



30 **9-4-1409**, as last amended by Laws of Utah 2009, Chapter 385  
31 **9-6-503**, as renumbered and amended by Laws of Utah 1992, Chapter 241  
32 **9-6-506**, as renumbered and amended by Laws of Utah 1992, Chapter 241  
33 **9-8-706**, as enacted by Laws of Utah 1991, Chapter 121  
34 **9-8-707**, as enacted by Laws of Utah 1991, Chapter 121  
35 **11-25-20**, as enacted by Laws of Utah 1977, Chapter 276  
36 **11-27-3**, as last amended by Laws of Utah 2005, Chapter 105  
37 **24-1-19**, as last amended by Laws of Utah 2008, Chapter 382  
38 **24-1-20**, as enacted by Laws of Utah 2004, Chapter 296  
39 **31A-23a-204**, as last amended by Laws of Utah 2009, Chapter 349  
40 **31A-23a-409**, as last amended by Laws of Utah 2009, Chapter 349  
41 **31A-28-113**, as last amended by Laws of Utah 2001, Chapter 161  
42 **31A-38-104**, as last amended by Laws of Utah 2005, Chapter 221  
43 **31A-41-304**, as enacted by Laws of Utah 2008, Chapter 220  
44 **34A-2-202.5**, as last amended by Laws of Utah 2009, Chapter 85  
45 **34A-2-704**, as last amended by Laws of Utah 2009, Chapter 288  
46 **35A-3-116**, as last amended by Laws of Utah 2009, Chapter 116  
47 **35A-3-205**, as last amended by Laws of Utah 2010, Chapter 286  
48 **35A-3-206**, as last amended by Laws of Utah 2003, Chapter 13  
49 **35A-4-107**, as last amended by Laws of Utah 1997, Chapter 375  
50 **35A-4-303**, as last amended by Laws of Utah 2008, Chapter 110  
51 **35A-4-507**, as last amended by Laws of Utah 2010, Chapters 277 and 278  
52 **36-24-101**, as enacted by Laws of Utah 2000, Chapter 82  
53 **38-11-102**, as last amended by Laws of Utah 2007, Chapter 84  
54 **40-6-14.5**, as last amended by Laws of Utah 2009, Chapter 183  
55 **40-10-25.1**, as last amended by Laws of Utah 2002, Chapter 256  
56 **40-10-27**, as last amended by Laws of Utah 2009, Chapters 344 and 388  
57 **41-1a-422**, as last amended by Laws of Utah 2010, Chapters 139, 166, 369, and 379

- 58           **41-12a-803**, as last amended by Laws of Utah 2008, Chapters 166 and 382
- 59           **51-7-3**, as last amended by Laws of Utah 2008, Chapter 360
- 60           **51-7a-101**, as enacted by Laws of Utah 2006, Chapter 277
- 61           **51-8-102**, as last amended by Laws of Utah 2009, Chapter 182
- 62           **51-9-402**, as last amended by Laws of Utah 2010, Chapter 402
- 63           **51-9-404**, as last amended by Laws of Utah 2008, Chapter 339 and renumbered and
- 64 amended by Laws of Utah 2008, Chapter 382
- 65           **51-9-411**, as last amended by Laws of Utah 2008, Chapter 216 and renumbered and
- 66 amended by Laws of Utah 2008, Chapter 382
- 67           **51-9-504**, as last amended by Laws of Utah 2010, Chapter 176
- 68           **51-9-602**, as last amended by Laws of Utah 2009, First Special Session, Chapter 4
- 69           **52-5-102**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 70           **53-1-117**, as last amended by Laws of Utah 2008, Chapter 382
- 71           **53-2-109**, as enacted by Laws of Utah 1997, Chapter 281
- 72           **53-2-403**, as last amended by Laws of Utah 2010, Chapter 370
- 73           **53-2-404**, as last amended by Laws of Utah 2010, Chapter 370
- 74           **53-2-405**, as last amended by Laws of Utah 2009, Chapter 77
- 75           **53A-1-612**, as last amended by Laws of Utah 2008, Chapter 382
- 76           **53A-1-708**, as enacted by Laws of Utah 2004, Chapter 265
- 77           **53A-1-903**, as enacted by Laws of Utah 2005, First Special Session, Chapter 2
- 78           **53A-1a-108**, as last amended by Laws of Utah 2008, Chapters 157, 178, and 332
- 79           **53A-1a-601**, as last amended by Laws of Utah 2008, Chapter 382
- 80           **53A-1a-706**, as enacted by Laws of Utah 2005, Chapter 35
- 81           **53A-1a-806**, as enacted by Laws of Utah 2007, Chapter 30
- 82           **53A-4-205**, as last amended by Laws of Utah 2008, Chapter 310
- 83           **53A-16-107.1**, as last amended by Laws of Utah 2010, Chapter 160
- 84           **53A-17a-105**, as repealed and reenacted by Laws of Utah 2010, Chapter 399
- 85           **53A-17a-111**, as last amended by Laws of Utah 2010, Chapter 3

86           **53A-17a-121**, as last amended by Laws of Utah 2010, Chapter 3  
87           **53A-17a-123.5**, as last amended by Laws of Utah 2010, Chapter 3  
88           **53A-17a-134**, as last amended by Laws of Utah 2010, Chapter 399  
89           **53A-17a-144**, as last amended by Laws of Utah 2003, Chapters 88 and 221  
90           **53A-17a-150**, as enacted by Laws of Utah 2004, Chapter 305  
91           **53A-28-301**, as enacted by Laws of Utah 1996, Chapter 62  
92           **53A-28-302**, as last amended by Laws of Utah 2005, Chapter 105  
93           **53A-28-401**, as last amended by Laws of Utah 2007, Chapter 306  
94           **53A-28-402**, as enacted by Laws of Utah 1996, Chapter 62  
95           **53B-8a-103**, as last amended by Laws of Utah 2010, Chapter 6  
96           **53B-13-107**, as enacted by Laws of Utah 1987, Chapter 167  
97           **53B-21-105**, as last amended by Laws of Utah 1992, Chapter 271  
98           **53C-3-202**, as last amended by Laws of Utah 2010, Chapter 79  
99           **54-4-15.2**, as enacted by Laws of Utah 1973, Chapter 118  
100          **54-7-17**, as last amended by Laws of Utah 2009, Chapter 388  
101          **54-8b-10**, as last amended by Laws of Utah 2008, Chapter 382  
102          **54-9-106**, as last amended by Laws of Utah 2005, Chapter 105  
103          **58-63-103**, as enacted by Laws of Utah 2003, Chapter 308  
104          **59-2-1365**, as repealed and reenacted by Laws of Utah 1997, Chapter 54  
105          **59-9-102.5**, as last amended by Laws of Utah 2009, Chapter 85  
106          **59-12-103**, as last amended by Laws of Utah 2010, Chapter 412  
107          **59-21-1**, as last amended by Laws of Utah 2008, Chapter 360  
108          **59-21-2**, as last amended by Laws of Utah 2010, Chapter 278  
109          **61-2e-203**, as enacted by Laws of Utah 2009, Chapter 269  
110          **62A-1-119**, as enacted by Laws of Utah 2009, Chapter 359  
111          **62A-15-102**, as last amended by Laws of Utah 2009, Chapter 75  
112          **63A-8-301**, as last amended by Laws of Utah 2006, Chapter 65  
113          **63B-1b-402**, as renumbered and amended by Laws of Utah 2008, Chapter 382

- 114            **63B-2-111**, as enacted by Laws of Utah 1993, Chapter 304
- 115            **63B-2-211**, as enacted by Laws of Utah 1993, Chapter 304
- 116            **63B-3-111**, as enacted by Laws of Utah 1994, Chapter 300
- 117            **63B-3-211**, as enacted by Laws of Utah 1994, Chapter 300
- 118            **63B-4-111**, as enacted by Laws of Utah 1995, Chapter 329
- 119            **63B-5-111**, as enacted by Laws of Utah 1996, Chapter 335
- 120            **63B-6-111**, as enacted by Laws of Utah 1997, Chapter 391
- 121            **63B-6-211**, as enacted by Laws of Utah 1997, Chapter 270
- 122            **63B-6-304**, as enacted by Laws of Utah 1997, Chapter 270
- 123            **63B-6-411**, as enacted by Laws of Utah 1997, Chapter 391
- 124            **63B-7-111**, as enacted by Laws of Utah 1998, Chapter 67
- 125            **63B-7-211**, as enacted by Laws of Utah 1998, Chapter 316
- 126            **63B-7-304**, as enacted by Laws of Utah 1998, Chapter 316
- 127            **63B-7-411**, as enacted by Laws of Utah 1998, Chapter 67
- 128            **63B-8-111**, as enacted by Laws of Utah 1999, Chapter 309
- 129            **63B-8-211**, as enacted by Laws of Utah 1999, Chapter 331
- 130            **63B-8-304**, as enacted by Laws of Utah 1999, Chapter 331
- 131            **63B-8-411**, as enacted by Laws of Utah 1999, Chapter 309
- 132            **63B-10-111**, as enacted by Laws of Utah 2001, Chapter 321
- 133            **63B-10-204**, as enacted by Laws of Utah 2001, Chapter 321
- 134            **63B-11-111**, as enacted by Laws of Utah 2002, Chapter 199
- 135            **63B-11-211**, as enacted by Laws of Utah 2002, Chapter 252
- 136            **63B-11-311**, as enacted by Laws of Utah 2002, Chapter 278
- 137            **63B-11-404**, as enacted by Laws of Utah 2002, Chapter 278
- 138            **63B-11-511**, as enacted by Laws of Utah 2002, Chapter 266
- 139            **63B-11-604**, as enacted by Laws of Utah 2002, Chapter 266
- 140            **63C-6-104**, as last amended by Laws of Utah 2007, Chapter 66
- 141            **63C-11-301**, as repealed and reenacted by Laws of Utah 2009, Chapter 369

- 142           **63C-11-304**, as repealed and reenacted by Laws of Utah 2009, Chapter 369
- 143           **63E-2-110**, as enacted by Laws of Utah 2001, Chapter 201
- 144           **63G-1-201**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 145           **63J-1-104**, as last amended by Laws of Utah 2010, Chapters 278 and 391
- 146           **63J-1-206**, as last amended by Laws of Utah 2010, Chapter 3
- 147           **63J-1-210**, as renumbered and amended by Laws of Utah 2009, Chapter 183
- 148           **63J-1-312**, as renumbered and amended by Laws of Utah 2009, Chapter 183
- 149           **63J-1-602.5**, as enacted by Laws of Utah 2010, Chapter 265
- 150           **63J-3-205**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 151           **63M-1-303**, as last amended by Laws of Utah 2008, Chapter 378 and renumbered and
- 152 amended by Laws of Utah 2008, Chapter 382
- 153           **63M-1-1207**, as last amended by Laws of Utah 2008, Chapter 18 and renumbered and
- 154 amended by Laws of Utah 2008, Chapter 382
- 155           **63M-1-1218**, as last amended by Laws of Utah 2009, Chapter 143
- 156           **63M-1-1406**, as last amended by Laws of Utah 2009, Chapter 394
- 157           **63M-7-511**, as last amended by Laws of Utah 2008, Chapter 339 and renumbered and
- 158 amended by Laws of Utah 2008, Chapter 382
- 159           **63M-7-514**, as last amended by Laws of Utah 2008, Chapter 339 and renumbered and
- 160 amended by Laws of Utah 2008, Chapter 382
- 161           **65A-8-103**, as renumbered and amended by Laws of Utah 2007, Chapter 136
- 162           **65A-8-205**, as renumbered and amended by Laws of Utah 2007, Chapter 136
- 163           **67-3-1**, as last amended by Laws of Utah 2008, Chapters 360 and 382
- 164           **67-4-11**, as last amended by Laws of Utah 1998, Chapter 14
- 165           **67-5-1**, as last amended by Laws of Utah 2007, Chapter 48
- 166           **67-19d-201**, as enacted by Laws of Utah 2007, Chapter 99
- 167           **70D-3-402**, as enacted by Laws of Utah 2009, Chapter 72
- 168           **72-2-117**, as last amended by Laws of Utah 2008, Chapter 382
- 169           **72-2-117.5**, as last amended by Laws of Utah 2010, Chapter 263

- 170 72-2-121.2, as last amended by Laws of Utah 2010, Chapter 263
- 171 72-2-122, as last amended by Laws of Utah 2008, Chapter 382
- 172 72-2-205, as renumbered and amended by Laws of Utah 1998, Chapter 270
- 173 73-10-8, as last amended by Laws of Utah 1999, Chapter 365
- 174 73-10-30, as last amended by Laws of Utah 1988, Chapter 169
- 175 73-10c-5, as last amended by Laws of Utah 2007, Chapter 142
- 176 73-26-302, as last amended by Laws of Utah 2006, Chapter 84
- 177 73-28-202, as enacted by Laws of Utah 2006, Chapter 216
- 178 73-28-404, as last amended by Laws of Utah 2009, Chapter 183
- 179 76-8-401, as last amended by Laws of Utah 1999, Chapter 106
- 180 77-18-1.1, as last amended by Laws of Utah 2009, Chapter 337
- 181 77-28-1, as enacted by Laws of Utah 1980, Chapter 15
- 182 79-5-503, as renumbered and amended by Laws of Utah 2009, Chapter 344

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

185 Section 1. Section 4-2-8.5 is amended to read:

186 **4-2-8.5. Salinity Offset Fund.**

187 (1) As used in this section, "Colorado River Salinity Offset Program" means a  
188 program, administered by the Division of Water Quality, allowing oil, gas, or mining  
189 companies and other entities to provide funds to finance salinity reduction projects in the  
190 Colorado River Basin by purchasing salinity credits as offsets against discharges made by the  
191 company under permits issued by the Division of Water Quality.

192 (2) (a) There is created a restricted special revenue fund known as the "Salinity Offset  
193 Fund."

194 (b) The fund shall consist of:

195 (i) [~~monies~~] money received from the Division of Water Quality that [~~have~~] has been  
196 collected as part of the Colorado River Salinity Offset Program;

197 (ii) grants from local governments, the state, or the federal government;

198 (iii) grants from private entities; and  
199 (iv) interest on fund [monies] money.  
200 (3) Any unallocated balance in the fund at the end of a fiscal year is nonlapsing.  
201 (4) (a) The department shall:  
202 (i) subject to the rules established under Subsection (4)(a)(ii), distribute fund [monies]  
203 money to farmers, ranchers, mutual irrigation companies, and other entities in the state to assist  
204 in financing irrigation, rangeland, and watershed improvement projects that will, in accordance  
205 with the Colorado River Salinity Offset Program, reduce salinity in the Colorado River; and  
206 (ii) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
207 make rules establishing:  
208 (A) a project funding application process;  
209 (B) project funding requirements;  
210 (C) project approval criteria; and  
211 (D) standards for evaluating the effectiveness of funded projects in reducing salinity in  
212 the Colorado River.  
213 (b) The department may require entities seeking fund [monies] money to provide  
214 matching funds.  
215 (c) The department shall submit to the Water Quality Board's executive secretary  
216 proposed funding projects for the executive secretary's review and approval.  
217 (5) The department may use fund [monies] money for the administration of the fund,  
218 but this amount may not exceed 10% of the annual receipts to the fund.  
219 Section 2. Section **4-20-3** is amended to read:  
220 **4-20-3. Rangeland Improvement Account distribution.**  
221 (1) The department shall distribute restricted account money as provided in this  
222 section.  
223 (a) The department shall:  
224 (i) distribute pro rata to each school district the [monies] money received by the state  
225 under Subsection 4-20-2(1)(b)(i) from the sale or lease of public lands based upon the amount

226 of revenue generated from the sale or lease of public lands within the district; and  
227 (ii) ensure that all [~~monies~~] money generated from the sale or lease of public lands  
228 within a school district [~~are~~] is credited and deposited to the general school fund of that school  
229 district.

230 (b) (i) After the commissioner approves a request from a regional board, the  
231 department shall distribute pro rata to each regional board [~~monies~~] money received by the  
232 state under Subsection 4-20-2(1)(b)(i) from fees based upon the amount of revenue generated  
233 from the imposition of fees within that grazing district.

234 (ii) The regional board shall expend [~~monies~~] money received in accordance with  
235 Subsection (2).

236 (c) (i) The department shall distribute or expend [~~monies~~] money received by the state  
237 under Subsections 4-20-2(1)(b)(ii) through (iv) for the purposes outlined in Subsection (2).

238 (ii) The department may require entities seeking funding from sources outlined in  
239 Subsections 4-20-2(1)(b)(ii) through (iv) to provide matching funds.

240 (2) The department shall ensure that restricted account distributions or expenditures  
241 under Subsections (1)(b) and (c) are used for:

- 242 (a) range improvement and maintenance;
- 243 (b) the control of predatory and depredating animals;
- 244 (c) the control, management, or extermination of invading species, range damaging  
245 organisms, and poisonous or noxious weeds;
- 246 (d) the purchase or lease of lands for the benefit of a grazing district;
- 247 (e) watershed protection, development, distribution, and improvement; and
- 248 (f) the general welfare of livestock grazing within a grazing district.

