that list.

3586 (3) (a) In contesting the results of a bond election, a registered voter shall contest the  
3587 validity of the declared results by filing a verified written complaint with the district court of  
3588 the county in which he resides within 40 days after the date of the official finding entered under  
3589 Section 11-14-207.

3590 (b) The complaint shall include:

3591 (i) the name of the party contesting the election;

3592 (ii) a statement that the party is a registered voter in the jurisdiction in which the

3593 election was held;

3594 (iii) the bond proposition that is the subject of the contest;

3595 (iv) one or more of the grounds for an election contest specified in Section 20A-4-402;

3596 and

3597 (v) if the reception of illegal votes or the rejection of legal votes is alleged as a ground  
3598 for the contest, the name and address of all persons who allegedly cast illegal votes or whose  
3599 legal vote was rejected.

3600 (c) When the reception of illegal votes or the rejection of legal votes is alleged as a  
3601 cause of contest, it is sufficient to state generally that:

3602 (i) illegal votes were counted in one or more specified voting precincts which, if taken  
3603 out of the count, would change the declared result of the vote on the proposition; or

3604 (ii) legal votes were rejected in one or more specified voting precincts, which, if  
3605 counted, would change the declared result of the vote on the proposition.

3606 (d) (i) The court may not take or receive evidence of any of the votes described in  
3607 Subsection (3)(c) unless the party contesting the election delivers to the opposite party, at least  
3608 three days before the trial, a written list of the number of contested votes and by whom the  
3609 contested votes were given or offered, which he intends to prove at trial.

3610 (ii) The court may not take or receive any evidence of contested votes except those that  
3611 are specified in that list.

3612 [~~3~~] (4) The court may not reject any statement of the grounds of contest or dismiss  
3613 the proceedings because of lack of form, if the grounds of the contest are alleged with such  
3614 certainty as will advise the defendant of the particular proceeding or cause for which the  
3615 election is contested.

3616 [~~4~~] (5) (a) The petitioner shall serve a copy of the petition on the respondent.

3617 (b) (i) If the petitioner cannot obtain personal service of the petition on the respondent,  
3618 the petitioner may serve the respondent by leaving a copy of the petition with the clerk of the  
3619 court with which the petition was filed.

3620 (ii) The clerk shall make diligent inquiry and attempt to inform the respondent that he  
3621 has five days to answer the complaint.

3622 (c) The respondent shall answer the petition within five days after the service.

3623 (d) If the reception of illegal votes or the rejection of legal votes is alleged as a ground

3624 for the contest, the defendant shall set forth in the answer the name and address of all persons  
3625 whom the defendant believes were properly or improperly admitted or denied the vote.

3626 (e) If the answer contains a counterclaim, the petitioner shall file a reply within ten  
3627 days after service of the counterclaim.

3628 ~~[(5)]~~ (6) (a) The provisions of this Subsection ~~[(5)]~~ (6) provide additional requirements  
3629 that apply to municipal election contests that are in addition to the other requirements of this  
3630 section governing election contest.

3631 (b) Municipal election contests shall be filed, tried, and determined in the district court  
3632 of the county in which the municipality is located.

3633 (c) (i) As a condition precedent to filing a municipal election contest, the petitioner  
3634 shall file a written affidavit of intention to contest the election with the clerk of the court within  
3635 seven days after the votes are canvassed.

3636 (ii) The affidavit shall include:

3637 (A) the petitioner's name;

3638 (B) the fact that the petitioner is a qualified voter of the municipality;

3639 (C) the respondent's name;

3640 (D) the elective office contested;

3641 (E) the time of election; and

3642 (F) the grounds for the contest.

3643 (d) (i) Before the district court takes jurisdiction of a municipal election contest, the  
3644 petitioner shall file a bond with the clerk of the court with the sureties required by the court.

3645 (ii) The bond shall name the respondent as obligee and be conditioned for the payment  
3646 of all costs incurred by the respondent if the respondent prevails.

3647 Section 84. Section **20A-5-400.5** is amended to read:

3648 **20A-5-400.5. Election officer for bond and leeway elections -- Billing.**

3649 ~~[(1) When a school district holds a voted leeway election or a bond election, and when  
3650 a special district holds a bond election, the county clerk, municipal clerk, or both the county  
3651 clerk and municipal clerk shall conduct and administer those elections as provided in this  
3652 section.]~~

3653 ~~[(2)(a)]~~ (1) When a voted leeway or bond election is held on the regular general  
3654 election date or regular primary election date, the county clerk shall serve as the election officer

3655 to conduct and administer that election.

3656           ~~[(b)]~~ (2) (a) When a voted leeway or bond election is held on the municipal general  
3657 election date or ~~[municipal primary election date]~~ any other election date permitted for special  
3658 elections under Section 20A-1-204, and the ~~[school district or special district]~~ local political  
3659 subdivision calling the election is entirely within the boundaries of the unincorporated county,  
3660 the county clerk shall serve as the election officer to conduct and administer that election  
3661 subject to Subsection (3).

3662           ~~[(c)]~~ (b) When a voted leeway or bond election is held on the municipal general  
3663 election date or ~~[municipal primary election date]~~ any other election date permitted for special  
3664 elections under Section 20A-1-204, and the ~~[school district or special district]~~ local political  
3665 subdivision calling the election is entirely within the boundaries of a municipality, the  
3666 municipal clerk for that municipality shall, except as provided in Subsection (3), serve as the  
3667 election officer to conduct and administer that election.

3668           ~~[(d)]~~ (c) When a voted leeway or bond election is held on the municipal general  
3669 election date or ~~[municipal primary election date]~~ any other election date permitted for special  
3670 elections under Section 20A-1-204, and the ~~[school district or special district]~~ local political  
3671 subdivision calling the election extends beyond the boundaries of a single municipality:

3672           (i) except as provided in Subsection (3), the municipal clerk shall serve as the election  
3673 officer to conduct and administer the election for those portions of the [school district or  
3674 special district] local political subdivision where the municipal general election or [municipal  
3675 primary] other election is being held; and

3676           (ii) except as provided in Subsection (3), the county clerk shall serve as the election  
3677 officer to conduct and administer the election for the unincorporated county and for those  
3678 portions of any municipality where no municipal general election or [municipal primary] other  
3679 election is being held.

3680           (3) When a voted leeway or bond election is held on a date when no other election,  
3681 other than another voted leeway or bond election, is being held in the entire area comprising  
3682 the municipality calling the voted leeway or bond election:

3683           (a) the clerk or chief executive officer of a special district or the business administrator  
3684 or superintendent of the school district, as applicable, shall serve as the election officer to  
3685 conduct and administer the bond election for those portions of the municipality in which no

3686 other election, other than another voted leeway or bond election, is being held, unless the  
 3687 special district or school district has designated the county clerk, municipal clerk, or both, to  
 3688 serve as the election officer; and

3689 (b) the county clerk, municipal clerk, or both, as determined by the municipality  
 3690 holding the bond election, shall serve as the election officer to conduct and administer the bond  
 3691 election for those portions of the municipality in which another election, other than another  
 3692 voted leeway or bond election is being held.

3693 ~~[(3)]~~ (4) (a) In conducting elections under this section:

3694 (i) the ~~[school district or special district]~~ local political subdivision shall provide and  
 3695 pay for election notices; and

3696 (ii) the ~~[county clerk, the municipal clerk, or both]~~ election officer shall determine  
 3697 polling locations~~;~~ and compile [and], prepare [the ballots], and count the ballots[; and canvass  
 3698 the vote].

3699 (b) The county clerk, the municipal clerk, or both shall:

3700 (i) establish fees for conducting voted leeway and bond elections for ~~[school districts~~  
 3701 ~~and special districts]~~ local political subdivisions; and

3702 (ii) bill each ~~[school district and special district]~~ local political subdivision for the cost  
 3703 of conducting the voted leeway or bond election.

3704 (5) An election officer administering and conducting a voted leeway or bond election is  
 3705 authorized to appoint or employ agents and professional services to assist in conducting and  
 3706 administering the voted leeway or bond election.

3707 (6) The election officer in a voted leeway or bond election shall conduct its procedures  
 3708 under the direction of the local political subdivision calling the voted leeway or bond election.

3709 Section 85. Section **20A-5-401** is amended to read:

3710 **20A-5-401. Official register and posting book -- Preparation -- Contents.**

3711 (1) (a) Before the registration days for each regular general, municipal general, regular  
 3712 primary, municipal primary, or Western States Presidential Primary election, each county clerk  
 3713 shall prepare an official register and posting list of voters for each voting precinct that will  
 3714 participate in the election.

3715 (b) The county clerk shall ensure that the official register and posting list are bound or  
 3716 loose leaf books prepared for the alphabetical entry of names and ruled in columns of suitable

3717 dimensions to provide for the following entries:

- 3718 (i) registered voter's name;
- 3719 (ii) party affiliation;
- 3720 (iii) grounds for challenge;
- 3721 (iv) name of person challenging a voter;
- 3722 (v) ballot numbers, primary, November, special;
- 3723 (vi) date of birth;
- 3724 (vii) place of birth;
- 3725 (viii) place of current residence;
- 3726 (ix) street address;
- 3727 (x) zip code; and
- 3728 (xi) space for the voter to sign his name for each election.

3729 (c) When preparing the official register and posting list for the Western States  
3730 Presidential Primary, the county clerk shall include:

- 3731 (i) a column to record the name of the political party whose ballot the voter voted; and
- 3732 (ii) a column for the election judge to record changes in the voter's party affiliation.

3733 (d) When preparing the official register and posting list for any regular general  
3734 election, regular primary election, or election for federal office, the county clerk shall include:

- 3735 (i) a column that indicates if the voter is required to show identification before voting;
- 3736 (ii) a column for the election judge to record the provisional envelope ballot number

3737 for voters who receive a provisional ballot; and

3738 (iii) a space for the election judge to record the type of proof of identity and the type of  
3739 proof of residence provided by voters who receive a provisional ballot.

3740 (2) (a) (i) For regular and municipal elections, primary elections, regular municipal  
3741 elections, special district elections, and bond elections, the county clerk shall make an official  
3742 register and posting list only for voting precincts affected by the primary, municipal, special  
3743 district, or bond election.

3744 (ii) If a polling place to be used in a bond election serves both voters residing in the  
3745 local political subdivision calling the bond election and voters residing outside of that local  
3746 political subdivision, the official register shall designate whether each voter resides in or  
3747 outside of the local political subdivision.

3748            [(†)] (iii) Each county clerk, with the assistance of the clerk of each affected special  
3749 district, shall provide a detailed map or an indication on the registration list or other means to  
3750 enable an election judge to determine the voters entitled to vote at an election of special district  
3751 officers.

3752            (b) Municipalities shall pay the costs of making the official register and posting list for  
3753 municipal elections.

3754            Section 86. Section **20A-6-301** is amended to read:

3755            **20A-6-301. Paper ballots -- Regular general election.**

3756            (1) Each election officer shall ensure that:

3757            (a) all ballots furnished for use at the regular general election contain no captions or  
3758 other endorsements except as provided in this section;

3759            (b) (i) the ballot contains a ballot stub at least one inch wide, placed across the top of  
3760 the ballot, and divided from the rest of ballot by a perforated line;

3761            (ii) the ballot number and the words "Judge's Initial \_\_\_\_" are printed on the stub; and

3762            (iii) ballot stubs are numbered consecutively;

3763            (c) immediately below the perforated ballot stub, the following endorsements are  
3764 printed in 18-point bold type:

3765            (i) "Official Ballot for \_\_\_\_ County, Utah";

3766            (ii) the date of the election; and

3767            (iii) a facsimile of the signature of the county clerk and the words "county clerk";

3768            (d) each ticket is placed in a separate column on the ballot in the order determined by  
3769 the election officer with the party emblem, followed by the party name, at the head of the  
3770 column;

3771            (e) the party name or title is printed in capital letters not less than 1/4 of an inch high;

3772            (f) a circle 1/2 inch in diameter is printed immediately below the party name or title,  
3773 and the top of the circle is placed not less than two inches below the perforated line;

3774            (g) unaffiliated candidates and candidates not affiliated with a registered political party  
3775 are listed in one column, without a party circle, with the following instructions printed at the  
3776 head of the column: "All candidates not affiliated with a political party are listed below. They  
3777 are to be considered with all offices and candidates listed to the left. Only one vote is allowed  
3778 for each office.";

3779 (h) the columns containing the lists of candidates, including the party name and device,  
3780 are separated by heavy parallel lines;

3781 (i) the offices to be filled are plainly printed immediately above the names of the  
3782 candidates for those offices;

3783 (j) the names of candidates are printed in capital letters, not less than 1/8 nor more than  
3784 1/4 of an inch high in heavy-faced type not smaller than ten-point, between lines or rules 3/8 of  
3785 an inch apart;

3786 (k) a square with sides measuring not less than 1/4 of an inch in length is printed at the  
3787 right of the name of each candidate;

3788 (l) for the offices of president and vice president and governor and lieutenant governor,  
3789 one square with sides measuring not less than 1/4 of an inch in length is printed opposite a  
3790 double bracket enclosing the right side of the names of the two candidates;

3791 (m) immediately to the right of the unaffiliated ticket on the ballot, the ballot contains a  
3792 write-in column long enough to contain as many written names of candidates as there are  
3793 persons to be elected with:

3794 (i) the offices to be filled printed above the blank spaces on the ticket; and

3795 (ii) the words "Write-In Voting Column" printed at the head of the column without a  
3796 1/2 inch circle;

3797 (n) when required, the ballot includes a nonpartisan ticket placed immediately to the  
3798 right of the write-in ticket with the word "NONPARTISAN" in reverse type in an 18-point  
3799 solid rule running vertically the full length of the nonpartisan ballot copy; and

3800 (o) constitutional amendments or other questions submitted to the vote of the people,  
3801 are printed on the ballot after the list of candidates.

3802 (2) Each election officer shall ensure that:

3803 (a) each person nominated by any political party or group of petitioners is placed on the  
3804 ballot:

3805 (i) under the party name and emblem, if any; or

3806 (ii) under the title of the party or group as designated by them in their certificates of  
3807 nomination or petition, or, if none is designated, then under some suitable title;

3808 (b) the names of all unaffiliated candidates that qualify as required in Title 20A,  
3809 Chapter 9, Part 5, Candidates not Affiliated with a Party, are placed on the ballot;

3810 (c) the names of the candidates for president and vice president are used on the ballot  
3811 instead of the names of the presidential electors; and

3812 (d) the ballots contain no other names.

3813 (3) When the ballot contains a nonpartisan section, the election officer shall ensure  
3814 that:

3815 (a) the designation of the office to be filled in the election and the number of  
3816 candidates to be elected are printed in type not smaller than eight-point;

3817 (b) the words designating the office are printed flush with the left-hand margin;

3818 (c) the words, "Vote for one" or "Vote for two or more" extend to the extreme right of  
3819 the column;

3820 (d) the nonpartisan candidates are grouped according to the office for which they are  
3821 candidates;

3822 (e) the names in each group are placed in alphabetical order with the surnames last,  
3823 except for candidates for the State Board of Education and local school boards;

3824 (f) the names of candidates for the State Board of Education are placed on the ballot as  
3825 certified by the lieutenant governor under Section 20A-14-105;

3826 (g) if candidates for membership on a local board of education were selected in a  
3827 primary election, the name of the candidate who received the most votes in the primary election  
3828 is listed first on the ballot;

3829 (h) if candidates for membership on a local board of education were not selected in the  
3830 primary election, the names of the candidates are listed on the ballot in the order determined by  
3831 a lottery conducted by the county clerk; and

3832 (i) each group is preceded by the designation of the office for which the candidates  
3833 seek election, and the words, "Vote for one" or "Vote for two or more," according to the  
3834 number to be elected.

