

Representative John G. Mathis proposes the following substitute bill:

COUNTY TRUST FUND AMENDMENTS

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: John G. Mathis

Senate Sponsor: _____

LONG TITLE

General Description:

This bill modifies provisions relating to county tax stability and trust funds.

Highlighted Provisions:

This bill:

▶ authorizes a county legislative body to return interest and income from a tax stability and trust fund to the fund or to add the interest and income to the county's general fund;

▶ increases the maximum allowable balances in a tax stability and trust fund and indexes those maximum allowable balances to inflation; and

▶ authorizes counties to use up to 50% of the principal of a tax stability and trust fund for certain purposes if the county legislative body unanimously determines to use the principal.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:



26 17-36-52, as renumbered and amended by Chapter 133, Laws of Utah 2000
27 17-36-53, as renumbered and amended by Chapter 133, Laws of Utah 2000
28 17-36-54, as last amended by Chapter 105, Laws of Utah 2005

29

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

31 Section 1. Section 17-36-52 is amended to read:

32 **17-36-52. Tax stability and trust fund -- Deposit or investment of funds -- Use of**
33 **interest or other income.**

34 (1) All amounts in the tax stability and trust fund established by a county under Section
35 17-36-51 may be deposited or invested as provided in Section 51-7-11. These amounts may
36 also be transferred by the county treasurer to the state treasurer under Section 51-7-5 for the
37 treasurer's management and control under Title 51, Chapter 7, State Money Management Act.

38 (2) (a) The interest or other income realized from amounts in the tax stability and trust
39 fund ~~shall~~ may, at the discretion of the county legislative body:

40 (i) be returned to the general fund of the county during the fiscal year in which the
41 income or interest is paid to the extent the interest or income is required by the county to
42 provide for its purposes during that fiscal year~~[- Any amounts so returned may be used for all~~
43 ~~purposes as other amounts in such general fund. Any interest or income not so returned to the~~
44 ~~county's general fund shall be]; or~~

45 (ii) added to the principal of that county's tax stability and trust fund.

46 (b) If the county legislative body returns interest or other income to the general fund
47 under Subsection (2)(a)(i), that money may be used for all purposes as other amounts in the
48 general fund.

49 Section 2. Section 17-36-53 is amended to read:

50 **17-36-53. Tax stability and trust fund -- Amount in fund limited -- Disposition of**
51 **excess.**

52 (1) (a) The total amount in a county's tax stability and trust fund established under
53 Section 17-36-51 ~~[shall be limited to the percentage of the total taxable value of property in~~
54 ~~that county]~~ may not [to] exceed [the limits provided in the following schedule]:

55 [Total Taxable Value _____ Fund Limits _____ but not to]
56 [Percentage of _____ exceed:]

	[Taxable Value]	
57		
58	[Less than \$500,000,000	1.6% \$5,000,000]
59	[From 500,000,000]	
60	[to 1,500,000,000	1.0% 7,500,000]
61	[Over 1,500,000,000	.5% 15,000,000]

62 (i) in a county where the total taxable value of taxable property in the county is less
63 than \$500,000,000, 3.2% of taxable value of the property to a maximum of \$10,000,000;

64 (ii) in a county where the total taxable value of taxable property in the county is at least
65 \$500,000,000 but not more than \$1,500,000,000, 2.0% of taxable value of the property to a
66 maximum of \$15,000,000; or

67 (iii) in a county where the total taxable value of taxable property in the county is more
68 than \$1,500,000,000, 1.0% of taxable value of the property to a maximum of \$30,000,000.

69 (b) The maximum dollar amounts stated in Subsection (1)(a) shall increase each year
70 after 2007 by an amount equal to the percentage increase in the United States Bureau of Labor
71 Statistics Consumer Price Index over the previous year.

72 (2) If any excess occurs in the tax stability and trust fund over the percentage or
73 maximum dollar amounts specified in Subsection (1), this excess shall be transferred to the
74 general fund of the county and may be used for all purposes as other amounts in the general
75 fund are used.

76 (3) If any excess in the fund exists because of a decrease in total taxable value, that
77 excess may remain in the fund, but if the excess amount in the fund is decreased below the
78 limitations of the fund for any reason, the fund limitations established under Subsection (1)
79 apply.

80 Section 3. Section **17-36-54** is amended to read:

81 **17-36-54. Tax stability and trust fund -- Use of principal -- Determination of**
82 **necessity -- Election.**

83 [~~if the legislative body of a county that has established~~] (1) A county may use up to
84 50% of the principal of a tax stability and trust fund established under Section 17-36-51 if the
85 county legislative body, by a unanimous vote of all its members, determines that it is necessary
86 for purposes of that county to use [any] a portion of the principal of the fund[;] for:

87 (a) roads and transportation systems;

88 (b) emergency medical services;

89 (c) fire suppression;

90 (d) law enforcement; or

91 (d) drug remediation and treatment.

92 (2) A county may use any portion of the principal of a tax stability and trust fund
93 established under Section 17-36-51 if:

94 (a) the county legislative body [~~shall submit this~~] submits the proposition to the
95 [electorate] voters of that county in a special election called and held in the manner provided
96 for in Title 11, Chapter 14, Local Government Bonding Act, for the holding of bond elections[-
97 If the proposition is approved at this special election by]; and

98 (b) a majority of the [~~qualified electors of the county~~] voters voting at the election[-
99 then that portion of the principal of the fund covered by the proposition may be transferred]
100 vote in favor of the proposition.

101 (3) If the use of principal in the tax stability and trust fund is approved under
102 Subsection (1) or (2), the county treasurer shall transfer that amount to the county's general
103 fund for use for purposes of that county.