249 Section 3. Section **9-3-606** is amended to read:

250 **9-3-606. Authority -- Powers.**

251 (1) The authority shall:

- 252 (a) facilitate or operate and maintain a scenic and historic railroad in and around Weber  
253 and Box Elder Counties;

254 (b) facilitate or operate and maintain one or more railroad history museums in and  
255 around Weber and Box Elder Counties;

256 (c) facilitate the restoration, preservation, and public display of railroad artifacts and  
257 heritage in and around Weber and Box Elder Counties; and

258 (d) facilitate the restoration, preservation, and operation of historically significant  
259 railroad related properties in and around Weber and Box Elder Counties for public benefit.

260 (2) The authority has perpetual succession as a body politic and corporate and may:

261 (a) adopt, amend, and repeal policies and procedures for the regulation of its affairs and  
262 the conduct of its business;

263 (b) sue and be sued in its own name;

264 (c) maintain an office at a place or places it designates within the state;

265 (d) adopt, amend, and repeal bylaws and rules, consistent with this part, to carry into  
266 effect the powers and purposes of the authority and the conduct of its business;

267 (e) purchase, lease, sell, and otherwise dispose of property and rights-of-way;

268 (f) employ experts and other professionals it considers necessary;

269 (g) employ and retain independent legal counsel;

270 (h) make and execute contracts and all other instruments necessary or convenient for  
271 the performance of its duties under this part as described in Subsection (1);

272 (i) procure insurance for liability and against any loss in connection with its property  
273 and other assets in amounts and from insurers it considers desirable;

274 (j) receive appropriations from the Legislature and receive other public [~~moneys~~]  
275 money and accept aid or contributions from any source of money, property, labor, or other  
276 things of value to be held, used, and applied to carry out the purposes of this part, subject to the  
277 conditions upon which the grants and contributions are made, including gifts or grants from a  
278 department, agency, or instrumentality of the United States or of this state for any purpose  
279 consistent with this part;

280 (k) enter into agreements with a department, agency, or instrumentality of the United  
281 States or this state for the purpose of providing for the operation and maintenance of a scenic

282 railway in and around Weber and Box Elder Counties; and

283 (1) do any act necessary or convenient to the exercise of the powers granted to the  
284 authority by this part.

285 (3) (a) All [~~moneys~~] money received by the authority under Subsection (2)(j) and from  
286 any other source [~~are~~] is for the exclusive use of the authority in the performance and exercise  
287 of its duties under this part as described in Subsection (1).

288 (b) [~~Moneys~~] Money received by the authority may not be used for any other purpose or  
289 by any other entity.

290 Section 4. Section **9-4-630** is amended to read:

291 **9-4-630. Investment in authority authorized.**

292 (1) The state, public officers, political subdivisions, public bodies, banks, bankers, trust  
293 companies, savings banks and institutions, building and loan associations, savings and loan  
294 associations, investment companies, insurance companies, insurance associations, other  
295 persons carrying on a banking or insurance business, executors, administrators, guardians,  
296 trustees, and other fiduciaries may legally invest money or funds belonging to them or within  
297 their control in any bonds or other obligations issued by a housing authority created under this  
298 part or issued by any public housing authority or agency in the United States, any of its  
299 territories, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands.

300 (2) These bonds or other obligations shall be secured by a pledge of annual  
301 contributions or other financial assistance to be paid by the United States government or any of  
302 its agencies, or by an agreement between the United States government or any of its agencies  
303 and the public housing authority or agency in which the United States government or its agency  
304 agrees to lend to the public housing authority or agency, prior to the maturity of the bonds or  
305 other obligations, [~~moneys~~] money in an amount which, together with any other [~~moneys~~]  
306 money irrevocably committed to the payment of interest on the bonds or other obligations, will  
307 suffice to pay the principal of the bonds or other obligations with interest to maturity.

308 (3) [~~These moneys~~] The money, under the terms of the agreement, shall be required to  
309 be used for this purpose, and the bonds and other obligations shall be authorized security for all

310 public deposits and shall be fully negotiable in this state.

311 (4) Nothing contained in this section may be construed to relieve any person, firm, or  
312 corporation from any duty of exercising reasonable care in selecting securities.

313 (5) The provisions of this section apply notwithstanding any restrictions on  
314 investments contained in other laws.

315 Section 5. Section **9-4-704** is amended to read:

316 **9-4-704. Distribution of fund money.**

317 (1) The executive director shall:

318 (a) make grants and loans from the fund for any of the activities authorized by Section  
319 9-4-705, as directed by the board;

320 (b) establish the criteria with the approval of the board by which loans and grants will  
321 be made; and

322 (c) determine with the approval of the board the order in which projects will be funded.

323 (2) The executive director shall distribute, as directed by the board, any federal  
324 [~~moneys~~] money contained in the fund according to the procedures, conditions, and restrictions  
325 placed upon the use of [~~those moneys~~] the money by the federal government.

326 (3) (a) The executive director shall distribute, as directed by the board, any funds  
327 received pursuant to Section 17C-1-412 to pay the costs of providing income targeted housing  
328 within the community that created the community development and renewal agency under Title  
329 17C, Limited Purpose Local Government Entities - Community Development and Renewal  
330 Agencies Act.

331 (b) As used in Subsection (3)(a):

332 (i) "Community" has the meaning as defined in Section 17C-1-102.

333 (ii) "Income targeted housing" has the meaning as defined in Section 17C-1-102.

334 (4) Except federal money and money received under Section 17C-1-412, the executive  
335 director shall distribute, as directed by the board, all other [~~moneys~~] money from the fund  
336 according to the following requirements:

337 (a) Not less than 30% of all fund [~~moneys~~] money shall be distributed to rural areas of

338 the state.

339 (b) At least 50% of the [~~moneys~~] money in the fund shall be distributed as loans to be  
340 repaid to the fund by the entity receiving them.

341 (i) (A) Of the fund [~~moneys~~] money distributed as loans, at least 50% shall be  
342 distributed to benefit persons whose annual income is at or below 50% of the median family  
343 income for the state.

344 (B) The remaining loan [~~moneys~~] money shall be distributed to benefit persons whose  
345 annual income is at or below 80% of the median family income for the state.

346 (ii) The executive director or the executive director's designee shall lend [~~moneys~~]  
347 money in accordance with this Subsection (4) at a rate based upon the borrower's ability to pay.

348 (c) Any fund [~~moneys~~] money not distributed as loans shall be distributed as grants.

349 (i) At least 90% of the fund [~~moneys~~] money distributed as grants shall be distributed  
350 to benefit persons whose annual income is at or below 50% of the median family income for  
351 the state.

352 (ii) The remaining fund [~~moneys~~] money distributed as grants may be used by the  
353 executive director to obtain federal matching funds or for other uses consistent with the intent  
354 of this part, including the payment of reasonable loan servicing costs, but no more than 3% of  
355 the revenues of the fund may be used to offset other department or board administrative  
356 expenses.

357 (5) The executive director may with the approval of the board:

358 (a) enact rules to establish procedures for the grant and loan process by following the  
359 procedures and requirements of Title 63G, Chapter 3, Utah Administrative Rulemaking Act;  
360 and

361 (b) service or contract, pursuant to Title 63G, Chapter 6, Utah Procurement Code, for  
362 the servicing of loans made by the fund.

363 Section 6. Section **9-4-707** is amended to read:

364 **9-4-707. Application process and priorities.**

365 (1) (a) In each calendar year that [~~moneys are~~] money is available from the fund for

366 distribution by the executive director under the direction of the board, the director shall, at least  
367 once in that year, announce a grant and loan application period by sending notice to interested  
368 persons.

369 (b) The executive director shall accept applications which are received in a timely  
370 manner.

371 (2) The executive director shall give first priority to applications for projects and  
372 activities that use existing privately owned housing stock, including privately owned housing  
373 stock purchased by nonprofit public development authorities.

374 (3) Preference shall be given to applications that demonstrate the following:

375 (a) a high degree of leverage with other sources of financing;

376 (b) high recipient contributions to total project costs, including allied contributions  
377 from other sources such as professional, craft and trade services, and lender interest rate  
378 subsidies;

379 (c) high local government project contributions in the form of infrastructure  
380 improvements, or other assistance;

381 (d) projects that encourage ownership, management, and other project-related  
382 responsibility opportunities;

383 (e) projects that demonstrate a strong probability of serving the original target group or  
384 income level for a period of at least 15 years;

385 (f) projects where the applicant has demonstrated the ability, stability, and resources to  
386 complete the project;

387 (g) projects that appear to serve the greatest need;

388 (h) projects that provide housing for persons and families with the lowest income;

389 (i) projects that promote economic development benefits;

390 (j) projects that allow integration into a local government housing plan; and

391 (k) projects that would mitigate or correct existing health, safety, or welfare problems.

392 (4) Consideration may be given to projects that increase the supply of accessible  
393 housing.

394 Section 7. Section **9-4-708** is amended to read:

395 **9-4-708. Annual accounting.**

396 (1) The executive director shall monitor the activities of recipients of grants and loans  
397 issued under this part on a yearly basis to ensure compliance with the terms and conditions  
398 imposed on the recipient by the director with the approval of the board or by this part.

399 (2) The entities receiving grants or loans shall provide the executive director with an  
400 annual accounting of how the [~~moneys~~] money they received from the fund [~~have~~] has been  
401 spent.

402 (3) The executive director shall make an annual report to the board accounting for the  
403 expenditures authorized by the board.

404 (4) The board shall submit an annual written report to the Workforce Services and  
405 Community and Economic Development Interim Committee before December 1 of each year:

406 (a) accounting for expenditures authorized by the board; and

407 (b) evaluating the effectiveness of the program.

408 Section 8. Section **9-4-914** is amended to read:

409 **9-4-914. Capital reserve funds -- Capital reserve fund requirement --**

410 **Establishment of other funds.**

411 (1) (a) (i) The corporation may create and establish one or more reserve funds, herein  
412 referred to as "capital reserve funds," from:

413 (A) any proceeds of sale of notes or bonds, to the extent provided in the resolution or  
414 resolutions of the corporation authorizing the issuance thereof;

415 (B) any [~~moneys~~] money appropriated and made available by the state for the purpose  
416 of the funds;

417 (C) any [~~moneys~~] money directed by the corporation to be transferred to the funds; and

418 (D) any other [~~moneys~~] money which may be made available to the corporation for the  
419 purpose of the funds from any other source or sources.

420 (ii) All [~~moneys~~] money held in any capital reserve fund shall be used, as required,  
421 solely for the payment of the principal of bonds or of the sinking fund payments with respect to

422 the bonds, the purchase or redemption of bonds, the payment of interest on bonds, or the  
423 payment of any redemption premium required to be paid when the bonds are redeemed prior to  
424 maturity.

425 (b) (i) [~~Monies~~] Money in any capital reserve fund may not be withdrawn from the  
426 fund at any time in an amount as would reduce the level of [~~monies~~] money in the fund to less  
427 than the capital reserve fund requirement, except for the purpose of paying principal and  
428 redemption price of and interest on bonds and the sinking fund payments, as the payments  
429 become due and for the payment of which other [~~monies~~] money of the corporation [~~are~~] is not  
430 available.

431 (ii) Any income or interest earned by the investment of [~~monies~~] money held in any  
432 fund may be transferred by the corporation to other funds or accounts of the corporation to the  
433 extent that the transfer does not reduce the amount of the fund to below the capital reserve fund  
434 requirement.

435 (c) The corporation may provide by resolution or resolutions that it may not issue  
436 bonds under a resolution or resolutions at any time if upon issuance the amount in the capital  
437 reserve fund which will secure the bonds shall be less than the capital reserve fund  
438 requirement, unless the corporation at the time of issuance of the bonds shall deposit in the  
439 fund from the proceeds of the bonds to be so issued, or other sources, an amount which,  
440 together with the amount then in the fund, may not be less than the capital reserve fund  
441 requirement.

442 (d) In computing the amount of the capital reserve funds for the purpose of this part,  
443 securities in which all or a portion of the funds shall be invested shall be valued at par, cost, or  
444 by other method of valuation as the corporation may provide by resolution.

445 (e) (i) "Capital reserve fund requirement" means, as of any particular date of  
446 computation, and with respect to any particular issue of bonds, an amount as the corporation  
447 may provide, or may have previously provided, by resolution, which amount may be in the  
448 form of a sum certain or a formula.

449 (ii) In establishing reserves and setting capital reserve fund requirements, the

450 corporation shall consider the following:

451 (A) the qualifications for obtaining an investment grade rating from one or more  
452 nationally recognized bond rating agencies;

453 (B) the economic feasibility and marketability of the bonds being issued, taking into  
454 account all security for the bonds, including the capital reserve fund; and

455 (C) applicable requirements pertaining to reserve funds under federal and state income  
456 tax laws and regulations.

457 (f) (i) To assure the continued operation and solvency of the corporation for carrying  
458 out of its corporate purposes, provision is made in Subsection (1)(b) for the accumulation in  
459 the capital reserve funds of an amount equal to the maximum capital reserve fund requirement.

460 (ii) The president of the corporation shall annually, on or before December first, certify  
461 to the governor and to the director of finance the amount, if any, required to restore the capital  
462 reserve funds to the capital reserve fund requirement.

463 (iii) The governor may request from the Legislature an appropriation of the certified  
464 amount to restore the capital reserve funds to the capital reserve fund requirement.

465 (g) Amounts appropriated, if any, shall be repaid to the General Fund of the state, from  
466 any [~~monies~~] money in excess of the amounts which the corporation determines will keep it  
467 self-supporting.

468 (2) The corporation may create and establish any other funds as may be necessary or  
469 desirable for its corporate purposes.

470 Section 9. Section **9-4-1409** is amended to read:

471 **9-4-1409. Qualified Emergency Food Agencies Fund -- Expenditure of revenues.**

472 (1) As used in this section:

473 (a) "Association of governments" means the following created under the authority of  
474 Title 11, Chapter 13, Interlocal Cooperation Act:

475 (i) an association of governments; or

476 (ii) a regional council that acts as an association of governments.

477 (b) "Food and food ingredients" is as defined in Section 59-12-102.

478 (c) "Pounds of food donated" means the aggregate number of pounds of food and food  
479 ingredients that are donated:

480 (i) to a qualified emergency food agency; and

481 (ii) by a person, other than an organization that as part of its activities operates a  
482 program that has as the program's primary purpose to:

483 (A) warehouse and distribute food to other agencies and organizations providing food  
484 and food ingredients to low-income persons; or

485 (B) provide food and food ingredients directly to low-income persons.

486 (d) "Qualified emergency food agency" means an organization that:

487 (i) is:

488 (A) exempt from federal income taxation under Section 501(c)(3), Internal Revenue  
489 Code; or

490 (B) an association of governments;

491 (ii) as part of its activities operates a program that has as the program's primary purpose  
492 to:

493 (A) warehouse and distribute food to other agencies and organizations providing food  
494 and food ingredients to low-income persons; or

495 (B) provide food and food ingredients directly to low-income persons; and

496 (iii) the office determines to be a qualified emergency food agency.

497 (2) There is created a restricted special revenue fund known as the Qualified  
498 Emergency Food Agencies Fund.

499 (3) (a) The Qualified Emergency Food Agencies Fund shall be funded by the sales and  
500 use tax revenues described in:

501 (i) Section 59-12-103;

502 (ii) Section 59-12-204; and

503 (iii) Section 59-12-1102.

504 (b) Any interest earned on the Qualified Emergency Food Agencies Fund shall be  
505 deposited into the General Fund.

506 (4) The office shall for a fiscal year distribute [~~monies~~] money deposited into the  
507 Qualified Emergency Food Agencies Fund to qualified emergency food agencies within the  
508 state as provided in this section.

509 (5) A qualified emergency food agency shall file an application with the office before  
510 the qualified emergency food agency may receive a distribution under this section.

511 (6) Except as provided in Subsection (7), the office shall for a fiscal year distribute to a  
512 qualified emergency food agency an amount equal to the product of:

513 (a) the pounds of food donated to the qualified emergency food agency during that  
514 fiscal year; and

515 (b) \$.12.

516 (7) If the [~~monies~~] money deposited into the Qualified Emergency Food Agencies Fund  
517 [~~are~~] is insufficient to make the distributions required by Subsection (6), the office shall make  
518 distributions to qualified emergency food agencies in the order that the office receives  
519 applications from the qualified emergency food agencies until all of the [~~monies~~] money  
520 deposited into the Qualified Emergency Food Agencies Fund for the fiscal year [~~are~~] is  
521 expended.

522 (8) A qualified emergency food agency may expend a distribution received in  
523 accordance with this section only for a purpose related to:

524 (a) warehousing and distributing food and food ingredients to other agencies and  
525 organizations providing food and food ingredients to low-income persons; or

526 (b) providing food and food ingredients directly to low-income persons.