3835 (4) Each election officer shall ensure that:

3836 (a) proposed amendments to the Utah Constitution are listed on the ballot under the  
3837 heading "Constitutional Amendment Number \_\_\_" with the number of the constitutional  
3838 amendment as assigned under Section 20A-7-103 placed in the blank;

3839 (b) propositions submitted to the voters by the Utah Legislature are listed on the ballot  
3840 under the heading "State Proposition Number \_\_\_" with the number of the state proposition as

3841 assigned under Section 20A-7-103 placed in the blank;

3842 (c) propositions submitted to the voters by a county are listed on the ballot under the  
3843 heading "County Proposition Number \_\_\_" with the number of the county proposition as  
3844 assigned by the county legislative body placed in the blank;

3845 (d) propositions submitted to the voters by a school district are listed on the ballot  
3846 under the heading "School District Proposition Number \_\_\_" with the number of the school  
3847 district proposition as assigned by the county legislative body placed in the blank;

3848 (e) state initiatives that have qualified for the ballot are listed on the ballot under the  
3849 heading "Citizen's State Initiative Number \_\_\_" with the number of the state initiative as  
3850 assigned by Section 20A-7-209 placed in the blank;

3851 (f) county initiatives that have qualified for the ballot are listed on the ballot under the  
3852 heading "Citizen's County Initiative Number \_\_\_" with the number of the county initiative as  
3853 assigned under Section 20A-7-508 placed in the blank;

3854 (g) state referenda that have qualified for the ballot are listed on the ballot under the  
3855 heading "Citizen's State Referendum Number \_\_\_" with the number of the state referendum as  
3856 assigned under Sections 20A-7-209 and 20A-7-308 placed in the blank; ~~and~~

3857 (h) county referenda that have qualified for the ballot are listed on the ballot under the  
3858 heading "Citizen's County Referendum Number \_\_\_" with the number of the county referendum  
3859 as assigned under Section 20A-7-608 placed in the blank~~[-]; and~~

3860 (i) bond propositions that have qualified for the ballot are listed on the ballot under the  
3861 title assigned to each bond proposition under Section 11-14-206.

3862 Section 87. Section **20A-6-303** is amended to read:

3863 **20A-6-303. Machine-counted ballots for regular general elections.**

3864 (1) Each election officer shall ensure that:

3865 (a) copy on the ballot labels are arranged in approximately the same order as paper  
3866 ballots;

3867 (b) the titles of offices and the names of candidates are printed in vertical columns or in  
3868 a series of separate pages;

3869 (c) if pages are used, the pages placed on the voting device are of sufficient number to  
3870 include, after the list of candidates:

3871 (i) the names of candidates for judicial offices and any other nonpartisan offices; and

- 3872 (ii) any ballot propositions submitted to the voters for their approval or rejection;
- 3873 (d) the ballot labels include a voting square or position where the voter may record a  
3874 straight party ticket vote for all the candidates of one party by one mark or punch;
- 3875 (e) the tickets are printed on the ballot label in the order determined by the county  
3876 clerk;
- 3877 (f) the office titles are printed above or at the side of the names of candidates so as to  
3878 indicate clearly the candidates for each office and the number to be elected;
- 3879 (g) the party designation of each candidate is printed to the right or below the  
3880 candidate's name; and
- 3881 (h) (i) if possible, all candidates for one office are grouped in one column or upon one  
3882 page;
- 3883 (ii) if all candidates for one office cannot be listed in one column or grouped upon one  
3884 page:
- 3885 (A) the ballot label is clearly marked to indicate that the list of candidates is continued  
3886 on the following column or page; and
- 3887 (B) approximately the same number of names are printed in each column or on each  
3888 page; and
- 3889 (i) arrows are used to indicate the place to vote for each candidate and on each  
3890 measure.
- 3891 (2) Each election officer shall ensure that:
- 3892 (a) proposed amendments to the Utah Constitution are listed on the ballot label under  
3893 the heading "Constitutional Amendment Number \_\_\_" with the number of the constitutional  
3894 amendment as assigned under Section 20A-7-103 placed in the blank;
- 3895 (b) propositions submitted to the voters by the Utah Legislature are listed on the ballot  
3896 label under the heading "State Proposition Number \_\_\_" with the number of the state  
3897 proposition as assigned under Section 20A-7-103 placed in the blank;
- 3898 (c) propositions submitted to the voters by a county are listed on the ballot label under  
3899 the heading "County Proposition Number \_\_\_" with the number of the county proposition as  
3900 assigned by the county legislative body placed in the blank;
- 3901 (d) propositions submitted to the voters by a school district are listed on the ballot label  
3902 under the heading "School District Proposition Number \_\_\_" with the number of the school

3903 district proposition as assigned by the county legislative body placed in the blank;

3904 (e) state initiatives that have qualified for the ballot are listed on the ballot label under  
3905 the heading "Citizen's State Initiative Number \_\_\_" with the number of the state initiative as  
3906 assigned under Section 20A-7-209 placed in the blank;

3907 (f) county initiatives that have qualified for the ballot are listed on the ballot label  
3908 under the heading "Citizen's County Initiative Number \_\_\_" with the number of the county  
3909 initiative as assigned under Section 20A-7-508 placed in the blank;

3910 (g) state referenda that have qualified for the ballot are listed on the ballot label under  
3911 the heading "Citizen's State Referendum Number \_\_\_" with the number of the state referendum  
3912 as assigned under Sections 20A-7-209 and 20A-7-308 placed in the blank; ~~and~~

3913 (h) county referenda that have qualified for the ballot are listed on the ballot label  
3914 under the heading "Citizen's County Referendum Number \_\_\_" with the number of the county  
3915 referendum as assigned under Section 20A-7-608 placed in the blank[-]; and

3916 (i) bond propositions that have qualified for the ballot are listed on the ballot label  
3917 under the title assigned to each bond proposition under Section 11-14-206.

3918 Section 88. Section **20A-6-402** is amended to read:

3919 **20A-6-402. Ballots for regular municipal elections.**

3920 (1) Each election officer shall ensure, for paper ballots at municipal general elections,  
3921 that:

3922 (a) the names of the two candidates who received the highest number of votes for  
3923 mayor in the municipal primary are placed upon the ballot;

3924 (b) if no municipal primary election was held, the names of the candidates who filed  
3925 declarations of candidacy for municipal offices are placed upon the ballot;

3926 (c) for other offices:

3927 (i) twice the number of candidates as there are positions to be filled are certified as  
3928 eligible for election in the municipal general election from those candidates who received the  
3929 greater number of votes in the primary election; and

3930 (ii) the names of those candidates are placed upon the municipal general election  
3931 ballot;

3932 (d) propositions submitted to the voters by the municipality are listed on the ballot  
3933 under the heading "City (or Town) Proposition Number \_\_\_" with the number of the proposition

3934 as assigned by the municipal legislative body placed in the blank;

3935 (e) municipal initiatives that have qualified for the ballot are listed on the ballot under  
3936 the heading "Citizen's City (or Town) Initiative Number \_\_\_" with the number of the municipal  
3937 initiative as assigned by Section 20A-7-508 placed in the blank; [~~and~~]

3938 (f) municipal referenda that have qualified for the ballot are listed on the ballot under  
3939 the heading "Citizen's City (or Town) Referendum Number \_\_\_" with the number of the  
3940 municipal referendum as assigned by Section 20A-7-608 placed in the blank[~~;~~]; and

3941 (g) bond propositions that have qualified for the ballot are listed on the ballot under the  
3942 title assigned to each bond proposition under Section 11-14-206.

3943 (2) Each election officer shall ensure that:

3944 (a) (i) the ballot contains a perforated ballot stub at least one inch wide, placed across  
3945 the top of the ballot;

3946 (ii) the ballot number and the words "Judge's Initial \_\_\_\_" are printed on the stub; and

3947 (iii) ballot stubs are numbered consecutively;

3948 (b) immediately below the perforated ballot stub, the following endorsements are  
3949 printed in 18-point bold type:

3950 (i) "Official Ballot for \_\_\_\_ (City or Town), Utah";

3951 (ii) the date of the election; and

3952 (iii) a facsimile of the signature of the election officer and the election officer's title in  
3953 eight-point type; and

3954 (c) immediately below the election officer's title, two one-point parallel horizontal  
3955 rules separate endorsements from the rest of the ballot;

3956 (d) immediately below the horizontal rules, an "Instructions to Voters" section is  
3957 printed in ten-point bold type that states: "To vote for a candidate, place a cross (X) in the  
3958 square following the name(s) of the person(s) you favor as the candidate(s) for each respective  
3959 office." followed by two one-point parallel rules;

3960 (e) after the rules, the designation of the office for which the candidates seek election is  
3961 printed flush with the left-hand margin and the words: "Vote for one" or "Vote for two or  
3962 more" are printed to extend to the extreme right of the column in ten-point bold type, followed  
3963 by a hair-line rule;

3964 (f) after the hair-line rule, the names of the candidates are printed in heavy face type

3965 between lines or rules 3/8 inch apart, alphabetically according to surnames with surnames last  
3966 and grouped according to the office that they seek;

3967 (g) a square with sides not less than 1/4 inch long is printed to the right of the names of  
3968 the candidates;

3969 (h) following the name of the last candidate for each office, the ballot contains a  
3970 write-in space for each elective office; and

3971 (i) the candidate groups are separated from each other by one light and one heavy line  
3972 or rule.

3973 (3) When a municipality has chosen to nominate candidates by convention or  
3974 committee, the election officer shall ensure that the party name is included with the candidate's  
3975 name on the ballot.

3976 Section 89. Section **31A-22-502** is amended to read:

3977 **31A-22-502. Employee groups.**

3978 (1) As used in this section:

3979 (a) "Employees" includes:

3980 (i) for one or more affiliated corporations, proprietorships, or partnerships under  
3981 common control, their:

3982 (A) officers;

3983 (B) managers;

3984 (C) retired employees; and

3985 (D) individual proprietors or partners; and

3986 (ii) for a trusteeship, if their duties are primarily connected with the trusteeship:

3987 (A) trustees;

3988 (B) employees of trustees; or

3989 (C) both Subsection (1)(a)(ii)(A) and (B).

3990 (b) "Employer" includes a Utah public agency.

3991 (c) (i) "Utah public agency" means a public institution that:

3992 (A) derives its authority from this state; and

3993 (B) is not privately owned.

3994 (ii) "Utah public agency" includes:

3995 (A) a [~~municipality~~] local political subdivision as defined in [~~Subsection 11-14-1(1)~~]

3996 Section 11-14-102;

3997 (B) the state;

3998 (C) a department or agency of the state; and

3999 (D) all public educational institutions.

4000 (2) The lives of a group of individuals may be insured under a policy:

4001 (a) issued as policyholder, to:

4002 (i) an employer; or

4003 (ii) the trustees of a fund established by an employer;

4004 (b) insuring employees of the employer for the benefit of persons other than the  
4005 employer; and

4006 (c) subject to the requirements of Subsections (3) through (5).

4007 (3) (a) All the employer's employees or all of any class of employees of the employer  
4008 shall be eligible for insurance under the policy described in Subsection (2).

4009 (b) A policy issued to insure the employees of a public body may include elected or  
4010 appointed officials.

4011 (4) A Utah public agency may pay or authorize the payment out of the Utah public  
4012 agency's corporate revenue, the premiums required to maintain the group insurance in force.

4013 (5) (a) The premiums for the policy described in Subsection (2) shall be paid by the  
4014 policyholders:

4015 (i) from the employer's funds;

4016 (ii) funds contributed by the insured employees; or

4017 (iii) both the funds described in Subsections (5)(a)(i) and (ii).

4018 (b) Except as provided under Section 31A-22-512, a policy on which no part of the  
4019 premium is contributed by the insured employees shall insure all eligible employees.

4020 Section 90. Section **53A-2-105** is amended to read:

4021 **53A-2-105. Transfer of school property -- Indebtedness on transferred property.**

4022 (1) If a transfer of a portion of one school district to another school district is approved  
4023 under Section 53A-2-104, the state superintendent and the superintendents and presidents of  
4024 the boards of education of each of the affected school districts shall determine the basis for a  
4025 transfer of all school property reasonably and fairly allocable to that portion being transferred.

4026 (2) (a) Title to property transferred vests in the transferee board of education.

4027 (b) The transfer of a school building that is in operation at the time of determination  
4028 shall be made at the close of a fiscal year.

4029 (c) The transfer of all other school property shall be made five days after approval of  
4030 the transfer of territory under Section 53A-2-104.

4031 (3) (a) The individuals referred to in Subsection (1) shall determine the portion of  
4032 bonded indebtedness and other indebtedness of the transferor board for which the transferred  
4033 property remains subject to the levy of taxes to pay a proportionate share of the outstanding  
4034 indebtedness of the transferor board.

4035 (b) This is done by:

4036 (i) determining the amount of the outstanding bonded indebtedness and other  
4037 indebtedness of the transferor board of education;

4038 (ii) determining the total taxable value of the property of the transferor district and the  
4039 taxable value of the property to be transferred; and

4040 (iii) calculating the portion of the indebtedness of the transferor board for which the  
4041 transferred portion retains liability.

4042 (4) (a) The agreement reflecting these determinations takes effect upon being filed with  
4043 the State Board of Education.

4044 (b) The transferred property remains subject to the levy of taxes to pay a proportionate  
4045 share of the outstanding indebtedness of the transferor school board.

4046 (c) The transferee school board may assume the obligation to pay the proportionate  
4047 share of the transferor school board's indebtedness that has been determined under Subsection  
4048 (3) to be the obligation of the transferred portion by the approval of a resolution by a majority  
4049 of the qualified electors of the transferee school district at an election called and held for that  
4050 purpose under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

4051 (5) If the transferee school district assumes the obligation to pay this proportionate  
4052 share of the transferor school board's indebtedness, the transferee school board shall levy a tax  
4053 in the whole of the transferee district, including the transferred portion, sufficient to pay the  
4054 assumed indebtedness, and shall turn over the proceeds of the tax to the business administrator  
4055 of the transferor board.

4056 (6) If the transferee school board does not assume this obligation, the transferee school  
4057 board shall levy a tax on the transferred territory sufficient to pay the proportionate share of the

4058 indebtedness determined under this section, and shall turn over the proceeds of the tax to the  
4059 business administrator of the transferor board.

4060 (7) For the purposes of school districts affected by repealed laws governing the  
4061 annexation of an unincorporated area of a school district by a city which included what was  
4062 formerly known as a city school district, transitions of unincorporated areas and property from  
4063 the transferor district to the transferee district in progress on the effective date of this act shall  
4064 revert to the boundaries and ownership prior to the initiation of annexation and may then  
4065 proceed under this section and Section 53A-2-104.

