

**Senator John L. Valentine** proposes the following substitute bill:

**BOND ELECTION NOTIFICATION REVISIONS**

2010 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Gregory H. Hughes**

Senate Sponsor: Daniel R. Liljenquist

Cosponsor: Sheryl L. Allen

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**LONG TITLE**

**General Description:**

This bill modifies notice and ballot requirements for bond elections.

**Highlighted Provisions:**

This bill:

- ▶ requires a voter information pamphlet to be prepared for certain bond elections and mailed to all households containing a registered voter who is eligible to vote on the bonds;
- ▶ requires additional information to be provided in a voter information pamphlet prepared for a bond election;
- ▶ changes ballot notification requirements by:
  - requiring additional information to be provided on the ballot;
  - deleting a provision requiring the type of bond to be identified on the ballot; and
  - deleting a provision requiring notification of payment sources if the bond is payable from tax proceeds and operating revenues; and
- ▶ makes technical changes.

**Monies Appropriated in this Bill:**

None



26 **Other Special Clauses:**

27 None

28 **Utah Code Sections Affected:**

29 AMENDS:

30 **11-14-202**, as last amended by Laws of Utah 2009, Chapter 388

31 **11-14-206**, as last amended by Laws of Utah 2007, Chapter 351



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

34 Section 1. Section **11-14-202** is amended to read:

35 **11-14-202. Notice of election -- Contents -- Publication -- Mailing.**

36 (1) The governing body shall ensure that notice of the election is ~~[published]~~ provided:

37 (a) (i) ~~[(A)]~~ once per week during three consecutive weeks by publication in a  
38 newspaper ~~[designated]~~ having general circulation in the local political subdivision in  
39 accordance with Section 11-14-316; and

40 ~~[(B)]~~ (ii) the first publication described in Subsection (1)(a)(i)~~[(A)]~~ occurs not less than  
41 21 nor more than 35 days before the election; ~~[and]~~

42 ~~[(C)] in a newspaper having general circulation in the local political subdivision; and]~~

43 (b) on a website, if available, in accordance with Section 45-1-101 for three weeks~~[-];~~

44 and

45 (c) in a local political subdivision where there is no newspaper of general circulation,  
46 by posting notice of the bond election in at least five public places in the local political  
47 subdivision at least 21 days before the election.

48 (2) When the debt service on the bonds to be issued will increase the property tax  
49 imposed upon the average value of a residence by an amount that is greater than or equal to \$15  
50 per year, the governing body shall~~[-]~~ prepare and mail a voter information pamphlet:

51 (a) at least seven days but not more than 30 days before the bond election~~[-; if the bond~~  
52 ~~election is not held on the date of a regular primary election, a municipal primary election, a~~  
53 ~~regular general election, or a municipal general election, either mail: (a) written notice of the~~  
54 ~~bond election on a minimum three inch by five inch postcard to every household containing a~~  
55 ~~registered voter who is eligible to vote on the bonds; or (b) a voter information pamphlet~~  
56 ~~prepared by the governing body, if one is prepared;];~~

57 (b) to each household containing a registered voter who is eligible to vote on the  
58 bonds; and

59 (c) that includes the information required by [Subsection] Subsections (3) and (4).

60 ~~[(3) (a) Except as provided in Subsection (3)(b), notice of the bond election need not~~  
61 ~~be posted.]~~

62 ~~[(b) (i) In a local political subdivision where there is no newspaper of general~~  
63 ~~circulation, the legislative body may require that notice of a bond election be given by posting~~  
64 ~~in lieu of the publication requirements of Subsection (1)(a)(i).]~~

65 ~~[(ii) When the governing body imposes a posting requirement, the governing body~~  
66 ~~shall ensure that notice of the bond election is posted in at least five public places in the local~~  
67 ~~political subdivision at least 21 days before the election.]~~

68 ~~[(4) Any notice]~~ (3) The notice and voter information pamphlet required by this  
69 section shall include:

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

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

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

73 (4) The voter information pamphlet required by this section shall include:

74 (a) the information required by Subsection (3); and

75 (b) an explanation of the property tax impact, if any, of the issuance of the bonds,  
76 which may be based on information the governing body determines to be useful, including:

77 (i) expected debt service on the bonds to be issued;

78 (ii) a description of the purpose, remaining principal balance, and maturity date of any  
79 outstanding general obligation bonds of the issuer;

80 (iii) funds other than property taxes available to pay debt service on general obligation  
81 bonds;

82 (iv) timing of expenditures of bond proceeds;

83 (v) property values; and

84 (vi) any additional information that the governing body determines may be useful to  
85 explain the property tax impact of issuance of the bonds.

86 (5) The governing body shall pay the costs associated with the notice required by this  
87 section.

88 Section 2. Section 11-14-206 is amended to read:

89 **11-14-206. Ballots -- Submission of ballot language -- Form and contents.**

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

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

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

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

97 (i) the maximum principal amount of the bonds;

98 (ii) the maximum number of years from the issuance of the bonds to final maturity;

99 (iii) the general purpose for which the bonds are to be issued; and

100 (iv) if issuance of the bonds will require the increase of the property tax imposed upon  
101 the average value of a residence by an amount that is greater than or equal to \$15 per year, the  
102 following information in substantially the following form:

103 [~~"NOTICE OF PROPERTY TAX INCREASE DUE TO BOND ISSUANCE]~~

104 [~~Passage of the proposition means that the tax on a (insert the average value of a~~  
105 ~~residence in the taxing entity rounded to the nearest thousand dollars) residence would~~  
106 ~~increase \$\_\_\_\_\_ per year.]~~

107 [~~The tax on a (insert the value of a business having the same value as the average value~~  
108 ~~of a residence in the taxing entity) business would increase \$\_\_\_\_\_ per year."]~~

109 **"PROPERTY TAX COST OF BONDS:**

110 If the bonds are issued as planned, an annual property tax to pay debt service on the  
111 bonds will be required over a period of \_\_\_\_\_ years in the estimated amount of \$ \_\_\_\_\_ on a  
112 (insert the average value of a residence in the taxing entity rounded to the nearest thousand  
113 dollars) residence and in the estimated amount of \$ \_\_\_\_\_ on a business property having the  
114 same value.

115 [If applicable] If there are other outstanding bonds, an otherwise scheduled tax  
116 decrease may not occur if these bonds are issued.

117 The foregoing information is only an estimate and is not a limit on the amount of taxes  
118 that the governing body may be required to levy in order to pay debt service on the bonds. The

119 governing body is obligated to levy taxes to the extent provided by law in order to pay the  
120 bonds."

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

124 (c) If the bonds are to be payable in part from tax proceeds and in part from the  
125 operating revenues of the local political subdivision, or from any combination of tax proceeds  
126 and operating revenues, the bond proposition [~~shall~~] may indicate those payment sources, but  
127 need not specify how the bonds are to be divided between those sources of payment.

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

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

133 (3) If a bond proposition is submitted to a vote on the same day as any other election  
134 held in the local political subdivision calling the bond election, the bond proposition may be  
135 combined with the candidate ballot in a manner consistent with Section 20A-6-301,  
136 20A-6-303, or 20A-6-402.

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

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**H.B. 321 1st Sub. (Buff) - Bond Election Notification Revisions**

**Fiscal Note**

2010 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**Individual, Business and/or Local Impact**

Enactment of this bill could result in increased mailing and publication costs for local governments.  
Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals or businesses.

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