527 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
528 Division of Housing and Community Development may make rules providing procedures for  
529 implementing the distributions required by this section, including:

530 (a) standards for determining and verifying the amount of a distribution that a qualified  
531 emergency food agency may receive;

532 (b) procedures for a qualified emergency food agency to apply for a distribution,  
533 including the frequency with which a qualified emergency food agency may apply for a

534 distribution; and

535 (c) consistent with Subsection (1)(d), determining whether an entity is a qualified  
536 emergency food agency.

537 Section 10. Section **9-6-503** is amended to read:

538 **9-6-503. Arts organization endowment funds.**

539 (1) Any Utah nonprofit arts organization may create an endowment fund into which  
540 there may be deposited [~~moneys~~] money from the state fund. The principal of each endowment  
541 fund may not be expended by the qualifying organization and shall be held in perpetuity solely  
542 by the qualifying organization or by the council on behalf of the qualifying organization. Only  
543 interest income earned on the amount in each endowment fund may be expended by the  
544 qualifying organization. The principal of each endowment fund shall be invested in accordance  
545 with Title 51, Chapter 7, State Money Management Act [~~of 1974~~].

546 (2) If a qualifying organization receives \$50,000 or more from the state fund, [~~these~~  
547 ~~moneys~~] the money shall be administered in accordance with generally accepted accounting  
548 principles by the qualifying organization's professional management. Amounts less than  
549 \$50,000 shall be placed in a state trust and agency fund invested by the state treasurer, who  
550 shall allocate interest income to the qualifying organization.

551 (3) If an endowment fund is invested by the state treasurer the costs for this  
552 administration shall be deducted from the interest income before allocations of interest income  
553 may be made to the qualifying organization.

554 Section 11. Section **9-6-506** is amended to read:

555 **9-6-506. Unallocated money.**

556 [~~Moneys~~] Money in the state fund that [~~are~~] is unallocated shall be reallocated by the  
557 board on a proportionate basis to qualifying organizations that raise 100% of their required  
558 match by the date determined under Subsection 9-6-505(5)(a).

559 Section 12. Section **9-8-706** is amended to read:

560 **9-8-706. Unallocated money.**

561 [~~Monies~~] Money in the state fund that [~~are~~] is unallocated shall be reallocated by the

562 division on a proportionate basis, not exceeding existing match, to qualifying organizations that  
563 raise more than 100% of their required match by the date determined by the board.

564 Section 13. Section **9-8-707** is amended to read:

565 **9-8-707. Spending restrictions -- Return of endowment.**

566 (1) A qualifying organization, once it has received its endowment money from the state  
567 fund, may not expend any of [~~those monies~~] the money or the required matching [~~monies~~]  
568 money in its endowment fund, but may expend only the interest income earned on the [~~monies~~]  
569 money in its endowment fund.

570 (2) If a qualifying organization expends any amount of the endowment money received  
571 from the state fund or any amount of the required matching [~~monies~~] money, the qualifying  
572 organization shall return the amount it received from the state fund. The division shall  
573 reallocate any such returned [~~monies~~] money to qualifying organizations in the manner as  
574 provided in Section 9-8-706.

575 Section 14. Section **11-25-20** is amended to read:

576 **11-25-20. Money received as trust funds -- Depository as trustee.**

577 All [~~moneys~~] money received pursuant to the provisions of this part, whether proceeds  
578 from the sale of bonds or revenues, shall be deemed to be trust funds to be held and applied  
579 solely as provided in this part. Any bank or trust company in which [~~these moneys are~~] the  
580 money is deposited shall act as trustee of the [~~moneys~~] money and shall hold and apply the  
581 same for the purposes specified in this part, subject to the terms of the resolution authorizing  
582 the bonds.

583 Section 15. Section **11-27-3** is amended to read:

584 **11-27-3. Action by resolution of governing body -- Purposes for bond issue --**  
585 **Exchange or sale -- Interest rate limitations inapplicable -- Principal amount --**  
586 **Investment of proceeds -- Safekeeping and application of proceeds -- Computing**  
587 **indebtedness -- Payment of bonds -- Combination issues -- Laws applicable to issuance --**  
588 **Payment from taxes or pledged revenues.**

589 (1) Any formal action taken by the governing body of a public body under the authority

590 of this chapter may be taken by resolution of that governing body.

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

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

597 (ii) to achieve a savings; or

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

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

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

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

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

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

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

643 (7) When a public body has irrevocably set aside for and pledged to the payment of  
644 bonds to be refunded proceeds of advance refunding bonds and other [~~monies~~] money in  
645 amounts which, together with known earned income from their investment, will be sufficient in

646 amount to pay the principal of, interest on, and any redemption premiums due on the bonds to  
647 be refunded as the same become due and to accomplish the refunding as scheduled, the  
648 refunded bonds shall be considered duly paid and discharged for the purpose of any applicable  
649 constitutional or statutory debt limitation.

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

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

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

662 Section 16. Section **24-1-19** is amended to read:

663 **24-1-19. Crime Reduction Assistance Program.**

664 (1) There is created the Crime Reduction Assistance Program.

665 (2) The program shall fund crime prevention and law enforcement activities that have  
666 the purpose of:

667 (a) deterring crime by depriving criminals of the profits and proceeds of their illegal  
668 activities;

669 (b) weakening criminal enterprises by removing the instrumentalities of crime;

670 (c) reducing crimes involving substance abuse by supporting the creation,

671 administration, or operation of drug court programs throughout the state;

672 (d) encouraging cooperation between local, state, and multijurisdictional law  
673 enforcement agencies;

674 (e) allowing the costs and expenses of law enforcement to be defrayed by the forfeited  
675 proceeds of crime; and

676 (f) increasing the equitability and accountability of the use of forfeited property used to  
677 assist law enforcement in reducing and preventing crime.

678 (3) (a) When property is forfeited under this chapter and transferred to the fund, the  
679 Commission on Criminal and Juvenile Justice shall make awards of [~~monies~~] money from the  
680 fund to state, local, or multijurisdictional law enforcement agencies or political subdivisions of  
681 the state in compliance with this section and to further the program purposes under Subsection  
682 (2).

683 (b) In granting the awards, the Commission on Criminal and Juvenile Justice shall  
684 ensure that the amount of each award takes into consideration:

- 685 (i) the demonstrated needs of the agency;
- 686 (ii) the demonstrated ability of the agency to appropriately use the award;
- 687 (iii) the degree to which the agency's need is offset through the agency's participation in  
688 federal equitable sharing or through other federal and state grant programs; and
- 689 (iv) the agency's cooperation with other state and local agencies and task forces.

690 (4) Agencies or political subdivisions shall apply for program awards by completing  
691 and submitting forms specified by the Commission on Criminal and Juvenile Justice.

692 (5) Applying agencies or political subdivisions shall demonstrate compliance with all  
693 reporting and policy requirements applicable under this chapter and under Title 63M, Chapter  
694 7, Criminal Justice and Substance Abuse, in order to qualify as a potential award recipient.

695 (6) Recipient law enforcement agencies may only use program award [~~monies~~] money  
696 after approval or appropriation by the agency's legislative body, and the award [~~monies are~~]  
697 money is nonlapsing.

698 (7) A recipient law enforcement agency or political subdivision shall use program  
699 awards only for law enforcement or controlled substance law enforcement purposes as  
700 described in Subsection (8), and only as these purposes are specified by the agency or political  
701 subdivision in its application for the award.

- 702 (8) Permissible law enforcement purposes for which award [~~monies~~] money may be  
703 used include:
- 704 (a) controlled substance interdiction and enforcement activities;
  - 705 (b) drug court programs;
  - 706 (c) activities calculated to enhance future investigations;
  - 707 (d) law enforcement training that includes:
    - 708 (i) implementation of the Fourth Amendment of the federal constitution and Utah  
709 Constitution Article I, Section 7, and addresses the protection of the individual's rights of due  
710 process;
    - 711 (ii) protection of the rights of innocent property holders; and
    - 712 (iii) the Tenth Amendment of the federal constitution regarding states' sovereignty and  
713 the states' reserved rights;
    - 714 (e) law enforcement or detention facilities;
    - 715 (f) law enforcement operations or equipment which are not routine costs or operational  
716 expenses;
    - 717 (g) drug, gang, or crime prevention education programs which are sponsored in whole  
718 or in part by the law enforcement agency or its legislative body; and
    - 719 (h) matching funds for other state or federal law enforcement grants.
  - 720 (9) Law enforcement purposes for which award [~~monies~~] money may not be granted or  
721 used include:
    - 722 (a) payment of salaries, retirement benefits, or bonuses to any person;
    - 723 (b) payment of enforcement expenses not related to law enforcement;
    - 724 (c) uses not specified in the agency's award application;
    - 725 (d) uses not approved or appropriated by the agency's legislative body;
    - 726 (e) payments, transfers, or pass-through funding to entities other than law enforcement  
727 agencies; or
    - 728 (f) uses, payments, or expenses that are not within the scope of the agency's functions.
  - 729 (10) For each fiscal year, any state, local, or multijurisdictional agency or political

730 subdivision that received a program award shall prepare, and file with the Utah Commission on  
731 Criminal and Juvenile Justice and the state auditor, a report in a form specified by the Utah  
732 Commission on Criminal and Juvenile Justice. The report shall include the following  
733 regarding each award:

- 734 (a) the agency's name;
- 735 (b) the amount of the award;
- 736 (c) the date of the award;
- 737 (d) how the award has been used; and
- 738 (e) a statement signed by both the agency's or political subdivision's executive officer  
739 or designee and by the agency's legal counsel, that:

740 (i) the agency or political subdivision has complied with all inventory, policy, and  
741 reporting requirements of this chapter;

742 (ii) all program awards were used for crime reduction or law enforcement purposes as  
743 specified in the application; and

744 (iii) and only upon approval or appropriation by the agency's or political subdivision's  
745 legislative body.

746 (11) The Utah Commission on Criminal and Juvenile Justice shall report in writing to  
747 the legislative Law Enforcement and Criminal Justice Interim Committee annually regarding  
748 the forfeited property transferred to the fund, awards made by the program, uses of program  
749 awards, and any equitable share of property forfeited by the federal government as reported by  
750 agencies pursuant to Subsection 24-1-15(3).

751 Section 17. Section **24-1-20** is amended to read:

752 **24-1-20. State Law Enforcement Forfeiture Account created -- Revenue sources --**  
753 **Use of account designated.**

754 (1) (a) There is created in the General Fund a restricted account called the State Law  
755 Enforcement Forfeiture Account.

756 (b) All [~~monies~~] money awarded to the Department of Public Safety or the Department  
757 of Corrections, or any division or agency within either department, through the Crime

758 Reduction Assistance Program created in Section 24-1-19 shall be deposited into the State Law  
759 Enforcement Forfeiture Account.

760 (c) All [~~monies~~] money previously deposited, or currently held in the Drug Forfeiture  
761 Account created in Section 58-37-20, and that [~~were~~] was in that account when it was repealed  
762 by Initiative B, which passed in 2000, and which became effective March 29, 2001, shall be  
763 transferred to and deposited in the State Law Enforcement Forfeiture Account created in this  
764 Subsection (1).

765 (2) The Department of Public Safety and the Department of Corrections may expend  
766 amounts as appropriated by the Legislature from the State Law Enforcement Forfeiture  
767 Account for law enforcement purposes or controlled substance law enforcement purposes as  
768 specified in Section 24-1-19.

769 (3) That portion of funds forfeited or that are required to be disbursed to other  
770 governmental entities under existing contractual agreements or Utah statutory requirements are  
771 exempt from this section.

772 (4) Funds forfeited as a result of the Salt Lake Airport Drug Program operated by the  
773 Department of Public Safety, not to exceed the Department of Public Safety's expenditure to  
774 that program, are exempt from this section.

775 (5) The Department of Public Safety and the Department of Corrections, as part of the  
776 annual legislative budget hearings, shall provide to the legislative Executive Offices and  
777 Criminal Justice Appropriations Subcommittee a complete accounting of expenditures and  
778 revenues from the funds received under this section.

779 (6) The Legislature may annually provide, in an appropriations act, legislative direction  
780 for anticipated expenditures of the [~~monies~~] money received under this section.

781 Section 18. Section ~~31A-23a-204~~ is amended to read:

782 **31A-23a-204. Special requirements for title insurance producers and agencies.**

783 A title insurance producer, including an agency, shall be licensed in accordance with  
784 this chapter, with the additional requirements listed in this section.

785 (1) (a) A person that receives a new license under this title as a title insurance agency,

786 shall at the time of licensure be owned or managed by one or more individuals who are  
787 licensed for at least three of the five years immediately proceeding the date on which the title  
788 insurance agency applies for a license with both:

789 (i) a search line of authority; and

790 (ii) an escrow line of authority.

791 (b) A title insurance agency subject to Subsection (1)(a) may comply with Subsection  
792 (1)(a) by having the title insurance agency owned or managed by:

793 (i) one or more individuals who are licensed with the search line of authority for the  
794 time period provided in Subsection (1)(a); and

795 (ii) one or more individuals who are licensed with the escrow line of authority for the  
796 time period provided in Subsection (1)(a).

797 (c) The Title and Escrow Commission may by rule, subject to Section 31A-2-404,  
798 exempt an attorney with real estate experience from the experience requirements in Subsection  
799 (1)(a).

800 (2) (a) A title insurance agency or producer appointed by an insurer shall maintain:

801 (i) a fidelity bond;

802 (ii) a professional liability insurance policy; or

803 (iii) a financial protection:

804 (A) equivalent to that described in Subsection (2)(a)(i) or (ii); and

805 (B) that the commissioner considers adequate.

806 (b) The bond, insurance, or financial protection required by this Subsection (2):

807 (i) shall be supplied under a contract approved by the commissioner to provide  
808 protection against the improper performance of any service in conjunction with the issuance of  
809 a contract or policy of title insurance; and

810 (ii) be in a face amount no less than \$50,000.

811 (c) The Title and Escrow Commission may by rule, subject to Section 31A-2-404,  
812 exempt title insurance producers from the requirements of this Subsection (2) upon a finding  
813 that, and only so long as, the required policy or bond is generally unavailable at reasonable

814 rates.

815 (3) A title insurance agency or producer appointed by an insurer may maintain a  
816 reserve fund to the extent [~~monies were~~] money was deposited before July 1, 2008, and not  
817 withdrawn to the income of the title insurance producer.

818 (4) An examination for licensure shall include questions regarding the search and  
819 examination of title to real property.

820 (5) A title insurance producer may not perform the functions of escrow unless the title  
821 insurance producer has been examined on the fiduciary duties and procedures involved in those  
822 functions.

823 (6) The Title and Escrow Commission shall adopt rules, subject to Section 31A-2-404,  
824 after consulting with the department and the department's test administrator, establishing an  
825 examination for a license that will satisfy this section.

826 (7) A license may be issued to a title insurance producer who has qualified:

827 (a) to perform only searches and examinations of title as specified in Subsection (4);

828 (b) to handle only escrow arrangements as specified in Subsection (5); or

829 (c) to act as a title marketing representative.

830 (8) (a) A person licensed to practice law in Utah is exempt from the requirements of  
831 Subsections (2) and (3) if that person issues 12 or less policies in any 12-month period.

832 (b) In determining the number of policies issued by a person licensed to practice law in  
833 Utah for purposes of Subsection (8)(a), if the person licensed to practice law in Utah issues a  
834 policy to more than one party to the same closing, the person is considered to have issued only  
835 one policy.

836 (9) A person licensed to practice law in Utah, whether exempt under Subsection (8) or  
837 not, shall maintain a trust account separate from a law firm trust account for all title and real  
838 estate escrow transactions.

839 Section 19. Section **31A-23a-409** is amended to read:

840 **31A-23a-409. Trust obligation for money collected.**

841 (1) (a) Subject to Subsection (7), a licensee is a trustee for [~~monies~~] money received or

842 collected for forwarding to insurers or to insureds.

843 (b) (i) Except as provided in Subsection (1)(b)(ii), a licensee may not commingle trust  
844 funds with:

845 (A) the licensee's own [~~monies~~] money; or

846 (B) [~~monies~~] money held in any other capacity.

847 (ii) This Subsection (1)(b) does not apply to:

848 (A) amounts necessary to pay bank charges; and

849 (B) [~~monies~~] money paid by insureds and belonging in part to the licensee as a fee or  
850 commission.

851 (c) Except as provided under Subsection (4), a licensee owes to insureds and insurers  
852 the fiduciary duties of a trustee with respect to money to be forwarded to insurers or insureds  
853 through the licensee.

854 (d) (i) Unless [~~monies are~~] money is sent to the appropriate payee by the close of the  
855 next business day after their receipt, the licensee shall deposit them in an account authorized  
856 under Subsection (2).

857 (ii) [~~Monies~~] Money deposited under this Subsection (1)(d) shall remain in an account  
858 authorized under Subsection (2) until sent to the appropriate payee.

859 (2) [~~Monies~~] Money required to be deposited under Subsection (1) shall be deposited:

860 (a) in a federally insured trust account in a depository institution, as defined in Section  
861 7-1-103, which:

862 (i) has an office in this state, if the licensee depositing the [~~monies~~] money is a resident  
863 licensee;

864 (ii) has federal deposit insurance; and

865 (iii) is authorized by its primary regulator to engage in the trust business, as defined by  
866 Section 7-5-1, in this state; or

867 (b) in some other account, approved by the commissioner by rule or order, providing  
868 safety comparable to federally insured trust accounts.