4066 Section 91. Section **53A-18-101** is amended to read:

4067 **53A-18-101. School district tax anticipation notes.**

4068 (1) A local school board may borrow money in anticipation of the collection of taxes or  
4069 other revenue of the school district so long as it complies with Title 11, Chapter 14, [~~Utah~~  
4070 ~~Municipal Bond~~] Local Government Bonding Act.

4071 (2) The board may incur indebtedness under this section for any purpose for which  
4072 district funds may be expended, but not in excess of the estimated district revenues for the  
4073 current school year.

4074 (3) Revenues include all revenues of the district from the state or any other source.

4075 (4) The district may incur the indebtedness prior to imposing or collecting the taxes or  
4076 receiving the revenues. The indebtedness bears interest at the lowest obtainable rate or rates.

4077 Section 92. Section **53A-18-102** is amended to read:

4078 **53A-18-102. Additional indebtedness -- Election.**

4079 A local school board may require the qualified electors of the district to vote on a  
4080 proposition as to whether to incur indebtedness, subject to conditions provided in Title 11,  
4081 Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, under the following  
4082 circumstances:

4083 (1) if the debts of the district are equal to school taxes and other estimated revenues for  
4084 the school year, and it is necessary to create and incur additional indebtedness in order to  
4085 maintain and support schools within the district; or

4086 (2) the local school board determines it advisable to issue school district bonds to  
4087 purchase school sites, buildings, or furnishings or to improve existing school property.

4088 Section 93. Section **53A-21-104** is amended to read:

4089           **53A-21-104. School Building Revolving Account -- Access to the account.**

4090           (1) There is created a nonlapsing "School Building Revolving Account" administered  
4091 within the Uniform School Fund by the state superintendent of public instruction in accordance  
4092 with rules adopted by the State Board of Education.

4093           (2) Monies received by a school district from the School Building Revolving Account  
4094 may not exceed the district's bonding limit minus its outstanding bonds.

4095           (3) In order to receive monies from the account, a school district must do the  
4096 following:

4097           (a) levy a tax of at least .0024 for capital outlay and debt service;

4098           (b) contract with the state superintendent of public instruction to repay the monies,  
4099 with interest at a rate established by the state superintendent, within five years of their receipt,  
4100 using future state building monies or local revenues or both;

4101           (c) levy sufficient ad valorem taxes under Section [~~11-14-19~~] 11-14-310 to guarantee  
4102 annual loan repayments, unless the state superintendent of public instruction alters the payment  
4103 schedule to improve a hardship situation; and

4104           (d) meet any other condition established by the State Board of Education pertinent to  
4105 the loan.

4106           (4) (a) The state superintendent shall establish a committee, including representatives  
4107 from state and local education entities, to:

4108           (i) review requests by school districts for loans under this section; and

4109           (ii) make recommendations regarding approval or disapproval of the loan applications  
4110 to the state superintendent.

4111           (b) If the committee recommends approval of a loan application under Subsection  
4112 (4)(a)(ii), the committee's recommendation shall include:

4113           (i) the recommended amount of the loan;

4114           (ii) the payback schedule; and

4115           (iii) the interest rate to be charged.

4116           (5) (a) There is established within the School Building Revolving Account the Charter  
4117 School Building Subaccount.

4118           (b) The Charter School Building Subaccount shall consist of:

4119           (i) money appropriated to the subaccount by the Legislature;

4120 (ii) money received from the repayment of loans made from the subaccount; and  
4121 (iii) interest earned on monies in the subaccount.

4122 (c) The state superintendent of public instruction shall make loans to charter schools  
4123 from the Charter School Building Subaccount to pay for the costs of constructing or renovating  
4124 charter school buildings.

4125 (6) (a) The state superintendent of public instruction shall establish a committee, which  
4126 shall include individuals who have expertise or experience in finance, real estate, and charter  
4127 school administration, one of whom shall be nominated by the governor to:

4128 (i) review requests by charter schools for loans under this section; and  
4129 (ii) make recommendations regarding approval or disapproval of the loan applications  
4130 to the state superintendent.

4131 (b) If the committee recommends approval of a loan application under Subsection  
4132 (6)(a)(ii), the committee's recommendation shall include:

4133 (i) the recommended amount of the loan;  
4134 (ii) the payback schedule; and  
4135 (iii) the interest rate to be charged.

4136 Section 94. Section **53A-28-302** is amended to read:

4137 **53A-28-302. State financial assistance intercept mechanism -- State treasurer**  
4138 **duties -- Interest and penalty provisions.**

4139 (1) (a) If one or more payments on bonds are made by the state treasurer as provided in  
4140 Section 53A-28-301, the state treasurer shall:

4141 (i) immediately intercept any payments from the Uniform School Fund or from any  
4142 other source of operating monies provided by the state to the board that issued the bonds that  
4143 would otherwise be paid to the board by the state; and

4144 (ii) apply the intercepted payments to reimburse the state for payments made pursuant  
4145 to the state's guaranty until all obligations of the board to the state arising from those payments,  
4146 including interest and penalties, are paid in full.

4147 (b) The state has no obligation to the board or to any person or entity to replace any  
4148 monies intercepted under authority of Subsection (1)(a).

4149 (2) The board that issued bonds for which the state has made all or part of a debt  
4150 service payment shall:

- 4151 (a) reimburse all monies drawn by the state treasurer on its behalf;
- 4152 (b) pay interest to the state on all monies paid by the state from the date the monies  
4153 were drawn to the date they are repaid at a rate not less than the average prime rate for national  
4154 money center banks plus 1%; and
- 4155 (c) pay all penalties required by this chapter.
- 4156 (3) (a) The state treasurer shall establish the reimbursement interest rate after  
4157 considering the circumstances of any prior draws by the board on the state, market interest and  
4158 penalty rates, and the cost of funds, if any, that were required to be borrowed by the state to  
4159 make payment on the bonds.
- 4160 (b) The state treasurer may, after considering the circumstances giving rise to the  
4161 failure of the board to make payment on its bonds in a timely manner, impose on the board a  
4162 penalty of not more than 5% of the amount paid by the state pursuant to its guaranty for each  
4163 instance in which a payment by the state is made.
- 4164 (4) (a) (i) If the state treasurer determines that amounts obtained under this section will  
4165 not reimburse the state in full within one year from the state's payment of a board's scheduled  
4166 debt service payment, the state treasurer shall pursue any legal action, including mandamus,  
4167 against the board to compel it to:
- 4168 (A) levy and provide property tax revenues to pay debt service on its bonds when due  
4169 as required by Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act;  
4170 and
- 4171 (B) meet its repayment obligations to the state.
- 4172 (ii) In pursuing its rights under this Subsection (4)(a), the state shall have the same  
4173 substantive and procedural rights under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local  
4174 Government Bonding Act, as would a holder of the bonds of a board.
- 4175 (b) The attorney general shall assist the state treasurer in these duties.
- 4176 (c) The board shall pay the attorney's fees, expenses, and costs of the state treasurer  
4177 and the attorney general.
- 4178 (5) (a) Except as provided in Subsection (5)(c), any board whose operating funds were  
4179 intercepted under this section may replace those funds from other board monies or from ad  
4180 valorem property taxes, subject to the limitations provided in this Subsection (5).
- 4181 (b) A board may use ad valorem property taxes or other monies to replace intercepted

4182 funds only if the ad valorem property taxes or other monies were derived from:

4183 (i) taxes originally levied to make the payment but which were not timely received by  
4184 the board;

4185 (ii) taxes from a special levy made to make the missed payment or to replace the  
4186 intercepted monies;

4187 (iii) monies transferred from the capital outlay fund of the board or the undistributed  
4188 reserve, if any, of the board; or

4189 (iv) any other source of money on hand and legally available.

4190 (c) Notwithstanding the provisions of Subsections (5)(a) and (b), a board may not  
4191 replace operating funds intercepted by the state with monies collected and held to make  
4192 payments on bonds if that replacement would divert monies from the payment of future debt  
4193 service on the bonds and increase the risk that the state's guaranty would be called upon a  
4194 second time.

4195 Section 95. Section **54-9-103** is amended to read:

4196 **54-9-103. Public power entity authority regarding common facilities --**  
4197 **Determination of needs -- Agreement requirements -- Ownership interest.**

4198 (1) (a) Notwithstanding Title 11, Chapter 13, Interlocal Cooperation Act, and  
4199 Subsection~~[11-14-1(1)]~~ 11-14-103(2)(k), and in addition to all other powers conferred on  
4200 public power entities, a public power entity may:

4201 (i) plan, finance, construct, acquire, operate, own, and maintain an undivided interest in  
4202 common facilities;

4203 (ii) participate in and enter into agreements with one or more public power entities or  
4204 power utilities; and

4205 (iii) enter into contracts and agreements as may be necessary or appropriate for the  
4206 joint planning, financing, construction, operation, ownership, or maintenance of common  
4207 facilities.

4208 (b) (i) Before entering into an agreement providing for common facilities, the  
4209 governing body of each public power entity shall determine the needs of the public power  
4210 entity for electric power and energy based on engineering studies and reports.

4211 (ii) In determining the future electric power and energy requirements of a public power  
4212 entity, the governing body shall consider:

4213 (A) the economies and efficiencies of scale to be achieved in constructing or acquiring  
4214 common facilities for the generation and transmission of electric power and energy;

4215 (B) the public power entity's need for reserve and peaking capacity, and to meet  
4216 obligations under pooling and reserve sharing agreements reasonably related to the needs of the  
4217 public power entity for power and energy;

4218 (C) the estimated useful life of the common facilities;

4219 (D) the estimated time necessary for the planning, financing, construction, and  
4220 acquisition of the common facilities and the estimated timing of the need for an additional  
4221 power supply; and

4222 (E) the reliability and availability of existing or alternate power supply sources and the  
4223 cost of those existing or alternate power supply sources.

4224 (2) (a) Each agreement providing for common facilities shall:

4225 (i) contain provisions not inconsistent with this chapter that the governing body of the  
4226 public power entity determines to be in the interests of the public power entity, including:

4227 (A) the purposes of the agreement;

4228 (B) the duration of the agreement;

4229 (C) the method of appointing or employing the personnel necessary in connection with  
4230 the common facilities;

4231 (D) the method of financing the common facilities, including the apportionment of  
4232 costs of construction and operation;

4233 (E) the ownership interests of the owners in the common facilities and other property  
4234 used or useful in connection with the common facilities and the procedures for disposition of  
4235 the common facilities and other property when the agreement expires or is terminated or when  
4236 the common facilities are abandoned, decommissioned, or dismantled;

4237 (F) any agreement of the parties prohibiting or restricting the alienation or partition of  
4238 the undivided interests of an owner in the common facilities;

4239 (G) the construction and repair of the common facilities, including, if the parties agree,  
4240 a determination that a power utility or public power entity may construct or repair the common  
4241 facilities as agent for all parties to the agreement;

4242 (H) the administration, operation, and maintenance of the common facilities, including,  
4243 if the parties agree, a determination that a power utility or public power entity may administer,

4244 operate, and maintain the common facilities as agent for all parties to the agreement;

4245 (I) the creation of a committee of representatives of the parties to the agreement;

4246 (J) if the parties agree, a provision that if any party defaults in the performance or

4247 discharge of its obligations with respect to the common facilities, the other parties may perform

4248 or assume, pro rata or otherwise, the obligations of the defaulting party and may, if the

4249 defaulting party fails to remedy the default, succeed to or require the disposition of the rights

4250 and interests of the defaulting party in the common facilities;

4251 (K) provisions for indemnification of construction, operation, and administration

4252 agents, for completion of construction, for handling emergencies, and for allocation of output

4253 of the common facilities among the parties to the agreement according to the ownership

4254 interests of the parties;

4255 (L) methods for amending and terminating the agreement; and

4256 (M) any other matter, not inconsistent with this chapter, determined by the parties to

4257 the agreement to be necessary and proper;

4258 (ii) clearly disclose the ownership interest of each party;

4259 (iii) provide for an equitable method of allocating operation, repair, and maintenance

4260 costs of the common facilities; and

4261 (iv) be approved or ratified by resolution of the governing body of the public power

4262 entity.

4263 (b) A provision under Subsection (2)(a)(i)(F) in an agreement providing for common

4264 facilities under this Subsection (2) is not subject to any law restricting covenants against

4265 alienation or partition.

4266 (c) Each committee created under Subsection (2)(a)(i)(I) in an agreement providing for

4267 common facilities under this Subsection (2) shall have the powers, not inconsistent with this

4268 chapter, regarding the construction and operation of the common facilities that the agreement

4269 provides.

4270 (d) (i) The ownership interest of a public power entity in the common facilities may not

4271 be less than the proportion of the funds or the value of property supplied by it for the

4272 acquisition, construction, and operation of the common facilities.

4273 (ii) Each public power entity shall own and control the same proportion of the

4274 electrical output from the common facilities as its ownership interest in them.

4275 (3) Notwithstanding any other provision of this chapter, an interlocal entity may not act  
4276 in a manner inconsistent with any provision of the agreement under which it was created.

4277 Section 96. Section **54-9-106** is amended to read:

4278 **54-9-106. Funding -- Power sales contracts -- Revenue bonds -- Fee in lieu of ad**  
4279 **valorem property taxes -- Bond issues -- Public purpose.**

4280 (1) A public power entity participating in common facilities under this chapter may  
4281 furnish money and provide property, both real and personal, and, in addition to any other  
4282 authority now existing, may issue and sell, either at public or privately negotiated sale, general  
4283 obligation bonds or revenue bonds, pledging either the revenues of its entire electric system or  
4284 only its interest or share of the revenues derived from the common facilities in order to pay its  
4285 respective share of the costs of the planning, financing, acquisition, construction, repair, and  
4286 replacement of common facilities.

4287 (2) (a) Capacity or output derived by a public power entity from its ownership share of  
4288 common facilities not then required by the public power entity for its own use and for the use  
4289 of its customers may be sold or exchanged for a consideration, for a period, and upon other  
4290 terms and conditions as may be determined by the parties prior to the sale and as embodied in a  
4291 power sales contract.

4292 (b) Any revenues arising under a power sales contract under Subsection (2)(a) may be  
4293 pledged by the public power entity to the payment of revenue bonds issued to pay its respective  
4294 share of the costs of the common facilities.

4295 (c) (i) As used in this Subsection (2)(c), "nonexempt purchaser" means a purchaser that  
4296 is not exempt from property taxes under Utah Constitution Article XIII, Section 2.

4297 (ii) (A) Each power sales contract between a public power entity and a nonexempt  
4298 purchaser shall contain a provision requiring the nonexempt purchaser to pay an annual fee to  
4299 the public power entity in lieu of ad valorem property taxes.

4300 (B) The amount of the fee in lieu of ad valorem property taxes under Subsection  
4301 (2)(c)(ii)(A) shall be based on the taxable value of the public power entity's percentage  
4302 ownership of the common facilities used to produce the capacity or output that the public  
4303 power entity sells to or exchanges with the nonexempt purchaser.

4304 (iii) The public power entity shall pay over to the county treasurer each fee in lieu of ad  
4305 valorem property taxes that it receives from a nonexempt purchaser for distribution in the same

4306 manner as other ad valorem tax revenues.

4307 (iv) This Subsection (2)(c) does not apply to a public power entity to the extent that its  
4308 interest in common facilities is subject to or exempt from the fee in lieu of ad valorem property  
4309 taxes under Section 11-13-302.

4310 (3) A public power entity acquiring or owning an undivided interest in common  
4311 facilities may contract with a county to pay, solely from the revenues derived from the interest  
4312 of the public power entity in the common facilities, to the county or counties in which the  
4313 common facilities are located, an annual fee in lieu of ad valorem property taxes based upon  
4314 the taxable value of the percentage of the ownership share of the public power entity in the  
4315 common facilities, which fee in lieu of ad valorem property taxes shall be paid over by the  
4316 public power entity to the county treasurer of the county or counties in which the common  
4317 facilities are located for distribution as per distribution of other ad valorem tax revenues.

4318 (4) (a) Bonds issued by a city or town shall be issued under the applicable provisions of  
4319 Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act, authorizing the  
4320 issuance of bonds for the acquisition and construction of electric public utility properties by  
4321 cities or towns.

4322 (b) Bonds or other debt instruments issued by an interlocal entity shall be issued under  
4323 Title 11, Chapter 13, Interlocal Cooperation Act, or other applicable law.

4324 (5) All moneys paid or property supplied by a public power entity for the purpose of  
4325 carrying out powers conferred by this chapter are declared to be for a public purpose.

4326 Section 97. Section **59-7-601** is amended to read:

4327 **59-7-601. Credit of interest income from state and federal securities.**

4328 (1) There shall be allowed as a credit against the tax an amount equal to 1% of the  
4329 gross interest income included in state taxable income from:

4330 (a) bonds, notes, or other evidences of indebtedness issued by the state and its agencies  
4331 and instrumentalities, and bonds, notes, or other evidences of indebtedness of any political  
4332 subdivision as described in Section [~~11-14-14.5~~] 11-14-303; and

4333 (b) stocks, notes, or obligations issued by, or guaranteed by the United States  
4334 Government, or any of its agencies and instrumentalities as defined under federal law.

4335 (2) Amounts otherwise qualifying for the credit, but not allowable because the credit  
4336 exceeds the tax, may be carried back three years or may be carried forward five years as a credit

4337 against the tax. Such carryover credits shall be applied against the tax before the application of  
4338 the credits earned in the current year and on a first-earned first-used basis.

4339 Section 98. Section **59-12-603** is amended to read:

4340 **59-12-603. County tax -- Bases -- Rates -- Use of revenues -- Collection --**  
4341 **Adoption of ordinance required -- Administration -- Distribution -- Enactment or repeal**  
4342 **of tax or tax rate change -- Effective date -- Notice requirements.**

4343 (1) In addition to any other taxes, a county legislative body may, as provided in this  
4344 part, impose a tax as follows:

4345 (a) (i) a county legislative body of any county may impose a tax of not to exceed 3% on  
4346 all short-term leases and rentals of motor vehicles not exceeding 30 days, except for leases and  
4347 rentals of motor vehicles made for the purpose of temporarily replacing a person's motor  
4348 vehicle that is being repaired pursuant to a repair or an insurance agreement;

4349 (ii) beginning on or after January 1, 1999, a county legislative body of any county  
4350 imposing a tax under Subsection (1)(a)(i) may, in addition to imposing the tax under  
4351 Subsection (1)(a)(i), impose a tax of not to exceed 4% on all short-term leases and rentals of  
4352 motor vehicles not exceeding 30 days, except for leases and rentals of motor vehicles made for  
4353 the purpose of temporarily replacing a person's motor vehicle that is being repaired pursuant to  
4354 a repair or an insurance agreement;

4355 (b) a county legislative body of any county may impose a tax of not to exceed 1% of all  
4356 sales of prepared foods and beverages that are sold by restaurants; and

4357 (c) a county legislative body of any county may impose a tax of not to exceed .5% on  
4358 charges for the accommodations and services described in Subsection 59-12-103(1)(i).

4359 (2) The revenue from the imposition of the taxes provided for in Subsections (1)(a)  
4360 through (c) may be used for the purposes of financing tourism promotion, and the  
4361 development, operation, and maintenance of tourist, recreation, cultural, and convention  
4362 facilities as defined in Section 59-12-602.

4363 (3) The tax imposed under Subsection (1)(c) shall be in addition to the tax imposed  
4364 under Part 3, Transient Room Tax, and may be imposed only by a county of the first class.

4365 (4) A tax imposed under this part may be pledged as security for bonds, notes, or other  
4366 evidences of indebtedness incurred by a county under Title 11, Chapter 14, [~~Utah Municipal~~  
4367 ~~Bond~~] Local Government Bonding Act, to finance tourism, recreation, cultural, and convention

4368 facilities.

4369 (5) (a) In order to impose the tax under Subsection (1), each county legislative body  
4370 shall annually adopt an ordinance imposing the tax.

4371 (b) The ordinance under Subsection (5)(a) shall include provisions substantially the  
4372 same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on  
4373 those items and sales described in Subsection (1).

4374 (c) The name of the county as the taxing agency shall be substituted for that of the state  
4375 where necessary, and an additional license is not required if one has been or is issued under  
4376 Section 59-12-106.

4377 (6) In order to maintain in effect its tax ordinance adopted under this part, each county  
4378 legislative body shall, within 30 days of any amendment of any applicable provisions of Part 1,  
4379 Tax Collection, adopt amendments to its tax ordinance to conform with the applicable  
4380 amendments to Part 1, Tax Collection.

4381 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part  
4382 shall be administered, collected, and enforced in accordance with:

4383 (A) the same procedures used to administer, collect, and enforce the tax under:

4384 (I) Part 1, Tax Collection; or

4385 (II) Part 2, Local Sales and Use Tax Act; and

4386 (B) Chapter 1, General Taxation Policies.

4387 (ii) Notwithstanding Subsection (7)(a)(i), a tax under this part is not subject to:

4388 (A) Sections 59-12-107.1 through 59-12-107.3;

4389 (B) Subsections 59-12-205(2) through (9); or

4390 (C) Sections 59-12-207.1 through 59-12-207.4.

4391 (b) Except as provided in Subsection (7)(c):

4392 (i) for a tax under this part other than the tax under Subsection (1)(a)(ii), the  
4393 commission shall distribute the revenues to the county imposing the tax; and

4394 (ii) for a tax under Subsection (1)(a)(ii), the commission shall distribute the revenues  
4395 according to the distribution formula provided in Subsection (8).

4396 (c) Notwithstanding Subsection (7)(b), the commission shall deduct from the  
4397 distributions under Subsection (7)(b) an administrative charge for collecting the tax as provided  
4398 in Section 59-12-206.

4399 (8) The commission shall distribute the revenues generated by the tax under Subsection  
4400 (1)(a)(ii) to each county collecting a tax under Subsection (1)(a)(ii) according to the following  
4401 formula:

4402 (a) the commission shall distribute 70% of the revenues based on the percentages  
4403 generated by dividing the revenues collected by each county under Subsection (1)(a)(ii) by the  
4404 total revenues collected by all counties under Subsection (1)(a)(ii); and

4405 (b) the commission shall distribute 30% of the revenues based on the percentages  
4406 generated by dividing the population of each county collecting a tax under Subsection (1)(a)(ii)  
4407 by the total population of all counties collecting a tax under Subsection (1)(a)(ii).

4408 (9) (a) For purposes of this Subsection (9):

4409 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2,  
4410 Annexation to County.

4411 (ii) "Annexing area" means an area that is annexed into a county.

4412 (b) (i) Except as provided in Subsection (9)(c), if, on or after July 1, 2004, a county  
4413 enacts or repeals a tax or changes the rate of a tax under this part, the enactment, repeal, or  
4414 change shall take effect:

4415 (A) on the first day of a calendar quarter; and

4416 (B) after a 90-day period beginning on the date the commission receives notice meeting  
4417 the requirements of Subsection (9)(b)(ii) from the county.

4418 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:

4419 (A) that the county will enact or repeal a tax or change the rate of a tax under this part;

4420 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

4421 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and

4422 (D) if the county enacts the tax or changes the rate of the tax described in Subsection  
4423 (9)(b)(ii)(A), the rate of the tax.

4424 (c) (i) Notwithstanding Subsection (9)(b)(i), for a transaction described in Subsection  
4425 (9)(c)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the  
4426 first billing period:

4427 (A) that begins after the effective date of the enactment of the tax or the tax rate  
4428 increase; and

4429 (B) if the billing period for the transaction begins before the effective date of the

4430 enactment of the tax or the tax rate increase imposed under Subsection (1).

4431 (ii) Notwithstanding Subsection (9)(b)(i), for a transaction described in Subsection  
4432 (9)(c)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
4433 billing period:

4434 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
4435 and

4436 (B) if the billing period for the transaction begins before the effective date of the repeal  
4437 of the tax or the tax rate decrease imposed under Subsection (1).

4438 (iii) Subsections (9)(c)(i) and (ii) apply to transactions subject to a tax under:

4439 (A) Subsection 59-12-103(1)(e);

4440 (B) Subsection 59-12-103(1)(i); or

4441 (C) Subsection 59-12-103(1)(k).

4442 (d) (i) Except as provided in Subsection (9)(e), if, for an annexation that occurs on or  
4443 after July 1, 2004, the annexation will result in the enactment, repeal, or change in the rate of a  
4444 tax under this part for an annexing area, the enactment, repeal, or change shall take effect:

4445 (A) on the first day of a calendar quarter; and

4446 (B) after a 90-day period beginning on the date the commission receives notice meeting  
4447 the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.

4448 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:

4449 (A) that the annexation described in Subsection (9)(d)(i) will result in an enactment,  
4450 repeal, or change in the rate of a tax under this part for the annexing area;

4451 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

4452 (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

4453 (D) if the county enacts the tax or changes the rate of the tax described in Subsection  
4454 (9)(d)(ii)(A), the rate of the tax.

4455 (e) (i) Notwithstanding Subsection (9)(d)(i), for a transaction described in Subsection  
4456 (9)(e)(iii), the enactment of a tax or a tax rate increase shall take effect on the first day of the  
4457 first billing period:

4458 (A) that begins after the effective date of the enactment of the tax or the tax rate  
4459 increase; and

4460 (B) if the billing period for the transaction begins before the effective date of the

4461 enactment of the tax or the tax rate increase imposed under Subsection (1).

4462 (ii) Notwithstanding Subsection (9)(d)(i), for a transaction described in Subsection  
4463 (9)(e)(iii), the repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
4464 billing period:

4465 (A) that began before the effective date of the repeal of the tax or the tax rate decrease;  
4466 and

4467 (B) if the billing period for the transaction begins before the effective date of the repeal  
4468 of the tax or the tax rate decrease imposed under Subsection (1).

4469 (iii) Subsections (9)(e)(i) and (ii) apply to transactions subject to a tax under:

4470 (A) Subsection 59-12-103(1)(e);

4471 (B) Subsection 59-12-103(1)(i); or

4472 (C) Subsection 59-12-103(1)(k).

4473 Section 99. Section **59-12-703** is amended to read:

4474 **59-12-703. Opinion question election -- Imposition of tax -- Uses of tax monies --**  
4475 **Enactment or repeal of tax -- Effective date -- Notice requirements.**

4476 (1) (a) (i) Except as provided in Subsections (1)(a)(ii) and 59-12-207.1(7)(c), a county  
4477 legislative body may submit an opinion question to the residents of that county, by majority  
4478 vote of all members of the legislative body, so that each resident of the county, except residents  
4479 in municipalities that have already imposed a sales and use tax under Part 14, City or Town  
4480 Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or  
4481 Facilities, has an opportunity to express the resident's opinion on the imposition of a local sales  
4482 and use tax of .1% on the transactions described in Subsection 59-12-103(1) located within the  
4483 county, to fund recreational and zoological facilities, botanical, cultural, and zoological  
4484 organizations, and rural radio stations, in that county.

4485 (ii) Notwithstanding Subsection (1)(a)(i), a county legislative body may not impose a  
4486 tax under this section on:

4487 (A) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
4488 are exempt from taxation under Section 59-12-104; and

4489 (B) sales and uses within municipalities that have already imposed a sales and use tax  
4490 under Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and  
4491 Zoological Organizations or Facilities.

4492 (b) For purposes of this Subsection (1), the location of a transaction shall be  
4493 determined in accordance with Sections 59-12-207.1 through 59-12-207.4.

4494 (c) The election shall follow the procedures outlined in Title 11, Chapter 14, [~~Utah~~  
4495 ~~Municipal Bond~~] Local Government Bonding Act.

4496 (2) (a) If the county legislative body determines that a majority of the county's  
4497 registered voters voting on the imposition of the tax have voted in favor of the imposition of  
4498 the tax as prescribed in Subsection (1)(a), the county legislative body may impose the tax by a  
4499 majority vote of all members of the legislative body on the transactions:

4500 (i) described in Subsection (1); and

4501 (ii) within the county, including the cities and towns located in the county, except those  
4502 cities and towns that have already imposed a sales and use tax under Part 14, City or Town  
4503 Option Funding For Botanical, Cultural, Recreational, and Zoological Organizations or  
4504 Facilities.

4505 (b) A county legislative body may revise county ordinances to reflect statutory changes  
4506 to the distribution formula or eligible recipients of revenues generated from a tax imposed  
4507 under Subsection (2)(a):

4508 (i) after the county legislative body submits an opinion question to residents of the  
4509 county in accordance with Subsection (1) giving them the opportunity to express their opinion  
4510 on the proposed revisions to county ordinances; and

4511 (ii) if the county legislative body determines that a majority of those voting on the  
4512 opinion question have voted in favor of the revisions.

4513 (3) The monies generated from any tax imposed under Subsection (2) shall be used for  
4514 funding:

4515 (a) recreational and zoological facilities located within the county or a city or town  
4516 located in the county, except a city or town that has already imposed a sales and use tax under  
4517 Part 14, City or Town Option Funding For Botanical, Cultural, Recreational, and Zoological  
4518 Organizations or Facilities; and

4519 (b) ongoing operating expenses of:

4520 (i) recreational facilities described in Subsection (3)(a);

4521 (ii) botanical, cultural, and zoological organizations within the county; and

4522 (iii) rural radio stations within the county.