869 (3) It is not a violation of Subsection (2)(a) if the amounts in the accounts exceed the

870 amount of the federal insurance on the accounts.

871 (4) A trust account into which [~~monies are~~] money is deposited may be interest  
872 bearing. The interest accrued on the account may be paid to the licensee, so long as the  
873 licensee otherwise complies with this section and with the contract with the insurer.

874 (5) A depository institution or other organization holding trust funds under this section  
875 may not offset or impound trust account funds against debts and obligations incurred by the  
876 licensee.

877 (6) A licensee who, not being lawfully entitled to do so, diverts or appropriates any  
878 portion of the [~~monies~~] money held under Subsection (1) to the licensee's own use, is guilty of  
879 theft under Title 76, Chapter 6, Part 4, Theft. Section 76-6-412 applies in determining the  
880 classification of the offense. Sanctions under Section 31A-2-308 also apply.

881 (7) A nonresident licensee:

882 (a) shall comply with Subsection (1)(a) by complying with the trust account  
883 requirements of the nonresident licensee's home state; and

884 (b) is not required to comply with the other provisions of this section.

885 Section 20. Section **31A-28-113** is amended to read:

886 **31A-28-113. Credit for assessments paid.**

887 (1) (a) A member insurer may offset against its premium tax liability to this state an  
888 assessment described in Subsection 31A-28-109(2)(b) to the extent of 20% of the amount of  
889 the assessment for each of the five calendar years following the year in which the assessment  
890 was paid.

891 (b) To the extent that the offsets described in Subsection (1)(a) exceed premium tax  
892 liability, the offsets may be carried forward and used to offset premium tax liability in future  
893 years.

894 (c) If a member insurer ceases doing business, all uncredited assessments may be  
895 credited against its premium tax liability for the year it ceases doing business.

896 (2) (a) [~~Monies~~] Money shall be paid by the insurers to the state in a manner required by  
897 the State Tax Commission if the [~~monies~~] money:

898 (i) ~~[are]~~ is acquired by refund in accordance with Subsection 31A-28-109(6) from the  
899 association by member insurers; and

900 (ii) ~~[have]~~ has been offset against premium taxes as provided in Subsection (1).

901 (b) The association shall notify the commissioner that the refunds described in  
902 Subsection (2)(a) have been made.

903 Section 21. Section **31A-38-104** is amended to read:

904 **31A-38-104. Authorization -- Money transferred for reserves.**

905 (1) The Department of Workforce Services may:

906 (a) convert the bridge program to the state program through any of the following, or  
907 combination of the following, that the Department of Workforce Services considers best serves  
908 the needs of qualified participants:

909 (i) a contract with a licensed insurance company authorized to do business in the state;

910 (ii) through any other arrangement acceptable under the Trade Reform Act; or

911 (iii) a self-insurance program through a third party administrator as provided in

912 Subsection 31A-38-103(3)(b)(ii);

913 (b) (i) in cooperation with the Division of Finance, establish an appropriate state fund  
914 for the purpose of operation of the state program; and

915 (ii) transfer the balance of any ~~[monies]~~ money received under the bridge program into  
916 this fund; and

917 (c) obligate up to \$2,000,000 of the Workforce Services Special Administrative  
918 Expense Fund as reserves for the state program.

919 (2) The ~~[monies]~~ money in the fund created under Subsection (1)(b) ~~[are]~~ is:

920 (a) nonlapsing; and

921 (b) restricted to the purposes of the state program established under this chapter.

922 (3) The ~~[monies]~~ money in Subsection (1)(c) may be:

923 (a) used until the reserves in the state program become adequate; and

924 (b) transferred into or out of any fund created under Subsection (1)(b).

925 Section 22. Section **31A-41-304** is amended to read:

926           **31A-41-304. Insufficient funds to satisfy judgment.**

927           If the [~~monies~~] money in the fund [~~are~~] is insufficient to satisfy a claim ordered to be  
928 paid under Section 31A-41-303, when sufficient money is in the fund, the department shall pay  
929 a person with an unpaid claim:

930           (1) in the order that petitions related to unpaid claims are originally served on the  
931 department; and

932           (2) an amount equal to the sum of:

933           (a) the unpaid claim; and

934           (b) interest on the unpaid claim at a rate of 5% per annum from the date the court  
935 orders payment from the fund until the day on which the claim is paid.

936           Section 23. Section **34A-2-202.5** is amended to read:

937           **34A-2-202.5. Offset for occupational health and safety related donations.**

938           (1) As used in this section:

939           (a) "Occupational health and safety center" means the Rocky Mountain Center for  
940 Occupational and Environmental Health created in Title 53B, Chapter 17, Part 8, Rocky  
941 Mountain Center for Occupational and Environmental Health.

942           (b) "Qualified donation" means a donation that is:

943           (i) cash;

944           (ii) given directly to an occupational health and safety center; and

945           (iii) given exclusively for the purpose of:

946           (A) supporting graduate level education and training in fields of:

947           (I) safety and ergonomics;

948           (II) industrial hygiene;

949           (III) occupational health nursing; and

950           (IV) occupational medicine;

951           (B) providing continuing education programs for employers designed to promote  
952 workplace safety; and

953           (C) paying reasonable administrative, personnel, equipment, and overhead costs of the

954 occupational health and safety center.

955 (c) "Self-insured employer" is a self-insured employer as defined in Section  
956 34A-2-201.5 that is required to pay the assessment imposed under Section 34A-2-202.

957 (2) (a) A self-insured employer may offset against the assessment imposed under  
958 Section 34A-2-202 an amount equal to the lesser of:

959 (i) the total of qualified donations made by the self-insured employer in the calendar  
960 year for which the assessment is calculated; and

961 (ii) .10% of the self-insured employer's total calculated premium calculated under  
962 Subsection 34A-2-202(1)(d) for the calendar year for which the assessment is calculated.

963 (b) The offset provided under this Subsection (2) shall be allocated in proportion to the  
964 percentages provided in Subsection 59-9-101(2)(c).

965 (3) An occupational health and safety center shall:

966 (a) provide a self-insured employer a receipt for any qualified donation made by the  
967 self-insured employer to the occupational health and safety center;

968 (b) expend [~~monies~~] money received by a qualified donation:

969 (i) for the purposes described in Subsection (1)(b)(iii); and

970 (ii) in a manner that can be audited to ensure that the [~~monies are~~] money is expended  
971 for the purposes described in Subsection (1)(b)(iii); and

972 (c) in conjunction with the report required by Section 59-9-102.5, report to the  
973 Legislature through the Office of the Legislative Fiscal Analyst by no later than July 1 of each  
974 year:

975 (i) the qualified donations received by the occupational health and safety center in the  
976 previous calendar year; and

977 (ii) the expenditures during the previous calendar year of qualified donations received  
978 by the occupational health and safety center.

979 Section 24. Section **34A-2-704** is amended to read:

980 **34A-2-704. Uninsured Employers' Fund.**

981 (1) (a) There is created an Uninsured Employers' Fund. The Uninsured Employers'

982 Fund has the purpose of assisting in the payment of workers' compensation benefits to a person  
983 entitled to the benefits, if:

984 (i) that person's employer:

985 (A) is individually, jointly, or severally liable to pay the benefits; and

986 (B) (I) becomes or is insolvent;

987 (II) appoints or has appointed a receiver; or

988 (III) otherwise does not have sufficient funds, insurance, sureties, or other security to  
989 cover workers' compensation liabilities; and

990 (ii) the employment relationship between that person and the person's employer is  
991 localized within the state as provided in Subsection (20).

992 (b) The Uninsured Employers' Fund succeeds to [~~monies~~] money previously held in the  
993 Default Indemnity Fund.

994 (c) If it becomes necessary to pay benefits, the Uninsured Employers' Fund is liable for  
995 the obligations of the employer set forth in this chapter and Chapter 3, Utah Occupational  
996 Disease Act, with the exception of a penalty on those obligations.

997 (2) (a) [~~Monies~~] Money for the Uninsured Employers' Fund shall be deposited into the  
998 Uninsured Employers' Fund in accordance with this chapter and Subsection 59-9-101(2).

999 (b) The commissioner shall appoint an administrator of the Uninsured Employers'  
1000 Fund.

1001 (c) (i) The state treasurer is the custodian of the Uninsured Employers' Fund.

1002 (ii) The administrator shall make provisions for and direct distribution from the  
1003 Uninsured Employers' Fund.

1004 (3) Reasonable costs of administering the Uninsured Employers' Fund or other fees  
1005 required to be paid by the Uninsured Employers' Fund may be paid from the Uninsured  
1006 Employers' Fund.

1007 (4) The state treasurer shall:

1008 (a) receive workers' compensation premium assessments from the State Tax  
1009 Commission; and

1010 (b) invest the Uninsured Employers' Fund to ensure maximum investment return for  
1011 both long and short term investments in accordance with Section 51-7-12.5.

1012 (5) (a) The administrator may employ, retain, or appoint counsel to represent the  
1013 Uninsured Employers' Fund in a proceeding brought to enforce a claim against or on behalf of  
1014 the Uninsured Employers' Fund.

1015 (b) If requested by the commission, the following shall aid in the representation of the  
1016 Uninsured Employers' Fund:

1017 (i) the attorney general; or

1018 (ii) the city attorney, or county attorney of the locality in which:

1019 (A) an investigation, hearing, or trial under this chapter or Chapter 3, Utah  
1020 Occupational Disease Act, is pending;

1021 (B) the employee resides; or

1022 (C) an employer:

1023 (I) resides; or

1024 (II) is doing business.

1025 (c) (i) Notwithstanding Title 63A, Chapter 8, Office of State Debt Collection, the  
1026 administrator shall provide for the collection of [~~monies~~] money required to be deposited in the  
1027 Uninsured Employers' Fund under this chapter and Chapter 3, Utah Occupational Disease Act.

1028 (ii) To comply with Subsection (5)(c)(i), the administrator may:

1029 (A) take appropriate action, including docketing an award in a manner consistent with  
1030 Section 34A-2-212; and

1031 (B) employ counsel and other personnel necessary to collect the [~~monies~~] money  
1032 described in Subsection (5)(c)(i).

1033 (6) To the extent of the compensation and other benefits paid or payable to or on behalf  
1034 of an employee or the employee's dependents from the Uninsured Employers' Fund, the  
1035 Uninsured Employers' Fund, by subrogation, has the rights, powers, and benefits of the  
1036 employee or the employee's dependents against the employer failing to make the compensation  
1037 payments.

1038           (7) (a) The receiver, trustee, liquidator, or statutory successor of an employer meeting a  
1039 condition listed in Subsection (1)(a)(i)(B) is bound by a settlement of a covered claim by the  
1040 Uninsured Employers' Fund.

1041           (b) A court with jurisdiction shall grant a payment made under this section a priority  
1042 equal to that to which the claimant would have been entitled in the absence of this section  
1043 against the assets of the employer meeting a condition listed in Subsection (1)(a)(i)(B).

1044           (c) The expenses of the Uninsured Employers' Fund in handling a claim shall be  
1045 accorded the same priority as the liquidator's expenses.

1046           (8) (a) The administrator shall periodically file the information described in Subsection  
1047 (8)(b) with the receiver, trustee, or liquidator of:

1048           (i) an employer that meets a condition listed in Subsection (1)(a)(i)(B);

1049           (ii) a public agency insurance mutual, as defined in Section 31A-1-103, that meets a  
1050 condition listed in Subsection (1)(a)(i)(B); or

1051           (iii) an insolvent insurance carrier.

1052           (b) The information required to be filed under Subsection (8)(a) is:

1053           (i) a statement of the covered claims paid by the Uninsured Employers' Fund; and

1054           (ii) an estimate of anticipated claims against the Uninsured Employers' Fund.

1055           (c) A filing under this Subsection (8) preserves the rights of the Uninsured Employers'  
1056 Fund for claims against the assets of the employer that meets a condition listed in Subsection  
1057 (1)(a)(i)(B).

1058           (9) When an injury or death for which compensation is payable from the Uninsured  
1059 Employers' Fund has been caused by the wrongful act or neglect of another person not in the  
1060 same employment, the Uninsured Employers' Fund has the same rights as allowed under  
1061 Section 34A-2-106.

1062           (10) The Uninsured Employers' Fund, subject to approval of the administrator, shall  
1063 discharge its obligations by:

1064           (a) adjusting its own claims; or

1065           (b) contracting with an adjusting company, risk management company, insurance

1066 company, or other company that has expertise and capabilities in adjusting and paying workers'  
1067 compensation claims.

1068 (11) (a) For the purpose of maintaining the Uninsured Employers' Fund, an  
1069 administrative law judge, upon rendering a decision with respect to a claim for workers'  
1070 compensation benefits in which an employer that meets a condition listed in Subsection  
1071 (1)(a)(i)(B) is duly joined as a party, shall:

1072 (i) order the employer that meets a condition listed in Subsection (1)(a)(i)(B) to  
1073 reimburse the Uninsured Employers' Fund for the benefits paid to or on behalf of an injured  
1074 employee by the Uninsured Employers' Fund along with interest, costs, and attorney fees; and

1075 (ii) impose a penalty against the employer that meets a condition listed in Subsection  
1076 (1)(a)(i)(B):

1077 (A) of 15% of the value of the total award in connection with the claim; and

1078 (B) that shall be deposited into the Uninsured Employers' Fund.

1079 (b) An award under this Subsection (11) shall be collected by the administrator in  
1080 accordance with Subsection (5)(c).

1081 (12) The state, the commission, and the state treasurer, with respect to payment of  
1082 compensation benefits, expenses, fees, or disbursement properly chargeable against the  
1083 Uninsured Employers' Fund:

1084 (a) are liable only to the assets in the Uninsured Employers' Fund; and

1085 (b) are not otherwise in any way liable for the making of a payment.

1086 (13) The commission may make reasonable rules for the processing and payment of a  
1087 claim for compensation from the Uninsured Employers' Fund.

1088 (14) (a) (i) If it becomes necessary for the Uninsured Employers' Fund to pay benefits  
1089 under this section to an employee described in Subsection (14)(a)(ii), the Uninsured Employers'  
1090 Fund may assess all other self-insured employers amounts necessary to pay:

1091 (A) the obligations of the Uninsured Employers' Fund subsequent to a condition listed  
1092 in Subsection (1)(a)(i)(B) occurring;

1093 (B) the expenses of handling covered a claim subsequent to a condition listed in

1094 Subsection (1)(a)(i)(B) occurring;

1095 (C) the cost of an examination under Subsection (15); and

1096 (D) other expenses authorized by this section.

1097 (ii) This Subsection (14) applies to benefits paid to an employee of:

1098 (A) a self-insured employer, as defined in Section 34A-2-201.5, that meets a condition

1099 listed in Subsection (1)(a)(i)(B); or

1100 (B) if the self-insured employer that meets a condition described in Subsection

1101 (1)(a)(i)(B) is a public agency insurance mutual, a member of the public agency insurance

1102 mutual.

1103 (b) The assessments of a self-insured employer shall be in the proportion that the

1104 manual premium of the self-insured employer for the preceding calendar year bears to the

1105 manual premium of all self-insured employers for the preceding calendar year.

1106 (c) A self-insured employer shall be notified of the self-insured employer's assessment

1107 not later than 30 days before the day on which the assessment is due.

1108 (d) (i) A self-insured employer may not be assessed in any year an amount greater than

1109 2% of that self-insured employer's manual premium for the preceding calendar year.

1110 (ii) If the maximum assessment does not provide in a year an amount sufficient to

1111 make all necessary payments from the Uninsured Employers' Fund for one or more self-insured

1112 employers that meet a condition listed in Subsection (1)(a)(i)(B), the unpaid portion shall be

1113 paid as soon as [~~monies become~~] money becomes available.

1114 (e) A self-insured employer is liable under this section for a period not to exceed three

1115 years after the day on which the Uninsured Employers' Fund first pays benefits to an employee

1116 described in Subsection (14)(a)(ii) for the self-insured employer that meets a condition listed in

1117 Subsection (1)(a)(i)(B).

1118 (f) This Subsection (14) does not apply to a claim made against a self-insured employer

1119 that meets a condition listed in Subsection (1)(a)(i)(B) if the condition listed in Subsection

1120 (1)(a)(i)(B) occurred before July 1, 1986.

1121 (15) (a) The following shall notify the division of any information indicating that any

1122 of the following may be insolvent or in a financial condition hazardous to its employees or the  
1123 public:

1124 (i) a self-insured employer; or

1125 (ii) if the self-insured employer is a public agency insurance mutual, a member of the  
1126 public agency insurance mutual.

1127 (b) Upon receipt of the notification described in Subsection (15)(a) and with good  
1128 cause appearing, the division may order an examination of:

1129 (i) that self-insured employer; or

1130 (ii) if the self-insured employer is a public agency insurance mutual, a member of the  
1131 public agency mutual.

1132 (c) The cost of the examination ordered under Subsection (15)(b) shall be assessed  
1133 against all self-insured employers as provided in Subsection (14).

1134 (d) The results of the examination ordered under Subsection (15)(b) shall be kept  
1135 confidential.

1136 (16) (a) In a claim against an employer by the Uninsured Employers' Fund, or by or on  
1137 behalf of the employee to whom or to whose dependents compensation and other benefits are  
1138 paid or payable from the Uninsured Employers' Fund, the burden of proof is on the employer or  
1139 other party in interest objecting to the claim.

1140 (b) A claim described in Subsection (16)(a) is presumed to be valid up to the full  
1141 amount of workers' compensation benefits claimed by the employee or the employee's  
1142 dependents.

1143 (c) This Subsection (16) applies whether the claim is filed in court or in an adjudicative  
1144 proceeding under the authority of the commission.

1145 (17) A partner in a partnership or an owner of a sole proprietorship may not recover  
1146 compensation or other benefits from the Uninsured Employers' Fund if:

1147 (a) the person is not included as an employee under Subsection 34A-2-104(3); or

1148 (b) the person is included as an employee under Subsection 34A-2-104(3), but:

1149 (i) the person's employer fails to insure or otherwise provide adequate payment of

1150 direct compensation; and

1151 (ii) the failure described in Subsection (17)(b)(i) is attributable to an act or omission  
1152 over which the person had or shared control or responsibility.

1153 (18) A director or officer of a corporation may not recover compensation or other  
1154 benefits from the Uninsured Employers' Fund if the director or officer is excluded from  
1155 coverage under Subsection 34A-2-104(4).

1156 (19) The Uninsured Employers' Fund:

1157 (a) shall be:

1158 (i) used in accordance with this section only for:

1159 (A) the purpose of assisting in the payment of workers' compensation benefits in  
1160 accordance with Subsection (1); and

1161 (B) in accordance with Subsection (3), payment of:

1162 (I) reasonable costs of administering the Uninsured Employers' Fund; or

1163 (II) fees required to be paid by the Uninsured Employers' Fund; and

1164 (ii) expended according to processes that can be verified by audit; and

1165 (b) may not be used for:

1166 (i) administrative costs unrelated to the Uninsured Employers' Fund; or

1167 (ii) an activity of the commission other than an activity described in Subsection (19)(a).

1168 (20) (a) For purposes of Subsection (1), an employment relationship is localized in the  
1169 state if:

1170 (i) (A) the employer who is liable for the benefits has a business premise in the state;

1171 and

1172 (B) (I) the contract for hire is entered into in the state; or

1173 (II) the employee regularly performs work duties in the state for the employer who is  
1174 liable for the benefits; or

1175 (ii) the employee is:

1176 (A) a resident of the state; and

1177 (B) regularly performs work duties in the state for the employer who is liable for the

1178 benefits.

1179 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
1180 commission shall by rule define what constitutes regularly performing work duties in the state.

1181 Section 25. Section **35A-3-116** is amended to read:

1182 **35A-3-116. Restricted special revenue fund -- Use of money -- Committee and**  
1183 **director duties -- Restrictions.**

1184 (1) There is created a restricted special revenue fund, known as the "Refugee Services  
1185 Fund," hereafter referred to in this section as "the fund."

1186 (2) The director or the director's designee, hereafter referred to in this section as the  
1187 director, shall administer the fund with input from the Department of Community and Culture,  
1188 including any advisory committees within the Department of Community and Culture that deal  
1189 with refugee services issues.

1190 (3) (a) Money shall be deposited into the fund from numerous sources, including  
1191 federal grants, private foundations, and individual donors.

1192 (b) The director shall encourage a refugee who receives services from activities funded  
1193 under Subsection (8) to become a donor to the fund once the refugee's financial situation  
1194 improves to the point where the refugee is capable of making a donation.

1195 (4) The director may not expend [~~monies~~] money in the fund that [~~are~~] is not restricted  
1196 to a specific use under federal law or by donors without input from the Department of  
1197 Community and Culture, either directly or through an advisory committee identified in  
1198 Subsection (2).

1199 (5) The state treasurer shall invest the [~~monies~~] money in the fund under Title 51,  
1200 Chapter 7, State Money Management Act, and all interest or other earnings derived from the  
1201 fund [~~monies~~] money shall be deposited in the fund.

1202 (6) The [~~monies~~] money in the fund may not be used by the director for administrative  
1203 expenses.

1204 (7) If the Department of Community and Culture establishes a refugee services  
1205 advisory committee referred to in Subsection (2), that committee may:

- 1206 (a) advise the director on refugee services needs in the state and on relevant operational  
1207 aspects of any grant or revenue collection program established under this part;
- 1208 (b) recommend specific refugee projects to the director;
- 1209 (c) recommend policies and procedures for administering the fund;
- 1210 (d) make recommendations on grants made from the fund for any of the refugee  
1211 services activities authorized under this section;
- 1212 (e) advise the director on the criteria by which grants shall be made from the fund;
- 1213 (f) recommend the order in which approved projects would be funded;
- 1214 (g) make recommendations regarding the distribution of money from the fund in  
1215 accordance with the procedures, conditions, and restrictions placed upon [~~monies~~] money in  
1216 the fund by donors; and
- 1217 (h) have joint responsibility to solicit public and private funding for the fund.
- 1218 (8) The director may use fund [~~monies~~] money to:
- 1219 (a) train an existing refugee organization to develop its capacity to operate  
1220 professionally and effectively and to become an independent, viable organization; or
- 1221 (b) provide grants to an existing refugee organization and other entities identified in  
1222 Subsection (9) to assist them:
- 1223 (i) with case management;
- 1224 (ii) in meeting emergency housing needs for refugees;
- 1225 (iii) in providing English language services;
- 1226 (iv) in providing interpretive services;
- 1227 (v) in finding and maintaining employment for refugees;
- 1228 (vi) in collaborating with the state's public education system to improve the  
1229 involvement of refugee parents in assimilating their children into public schools;
- 1230 (vii) in meeting the health and mental health needs of refugees;
- 1231 (viii) in providing or arranging for child care services; or
- 1232 (ix) in administering refugee services.
- 1233 (9) In addition to Subsection (8), the director with advice from the Department of

1234 Community and Culture or its refugee services advisory committee, if one is created, may grant  
1235 fund money for refugee services outlined in Subsection (8) through a request for proposal  
1236 process to:

- 1237 (a) local governments;
- 1238 (b) nonprofit community, charitable, or neighborhood-based organizations or private  
1239 for profit organizations that deal solely or in part with providing or arranging for the provision  
1240 of refugee services; or
- 1241 (c) regional or statewide nonprofit organizations.

1242 (10) The director shall enter into a written agreement with each successful grant  
1243 applicant that has specific terms for each grant consistent with the provisions of this section  
1244 that includes the structure, amount, and nature of the grant.

1245 (11) The director shall monitor the activities of the recipients of grants issued from the  
1246 fund on an annual basis to ensure compliance with the terms and conditions imposed on the  
1247 recipient by the fund.

1248 (12) An entity receiving a grant shall provide the director with periodic accounting of  
1249 how the [~~monies~~] money it received from the fund [~~were~~] was spent.

1250 (13) By November 1 of each year the director shall make an annual report to the  
1251 Workforce Services and Community and Economic Development Interim Committee regarding  
1252 the status of the fund and the programs and services funded by the fund.

1253 Section 26. Section **35A-3-205** is amended to read:

1254 **35A-3-205. Creation of committee.**

1255 (1) There is created a Child Care Advisory Committee.

1256 (2) The committee shall counsel and advise the office in fulfilling its statutory  
1257 obligations to include:

- 1258 (a) a review of and recommendations on the office's annual budget;
- 1259 (b) recommendations on how the office might best respond to child care needs  
1260 throughout the state; and

1261 (c) recommendations on the use of new [~~monies~~] money that [~~come~~] comes into the

1262 office, including those for the Child Care Fund.

1263 (3) The committee is composed of the following members, with special attention given  
1264 to insure diversity and representation from both urban and rural groups:

1265 (a) one expert in early childhood development;

1266 (b) one child care provider who operates a center;

1267 (c) one child care provider who operates a family child care business;

1268 (d) one parent who is representative of households receiving a child care subsidy from  
1269 the office;

1270 (e) one representative from the public at-large;

1271 (f) one representative of the State Office of Education;

1272 (g) one representative of the Department of Health;

1273 (h) one representative of the Department of Human Services;

1274 (i) one representative of the Department of Community and Culture;

1275 (j) two representatives from the corporate community, one who is a recent "Family

1276 Friendly" award winner and who received the award because of efforts in the child care arena;

1277 (k) two representatives from the small business community;

1278 (l) one representative from child care advocacy groups;

1279 (m) one representative of children with disabilities;

1280 (n) one representative from the state Head Start Association appointed by the  
1281 association;

1282 (o) one representative from each child care provider association; and

1283 (p) one representative of a child care resource and referral center appointed by the  
1284 organization representing child care resource and referral agencies.

1285 (4) (a) The executive director shall appoint the members designated in Subsections  
1286 (3)(a) through (e) and (j) through (n).

1287 (b) The head of the respective departments shall appoint the members referred to in  
1288 Subsections (3)(f) through (i).

1289 (c) Each child care provider association shall appoint its respective member referred to

1290 in Subsection (3)(o).

1291 (5) (a) Except as required by Subsection (5)(b), as terms of current committee members  
1292 expire, the appointing authority shall appoint each new member or reappointed member to a  
1293 four-year term.

1294 (b) Notwithstanding the requirements of Subsection (5)(a), the appointing authority  
1295 shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the  
1296 terms of committee members are staggered so that approximately half of the committee is  
1297 appointed every two years.

1298 (6) When a vacancy occurs in the membership for any reason, including missing three  
1299 consecutive meetings where the member has not been excused by the chair prior to or during  
1300 the meeting, the replacement shall be appointed for the unexpired term.

1301 (7) A majority of the members constitutes a quorum for the transaction of business.

1302 (8) (a) The executive director shall select a chair from the committee membership.

1303 (b) A chair may serve no more than two one-year terms as chair.

1304 (9) A member may not receive compensation or benefits for the member's service, but  
1305 may receive per diem and travel expenses in accordance with:

1306 (a) Section 63A-3-106;

1307 (b) Section 63A-3-107; and

1308 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
1309 63A-3-107.

1310 Section 27. Section **35A-3-206** is amended to read:

1311 **35A-3-206. Restricted special revenue fund -- Use of money -- Committee and**  
1312 **director duties -- Restrictions.**

1313 (1) There is created a restricted special revenue fund known as the "Child Care Fund."

1314 (2) The director of the office shall administer the fund under the direction of the  
1315 committee.

1316 (3) (a) The office may form nonprofit corporations or foundations controlled by the  
1317 director of the office and the committee to aid and assist the office in attaining its charitable,

1318 research, and educational objectives.

1319 (b) The nonprofit corporations or foundations may receive and administer Legislative  
1320 appropriations, government grants, contracts, and private gifts to carry out their public  
1321 purposes.

1322 (c) [~~Monies~~] Money collected by the nonprofit corporation or foundation may be  
1323 deposited in the Child Care Fund.

1324 (d) A nonprofit foundation controlled by the director of the office and the committee  
1325 shall submit to the Division of Finance, within 60 days after the close of the foundation's fiscal  
1326 year, a financial report summarizing the foundation's financial position and results of  
1327 operations of the most recent fiscal year.

1328 (4) (a) There shall be deposited into the fund money from numerous sources, including,  
1329 grants, private foundations, and individual donors.

1330 (b) The fund shall be used to accept [~~monies~~] money designated for child care  
1331 initiatives improving the quality, affordability, or accessibility of child care.

1332 (5) The [~~monies~~] money in the fund that [~~are~~] is not restricted to a specific use under  
1333 federal law or by donors may not be expended without approval of the committee.

1334 (6) The state treasurer shall invest the [~~monies~~] money in the fund under Title 51,  
1335 Chapter 7, State Money Management Act, except that all interest or other earnings derived  
1336 from the fund [~~monies~~] money shall be deposited in the fund.

1337 (7) The [~~monies~~] money in the fund may not be used for administrative expenses of the  
1338 office normally provided for by legislative appropriation.

1339 (8) The committee shall:

1340 (a) advise the director of the office on child care needs in the state and on relevant  
1341 operational aspects of any grant, loan, or revenue collection program established under this  
1342 part;

1343 (b) recommend specific child care projects to the director of the office;

1344 (c) recommend policy and procedures for administering the fund;

1345 (d) make recommendations on grants, loans, or contracts from the fund for any of the

- 1346 child care activities authorized under this part;
- 1347 (e) establish the criteria by which loans and grants will be made;
- 1348 (f) determine the order in which approved child care projects will be funded;
- 1349 (g) make recommendations regarding the distribution of money from the fund in
- 1350 accordance with the procedures, conditions, and restrictions placed upon the [~~monies~~] money
- 1351 by the donors; and
- 1352 (h) have joint responsibility with the office to solicit public and private funding for the
- 1353 fund.
- 1354 (9) Fund [~~monies~~] money shall be used for any of the following activities:
- 1355 (a) training of child care providers;
- 1356 (b) scholarships and grants for child care providers' professional development;
- 1357 (c) child care public awareness and consumer education services;
- 1358 (d) child care provider recruitment;
- 1359 (e) Office of Child Care sponsored activities;
- 1360 (f) matching money for obtaining grants; or
- 1361 (g) other activities that will assist in the improvement of child care quality,
- 1362 affordability, or accessibility.
- 1363 (10) The director of the office, with the consent of the committee and the executive
- 1364 director, may grant, lend, or contract fund money for child care purposes to:
- 1365 (a) local governments;
- 1366 (b) nonprofit community, charitable, or neighborhood-based organizations;
- 1367 (c) regional or statewide nonprofit organizations; or
- 1368 (d) child care providers.
- 1369 (11) Preference may be given but awards may not be limited to applicants for fund
- 1370 [~~monies~~] money that demonstrate any of the following:
- 1371 (a) programmatic or financial need;
- 1372 (b) diversity of clientele or geographic location; and
- 1373 (c) coordination with or enhancement of existing services.

1374 (12) The executive director or the executive director's designee shall monitor the  
1375 activities of the recipients of grants, loans, or contracts issued from the fund on an annual basis  
1376 to ensure compliance with the terms and conditions imposed on the recipient by the fund.

1377 (13) The entities receiving grants, loans, or contracts shall provide the director of the  
1378 office with an annual accounting of how the [~~moneys~~] money they received from the fund  
1379 [~~have~~] has been spent.

1380 (14) (a) The director of the office shall make an annual report to the committee  
1381 regarding the status of the fund and the programs and services funded by the fund.

1382 (b) The report shall be included as a component of the report to the Legislature  
1383 required under Subsection 35A-3-203(11).

1384 Section 28. Section **35A-4-107** is amended to read:

1385 **35A-4-107. Limit of liability -- State -- Department.**

1386 (1) Benefits shall be considered to be due and payable under this chapter only to the  
1387 extent provided in this chapter and to the extent that [~~moneys are~~] money is available to the  
1388 credit of the Unemployment Compensation Fund.

1389 (2) The state, the department, or any division of the department may not be held liable  
1390 for any amount that exceeds the [~~moneys~~] money available in the Unemployment  
1391 Compensation Fund.

1392 Section 29. Section **35A-4-303** is amended to read:

1393 **35A-4-303. Determination of contribution rates.**

1394 (1) (a) An employer's basic contribution rate is the same as the employer's benefit ratio,  
1395 determined by dividing the total benefit costs charged back to an employer during the  
1396 immediately preceding four fiscal years by the total taxable wages of the employer for the same  
1397 time period, calculated to four decimal places, disregarding the remaining fraction, if any.

1398 (b) In calculating the basic contribution rate under Subsection (1)(a):

1399 (i) if four fiscal years of data are not available, the data of three fiscal years shall be  
1400 divided by the total taxable wages for the same time period;

1401 (ii) if three fiscal years of data are not available, the data of two fiscal years shall be

1402 divided by the total taxable wages for the same time period; or

1403 (iii) if two fiscal years of data are not available, the data of one fiscal year shall be  
1404 divided by the total taxable wages for the same time period.

1405 (2) (a) In calculating the social contribution rate under Subsection (2)(b) or (c):

1406 (i) if four fiscal years of data are not available, the data of three fiscal years shall be  
1407 divided by the total taxable wages for the same time period; or

1408 (ii) if three fiscal years of data are not available, the data of two fiscal years shall be  
1409 divided by the total taxable wages for the same time period.

1410 (b) Beginning January 1, 2005, the division shall calculate the social contribution rate  
1411 by dividing all social costs as defined in Subsection 35A-4-307(1) applicable to the preceding  
1412 four fiscal years by the total taxable wages of all employers subject to contributions for the  
1413 same period, calculated to four decimal places, disregarding any remaining fraction.