- 4523 (4) (a) A tax authorized under this part shall be:
- 4524 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
4525 accordance with:
- 4526 (A) the same procedures used to administer, collect, and enforce the tax under:
- 4527 (I) Part 1, Tax Collection; or
- 4528 (II) Part 2, Local Sales and Use Tax Act; and
- 4529 (B) Chapter 1, General Taxation Policies; and
- 4530 (ii) levied for a period of ten years and may be reauthorized at the end of the ten-year  
4531 period in accordance with this section.
- 4532 (b) Notwithstanding Subsection (4)(a)(i), a tax under this part is not subject to  
4533 Subsections 59-12-205(2) through (9).
- 4534 (5) (a) For purposes of this Subsection (5):
- 4535 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2,  
4536 Annexation to County.
- 4537 (ii) "Annexing area" means an area that is annexed into a county.
- 4538 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a  
4539 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:
- 4540 (A) on the first day of a calendar quarter; and
- 4541 (B) after a 90-day period beginning on the date the commission receives notice meeting  
4542 the requirements of Subsection (5)(b)(ii) from the county.
- 4543 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
- 4544 (A) that the county will enact or repeal a tax under this part;
- 4545 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
- 4546 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
- 4547 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of the  
4548 tax.
- 4549 (c) (i) Notwithstanding Subsection (5)(b)(i), for a transaction described in Subsection  
4550 (5)(c)(iii), the enactment of a tax shall take effect on the first day of the first billing period:
- 4551 (A) that begins after the effective date of the enactment of the tax; and
- 4552 (B) if the billing period for the transaction begins before the effective date of the  
4553 enactment of the tax under this section.

- 4554 (ii) Notwithstanding Subsection (5)(b)(i), for a transaction described in Subsection
- 4555 (5)(c)(iii), the repeal of a tax shall take effect on the first day of the last billing period:
- 4556 (A) that began before the effective date of the repeal of the tax; and
- 4557 (B) if the billing period for the transaction begins before the effective date of the repeal
- 4558 of the tax imposed under this section.
- 4559 (iii) Subsections (5)(c)(i) and (ii) apply to transactions subject to a tax under:
- 4560 (A) Subsection 59-12-103(1)(b);
- 4561 (B) Subsection 59-12-103(1)(c);
- 4562 (C) Subsection 59-12-103(1)(d);
- 4563 (D) Subsection 59-12-103(1)(e);
- 4564 (E) Subsection 59-12-103(1)(f);
- 4565 (F) Subsection 59-12-103(1)(g);
- 4566 (G) Subsection 59-12-103(1)(h);
- 4567 (H) Subsection 59-12-103(1)(i);
- 4568 (I) Subsection 59-12-103(1)(j); or
- 4569 (J) Subsection 59-12-103(1)(k).
- 4570 (d) (i) Notwithstanding Subsection (5)(b)(i), if a tax due under this chapter on a
- 4571 catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an
- 4572 enactment or repeal of a tax described in Subsection (5)(b)(i) takes effect:
- 4573 (A) on the first day of a calendar quarter; and
- 4574 (B) beginning 60 days after the effective date of the enactment or repeal under
- 4575 Subsection (5)(b)(i).
- 4576 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
- 4577 the commission may by rule define the term "catalogue sale."
- 4578 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
- 4579 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
- 4580 part for an annexing area, the enactment or repeal shall take effect:
- 4581 (A) on the first day of a calendar quarter; and
- 4582 (B) after a 90-day period beginning on the date the commission receives notice meeting
- 4583 the requirements of Subsection (5)(e)(ii) from the county that annexes the annexing area.
- 4584 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:

4585 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or  
4586 repeal of a tax under this part for the annexing area;

4587 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);

4588 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and

4589 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).

4590 (f) (i) Notwithstanding Subsection (5)(e)(i), for a transaction described in Subsection  
4591 (5)(f)(iii), the enactment of a tax shall take effect on the first day of the first billing period:

4592 (A) that begins after the effective date of the enactment of the tax; and

4593 (B) if the billing period for the transaction begins before the effective date of the  
4594 enactment of the tax under this section.

4595 (ii) Notwithstanding Subsection (5)(e)(i), for a transaction described in Subsection  
4596 (5)(f)(iii), the repeal of a tax shall take effect on the first day of the last billing period:

4597 (A) that began before the effective date of the repeal of the tax; and

4598 (B) if the billing period for the transaction begins before the effective date of the repeal  
4599 of the tax imposed under this section.

4600 (iii) Subsections (5)(f)(i) and (ii) apply to transactions subject to a tax under:

4601 (A) Subsection 59-12-103(1)(b);

4602 (B) Subsection 59-12-103(1)(c);

4603 (C) Subsection 59-12-103(1)(d);

4604 (D) Subsection 59-12-103(1)(e);

4605 (E) Subsection 59-12-103(1)(f);

4606 (F) Subsection 59-12-103(1)(g);

4607 (G) Subsection 59-12-103(1)(h);

4608 (H) Subsection 59-12-103(1)(i);

4609 (I) Subsection 59-12-103(1)(j); or

4610 (J) Subsection 59-12-103(1)(k).

4611 (g) (i) Notwithstanding Subsection (5)(e)(i), if a tax due under this chapter on a  
4612 catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an  
4613 enactment or repeal of a tax described in Subsection (5)(e)(i) takes effect:

4614 (A) on the first day of a calendar quarter; and

4615 (B) beginning 60 days after the effective date of the enactment or repeal under

4616 Subsection (5)(e)(i).

4617 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,  
4618 the commission may by rule define the term "catalogue sale."

4619 Section 100. Section **59-12-802** is amended to read:

4620 **59-12-802. Imposition of rural county health care facilities tax -- Base -- Rate --**  
4621 **Administration, collection, and enforcement of tax.**

4622 (1) (a) A county legislative body may impose a sales and use tax of up to 1%:

4623 (i) except as provided in Subsections (1)(b) and 59-12-207.1(7)(c), on the transactions  
4624 described in Subsection 59-12-103(1) located within the county; and

4625 (ii) to fund rural county health care facilities in that county.

4626 (b) Notwithstanding Subsection (1)(a)(i), a county legislative body may not impose a  
4627 tax under this section on:

4628 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses  
4629 are exempt from taxation under Section 59-12-104; or

4630 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction in  
4631 a city that imposes a tax under Section 59-12-804.

4632 (c) For purposes of this Subsection (1), the location of a transaction shall be  
4633 determined in accordance with Sections 59-12-207.1 through 59-12-207.4.

4634 (2) (a) Before imposing a tax under Subsection (1)(a), a county legislative body shall  
4635 obtain approval to impose the tax from a majority of the:

4636 (i) members of the county's legislative body; and

4637 (ii) county's registered voters voting on the imposition of the tax.

4638 (b) The county legislative body shall conduct the election according to the procedures  
4639 and requirements of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding  
4640 Act.

4641 (3) The monies generated by a tax imposed under Subsection (1) may only be used for  
4642 the financing of:

4643 (a) ongoing operating expenses of a rural county health care facility;

4644 (b) the acquisition of land for a rural county health care facility; or

4645 (c) the design, construction, equipping, or furnishing of a rural county health care  
4646 facility.

- 4647 (4) (a) A tax under this section shall be:
- 4648 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
4649 accordance with:
- 4650 (A) the same procedures used to administer, collect, and enforce the tax under:
- 4651 (I) Part 1, Tax Collection; or
- 4652 (II) Part 2, Local Sales and Use Tax Act; and
- 4653 (B) Chapter 1, General Taxation Policies; and
- 4654 (ii) levied for a period of ten years and may be reauthorized at the end of the ten-year  
4655 period by the county legislative body as provided in Subsection (1).
- 4656 (b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to  
4657 Subsections 59-12-205(2) through (9).
- 4658 (5) The commission may retain an amount not to exceed 1-1/2% of the tax collected  
4659 under this section for the cost of administering this tax.
- 4660 Section 101. Section **59-12-804** is amended to read:
- 4661 **59-12-804. Imposition of rural city hospital tax -- Base -- Rate -- Administration,**  
4662 **collection, and enforcement of tax.**
- 4663 (1) (a) A city legislative body may impose a sales and use tax of up to 1%:
- 4664 (i) except as provided in Subsections (1)(b) and 59-12-207.1(7)(c), on the transactions  
4665 described in Subsection 59-12-103(1) located within the city; and
- 4666 (ii) to fund rural city hospitals in that city.
- 4667 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax  
4668 under this section on the sales and uses described in Section 59-12-104 to the extent the sales  
4669 and uses are exempt from taxation under Section 59-12-104.
- 4670 (c) For purposes of this Subsection (1), the location of a transaction shall be  
4671 determined in accordance with Sections 59-12-207.1 through 59-12-207.4.
- 4672 (2) (a) Before imposing a tax under Subsection (1)(a), a city legislative body shall  
4673 obtain approval to impose the tax from a majority of the:
- 4674 (i) members of the city legislative body; and
- 4675 (ii) city's registered voters voting on the imposition of the tax.
- 4676 (b) The city legislative body shall conduct the election according to the procedures and  
4677 requirements of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

4678 (3) The monies generated by a tax imposed under Subsection (1) may only be used for  
4679 the financing of:

- 4680 (a) ongoing operating expenses of a rural city hospital;
- 4681 (b) the acquisition of land for a rural city hospital; or
- 4682 (c) the design, construction, equipping, or furnishing of a rural city hospital.

4683 (4) (a) A tax under this section shall be:

4684 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
4685 accordance with:

4686 (A) the same procedures used to administer, collect, and enforce the tax under:

- 4687 (I) Part 1, Tax Collection; or
- 4688 (II) Part 2, Local Sales and Use Tax Act; and
- 4689 (B) Chapter 1, General Taxation Policies; and

4690 (ii) levied for a period of ten years and may be reauthorized at the end of the ten-year  
4691 period by the city legislative body as provided in Subsection (1).

4692 (b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to  
4693 Subsections 59-12-205(2) through (9).

4694 (5) The commission may retain an amount not to exceed 1-1/2% of the tax collected  
4695 under this section for the cost of administering the tax.

4696 Section 102. Section **59-12-1402** is amended to read:

4697 **59-12-1402. Opinion question election -- Imposition of tax -- Uses of tax monies --**  
4698 **Enactment or repeal of tax -- Effective date -- Notice requirements.**

4699 (1) (a) (i) Except as provided in Subsections (1)(a)(ii) and 59-12-207.1(7)(c), and  
4700 subject to Subsection (6), beginning on January 1, 2003, a city or town legislative body subject  
4701 to this part may submit an opinion question to the residents of that city or town, by majority  
4702 vote of all members of the legislative body, so that each resident of the city or town has an  
4703 opportunity to express the resident's opinion on the imposition of a local sales and use tax of  
4704 .1% on the transactions described in Subsection 59-12-103(1) located within the city or town,  
4705 to fund recreational and zoological facilities and botanical, cultural, and zoological  
4706 organizations in that city or town.

4707 (ii) Notwithstanding Subsection (1)(a)(i), a city or town legislative body may not  
4708 impose a tax under this section:

4709 (A) if the county in which the city or town is located imposes a tax under Part 7,  
4710 County Option Funding for Botanical, Cultural, Recreational, and Zoological Organizations or  
4711 Facilities; or

4712 (B) on the sales and uses described in Section 59-12-104 to the extent the sales and  
4713 uses are exempt from taxation under Section 59-12-104.

4714 (b) For purposes of this Subsection (1), the location of a transaction shall be  
4715 determined in accordance with Sections 59-12-207.1 through 59-12-207.4.

4716 (c) The election shall be held at a regular general election or a municipal general  
4717 election, as those terms are defined in Section 20A-1-102, and shall follow the procedures  
4718 outlined in Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act,  
4719 except as provided in Subsection (6).

4720 (2) If the city or town legislative body determines that a majority of the city's or town's  
4721 registered voters voting on the imposition of the tax have voted in favor of the imposition of  
4722 the tax as prescribed in Subsection (1)(a), the city or town legislative body may impose the tax  
4723 by a majority vote of all members of the legislative body.

4724 (3) The monies generated from any tax imposed under Subsection (2) shall be used for  
4725 financing:

4726 (a) recreational and zoological facilities within the city or town or within the  
4727 geographic area of entities that are parties to an interlocal agreement, to which the city or town  
4728 is a party, providing for recreational or zoological facilities; and

4729 (b) ongoing operating expenses of botanical, cultural, and zoological organizations  
4730 within the city or town or within the geographic area of entities that are parties to an interlocal  
4731 agreement, to which the city or town is a party, providing for the support of botanical, cultural,  
4732 or zoological organizations.

4733 (4) (a) A tax authorized under this part shall be:

4734 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in  
4735 accordance with:

4736 (A) the same procedures used to administer, collect, and enforce the tax under:

4737 (I) Part 1, Tax Collection; or

4738 (II) Part 2, Local Sales and Use Tax Act; and

4739 (B) Chapter 1, General Taxation Policies; and

4740 (ii) (A) levied for a period of eight years; and  
4741 (B) may be reauthorized at the end of the eight-year period in accordance with this  
4742 section.  
4743 (b) Notwithstanding Subsection (4)(a)(i), a tax under this section is not subject to  
4744 Subsections 59-12-205(2) through (9).  
4745 (5) (a) For purposes of this Subsection (5):  
4746 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part  
4747 4, Annexation.  
4748 (ii) "Annexing area" means an area that is annexed into a city or town.  
4749 (b) (i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city  
4750 or town enacts or repeals a tax under this part, the enactment or repeal shall take effect:  
4751 (A) on the first day of a calendar quarter; and  
4752 (B) after a 90-day period beginning on the date the commission receives notice meeting  
4753 the requirements of Subsection (5)(b)(ii) from the city or town.  
4754 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:  
4755 (A) that the city or town will enact or repeal a tax under this part;  
4756 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);  
4757 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and  
4758 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate of  
4759 the tax.  
4760 (c) (i) Notwithstanding Subsection (5)(b)(i), for a transaction described in Subsection  
4761 (5)(c)(iii), the enactment of a tax shall take effect on the first day of the first billing period:  
4762 (A) that begins after the effective date of the enactment of the tax; and  
4763 (B) if the billing period for the transaction begins before the effective date of the  
4764 enactment of the tax under this section.  
4765 (ii) Notwithstanding Subsection (5)(b)(i), for a transaction described in Subsection  
4766 (5)(c)(iii), the repeal of a tax shall take effect on the first day of the last billing period:  
4767 (A) that began before the effective date of the repeal of the tax; and  
4768 (B) if the billing period for the transaction begins before the effective date of the repeal  
4769 of the tax imposed under this section.  
4770 (iii) Subsections (5)(c)(i) and (ii) apply to transactions subject to a tax under:

- 4771 (A) Subsection 59-12-103(1)(b);  
4772 (B) Subsection 59-12-103(1)(c);  
4773 (C) Subsection 59-12-103(1)(d);  
4774 (D) Subsection 59-12-103(1)(e);  
4775 (E) Subsection 59-12-103(1)(f);  
4776 (F) Subsection 59-12-103(1)(g);  
4777 (G) Subsection 59-12-103(1)(h);  
4778 (H) Subsection 59-12-103(1)(i);  
4779 (I) Subsection 59-12-103(1)(j); or  
4780 (J) Subsection 59-12-103(1)(k).
- 4781 (d) (i) Notwithstanding Subsection (5)(b)(i), if a tax due under this chapter on a  
4782 catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an  
4783 enactment or repeal of a tax described in Subsection (5)(b)(i) takes effect:
- 4784 (A) on the first day of a calendar quarter; and  
4785 (B) beginning 60 days after the effective date of the enactment or repeal under  
4786 Subsection (5)(b)(i).
- 4787 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,  
4788 the commission may by rule define the term "catalogue sale."
- 4789 (e) (i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs  
4790 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this  
4791 part for an annexing area, the enactment or repeal shall take effect:
- 4792 (A) on the first day of a calendar quarter; and  
4793 (B) after a 90-day period beginning on the date the commission receives notice meeting  
4794 the requirements of Subsection (5)(e)(ii) from the city or town that annexes the annexing area.
- 4795 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:
- 4796 (A) that the annexation described in Subsection (5)(e)(i) will result in an enactment or  
4797 repeal a tax under this part for the annexing area;  
4798 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);  
4799 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and  
4800 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).
- 4801 (f) (i) Notwithstanding Subsection (5)(e)(i), for a transaction described in Subsection

4802 (5)(f)(iii), the enactment of a tax shall take effect on the first day of the first billing period:

4803 (A) that begins after the effective date of the enactment of the tax; and

4804 (B) if the billing period for the transaction begins before the effective date of the  
4805 enactment of the tax under this section.