1414 (c) Beginning January 1, 2009, the division shall calculate the social contribution rate  
1415 by dividing all social costs as defined in Subsection 35A-4-307(1) applicable to the preceding  
1416 four fiscal years by the total taxable wages of all employers subject to contributions for the  
1417 same period, calculated to four decimal places, disregarding any remaining fraction, and  
1418 rounded to three decimal places, disregarding any further fraction, if the fourth decimal place is  
1419 .0004 or less, or rounding up to the next higher number, if the fourth decimal place is .0005 or  
1420 more.

1421 (3) (a) Beginning January 1, 2000, the division shall by administrative decision set the  
1422 reserve factor at a rate that shall sustain an adequate reserve.

1423 (b) For the purpose of setting the reserve factor:

1424 (i) (A) the adequate reserve is defined as between 17 and 19 months of benefits at the  
1425 average of the five highest benefit cost rates in the last 25 years;

1426 (B) beginning January 1, 2009, the adequate reserve is defined as between 18 and 24  
1427 months of benefits at the average of the five highest benefit cost rates in the last 25 years;

1428 (ii) the reserve factor shall be 1.0000 if the actual reserve fund balance as of June 30  
1429 preceding the computation date is determined to be an adequate reserve;

1430 (iii) the reserve factor will be set between 0.5000 and 1.0000 if the actual reserve fund  
1431 balance as of June 30 preceding the computation date is greater than the adequate reserve;

1432 (iv) the reserve factor will be set between 1.0000 and 1.5000 if the actual reserve fund  
1433 balance as of June 30 prior to the computation date is less than the adequate reserve;

1434 (v) if the actual reserve fund balance as of June 30 preceding the computation date is  
1435 insolvent or negative or if there is an outstanding loan from the Federal Unemployment  
1436 Account, the reserve factor will be set at 2.0000 until the actual reserve fund balance as of June  
1437 30 preceding the computation date is determined to be an adequate reserve;

1438 (vi) the reserve factor will be set on or before January 1 of each year; and

1439 (vii) [~~monies~~] money made available to the state under Section 903 of the Social  
1440 Security Act, as amended, which [~~are~~] is received on or after January 1, 2004, may not be  
1441 considered in establishing the reserve factor under this section for the rate year 2005 or any  
1442 subsequent rate year.

1443 (4) (a) On or after January 1, 2004, an employer's overall contribution rate is the  
1444 employer's basic contribution rate multiplied by the reserve factor established according to  
1445 Subsection (3), calculated to four decimal places, disregarding the remaining fraction, plus the  
1446 social contribution rate established according to Subsection (2), and calculated to three decimal  
1447 places, disregarding the remaining fraction, but not more than a maximum overall contribution  
1448 rate of 9.0%, plus the applicable social contribution rate and not less than 1.1% for new  
1449 employers.

1450 (b) Beginning January 1, 2009, an employer's overall contribution rate is the employer's  
1451 basic contribution rate multiplied by the reserve factor established according to Subsection  
1452 (3)(b), calculated to four decimal places, disregarding the remaining fraction, plus the social  
1453 contribution rate established according to Subsection (2), and calculated to three decimal  
1454 places, disregarding the remaining fraction, but not more than a maximum overall contribution  
1455 rate of 9%, plus the applicable social contribution rate and not less than 1.1% for new  
1456 employers.

1457 (c) The overall contribution rate does not include the addition of any penalty applicable

1458 to an employer as a result of delinquency in the payment of contributions as provided in  
1459 Subsection (9).

1460 (d) The overall contribution rate does not include the addition of any penalty applicable  
1461 to an employer assessed a penalty rate under Subsection 35A-4-304(5)(a).

1462 (5) Except as provided in Subsection (9), each new employer shall pay a contribution  
1463 rate based on the average benefit cost rate experienced by employers of the major industry as  
1464 defined by department rule to which the new employer belongs, the basic contribution rate to  
1465 be determined as follows:

1466 (a) Except as provided in Subsection (5)(b), by January 1 of each year, the basic  
1467 contribution rate to be used in computing the employer's overall contribution rate is the benefit  
1468 cost rate which is the greater of:

1469 (i) the amount calculated by dividing the total benefit costs charged back to both active  
1470 and inactive employers of the same major industry for the last two fiscal years by the total  
1471 taxable wages paid by those employers that were paid during the same time period, computed  
1472 to four decimal places, disregarding the remaining fraction, if any; or

1473 (ii) 1%.

1474 (b) If the major industrial classification assigned to a new employer is an industry for  
1475 which a benefit cost rate does not exist because the industry has not operated in the state or has  
1476 not been covered under this chapter, the employer's basic contribution rate shall be 5.4%. This  
1477 basic contribution rate is used in computing the employer's overall contribution rate.

1478 (6) Notwithstanding any other provision of this chapter, and except as provided in  
1479 Subsection (7), if an employing unit that moves into this state is declared to be a qualified  
1480 employer because it has sufficient payroll and benefit cost experience under another state, a  
1481 rate shall be computed on the same basis as a rate is computed for all other employers subject  
1482 to this chapter if that unit furnishes adequate records on which to compute the rate.

1483 (7) An employer who begins to operate in this state after having operated in another  
1484 state shall be assigned the maximum overall contribution rate until the employer acquires  
1485 sufficient experience in this state to be considered a "qualified employer" if the employer is:

1486 (a) regularly engaged as a contractor in the construction, improvement, or repair of  
1487 buildings, roads, or other structures on lands;

1488 (b) generally regarded as being a construction contractor or a subcontractor specialized  
1489 in some aspect of construction; or

1490 (c) required to have a contractor's license or similar qualification under Title 58,  
1491 Chapter 55, Utah Construction Trades Licensing Act, or the equivalent in laws of another state.

1492 (8) (a) If an employer acquires the business or all or substantially all the assets of  
1493 another employer and the other employer had discontinued operations upon the acquisition or  
1494 transfers its trade or business, or a portion of its trade or business, under Subsection  
1495 35A-4-304(3)(a):

1496 (i) for purposes of determining and establishing the acquiring party's qualifications for  
1497 an experience rating classification, the payrolls of both employers during the qualifying period  
1498 shall be jointly considered in determining the period of liability with respect to:

1499 (A) the filing of contribution reports;

1500 (B) the payment of contributions; and

1501 (C) after January 1, 1985, the benefit costs of both employers;

1502 (ii) the transferring employer shall be divested of the transferring employer's  
1503 unemployment experience provided the transferring employer had discontinued operations, but  
1504 only to the extent as defined under Subsection 35A-4-304(3)(c); and

1505 (iii) if an employer transfers its trade or business, or a portion of its trade or business,  
1506 as defined under Subsection 35A-4-304(3), the transferring employer may not be divested of its  
1507 employer's unemployment experience.

1508 (b) An employing unit or prospective employing unit that acquires the unemployment  
1509 experience of an employer shall, for all purposes of this chapter, be an employer as of the date  
1510 of acquisition.

1511 (c) Notwithstanding Section 35A-4-310, when a transferring employer, as provided in  
1512 Subsection (8)(a), is divested of the employer's unemployment experience by transferring all of  
1513 the employer's business to another and by ceasing operations as of the date of the transfer, the

1514 transferring employer shall cease to be an employer, as defined by this chapter, as of the date of  
1515 transfer.

1516 (9) (a) A rate of less than 8% shall be effective January 1 of any contribution year on or  
1517 after January 1, 1985, but before January 1, 1988, and a rate of less than the maximum overall  
1518 contribution rate on or after January 1, 1988, only with respect to new employers and to those  
1519 qualified employers who, except for amounts due under division determinations that have not  
1520 become final, paid all contributions prescribed by the division with respect to the four  
1521 consecutive calendar quarters in the fiscal year immediately preceding the computation date on  
1522 or after January 1, 1985.

1523 (b) Notwithstanding Subsections (1), (5), (6), and (8), on or after January 1, 1988, an  
1524 employer who fails to pay all contributions prescribed by the division with respect to the four  
1525 consecutive calendar quarters in the fiscal year immediately preceding the computation date,  
1526 except for amounts due under determinations that have not become final, shall pay a  
1527 contribution rate equal to the overall contribution rate determined under the experience rating  
1528 provisions of this chapter, plus a surcharge of 1% of wages.

1529 (c) An employer who pays all required contributions shall, for the current contribution  
1530 year, be assigned a rate based upon the employer's own experience as provided under the  
1531 experience rating provisions of this chapter effective the first day of the calendar quarter in  
1532 which the payment was made.

1533 (d) Delinquency in filing contribution reports shall not be the basis for denial of a rate  
1534 less than the maximum contribution rate.

1535 Section 30. Section **35A-4-507** is amended to read:

1536 **35A-4-507. Authority to obtain money from state's account in federal**  
1537 **unemployment trust fund -- Use and deposit.**

1538 (1) Notwithstanding the provisions of Sections 35A-4-501 and 35A-4-506, the  
1539 department may requisition and receive from the state's account in the unemployment trust  
1540 fund in the treasury of the United States the [~~moneys~~] money standing to the state's credit as  
1541 may, consistent with conditions for approval of this chapter under the Federal Unemployment

1542 Tax Act, 26 U.S.C. 3301 et seq., be used for expenses of administering this chapter and to  
1543 expend [~~those moneys~~] the money for that purpose.

1544 (2) [~~Moneys~~] Money requisitioned under Subsection (1) shall be deposited in the  
1545 Special Administrative Expense Account created by Section 35A-4-506.

1546 Section 31. Section **36-24-101** is amended to read:

1547 **36-24-101. Review of new programs and agencies.**

1548 (1) When legislation is passed that creates a new program or agency, the legislative  
1549 sponsor shall consider providing that the funding for the first fiscal year should be nonlapsing,  
1550 with the option of continuing [~~those~~] the nonlapsing [~~moneys~~] money for an additional year.

1551 (2) The legislative interim committee with oversight responsibility for the new program  
1552 or agency:

1553 (a) shall hear the limited scope audit report prepared by the Office of Legislative  
1554 Auditor General as provided in Section 36-12-15 on or before the committee's November  
1555 meeting;

1556 (b) shall review each new program or agency on which it receives a report to assure  
1557 that it is being implemented in a manner consistent with its statutory directive;

1558 (c) shall determine whether the statutory directive is being followed and whether any  
1559 change in law is necessary and if a change in law is necessary, make that recommendation to  
1560 the Legislature; and

1561 (d) may request the Office of Legislative Auditor General to conduct a more in-depth  
1562 review of the program or agency.

1563 (3) The legislative appropriations subcommittee with oversight responsibility for the  
1564 new program or agency:

1565 (a) shall hear the limited scope audit report prepared by the Office of Legislative  
1566 Auditor General as provided in Section 36-12-15 on or before the committee's November  
1567 meeting;

1568 (b) shall review each new program or agency on which it receives a report to  
1569 determine whether the agency is appropriately using the funds provided; and

1570 (c) may request the Office of Legislative Auditor General to conduct a more in-depth  
1571 review of the program or agency.

1572 Section 32. Section **38-11-102** is amended to read:

1573 **38-11-102. Definitions.**

1574 (1) "Board" means the Residence Lien Recovery Fund Advisory Board established  
1575 under Section 38-11-104.

1576 (2) "Certificate of compliance" means an order issued by the director to the owner  
1577 finding that the owner is in compliance with the requirements of Subsections 38-11-204(4)(a)  
1578 and (4)(b) and is entitled to protection under Section 38-11-107.

1579 (3) "Construction on an owner-occupied residence" means designing, engineering,  
1580 constructing, altering, remodeling, improving, repairing, or maintaining a new or existing  
1581 residence.

1582 (4) "Department" means the Department of Commerce.

1583 (5) "Director" means the director of the Division of Occupational and Professional  
1584 Licensing.

1585 (6) "Division" means the Division of Occupational and Professional Licensing.

1586 (7) "Duplex" means a single building having two separate living units.

1587 (8) "Encumbered fund balance" means the aggregate amount of outstanding claims  
1588 against the fund. The remainder of [~~monies~~] the money in the fund [~~are~~] is unencumbered  
1589 funds.

1590 (9) "Executive director" means the executive director of the Department of Commerce.

1591 (10) "Factory built housing" is as defined in Section 58-56-3.

1592 (11) "Factory built housing retailer" means a person that sells factory built housing to  
1593 consumers.

1594 (12) "Fund" means the Residence Lien Recovery Fund established under Section  
1595 38-11-201.

1596 (13) "Laborer" means a person who provides services at the site of the construction on  
1597 an owner-occupied residence as an employee of an original contractor or other qualified

1598 beneficiary performing qualified services on the residence.

1599 (14) "Licensee" means any holder of a license issued under Title 58, Chapters 3a,  
1600 Architects Licensing Act, 22, Professional Engineers and Professional Land Surveyors  
1601 Licensing Act, 53, Landscape Architects Licensing Act, and 55, Utah Construction Trades  
1602 Licensing Act.

1603 (15) "Nonpaying party" means the original contractor, subcontractor, or real estate  
1604 developer who has failed to pay the qualified beneficiary making a claim against the fund.

1605 (16) "Original contractor" means a person who contracts with the owner of real  
1606 property or the owner's agent to provide services, labor, or material for the construction of an  
1607 owner-occupied residence.

1608 (17) "Owner" means a person who:

1609 (a) contracts with a person who is licensed as a contractor or is exempt from licensure  
1610 under Title 58, Chapter 55, Utah Construction Trades Licensing Act, for the construction on an  
1611 owner-occupied residence upon real property owned by that person;

1612 (b) contracts with a real estate developer to buy a residence upon completion of the  
1613 construction on the owner-occupied residence; or

1614 (c) buys a residence from a real estate developer after completion of the construction  
1615 on the owner-occupied residence.

1616 (18) "Owner-occupied residence" means a residence that is, or after completion of the  
1617 construction on the residence will be, occupied by the owner or the owner's tenant or lessee as a  
1618 primary or secondary residence within 180 days from the date of the completion of the  
1619 construction on the residence.

1620 (19) "Qualified beneficiary" means a person who:

1621 (a) provides qualified services;

1622 (b) pays necessary fees or assessments required under this chapter; and

1623 (c) registers with the division:

1624 (i) as a licensed contractor under Subsection 38-11-301(1) or (2), if that person seeks  
1625 recovery from the fund as a licensed contractor; or

1626 (ii) as a person providing qualified services other than as a licensed contractor under  
1627 Subsection 38-11-301(3) if the person seeks recovery from the fund in a capacity other than as  
1628 a licensed contractor.

1629 (20) (a) "Qualified services" means the following performed in construction on an  
1630 owner-occupied residence:

1631 (i) contractor services provided by a contractor licensed or exempt from licensure  
1632 under Title 58, Chapter 55, Utah Construction Trades Licensing Act;

1633 (ii) architectural services provided by an architect licensed under Title 58, Chapter 3a,  
1634 Architects Licensing Act;

1635 (iii) engineering and land surveying services provided by a professional engineer or  
1636 land surveyor licensed or exempt from licensure under Title 58, Chapter 22, Professional  
1637 Engineers and Professional Land Surveyors Licensing Act;

1638 (iv) landscape architectural services by a landscape architect licensed or exempt from  
1639 licensure under Title 58, Chapter 53, Landscape Architects Licensing Act;

1640 (v) design and specification services of mechanical or other systems;

1641 (vi) other services related to the design, drawing, surveying, specification, cost  
1642 estimation, or other like professional services;

1643 (vii) providing materials, supplies, components, or similar products;

1644 (viii) renting equipment or materials;

1645 (ix) labor at the site of the construction on the owner-occupied residence; and

1646 (x) site preparation, set up, and installation of factory built housing.

1647 (b) "Qualified services" do not include the construction of factory built housing in the  
1648 factory.

1649 (21) "Real estate developer" means a person having an ownership interest in real  
1650 property who:

1651 (a) contracts with a person who is licensed as a contractor or is exempt from licensure  
1652 under Title 58, Chapter 55, Utah Construction Trades Licensing Act, for the construction of a  
1653 residence that is offered for sale to the public; or

1654 (b) is a licensed contractor under Title 58, Chapter 55, Utah Construction Trades  
1655 Licensing Act, who engages in the construction of a residence that is offered for sale to the  
1656 public.

1657 (22) (a) "Residence" means an improvement to real property used or occupied, to be  
1658 used or occupied as, or in conjunction with:

1659 (i) a primary or secondary detached single-family dwelling; or

1660 (ii) a multifamily dwelling up to and including duplexes.

1661 (b) "Residence" includes factory built housing.

1662 (23) "Subsequent owner" means a person who purchases a residence from an owner  
1663 within 180 days from the date the construction on the residence is completed.

1664 Section 33. Section **40-6-14.5** is amended to read:

1665 **40-6-14.5. Oil and Gas Conservation Account created -- Contents -- Use of**  
1666 **account money.**

1667 (1) There is created within the General Fund a restricted account known as the Oil and  
1668 Gas Conservation Account.

1669 (2) The contents of the account shall consist of:

1670 (a) revenues from the fee levied under Section 40-6-14, including any penalties or  
1671 interest charged for delinquent payments; and

1672 (b) interest and earnings on account [~~monies~~] money.

1673 (3) Account [~~monies~~] money shall be used to pay for the:

1674 (a) administration of this chapter; and

1675 (b) plugging and reclamation of abandoned oil or gas wells or bore, core, or  
1676 exploratory holes for which:

1677 (i) there is no reclamation surety; or

1678 (ii) the forfeited surety is insufficient for plugging and reclamation.

1679 (4) Priority in the use of the [~~monies~~] money shall be given to paying for the  
1680 administration of this chapter.

1681 (5) Appropriations for plugging and reclamation of abandoned oil or gas wells or bore,

1682 core, or exploratory holes shall be nonlapsing.

1683 (6) The balance of the Oil and Gas Conservation Account at the end of a fiscal year  
1684 may not exceed \$750,000. Any excess [~~monies~~] money shall be transferred to the General  
1685 Fund.

1686 (7) (a) As used in this Subsection (7), "excess fee revenue" means revenue collected in  
1687 fiscal year 1999-2000 from the fee levied under Section 40-6-14 that exceeds the fee revenue  
1688 appropriated to the Division of Oil, Gas, and Mining in fiscal year 1999-2000.

1689 (b) If there is a General Fund surplus for fiscal year 1999-2000, the Division of Finance  
1690 shall transfer General Fund surplus [~~monies~~] money to the Oil and Gas Conservation Account  
1691 in an amount up to the excess fee revenue.

1692 (c) The transfer provided in Subsection (7)(b) shall be made after General Fund surplus  
1693 [~~monies are~~] money is transferred to the General Fund Budget Reserve Account pursuant to  
1694 Section 63J-1-312.

1695 Section 34. Section **40-10-25.1** is amended to read:

1696 **40-10-25.1. Abandoned Mine Reclamation Fund created -- Contents -- Use of**  
1697 **money.**

1698 (1) (a) There is created a restricted special revenue fund known as the "Abandoned  
1699 Mine Reclamation Fund."

1700 (b) (i) The fund shall consist of the [~~monies~~] money specified in Subsections (2) and  
1701 (3).

1702 (ii) The [~~monies~~] money of Subsection (2) shall be segregated from the [~~monies~~]  
1703 money of Subsection (3).

1704 (2) (a) [~~Monies~~] Money received by the state from the following sources shall be  
1705 deposited into the Abandoned Mine Reclamation Fund:

1706 (i) recovered liens filed against privately owned land as provided by Section 40-10-28;

1707 (ii) fees for the use of reclaimed lands as provided by Section 40-10-28;

1708 (iii) fines collected for violations of this chapter or any rule or order issued under this  
1709 chapter;

1710 (iv) donations designated for reclamation of abandoned mines; and

1711 (v) interest credited to the fund pursuant to Subsection (2)(b).

1712 (b) [~~Monies~~] Money received under Subsection (2)(a) shall be invested by the state  
1713 treasurer and the income earned shall be credited to the Abandoned Mine Reclamation Fund,  
1714 except interest income earned over \$19,000 per year shall be credited to the General Fund.

1715 (c) The division may at any time expend [~~monies~~] money deposited into the fund under  
1716 Subsection (2)(a) to accomplish the purposes of the abandoned mine reclamation program.

1717 (3) (a) (i) [~~Monies~~] Money received by the state from the secretary of the United States  
1718 Department of Interior, which [~~are~~] is granted as special state set-aside [~~monies~~] money in  
1719 accordance with 30 U.S.C. Sec. 1232 et seq. shall be deposited in the Abandoned Mine  
1720 Reclamation Fund.

1721 (ii) [~~Monies~~] Money deposited into the fund under Subsection (3)(a)(i) shall be  
1722 invested by the state treasurer and the income earned shall be credited to the Abandoned Mine  
1723 Reclamation Fund.

1724 (b) After August 3, 1992, the division shall use the [~~monies~~] money deposited into the  
1725 Abandoned Mine Reclamation Fund under this Subsection (3) to accomplish the purposes set  
1726 forth in Sections 40-10-25 through 40-10-28.1.

1727 (c) Except as provided in Subsection (3)(d), the [~~monies~~] money deposited into the  
1728 Abandoned Mine Reclamation Fund under this Subsection (3) shall be made available to the  
1729 division through legislative appropriations.

1730 (d) The director of the division with the concurrence of the board may at any time  
1731 expend [~~monies~~] money deposited into the Abandoned Mine Reclamation Fund under  
1732 Subsection (3)(a) for any emergency requiring immediate reclamation.

1733 Section 35. Section **40-10-27** is amended to read:

1734 **40-10-27. Entry upon land adversely affected by past coal mining practices --**  
1735 **Conducting of studies or exploratory work -- State acquisition of land -- Lien -- Waste**  
1736 **disposal fund -- Water pollution control and treatment plants.**

1737 (1) (a) If the board, after notice and hearing, makes a finding of fact as provided in

1738 Subsection (1)(b), the agents, employees, or contractors of the division shall have the right to  
1739 enter property adversely affected by past coal mining practices and any other property to have  
1740 access to property adversely affected by past coal mining practices to do whatever is necessary  
1741 or expedient to restore, reclaim, abate, control, or prevent the adverse effects.

1742 (b) The board shall find that:

1743 (i) land or water resources have been adversely affected by past coal mining practices;

1744 (ii) the adverse effects are at a stage where, in the public interest, action to restore,  
1745 reclaim, abate, control, or prevent should be taken; and

1746 (iii) the owners of the land or water resources where entry must be made to restore,  
1747 reclaim, abate, control, or prevent the adverse effects of past coal mining practices:

1748 (A) are not known;

1749 (B) are not readily available; or

1750 (C) will not give permission for the state or its political subdivisions, their agents,  
1751 employees, or contractors to enter upon the property to restore, reclaim, abate, control, or  
1752 prevent the adverse effects of past coal mining practices.

1753 (c) Notice of the division's right to enter the property shall be:

1754 (i) if the owners are known, given by mail; and

1755 (ii) if the owners are not known:

1756 (A) posted upon the premises; and

1757 (B) advertised:

1758 (I) once in a newspaper of general circulation in the county in which the land lies; and

1759 (II) as required in Section 45-1-101.

1760 (d) This entry shall be construed as an exercise of the police power for the protection of  
1761 public health, safety, and general welfare and may not be construed as an act of condemnation  
1762 of property nor of trespass on it.

1763 (e) The [~~monies~~] money expended for this work and the benefits accruing to the  
1764 premises entered upon shall be chargeable against the land and shall mitigate or offset any  
1765 claim in or any action brought by any owner of any interest in these premises for any alleged

1766 damages by virtue of the entry.

1767 (f) This Subsection (1) is not intended to create new rights of action or eliminate  
1768 existing immunities.

1769 (2) (a) The agents, employees, or contractors of the division may enter upon any  
1770 property for the purpose of conducting studies or exploratory work to determine the existence  
1771 of adverse effects of past coal mining practices and to determine the feasibility of restoration,  
1772 reclamation, abatement, control, or prevention of these adverse effects.

1773 (b) This entry shall be construed as an exercise of the police power for the protection of  
1774 public health, safety, and general welfare and may not be construed as an act of condemnation  
1775 of property or trespass on it.

1776 (3) The state may acquire any land by purchase, donation, or condemnation which is  
1777 adversely affected by past coal mining practices if the board, after notice and hearing,  
1778 determines that acquisition of this land is necessary to successful reclamation and that:

1779 (a) the acquired land, after restoration, reclamation, abatement, control, or prevention  
1780 of the adverse effects of past coal mining practices, will serve recreation and historic purposes,  
1781 conservation and reclamation purposes, or provide open space benefits; and

1782 (b) (i) permanent facilities such as a treatment plant or a relocated stream channel will  
1783 be constructed on the land for the restoration, reclamation, abatement, control, or prevention of  
1784 the adverse effects of past coal mining practices; or

1785 (ii) acquisitions of coal refuse disposal sites and all coal refuse on the sites will serve  
1786 the purposes of this chapter or that public ownership is desirable to meet emergency situations  
1787 and prevent recurrences of the adverse effects of past coal mining practices.

1788 (4) (a) Title to all lands acquired under this section shall be in the name of the state.

1789 (b) The price paid for land acquired under this section shall reflect the market value of  
1790 the land as adversely affected by past coal mining practices.

1791 (5) (a) If land acquired under this section is considered suitable for industrial,  
1792 commercial, residential, or recreational development, the division, in conjunction with the  
1793 Division of Forestry, Fire, and State Lands, may sell this land by public sale under a system of

1794 competitive bidding, at not less than fair market value, and under any other rules promulgated  
1795 to insure that the land is put to proper use consistent with local and state land use plans.

1796 (b) (i) The state, when requested after appropriate public notice, shall hold a public  
1797 hearing with the appropriate notice, in the counties or appropriate political subdivisions of the  
1798 state in which lands acquired under this section are located.

1799 (ii) The hearing shall be held at a time which shall afford local citizens and  
1800 governments the maximum opportunity to participate in the decision concerning the use or  
1801 disposition of the lands after restoration, reclamation, abatement, control, or prevention of the  
1802 adverse effects of past coal mining practices.

1803 (6) (a) The state, through the division and the Division of Forestry, Fire, and State  
1804 Lands, shall have the authority to accept lands acquired and reclaimed by the Secretary of the  
1805 Interior pursuant to Section 407(h) of Public Law 95-87.

1806 (b) The division has the authority to accept grants from the Secretary to carry out the  
1807 purposes of Section 407(h) of Public Law 95-87.

1808 (7) (a) Within six months after the completion of projects to restore, reclaim, abate,  
1809 control, or prevent adverse effects of past coal mining practices on privately owned land, the  
1810 division shall itemize the [~~monies~~] money expended and may file a statement of those expenses  
1811 in the office of the county recorder of the county in which the land lies, together with a  
1812 notarized appraisal by an independent appraiser of the value of the land before the restoration,  
1813 reclamation, abatement, control, or prevention of adverse effects of past coal mining practices  
1814 if the [~~monies~~] money expended [~~result~~] results in a significant increase in property value.

1815 (b) This statement shall constitute a lien upon the land described in it.

1816 (c) The lien may not exceed the amount determined by the appraisal to be the increase  
1817 in the market value of the land as a result of the restoration, reclamation, abatement, control, or  
1818 prevention of the adverse effects of past coal mining practices.

1819 (d) A lien may not be filed against the property of any person, in accordance with this  
1820 subsection who owned the surface prior to May 2, 1977, and who neither consented to nor  
1821 participated in nor exercised control over the mining operation which necessitated the

1822 reclamation performed.

1823           (8) (a) The landowner may proceed to petition within 60 days after the filing of the lien  
1824 to determine the increase in the market value of the land as a result of the restoration,  
1825 reclamation, abatement, control, or prevention of the adverse effects of past coal mining  
1826 practices.

1827           (b) The amount reported to be the increase in value of the premises shall constitute the  
1828 amount of the lien and shall be recorded with the statement provided for in Subsection (7).

1829           (c) Any party aggrieved by the decision may appeal as provided by law.

1830           (9) (a) The lien provided in this section shall be recorded in the office of the county  
1831 recorder of the county in which the land lies.

1832           (b) The statement shall constitute a lien upon the land as of the date of the expenditure  
1833 of the [~~monies~~] money and shall have priority as a lien second only to the lien of real estate  
1834 taxes imposed upon the land.

1835           (10) (a) The division may fill any voids, seal any abandoned tunnels, shafts, and  
1836 entryways, and reclaim surface impacts of underground or surface mines which the division  
1837 determines could endanger life and property, constitute a hazard to the public health and safety,  
1838 or degrade the environment.

1839           (b) The division may make expenditures and carry out the purposes of this section  
1840 without regard to the provisions of Subsections 40-10-25(2) and (3) only after all reclamation  
1841 with respect to abandoned coal lands or coal development impacts have been met, except for  
1842 those reclamation projects relating to the protection of the public health or safety.

1843           (c) In those instances where mine waste piles are being reworked for conservation  
1844 purposes, the incremental costs of disposing of the wastes from these operations by filling  
1845 voids and sealing tunnels may be eligible for funding if the disposal of these wastes meets the  
1846 purposes of this section.

1847           (d) The division may acquire by purchase, donation, easement, or otherwise those  
1848 interests in land it determines necessary to carry out the provisions of this section.

1849           (11) (a) The division may request the attorney general, who is hereby authorized to

1850 initiate, in addition to any other remedies provided for in this chapter, in any court of  
1851 competent jurisdiction, an action in equity for an injunction to restrain any interference with the  
1852 exercise of the right to enter or to conduct any work provided in this section.

1853 (b) (i) The division, in conjunction with appropriate state agencies as determined in the  
1854 rules, may construct and operate plants for the control and treatment of water pollution  
1855 resulting from mine drainage.

1856 (ii) The extent of this control and treatment of water pollution may be dependent upon  
1857 the ultimate use of the water.

1858 (iii) This Subsection (11) may not be construed to repeal or supersede any portion of  
1859 the federal Water Pollution Control Act, 33 U.S.C. Sec. 1151 et seq., and no control or  
1860 treatment under this Subsection (11) shall in any way be less than that required under the  
1861 federal Water Pollution Control Act.

1862 (iv) The construction of a plant may include major interceptors and other facilities  
1863 appurtenant to the plant.

1864 (c) The division may transfer funds to other appropriate state agencies, in order to carry  
1865 out the reclamation activities authorized by this chapter.

1866 Section 36. Section **41-1a-422** is amended to read:

1867 **41-1a-422. Support special group license plates -- Contributor -- Voluntary**  
1868 **contribution collection procedures.**

1869 (1) As used in this section:

1870 (a) (i) Except as provided in Subsection (1)(a)(ii), "contributor" means a person who  
1871 has donated or in whose name at least \$25 has been donated to:

1872 (A) a scholastic scholarship fund of a single named institution;

1873 (B) the Department of Veterans' Affairs for veterans' programs;

1874 (C) the Division of Wildlife Resources for the Wildlife Resources Account created in  
1875 Section 23-14-13, for conservation of wildlife and the enhancement, preservation, protection,  
1876 access, and management of wildlife habitat;

1877 (D) the Department of Agriculture and Food for the benefit of conservation districts;

- 1878 (E) the Division of Parks and Recreation for the benefit of snowmobile programs;
- 1879 (F) the Guardian Ad Litem Services Account and the Children's Museum of Utah, with  
1880 the donation evenly divided between the two;
- 1881 (G) the Boy Scouts of America for the benefit of a Utah Boy Scouts of America  
1882 council as specified by the contributor;
- 1883 (H) No More Homeless Pets in Utah for distribution to organizations or individuals  
1884 that provide spay and neuter programs that subsidize the sterilization of domestic animals;
- 1885 (I) the Utah Alliance of Boys and Girls Clubs, Inc. to provide and enhance youth  
1886 development programs;
- 1887 (J) the Utah Association of Public School Foundations to support public education;
- 1888 (K) the Utah Housing Opportunity Restricted Account created in Section 61-2-204 to  
1889 assist people who have severe housing needs;
- 1890 (L) the Public Safety Honoring Heroes Restricted Account created in Section 53-1-118  
1891 to support the families of fallen Utah Highway Patrol troopers and other Department of Public  
1892 Safety employees;
- 1893 (M) the Division of Parks and Recreation for distribution to organizations that provide  
1894 support for Zion National Park;
- 1895 (N) the Firefighter Support Restricted Account created in Section 53-7-109 to support  
1896 firefighter organizations;
- 1897 (O) the Share the Road Bicycle Support Restricted Account created in Section  
1898 72-2-127 to support bicycle operation and safety awareness programs;
- 1899 (P) the Cancer Research Restricted Account created in Section 26-21a-302 to support  
1900 cancer research programs;
- 1901 (Q) Autism Awareness Restricted Account created in Section 53A-1-304 to support  
1902 autism awareness programs; or
- 1903 (R) Humanitarian Service and Educational and Cultural Exchange Restricted Account  
1904 created in Section 9-17-102 to support humanitarian service and educational and cultural  
1905 programs.

1906           (ii) (A) For a veterans' special group license plate, "contributor" means a person who  
1907 has donated or in whose name at least a \$25 donation at the time of application and \$10 annual  
1908 donation thereafter has been made.

1909           (B) For a Utah Housing Opportunity special group license plate, "contributor" means a  
1910 person who:

1911           (I) has donated or in whose name at least \$30 has been donated at the time of  
1912 application and annually after the time of application; and

1913           (II) is a member of a trade organization for real estate licensees that has more than  
1914 15,000 Utah members.

1915           (C) For an Honoring Heroes special group license plate, "contributor" means a person  
1916 who has donated or in whose name at least \$35 has been donated at the time of application and  
1917 annually thereafter.

1918           (D) For a firefighter support special group license plate, "contributor" means a person  
1919 who:

1920           (I) has donated or in whose name at least \$15 has been donated at the time of  
1921 application and annually after the time of application; and

1922           (II) is a currently employed, volunteer, or retired firefighter.

1923           (E) For a cancer research special group license plate, "contributor" means a person who  
1924 has donated or in whose name at least \$35 has been donated at the time of application and  
1925 annually after the time of application.