4806 (ii) Notwithstanding Subsection (5)(e)(i), for a transaction described in Subsection  
4807 (5)(f)(iii), the repeal of a tax shall take effect on the first day of the last billing period:

4808 (A) that began before the effective date of the repeal of the tax; and

4809 (B) if the billing period for the transaction begins before the effective date of the repeal  
4810 of the tax imposed under this section.

4811 (iii) Subsections (5)(f)(i) and (ii) apply to transactions subject to a tax under:

4812 (A) Subsection 59-12-103(1)(b);

4813 (B) Subsection 59-12-103(1)(c);

4814 (C) Subsection 59-12-103(1)(d);

4815 (D) Subsection 59-12-103(1)(e);

4816 (E) Subsection 59-12-103(1)(f);

4817 (F) Subsection 59-12-103(1)(g);

4818 (G) Subsection 59-12-103(1)(h);

4819 (H) Subsection 59-12-103(1)(i);

4820 (I) Subsection 59-12-103(1)(j); or

4821 (J) Subsection 59-12-103(1)(k).

4822 (g) (i) Notwithstanding Subsection (5)(e)(i), if a tax due under this chapter on a  
4823 catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an  
4824 enactment or repeal of a tax described in Subsection (5)(e)(i) takes effect:

4825 (A) on the first day of a calendar quarter; and

4826 (B) beginning 60 days after the effective date of the enactment or repeal under  
4827 Subsection (5)(e)(i).

4828 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,  
4829 the commission may by rule define the term "catalogue sale."

4830 (6) (a) Before a city or town legislative body submits an opinion question to the  
4831 residents of the city or town under Subsection (1)(a)(i), the city or town legislative body shall:

4832 (i) submit to the county legislative body in which the city or town is located a written

4833 notice of the intent to submit the opinion question to the residents of the city or town; and

4834 (ii) receive from the county legislative body:

4835 (A) a written resolution passed by the county legislative body stating that the county  
4836 legislative body is not seeking to impose a tax under Part 7, County Option Funding for  
4837 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities; or

4838 (B) a written statement that in accordance with Subsection (6)(b) the results of a county  
4839 opinion question submitted to the residents of the county under Part 7, County Option Funding  
4840 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, permit the city  
4841 or town legislative body to submit the opinion question to the residents of the city or town in  
4842 accordance with this part.

4843 (b) (i) Within 60 days after the day the county legislative body receives from a city or  
4844 town legislative body described in Subsection (6)(a) the notice of the intent to submit an  
4845 opinion question to the residents of the city or town, the county legislative body shall provide  
4846 the city or town legislative body:

4847 (A) the written resolution described in Subsection (6)(a)(ii)(A); or

4848 (B) written notice that the county legislative body will submit an opinion question to  
4849 the residents of the county under Part 7, County Option Funding for Botanical, Cultural,  
4850 Recreational, and Zoological Organizations or Facilities, for the county to impose a tax under  
4851 that part.

4852 (ii) If the county legislative body provides the city or town legislative body the written  
4853 notice that the county legislative body will submit an opinion question as provided in  
4854 Subsection (6)(b)(i)(B), the county legislative body shall submit the opinion question by no  
4855 later than, from the date the county legislative body sends the written notice, the later of:

4856 (A) a 12-month period;

4857 (B) the next regular primary election; or

4858 (C) the next regular general election.

4859 (iii) Within 30 days of the date of the canvass of the election at which the opinion  
4860 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall provide the  
4861 city or town legislative body described in Subsection (6)(a) written results of the opinion  
4862 question submitted by the county legislative body under Part 7, County Option Funding for  
4863 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, indicating that:

4864 (A) (I) the city or town legislative body may not impose a tax under this part because a  
4865 majority of the county's registered voters voted in favor of the county imposing the tax and the  
4866 county legislative body by a majority vote approved the imposition of the tax; or

4867 (II) for at least 12 months from the date the written results are submitted to the city or  
4868 town legislative body, the city or town legislative body may not submit to the county legislative  
4869 body a written notice of the intent to submit an opinion question under this part because a  
4870 majority of the county's registered voters voted against the county imposing the tax and the  
4871 majority of the registered voters who are residents of the city or town described in Subsection  
4872 (6)(a) voted against the imposition of the county tax; or

4873 (B) the city or town legislative body may submit the opinion question to the residents  
4874 of the city or town in accordance with this part because although a majority of the county's  
4875 registered voters voted against the county imposing the tax, the majority of the registered voters  
4876 who are residents of the city or town voted for the imposition of the county tax.

4877 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may  
4878 provide a city or town legislative body described in Subsection (6)(a) a written resolution  
4879 passed by the county legislative body stating that the county legislative body is not seeking to  
4880 impose a tax under Part 7, County Option Funding for Botanical, Cultural, Recreational, and  
4881 Zoological Organizations or Facilities, which permits the city or town legislative body to  
4882 submit under Subsection (1)(a)(i) an opinion question to the city's or town's residents.

4883 Section 103. Section **59-12-1503** is amended to read:

4884 **59-12-1503. Opinion question election -- Imposition of tax -- Use of tax revenues**  
4885 **-- Administration, collection, and enforcement of tax by commission -- Administrative fee**  
4886 **-- Enactment or repeal of tax -- Annexation -- Notice.**

4887 (1) (a) Beginning on or after April 1, 2004, and subject to the other provisions of this  
4888 part, the county legislative body of a qualifying county may impose a sales and use tax of .25%:

4889 (i) except as provided in Subsections (1)(b) and 59-12-207.1(7)(c), on the transactions:

4890 (A) described in Subsection 59-12-103(1); and

4891 (B) within the county, including the cities and towns within the county;

4892 (ii) for the purposes determined by the county legislative body in accordance with  
4893 Subsection (2); and

4894 (iii) in addition to any other sales and use tax authorized under this chapter.

4895 (b) Notwithstanding Subsection (1)(a)(i), a county legislative body may not impose a  
4896 tax under this section on the sales and uses described in Section 59-12-104 to the extent the  
4897 sales and uses are exempt from taxation under Section 59-12-104.

4898 (c) For purposes of this Subsection (1), the location of a transaction shall be  
4899 determined in accordance with Sections 59-12-207.1 through 59-12-207.4.

4900 (2) (a) Subject to Subsection (2)(b), before obtaining the approval required by  
4901 Subsection (3), a county legislative body shall adopt a resolution specifying the percentage of  
4902 revenues the county will receive from the tax under this part that will be allocated to fund one  
4903 or more of the following:

4904 (i) a project or service relating to a fixed guideway system:

4905 (A) for the portion of the project or service that is performed within the county; and

4906 (B) if the fixed guideway system is owned and operated by a public transit district  
4907 organized under Title 17A, Chapter 2, Part 10, Utah Public Transit District Act;

4908 (ii) a project or service relating to a system for public transit:

4909 (A) for the portion of the project or service that is performed within the county; and

4910 (B) if the system for public transit is owned and operated by a public transit district  
4911 organized under Title 17A, Chapter 2, Part 10, Utah Public Transit District Act; or

4912 (iii) the following relating to a state highway within the county:

4913 (A) a project beginning on or after the day on which a county legislative body imposes  
4914 a tax under this part only within the county involving:

4915 (I) new construction;

4916 (II) a renovation;

4917 (III) an improvement; or

4918 (IV) an environmental study;

4919 (B) debt service on a project described in Subsections (2)(a)(iii)(A)(I) through (IV); or

4920 (C) bond issuance costs relating to a project described in Subsections (2)(a)(iii)(A)(I)  
4921 through (IV).

4922 (b) (i) A county legislative body shall in the resolution required by Subsection (2)(a)  
4923 allocate as required by Subsection (2)(a) 100% of the revenues the county will receive from the  
4924 tax under this part.

4925 (ii) For purposes of this Subsection (2)(b), the revenues a county will receive from the

4926 tax under this part do not include amounts retained by the commission in accordance with  
4927 Subsection (8).

4928 (3) (a) Before imposing a tax under this part, a county legislative body shall:

4929 (i) obtain approval from a majority of the members of the county legislative body to:

4930 (A) impose the tax; and

4931 (B) allocate the revenues the county will receive from the tax in accordance with the  
4932 resolution adopted in accordance with Subsection (2); and

4933 (ii) subject to Subsection (3)(b), submit an opinion question to the county's registered  
4934 voters voting on the imposition of the tax so that each registered voter has the opportunity to  
4935 express the registered voter's opinion on whether a tax should be imposed under this part.

4936 (b) The opinion question required by Subsection (3)(a)(ii) shall state the allocations  
4937 specified in the resolution:

4938 (i) adopted in accordance with Subsection (2); and

4939 (ii) approved by the county legislative body in accordance with Subsection (3)(a).

4940 (c) The election required by this Subsection (3) shall be held:

4941 (i) (A) at a regular general election; and

4942 (B) in accordance with the procedures and requirements of Title 20A, Election Code,  
4943 governing regular general elections; or

4944 (ii) (A) at a special election called by the county legislative body;

4945 (B) only on the date of a municipal general election provided in Subsection  
4946 20A-1-202(1); and

4947 (C) in accordance with the procedures and requirements of Section 20A-1-203.

4948 (4) (a) Subject to Subsection (8), if a county legislative body determines that a majority  
4949 of the county's registered voters voting on the imposition of the tax have voted in favor of the  
4950 imposition of the tax in accordance with Subsection (3), the county legislative body may  
4951 impose the tax by a majority vote of all of the members of the county legislative body.

4952 (b) If a county legislative body imposes a tax under Subsection (4)(a), the revenues  
4953 generated by the tax shall be:

4954 (i) allocated in accordance with the allocations specified in the resolution under  
4955 Subsection (2); and

4956 (ii) expended as provided in this part.

4957 (5) If a county legislative body allocates revenues generated by the tax for a project  
4958 described in Subsection (2)(a)(iii)(A), before beginning the project the county legislative body  
4959 shall:

4960 (a) obtain approval from the Transportation Commission to complete the project; and

4961 (b) enter into an interlocal agreement:

4962 (i) established in accordance with Title 11, Chapter 13, Interlocal Cooperation Act;

4963 (ii) with the Department of Transportation; and

4964 (iii) to complete the project.

4965 (6) (a) If after a county legislative body imposes a tax under Subsection (4) the county  
4966 legislative body seeks to change the allocation of the tax specified in the resolution under  
4967 Subsection (2), the county legislative body may change the allocation of the tax by:

4968 (i) adopting a resolution in accordance with Subsection (2) specifying the percentage of  
4969 revenues the county will receive from the tax under this part that will be allocated to fund one  
4970 or more of the systems or projects described in Subsection (2);

4971 (ii) obtaining approval to change the allocation of the tax from a majority of the  
4972 members of the county legislative body; and

4973 (iii) (A) submitting an opinion question to the county's registered voters voting on  
4974 changing the allocation of the tax so that each registered voter has the opportunity to express  
4975 the registered voter's opinion on whether the allocation of the tax should be changed; and

4976 (B) obtaining approval to change the allocation of the tax from a majority of the  
4977 county's registered voters voting on changing the allocation of the tax.

4978 (b) (i) The opinion question required by Subsection (6)(a)(iii) shall state the allocations  
4979 specified in the resolution:

4980 (A) adopted in accordance with Subsection (6)(a)(i); and

4981 (B) approved by the county legislative body in accordance with Subsection (6)(a)(ii).

4982 (ii) The election required by Subsection (6)(a)(iii) shall follow the procedures and  
4983 requirements of Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

4984 (7) (a) (i) Except as provided in Subsection (7)(a)(ii), revenues generated by a tax  
4985 under this part that are allocated for a purpose described in Subsection (2)(a)(i) or (ii) shall be  
4986 transmitted:

4987 (A) by the commission;

4988 (B) to the county;  
4989 (C) monthly; and  
4990 (D) by electronic funds transfer.  
4991 (ii) Notwithstanding Subsection (7)(a)(i), a county may request that the commission  
4992 transfer the revenues described in Subsection (7)(a)(i):  
4993 (A) directly to a public transit district:  
4994 (I) organized under Title 17A, Chapter 2, Part 10, Utah Public Transit District Act; and  
4995 (II) designated by the county; and  
4996 (B) by providing written notice to the commission:  
4997 (I) requesting the revenues to be transferred directly to a public transit district as  
4998 provided in Subsection (7)(a)(ii)(A); and  
4999 (II) designating the public transit district to which the revenues are requested to be  
5000 transferred.  
5001 (b) Revenues generated by a tax under this part that are allocated for a purpose  
5002 described in Subsection (2)(a)(iii) shall be:  
5003 (i) deposited into the State Highway Projects Within Counties Fund created by Section  
5004 72-2-121.1; and  
5005 (ii) expended as provided in Section 72-2-121.1.  
5006 (8) (a) (i) Except as provided in Subsection (8)(a)(ii), the tax authorized under this part  
5007 shall be administered, collected, and enforced in accordance with:  
5008 (A) the same procedures used to administer, collect, and enforce the tax under:  
5009 (I) Part 1, Tax Collection; or  
5010 (II) Part 2, Local Sales and Use Tax Act; and  
5011 (B) Chapter 1, General Taxation Policies.  
5012 (ii) Notwithstanding Subsection (8)(a)(i), a tax under this part is not subject to  
5013 Subsections 59-12-205(2) through (9).  
5014 (b) (i) The commission may retain an amount of tax collected under this part of not to  
5015 exceed the lesser of:  
5016 (A) 1.5%; or  
5017 (B) an amount equal to the cost to the commission of administering this part.  
5018 (ii) Any amount the commission retains under Subsection (8)(b)(i) shall be:

- 5019 (A) placed in the Sales and Use Tax Administrative Fees Account; and
- 5020 (B) used as provided in Subsection 59-12-206(2).
- 5021 (9) (a) (i) Except as provided in Subsection (9)(b) or (c), if, on or after July 1, 2004, a
- 5022 county enacts or repeals a tax under this part, the enactment or repeal shall take effect:
- 5023 (A) on the first day of a calendar quarter; and
- 5024 (B) after a 90-day period beginning on the date the commission receives notice meeting
- 5025 the requirements of Subsection (9)(a)(ii) from the county.
- 5026 (ii) The notice described in Subsection (9)(a)(i)(B) shall state:
- 5027 (A) that the county will enact or repeal a tax under this part;
- 5028 (B) the statutory authority for the tax described in Subsection (9)(a)(ii)(A);
- 5029 (C) the effective date of the tax described in Subsection (9)(a)(ii)(A); and
- 5030 (D) if the county enacts the tax described in Subsection (9)(a)(ii)(A), the rate of the tax.
- 5031 (b) (i) Notwithstanding Subsection (9)(a)(i), for a transaction described in Subsection
- 5032 (9)(b)(iii), the enactment of a tax shall take effect on the first day of the first billing period:
- 5033 (A) that begins after the effective date of the enactment of the tax; and
- 5034 (B) if the billing period for the transaction begins before the effective date of the
- 5035 enactment of the tax under Subsection (1).
- 5036 (ii) Notwithstanding Subsection (9)(a)(i), for a transaction described in Subsection
- 5037 (9)(b)(iii), the repeal of a tax shall take effect on the first day of the last billing period:
- 5038 (A) that began before the effective date of the repeal of the tax; and
- 5039 (B) if the billing period for the transaction begins before the effective date of the repeal
- 5040 of the tax imposed under Subsection (1).
- 5041 (iii) Subsections (9)(b)(i) and (ii) apply to transactions subject to a tax under:
- 5042 (A) Subsection 59-12-103(1)(b);
- 5043 (B) Subsection 59-12-103(1)(c);
- 5044 (C) Subsection 59-12-103(1)(d);
- 5045 (D) Subsection 59-12-103(1)(e);
- 5046 (E) Subsection 59-12-103(1)(f);
- 5047 (F) Subsection 59-12-103(1)(g);
- 5048 (G) Subsection 59-12-103(1)(h);
- 5049 (H) Subsection 59-12-103(1)(i);

- 5050 (I) Subsection 59-12-103(1)(j); or
- 5051 (J) Subsection 59-12-103(1)(k).
- 5052 (c) (i) Notwithstanding Subsection (9)(a)(i), if a tax due under this chapter on a
- 5053 catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an
- 5054 enactment or repeal of a tax described in Subsection (9)(a)(i) takes effect:
- 5055 (A) on the first day of a calendar quarter; and
- 5056 (B) beginning 60 days after the effective date of the enactment or repeal under
- 5057 Subsection (9)(a)(i).
- 5058 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
- 5059 the commission may by rule define the term "catalogue sale."
- 5060 (d) (i) Except as provided in Subsection (9)(e) or (f), if, for an annexation that occurs on
- 5061 or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
- 5062 part for an annexing area, the enactment or repeal shall take effect:
- 5063 (A) on the first day of a calendar quarter; and
- 5064 (B) after a 90-day period beginning on the date the commission receives notice meeting
- 5065 the requirements of Subsection (9)(d)(ii) from the county that annexes the annexing area.
- 5066 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:
- 5067 (A) that the annexation described in Subsection (9)(d)(i)(B) will result in an enactment
- 5068 or repeal of a tax under this part for the annexing area;
- 5069 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);
- 5070 (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and
- 5071 (D) the rate of the tax described in Subsection (9)(d)(ii)(A).
- 5072 (e) (i) Notwithstanding Subsection (9)(d)(i), for a transaction described in Subsection
- 5073 (9)(e)(iii), the enactment of a tax shall take effect on the first day of the first billing period:
- 5074 (A) that begins after the effective date of the enactment of the tax; and
- 5075 (B) if the billing period for the transaction begins before the effective date of the
- 5076 enactment of the tax under Subsection (1).
- 5077 (ii) Notwithstanding Subsection (9)(d)(i), for a transaction described in Subsection
- 5078 (9)(e)(iii), the repeal of a tax shall take effect on the first day of the last billing period:
- 5079 (A) that began before the effective date of the repeal of the tax; and
- 5080 (B) if the billing period for the transaction begins before the effective date of the repeal

- 5081 of the tax imposed under Subsection (1).
- 5082 (iii) Subsections (9)(e)(i) and (ii) apply to transactions subject to a tax under:
- 5083 (A) Subsection 59-12-103(1)(b);
- 5084 (B) Subsection 59-12-103(1)(c);
- 5085 (C) Subsection 59-12-103(1)(d);
- 5086 (D) Subsection 59-12-103(1)(e);
- 5087 (E) Subsection 59-12-103(1)(f);
- 5088 (F) Subsection 59-12-103(1)(g);
- 5089 (G) Subsection 59-12-103(1)(h);
- 5090 (H) Subsection 59-12-103(1)(i);
- 5091 (I) Subsection 59-12-103(1)(j); or
- 5092 (J) Subsection 59-12-103(1)(k).
- 5093 (f) (i) Notwithstanding Subsection (9)(d)(i), if a tax due under this chapter on a
- 5094 catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an
- 5095 enactment or repeal of a tax described in Subsection (9)(d)(i) takes effect:
- 5096 (A) on the first day of a calendar quarter; and
- 5097 (B) beginning 60 days after the effective date of the enactment or repeal under
- 5098 Subsection (9)(d)(i).
- 5099 (ii) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
- 5100 the commission may by rule define the term "catalogue sale."
- 5101 Section 104. Section **63B-2-116** is amended to read:
- 5102 **63B-2-116. Publication of resolution or notice -- Limitation on actions to contest**
- 5103 **legality.**
- 5104 (1) The commission may:
- 5105 (a) publish any resolution it adopts under this chapter once in a newspaper having
- 5106 general circulation in Utah; or
- 5107 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,
- 5108 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).
- 5109 (2) (a) Any interested person, for 30 days after the date of publication, may contest:
- 5110 (i) the legality of the resolution;
- 5111 (ii) any of the bonds authorized under it; or

5112 (iii) any of the provisions made for the security and repayment of the bonds.  
5113 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5114 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5115 bonds for any cause.

5116 Section 105. Section **63B-2-216** is amended to read:

5117 **63B-2-216. Publication of resolution or notice -- Limitation on actions to contest**  
5118 **legality.**

5119 (1) The commission may:

5120 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5121 general circulation in Utah; or

5122 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5123 titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

5124 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5125 (i) the legality of the resolution;

5126 (ii) any of the bonds authorized under it; or

5127 (iii) any of the provisions made for the security and repayment of the bonds.

5128 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5129 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5130 bonds for any cause.

5131 Section 106. Section **63B-3-116** is amended to read:

5132 **63B-3-116. Publication of resolution or notice -- Limitation on actions to contest**  
5133 **legality.**

5134 (1) The commission may:

5135 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5136 general circulation in Utah; or

5137 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5138 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

5139 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5140 (i) the legality of the resolution;

5141 (ii) any of the bonds authorized under it; or

5142 (iii) any of the provisions made for the security and repayment of the bonds.

5143 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5144 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5145 bonds for any cause.

5146 Section 107. Section **63B-3-216** is amended to read:

5147 **63B-3-216. Publication of resolution or notice -- Limitation on actions to contest**  
5148 **legality.**

5149 (1) The commission may:

5150 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5151 general circulation in Utah; or

5152 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5153 titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

5154 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5155 (i) the legality of the resolution;

5156 (ii) any of the bonds authorized under it; or

5157 (iii) any of the provisions made for the security and repayment of the bonds.

5158 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5159 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5160 bonds for any cause.

5161 Section 108. Section **63B-4-116** is amended to read:

5162 **63B-4-116. Publication of resolution or notice -- Limitation on actions to contest**  
5163 **legality.**

5164 (1) The commission may:

5165 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5166 general circulation in Utah; or

5167 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5168 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

5169 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5170 (i) the legality of the resolution;

5171 (ii) any of the bonds authorized under it; or

5172 (iii) any of the provisions made for the security and repayment of the bonds.

5173 (b) After 30 days, a person may not contest the legality of the resolution, any of the

5174 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5175 bonds for any cause.

5176 Section 109. Section **63B-5-116** is amended to read:

5177 **63B-5-116. Publication of resolution or notice -- Limitation on actions to contest**  
5178 **legality.**

5179 (1) The commission may:

5180 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5181 general circulation in Utah; or

5182 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5183 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

5184 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5185 (i) the legality of the resolution;

5186 (ii) any of the bonds authorized under it; or

5187 (iii) any of the provisions made for the security and repayment of the bonds.

5188 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5189 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5190 bonds for any cause.

5191 Section 110. Section **63B-6-116** is amended to read:

5192 **63B-6-116. Publication of resolution or notice -- Limitation on actions to contest**  
5193 **legality.**

5194 (1) The commission may:

5195 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5196 general circulation in Utah; or

5197 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5198 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

5199 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5200 (i) the legality of the resolution;

5201 (ii) any of the bonds authorized under it; or

5202 (iii) any of the provisions made for the security and repayment of the bonds.

5203 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5204 bonds authorized under it, or any of the provisions made for the security and repayment of the

5205 bonds for any cause.

5206 Section 111. Section **63B-6-216** is amended to read:

5207 **63B-6-216. Publication of resolution or notice -- Limitation on actions to contest**  
5208 **legality.**

5209 (1) The commission may:

5210 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5211 general circulation in Utah; or

5212 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5213 titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

5214 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5215 (i) the legality of the resolution;

5216 (ii) any of the bonds authorized under it; or

5217 (iii) any of the provisions made for the security and repayment of the bonds.

5218 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5219 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5220 bonds for any cause.

5221 Section 112. Section **63B-6-416** is amended to read:

5222 **63B-6-416. Publication of resolution or notice -- Limitation on actions to contest**  
5223 **legality.**

5224 (1) The commission may:

5225 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5226 general circulation in Utah; or

5227 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5228 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

5229 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5230 (i) the legality of the resolution;

5231 (ii) any of the bonds authorized under it; or

5232 (iii) any of the provisions made for the security and repayment of the bonds.

5233 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5234 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5235 bonds for any cause.

5236 Section 113. Section **63B-7-116** is amended to read:

5237 **63B-7-116. Publication of resolution or notice -- Limitation on actions to contest**  
5238 **legality.**

5239 (1) The commission may:

5240 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5241 general circulation in Utah; or

5242 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5243 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

5244 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5245 (i) the legality of the resolution;

5246 (ii) any of the bonds authorized under it; or

5247 (iii) any of the provisions made for the security and repayment of the bonds.

5248 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5249 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5250 bonds for any cause.

5251 Section 114. Section **63B-7-216** is amended to read:

5252 **63B-7-216. Publication of resolution or notice -- Limitation on actions to contest**  
5253 **legality.**

5254 (1) The commission may:

5255 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5256 general circulation in Utah; or

5257 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5258 titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

5259 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5260 (i) the legality of the resolution;

5261 (ii) any of the bonds authorized under it; or

5262 (iii) any of the provisions made for the security and repayment of the bonds.

5263 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5264 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5265 bonds for any cause.

5266 Section 115. Section **63B-7-416** is amended to read:

5267           **63B-7-416. Publication of resolution or notice -- Limitation on actions to contest**  
5268 **legality.**

5269           (1) The commission may:

5270           (a) publish any resolution it adopts under this chapter once in a newspaper having  
5271 general circulation in Utah; or

5272           (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5273 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

5274           (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5275           (i) the legality of the resolution;

5276           (ii) any of the bonds authorized under it; or

5277           (iii) any of the provisions made for the security and repayment of the bonds.

5278           (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5279 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5280 bonds for any cause.

5281           Section 116. Section **63B-8-116** is amended to read:

5282           **63B-8-116. Publication of resolution or notice -- Limitation on actions to contest**  
5283 **legality.**

5284           (1) The commission may:

5285           (a) publish any resolution it adopts under this chapter once in a newspaper having  
5286 general circulation in Utah; or

5287           (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5288 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

5289           (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5290           (i) the legality of the resolution;

5291           (ii) any of the bonds authorized under it; or

5292           (iii) any of the provisions made for the security and repayment of the bonds.

5293           (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5294 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5295 bonds for any cause.

5296           Section 117. Section **63B-8-216** is amended to read:

5297           **63B-8-216. Publication of resolution or notice -- Limitation on actions to contest**

5298 **legality.**

5299 (1) The commission may:

5300 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5301 general circulation in Utah; or

5302 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5303 titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

5304 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5305 (i) the legality of the resolution;

5306 (ii) any of the bonds authorized under it; or

5307 (iii) any of the provisions made for the security and repayment of the bonds.

5308 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5309 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5310 bonds for any cause.

5311 Section 118. Section **63B-8-416** is amended to read:

5312 **63B-8-416. Publication of resolution or notice -- Limitation on actions to contest**  
5313 **legality.**

5314 (1) The commission may:

5315 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5316 general circulation in Utah; or

5317 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5318 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

5319 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5320 (i) the legality of the resolution;

5321 (ii) any of the bonds authorized under it; or

5322 (iii) any of the provisions made for the security and repayment of the bonds.

5323 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5324 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5325 bonds for any cause.

5326 Section 119. Section **63B-9-216** is amended to read:

5327 **63B-9-216. Publication of resolution or notice -- Limitation on actions to contest**  
5328 **legality.**

- 5329 (1) The commission may:
- 5330 (a) publish any resolution it adopts under this chapter once in a newspaper having
- 5331 general circulation in Utah; or
- 5332 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,
- 5333 titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).
- 5334 (2) (a) Any interested person, for 30 days after the date of publication, may contest:
- 5335 (i) the legality of the resolution;
- 5336 (ii) any of the bonds authorized under it; or
- 5337 (iii) any of the provisions made for the security and repayment of the bonds.
- 5338 (b) After 30 days, a person may not contest the legality of the resolution, any of the
- 5339 bonds authorized under it, or any of the provisions made for the security and repayment of the
- 5340 bonds for any cause.

5341 Section 120. Section **63B-10-116** is amended to read:

5342 **63B-10-116. Publication of resolution or notice -- Limitation on actions to contest**

5343 **legality.**

- 5344 (1) The commission may:
- 5345 (a) publish any resolution it adopts under this chapter once in a newspaper having
- 5346 general circulation in Utah; or
- 5347 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,
- 5348 titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).
- 5349 (2) (a) Any interested person, for 30 days after the date of publication, may contest:
- 5350 (i) the legality of the resolution;
- 5351 (ii) any of the bonds authorized under it; or
- 5352 (iii) any of the provisions made for the security and repayment of the bonds.
- 5353 (b) After 30 days, a person may not contest the legality of the resolution, any of the
- 5354 bonds authorized under it, or any of the provisions made for the security and repayment of the
- 5355 bonds for any cause.

5356 Section 121. Section **63B-11-116** is amended to read:

5357 **63B-11-116. Publication of resolution or notice -- Limitation on actions to contest**

5358 **legality.**

- 5359 (1) The commission may:

5360 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5361 general circulation in Utah; or

5362 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5363 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

5364 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5365 (i) the legality of the resolution;

5366 (ii) any of the bonds authorized under it; or

5367 (iii) any of the provisions made for the security and repayment of the bonds.

5368 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5369 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5370 bonds for any cause.

5371 Section 122. Section **63B-11-216** is amended to read:

5372 **63B-11-216. Publication of resolution or notice -- Limitation on actions to contest**  
5373 **legality.**

5374 (1) The commission may:

5375 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5376 general circulation in Utah; or

5377 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5378 titled as such, containing the information required in Subsection [~~11-14-21(3)~~] 11-14-316(2).

5379 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5380 (i) the legality of the resolution;

5381 (ii) any of the bonds authorized under it; or

5382 (iii) any of the provisions made for the security and repayment of the bonds.

5383 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5384 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5385 bonds for any cause.

5386 Section 123. Section **63B-11-316** is amended to read:

5387 **63B-11-316. Publication of resolution or notice -- Limitation on actions to contest**  
5388 **legality.**

5389 (1) The commission may:

5390 (a) publish any resolution it adopts under this chapter once in a newspaper having

5391 general circulation in Utah; or

5392 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5393 titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

5394 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5395 (i) the legality of the resolution;

5396 (ii) any of the bonds authorized under it; or

5397 (iii) any of the provisions made for the security and repayment of the bonds.

5398 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5399 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5400 bonds for any cause.

5401 Section 124. Section **63B-11-516** is amended to read:

5402 **63B-11-516. Publication of resolution or notice -- Limitation on actions to contest**  
5403 **legality.**

5404 (1) The commission may:

5405 (a) publish any resolution it adopts under this chapter once in a newspaper having  
5406 general circulation in Utah; or

5407 (b) in lieu of publishing the entire resolution, publish a notice of bonds to be issued,  
5408 titled as such, containing the information required by Subsection [~~11-14-21(3)~~] 11-14-316(2).

5409 (2) (a) Any interested person, for 30 days after the date of publication, may contest:

5410 (i) the legality of the resolution;

5411 (ii) any of the bonds authorized under it; or

5412 (iii) any of the provisions made for the security and repayment of the bonds.

5413 (b) After 30 days, a person may not contest the legality of the resolution, any of the  
5414 bonds authorized under it, or any of the provisions made for the security and repayment of the  
5415 bonds for any cause.

5416 Section 125. Section **72-2-108** is amended to read:

5417 **72-2-108. Apportionment of funds available for use on class B and class C roads**  
5418 **-- Bonds.**

5419 (1) For purposes of this section:

5420 (a) "Graveled road" means a road:

5421 (i) that is:

- 5422 (A) graded; and
- 5423 (B) drained by transverse drainage systems to prevent serious impairment of the road
- 5424 by surface water;
- 5425 (ii) that has an improved surface; and
- 5426 (iii) that has a wearing surface made of:
  - 5427 (A) gravel;
  - 5428 (B) broken stone;
  - 5429 (C) slag;
  - 5430 (D) iron ore;
  - 5431 (E) shale; or
  - 5432 (F) other material that is:
    - 5433 (I) similar to a material described in Subsection (1)(a)(iii)(A) through (E); and
    - 5434 (II) coarser than sand.
- 5435 (b) "Paved road" includes a graveled road with a chip seal surface.
- 5436 (c) "Road mile" means a one-mile length of road, regardless of:
  - 5437 (i) the width of the road; or
  - 5438 (ii) the number of lanes into which the road is divided.
- 5439 (d) "Weighted mileage" means the sum of the following:
  - 5440 (i) paved road miles multiplied by five;
  - 5441 (ii) graveled road miles multiplied by two; and
  - 5442 (iii) all other road type road miles multiplied by one.
- 5443 (2) Subject to the provisions of Subsections (3) through (5), funds in the class B and
- 5444 class C roads account shall be apportioned among counties and municipalities in the following
- 5445 manner:
  - 5446 (a) 50% in the ratio that the class B roads weighted mileage within each county and
  - 5447 class C roads weighted mileage within each municipality bear to the total class B and class C
  - 5448 roads weighted mileage within the state; and
  - 5449 (b) 50% in the ratio that the population of a county or municipality bears to the total
  - 5450 population of the state as of the last official federal census or the United States Bureau of
  - 5451 Census estimate, whichever is most recent, except that if population estimates are not available
  - 5452 from the United States Bureau of Census, population figures shall be derived from the estimate

5453 from the Utah Population Estimates Committee.

5454 (3) For purposes of Subsection (2)(b), "the population of a county" means:

5455 (a) the population of a county outside the corporate limits of municipalities in that  
5456 county, if the population of the county outside the corporate limits of municipalities in that  
5457 county is not less than 14% of the total population of that county, including municipalities; and

5458 (b) if the population of a county outside the corporate limits of municipalities in the  
5459 county is less than 14% of the total population:

5460 (i) the aggregate percentage of the population apportioned to municipalities in that  
5461 county shall be reduced by an amount equal to the difference between:

5462 (A) 14%; and

5463 (B) the actual percentage of population outside the corporate limits of municipalities in  
5464 that county; and

5465 (ii) the population apportioned to the county shall be 14% of the total population of  
5466 that county, including incorporated municipalities.

5467 (4) (a) If an apportionment under Subsection (2) to a county or municipality is less than  
5468 110% of the amount apportioned to the county or municipality from the class B and class C  
5469 roads account for fiscal year 1996-97, the department shall:

5470 (i) reapportion the funds under Subsection (2) to ensure that the county or municipality  
5471 receives an amount equal to 110% of the amount apportioned to the county or municipality  
5472 from the class B and class C roads account for fiscal year 1996-97; and

5473 (ii) decrease proportionately as provided in Subsection (4)(b) the apportionments to  
5474 counties and municipalities for which the reapportionment under Subsection (4)(a)(i) does not  
5475 apply.

5476 (b) The aggregate amount of the funds that the department shall decrease  
5477 proportionately from the apportionments under Subsection (4)(a)(ii) is an amount equal to the  
5478 aggregate amount reapportioned to counties and municipalities under Subsection (4)(a)(i).

5479 (5) (a) (i) In addition to the apportionment adjustments made under Subsection (4), a  
5480 county or municipality that qualifies for reapportioned monies under Subsection (4)(a)(i) shall  
5481 receive 1/3 of the percentage increase in the class B and C road account for the current fiscal  
5482 year over the previous fiscal year.

5483 (ii) Any percentage increase calculated under Subsection (5)(a)(i) may not include any

5484 increases from increases in fees or tax rates.

5485 (b) The adjustment under Subsection (5)(a) shall be made in the same way as provided  
5486 in Subsection (4)(a)(ii) and (b).

5487 (6) The governing body of any municipality or county may issue bonds redeemable up  
5488 to a period of ten years under Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government  
5489 Bonding Act, to pay the costs of constructing, repairing, and maintaining class B or class C  
5490 roads and may pledge class B or class C road funds received pursuant to this section to pay  
5491 principal, interest, premiums, and reserves for the bonds.

5492 Section 126. Section **72-2-204** is amended to read:

5493 **72-2-204. Loan program procedures -- Repayment.**

5494 (1) A public entity may obtain an infrastructure loan from the department, upon  
5495 approval by the commission, by entering into a loan contract with the department secured by  
5496 legally issued bonds, notes, or other evidence of indebtedness validly issued under state law,  
5497 including pledging all or any portion of a revenue source to the repayment of the loan.

5498 (2) The public entity shall repay the infrastructure loan in accordance with the loan  
5499 contract from any of the following sources:

5500 (a) transportation project revenues, including special assessment revenues;

5501 (b) general funds of the public entity;

5502 (c) monies withheld under Subsection (5); or

5503 (d) any other legally available revenues.

5504 (3) An infrastructure loan contract with a public entity may provide that a portion of  
5505 the proceeds of the loan may be applied to fund a reserve fund to secure the repayment of the  
5506 loan.

5507 (4) Before obtaining an infrastructure loan, a county or municipality shall:

5508 (a) publish its intention to obtain an infrastructure loan at least once in accordance with  
5509 the publication of notice requirements under Section [~~11-14-21~~] 11-14-316; and

5510 (b) adopt an ordinance or resolution authorizing the infrastructure loan.

5511 (5) (a) If a public entity fails to comply with the terms of its infrastructure loan  
5512 contract, the department may seek any legal or equitable remedy to obtain compliance or  
5513 payment of damages.

5514 (b) If a public entity fails to make infrastructure loan payments when due, the state

5515 shall, at the request of the department, withhold an amount of monies due to the public entity  
5516 and deposit the withheld monies in the fund to pay the amounts due under the contract.

5517 (c) The department may elect when to request the withholding of monies under this  
5518 Subsection (5).

5519 (6) All loan contracts, bonds, notes, or other evidence of indebtedness securing the  
5520 loan contracts shall be held, collected, and accounted for in accordance with Section 63-65-4.

5521 Section 127. Section **73-10d-4** is amended to read:

5522 **73-10d-4. Notice of intention to enter privatization project -- Petition for election**  
5523 **-- Election procedures -- Powers of political subdivision -- Public bidding laws not to**  
5524 **apply.**

5525 (1) The governing authority of any political subdivision considering entering into a  
5526 privatization project agreement shall issue a notice of intention setting forth a brief summary of  
5527 the agreement provisions and the time within which and place at which petitions may be filed  
5528 requesting the calling of an election in the political subdivision to determine whether the  
5529 agreement should be approved. The notice of intention shall specify the form of the petitions.  
5530 If, within 30 days after the publication of the notice of intention, petitions are filed with the  
5531 clerk, recorder, or similar officer of the political subdivision, signed by at least 5% of the  
5532 qualified electors of the political subdivision (as certified by the county clerks of the respective  
5533 counties within which the political subdivision is located) requesting an election be held to  
5534 authorize the agreement, then the governing authority shall proceed to call and hold an election.  
5535 If an adequate petition is not filed within 30 days, the governing authority may adopt a  
5536 resolution so finding and may proceed to enter into the agreement.

5537 (2) If, under Subsection (1), the governing authority of a political subdivision is  
5538 required to call an election to authorize an agreement, the governing authority shall adopt a  
5539 resolution directing that an election be held in the political subdivision for the purpose of  
5540 determining whether the political subdivision may enter into the agreement. The resolution  
5541 calling the election shall be adopted, notice of the election shall be given, voting precincts shall  
5542 be established, the election shall be held, voters' qualifications shall be determined, and the  
5543 results shall be canvassed in the manner and subject to the conditions provided for in Title 11,  
5544 Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding Act.

5545 (3) A political subdivision may, upon approval of an agreement as provided by

5546 Subsections (1) and (2) and subject to the powers and rules of the supervising agency:

5547       (a) supervise and regulate the construction, maintenance, ownership, and operation of

5548 all privatization projects within its jurisdiction or in which it has a contractual interest;

5549       (b) contract, by entry into agreements with private owner/operators for the provision

5550 within its jurisdiction of the services of privatization projects;

5551       (c) levy and collect taxes, as otherwise provided by law, and impose and collect

5552 assessments, fees, or charges for services provided by privatization projects, as appropriate,

5553 and, subject to any limitation imposed by the constitution, pledge, assign, or otherwise convey

5554 as security for the payment of its obligations under any agreements any revenues and receipts

5555 derived from any assessments, fees, or charges for services provided by privatization projects;

5556       (d) require the private owner/operator to obtain any and all licenses as appropriate

5557 under federal, state, and local law and impose other requirements which are necessary or

5558 desirable to discharge the responsibility of the political subdivision to supervise and regulate

5559 the construction, maintenance, ownership, and operation of any privatization project;

5560       (e) control the right to contract, maintain, own, and operate any privatization project

5561 and the services provided in connection with that project within its jurisdiction;

5562       (f) purchase, lease, or otherwise acquire all or any part of a privatization project;

5563       (g) with respect to the services of any privatization project, control the right to

5564 establish or regulate the rates paid by the users of the services within the jurisdiction of the

5565 political subdivision;

5566       (h) agree that the sole and exclusive right to provide the services within its jurisdiction

5567 related to privatization projects be assumed by any private owner/operator;

5568       (i) contract for the lease or purchase of land, facilities, equipment, and vehicles for the

5569 operation of privatization projects;

5570       (j) lease, sell, or otherwise convey, as permitted by state and local law, but without any

5571 requirement of competitive public bidding, land, facilities, equipment, and vehicles, previously

5572 used in connection with privatization projects, to private owner/operators; and

5573       (k) establish policies for the operation of any privatization project within its

5574 jurisdiction or with respect to which it has a contractual interest, including hours of operation,

5575 the character and kinds of services, and other rules necessary for the safety of operating

5576 personnel.

5577 (4) Any political subdivision may enter into agreements with respect to privatization  
5578 projects. Agreements may contain provisions relating to, without limitation, any matter  
5579 provided for in this section or consistent with the purposes of this chapter.

5580 (5) Any agreement entered into between a political subdivision and a private  
5581 owner/operator for the provision of the services of a privatization project is considered an  
5582 exercise of that political subdivision's business or proprietary power binding upon its  
5583 succeeding governing authorities. Any agreement made by a political subdivision with a  
5584 private owner/operator for payment for services provided or to be provided may not be  
5585 construed to be an indebtedness or a lending of credit of the political subdivision within the  
5586 meaning of any constitutional or statutory restriction.

5587 (6) The provisions of the various laws of the state and the rules or ordinances of a  
5588 political subdivision which would otherwise require public bidding in respect to any matter  
5589 provided for in this chapter shall have no application to that matter.

5590 Section 128. Section **73-10d-7** is amended to read:

5591 **73-10d-7. Agreements by political subdivisions for privatization projects -- Joint**  
5592 **interests.**

5593 (1) Any one or more political subdivisions, or the United States or any of its agencies,  
5594 may enter into long-term agreements with any person for joint or cooperative action related to  
5595 the acquisition, construction, maintenance, ownership, operation, and improvement of  
5596 privatization projects in accordance with the terms, conditions, and consideration provided in  
5597 any long-term agreements. Any payments made by a political subdivision under a long-term  
5598 agreement for joint or cooperative action may not be construed to be an indebtedness of or a  
5599 lending of the credit of the political subdivision within the meaning of any constitutional or  
5600 statutory restriction, and, except as required by this chapter and the constitution, no election is  
5601 necessary for the authorization of any long-term agreement for joint or cooperative action.

5602 (2) Any one or more political subdivisions may construct, purchase, or otherwise  
5603 acquire joint interests in any privatization project or any part of a privatization project, for  
5604 common use with any private entity or other political subdivision, or may sell or lease to any  
5605 other political subdivision or person a partial interest in a privatization project. Political  
5606 subdivisions may finance their joint interests in privatization projects in the manner provided  
5607 for and subject to Title 11, Chapter 14, [~~Utah Municipal Bond~~] Local Government Bonding

- 5608 Act, if otherwise eligible thereunder to finance capital improvement.
- 5609 Section 129. **Repealer.**
- 5610 This bill repeals:
- 5611 Section **11-14-1, Municipality defined -- Bond issues authorized -- Purposes -- Use**
- 5612 **of bond proceeds -- Costs allowed.**
- 5613 Section **11-14-8, Election officials -- Filling vacancies.**
- 5614 Section **11-14-9, Election officials -- Oaths -- Powers and duties -- Expenses of**
- 5615 **determining qualified voters.**
- 5616 Section **11-14-12, Contest of election and legality of bonds -- Procedure.**

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**Legislative Review Note**  
**as of 12-7-04 8:42 AM**

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

**Office of Legislative Research and General Counsel**

**Interim Committee Note**  
**as of 12-08-04 10:39 AM**

The Government Operations Interim Committee recommended this bill.