1926           (b) "Institution" means a state institution of higher education as defined under Section  
1927 53B-3-102 or a private institution of higher education in the state accredited by a regional or  
1928 national accrediting agency recognized by the United States Department of Education.

1929           (2) (a) An applicant for original or renewal collegiate special group license plates under  
1930 Subsection (1)(a)(i) must be a contributor to the institution named in the application and  
1931 present the original contribution verification form under Subsection (2)(b) or make a  
1932 contribution to the division at the time of application under Subsection (3).

1933           (b) An institution with a support special group license plate shall issue to a contributor

1934 a verification form designed by the commission containing:

1935 (i) the name of the contributor;

1936 (ii) the institution to which a donation was made;

1937 (iii) the date of the donation; and

1938 (iv) an attestation that the donation was for a scholastic scholarship.

1939 (c) The state auditor may audit each institution to verify that the [~~moneys~~] money

1940 collected by the institutions from contributors [~~are~~] is used for scholastic scholarships.

1941 (d) After an applicant has been issued collegiate license plates or renewal decals, the  
1942 commission shall charge the institution whose plate was issued, a fee determined in accordance  
1943 with Section 63J-1-504 for management and administrative expenses incurred in issuing and  
1944 renewing the collegiate license plates.

1945 (e) If the contribution is made at the time of application, the contribution shall be  
1946 collected, treated, and deposited as provided under Subsection (3).

1947 (3) (a) An applicant for original or renewal support special group license plates under  
1948 this section must be a contributor to the sponsoring organization associated with the license  
1949 plate.

1950 (b) This contribution shall be:

1951 (i) unless collected by the named institution under Subsection (2), collected by the  
1952 division;

1953 (ii) considered a voluntary contribution for the funding of the activities specified under  
1954 this section and not a motor vehicle registration fee;

1955 (iii) deposited into the appropriate account less actual administrative costs associated  
1956 with issuing the license plates; and

1957 (iv) for a firefighter special group license plate, deposited into the appropriate account  
1958 less:

1959 (A) the costs of reordering firefighter special group license plate decals; and

1960 (B) the costs of replacing recognition special group license plates with new license  
1961 plates under Subsection 41-1a-1211(13).

1962 (c) The donation described in Subsection (1)(a) must be made in the 12 months prior to  
1963 registration or renewal of registration.

1964 (d) The donation described in Subsection (1)(a) shall be a one-time donation made to  
1965 the division when issuing original:

1966 (i) snowmobile license plates; or

1967 (ii) conservation license plates.

1968 (4) Veterans' license plates shall display one of the symbols representing the Army,  
1969 Navy, Air Force, Marines, Coast Guard, or American Legion.

1970 Section 37. Section **41-12a-803** is amended to read:

1971 **41-12a-803. Program creation -- Administration -- Selection of designated agent**  
1972 **-- Duties -- Rulemaking -- Audits.**

1973 (1) There is created the Uninsured Motorist Identification Database Program to:

1974 (a) establish an Uninsured Motorist Identification Database to verify compliance with  
1975 motor vehicle owner's or operator's security requirements under Section 41-12a-301 and other  
1976 provisions under this part;

1977 (b) assist in reducing the number of uninsured motor vehicles on the highways of the  
1978 state;

1979 (c) assist in increasing compliance with motor vehicle registration and sales and use tax  
1980 laws;

1981 (d) assist in protecting a financial institution's bona fide security interest in a motor  
1982 vehicle; and

1983 (e) assist in the identification and prevention of identity theft and other crimes.

1984 (2) The program shall be administered by the department with the assistance of the  
1985 designated agent and the Motor Vehicle Division.

1986 (3) (a) The department shall contract in accordance with Title 63G, Chapter 6, Utah  
1987 Procurement Code, with a third party to establish and maintain an Uninsured Motorist  
1988 Identification Database for the purposes established under this part.

1989 (b) The contract may not obligate the department to pay the third party more [monies]

1990 money than [~~are~~] is available in the account.

1991 (4) (a) The third party under contract under this section is the department's designated  
1992 agent, and shall develop and maintain a computer database from the information provided by:

1993 (i) insurers under Section 31A-22-315;

1994 (ii) the division under Subsection (6); and

1995 (iii) the Motor Vehicle Division under Section 41-1a-120.

1996 (b) (i) The database shall be developed and maintained in accordance with guidelines  
1997 established by the department so that state and local law enforcement agencies and financial  
1998 institutions as defined in Section 7-1-103 can efficiently access the records of the database,  
1999 including reports useful for the implementation of the provisions of this part.

2000 (ii) (A) The reports shall be in a form and contain information approved by the  
2001 department.

2002 (B) The reports may be made available through the Internet or through other electronic  
2003 medium, if the department determines that sufficient security is provided to ensure compliance  
2004 with Section 41-12a-805 regarding limitations on disclosure of information in the database.

2005 (5) With information provided by the department and the Motor Vehicle Division, the  
2006 designated agent shall, at least monthly for submissions under Subsection 31A-22-315(2)(b) or  
2007 at least twice a month for submissions under Subsection 31A-22-315(2)(a):

2008 (a) update the database with the motor vehicle insurance information provided by the  
2009 insurers in accordance with Section 31A-22-315; and

2010 (b) compare all current motor vehicle registrations against the database.

2011 (6) The division shall provide the designated agent with the name, date of birth,  
2012 address, and driver license number of all persons on the driver license database.

2013 (7) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2014 department shall make rules and develop procedures in cooperation with the Motor Vehicle  
2015 Division to use the database for the purpose of administering and enforcing this part.

2016 (8) (a) The designated agent shall archive computer data files at least semi-annually for  
2017 auditing purposes.

2018 (b) The internal audit unit of the tax commission provided under Section 59-1-206  
2019 shall audit the program at least every three years.

2020 (c) The audit under Subsection (8)(b) shall include verification of:

2021 (i) billings made by the designated agent; and

2022 (ii) the accuracy of the designated agent's matching of vehicle registration with  
2023 insurance data.

2024 Section 38. Section **51-7-3** is amended to read:

2025 **51-7-3. Definitions.**

2026 As used in this chapter:

2027 (1) "Agent" means "agent" as defined in Section 61-1-13.

2028 (2) "Certified dealer" means:

2029 (a) a primary reporting dealer recognized by the Federal Reserve Bank of New York  
2030 who is certified by the director as having met the applicable criteria of council rule; or

2031 (b) a broker dealer who:

2032 (i) has and maintains an office and a resident registered principal in the state;

2033 (ii) meets the capital requirements established by council rules;

2034 (iii) meets the requirements for good standing established by council rule; and

2035 (iv) is certified by the director as meeting quality criteria established by council rule.

2036 (3) "Certified investment adviser" means a federal covered adviser, as defined in  
2037 Section 61-1-13, or an investment adviser, as defined in Section 61-1-13, who is certified by  
2038 the director as having met the applicable criteria of council rule.

2039 (4) "Commissioner" means the commissioner of financial institutions.

2040 (5) "Council" means the State Money Management Council created by Section  
2041 51-7-16.

2042 (6) "Director" means the director of the Utah State Division of Securities of the  
2043 Department of Commerce.

2044 (7) (a) "Endowment funds" means gifts, devises, or bequests of property of any kind  
2045 donated to a higher education institution from any source.

2046 (b) "Endowment funds" does not mean [~~monies~~] money used for the general operation  
2047 of a higher education institution that [~~are~~] is received by the higher education institution from:

- 2048 (i) state appropriations;
- 2049 (ii) federal contracts;
- 2050 (iii) federal grants;
- 2051 (iv) private research grants; and
- 2052 (v) tuition and fees collected from students.

2053 (8) "First tier commercial paper" means commercial paper rated by at least two  
2054 nationally recognized statistical rating organizations in the highest short-term rating category.

2055 (9) "Funds functioning as endowments" means funds, regardless of source, whose  
2056 corpus is intended to be held in perpetuity by formal institutional designation according to the  
2057 institution's policy for designating those funds.

2058 (10) "GASB" or "Governmental Accounting Standards Board" means the  
2059 Governmental Accounting Standards Board that is responsible for accounting standards used  
2060 by public entities.

2061 (11) "Hard put" means an unconditional sell-back provision or a redemption provision  
2062 applicable at issue to a note or bond, allowing holders to sell their holdings back to the issuer  
2063 or to an equal or higher-rated third party provider at specific intervals and specific prices  
2064 determined at the time of issuance.

2065 (12) "Higher education institution" means the institutions specified in Section  
2066 53B-1-102.

2067 (13) "Investment adviser representative" means "investment adviser representative" as  
2068 defined in Section 61-1-13.

2069 (14) (a) "Investment agreement" means any written agreement that has specifically  
2070 negotiated withdrawal or reinvestment provisions and a specifically negotiated interest rate.

2071 (b) "Investment agreement" includes any agreement to supply investments on one or  
2072 more future dates.

2073 (15) "Local government" means a county, municipality, school district, local district

2074 under Title 17B, Limited Purpose Local Government Entities - Local Districts, special service  
2075 district under Title 17D, Chapter 1, Special Service District Act, or any other political  
2076 subdivision of the state.

2077 (16) "Market value" means market value as defined in the Master Repurchase  
2078 Agreement.

2079 (17) "Master Repurchase Agreement" means the current standard Master Repurchase  
2080 Agreement approved by the Public Securities Association or by any successor organization.

2081 (18) "Maximum amount" means, with respect to qualified depositories, the total  
2082 amount of:

2083 (a) deposits in excess of the federal deposit insurance limit; and

2084 (b) nonqualifying repurchase agreements.

2085 (19) "Money market mutual fund" means an open-end managed investment fund:

2086 (a) that complies with the diversification, quality, and maturity requirements of Rule  
2087 2a-7 or any successor rule of the Securities and Exchange Commission applicable to money  
2088 market mutual funds; and

2089 (b) that assesses no sales load on the purchase of shares and no contingent deferred  
2090 sales charge or other similar charges, however designated.

2091 (20) "Nationally recognized statistical rating organization" means an organization that  
2092 has been designated as a nationally recognized statistical rating organization by the Securities  
2093 and Exchange Commission's Division of Market Regulation.

2094 (21) "Nonqualifying repurchase agreement" means a repurchase agreement evidencing  
2095 indebtedness of a qualified depository arising from the transfer of obligations of the United  
2096 States Treasury or other authorized investments to public treasurers that is:

2097 (a) evidenced by a safekeeping receipt issued by the qualified depository;

2098 (b) included in the depository's maximum amount of public funds; and

2099 (c) valued and maintained at market value plus an appropriate margin collateral  
2100 requirement based upon the term of the agreement and the type of securities acquired.

2101 (22) "Operating funds" means current balances and other funds that are to be disbursed

2102 for operation of the state government or any of its boards, commissions, institutions,  
2103 departments, divisions, agencies, or other similar instrumentalities, or any county, city, school  
2104 district, political subdivision, or other public body.

2105 (23) "Permanent funds" means funds whose principal may not be expended, the  
2106 earnings from which are to be used for purposes designated by law.

2107 (24) "Permitted depository" means any out-of-state financial institution that meets  
2108 quality criteria established by rule of the council.

2109 (25) "Public funds" means [~~monies~~] money, funds, and accounts, regardless of the  
2110 source from which the [~~monies~~] money, funds, and accounts are derived, that are owned, held,  
2111 or administered by the state or any of its boards, commissions, institutions, departments,  
2112 divisions, agencies, bureaus, laboratories, or other similar instrumentalities, or any county, city,  
2113 school district, political subdivision, or other public body.

2114 (26) (a) "Public [~~monies~~] money" means "public funds."

2115 (b) "Public [~~monies~~] money," as used in Article VII, Sec. 15, Utah Constitution, means  
2116 the same as "state funds."

2117 (27) "Public treasurer" includes the state treasurer and the official of any state board,  
2118 commission, institution, department, division, agency, or other similar instrumentality, or of  
2119 any county, city, school district, political subdivision, or other public body who has the  
2120 responsibility for the safekeeping and investment of any public funds.

2121 (28) "Qualified depository" means a Utah depository institution or an out-of-state  
2122 depository institution, as those terms are defined in Section 7-1-103 that is authorized to  
2123 conduct business in this state under Section 7-1-702 or Title 7, Chapter 19, Acquisition of  
2124 Failing Depository Institutions or Holding Companies, whose deposits are insured by an  
2125 agency of the federal government and that has been certified by the commissioner of financial  
2126 institutions as having met the requirements established under this chapter and the rules of the  
2127 council to be eligible to receive deposits of public funds.

2128 (29) "Qualifying repurchase agreement" means a repurchase agreement evidencing  
2129 indebtedness of a financial institution or government securities dealer acting as principal

2130 arising from the transfer of obligations of the United States Treasury or other authorized  
2131 investments to public treasurers only if purchased securities are:

2132 (a) delivered to the public treasurer's safekeeping agent or custodian as contemplated  
2133 by Section 7 of the Master Repurchase Agreement; and

2134 (b) valued and maintained at market value plus an appropriate margin collateral  
2135 requirement based upon the term of the agreement and the type of securities acquired.

2136 (30) "Securities division" means Utah's Division of Securities created within the  
2137 Department of Commerce by Section 13-1-2.

2138 (31) "State funds" means:

2139 (a) public [~~monies~~] money raised by operation of law for the support and operation of  
2140 the state government; and

2141 (b) all other [~~monies~~] money, funds, and accounts, regardless of the source from which  
2142 the [~~monies~~] money, funds, or accounts are derived, that are owned, held, or administered by  
2143 the state or any of its boards, commissions, institutions, departments, divisions, agencies,  
2144 bureaus, laboratories, or other similar instrumentalities.

2145 Section 39. Section **51-7a-101** is amended to read:

2146 **CHAPTER 7a. INVESTMENT OF LAND GRANT TRUST FUND MONEY**

2147 **51-7a-101. Title.**

2148 This chapter is known as the "Investment of Land Grant Trust Fund [~~Monies~~] Money."

2149 Section 40. Section **51-8-102** is amended to read:

2150 **51-8-102. Definitions.**

2151 As used in this chapter:

2152 (1) "Charitable purpose" means the relief of poverty, the advancement of education or  
2153 religion, the promotion of health, the promotion of governmental purposes, and any other  
2154 purpose the achievement of which is beneficial to the community.

2155 (2) (a) "Endowment fund" means an institutional fund, or any part of an institutional  
2156 fund, not wholly expendable by the institution on a current basis under the terms of a gift  
2157 instrument.

2158 (b) "Endowment fund" does not include assets of an institution designated by the  
2159 institution as an endowment fund for its own use.

2160 (3) "Gift instrument" means a record or records, including an institutional solicitation,  
2161 under which property is granted to, transferred to, or held by an institution as an institutional  
2162 fund.

2163 (4) (a) "Governing board" means the body responsible for the management of an  
2164 institution or of an institutional fund.

2165 (b) "Governing board" means, for a higher education institution, the board of trustees  
2166 of the higher education institution.

2167 (5) "Higher education institution" means the institutions specified in Section  
2168 53B-1-102.

2169 (6) "Institution" means:

2170 (a) a person, other than an individual, organized and operated exclusively for charitable  
2171 purposes;

2172 (b) a government or a governmental subdivision, agency, or instrumentality to the  
2173 extent that it holds funds exclusively for a charitable purpose; and

2174 (c) a trust that had both charitable and noncharitable interests, after all noncharitable  
2175 interests have terminated.

2176 (7) (a) "Institutional fund" means a fund held by an institution exclusively for  
2177 charitable purposes.

2178 (b) "Institutional fund" does not include:

2179 (i) program-related assets;

2180 (ii) a fund held for an institution by a trustee that is not an institution;

2181 (iii) a fund in which a beneficiary that is not an institution has an interest, other than an  
2182 interest that could arise upon violation or failure of the purposes of the fund; or

2183 (iv) operating funds.

2184 (8) "Manager" means either:

2185 (a) the state treasurer; or

2186 (b) a higher education institution that accepts the responsibility for the management of  
2187 institutional funds of a different higher education institution.

2188 (9) "Operating funds" means [~~monies~~] money used for the general operation of a higher  
2189 education institution that [~~are~~] is received by the higher education institution from:

2190 (a) state appropriations;

2191 (b) government contracts;

2192 (c) government grants; or

2193 (d) tuition and fees collected from students.

2194 (10) "Person" means an individual, corporation, business trust, estate, trust,  
2195 partnership, limited liability company, association, joint venture, public corporation,  
2196 government or governmental subdivision, agency, instrumentality, or any other legal or  
2197 commercial entity.

2198 (11) "Program-related asset" means an asset held by an institution primarily to  
2199 accomplish a charitable purpose of the institution and not primarily for appreciation or the  
2200 production of income.

2201 (12) "Record" means information that is inscribed on a tangible medium or that is  
2202 stored in an electronic or other medium and is retrievable in perceivable form.

2203 Section 41. Section **51-9-402** is amended to read:

2204 **51-9-402. Division of collected money retained by state treasurer and local**  
2205 **governmental collecting entity -- Purpose of surcharge -- Allocation of collections --**  
2206 **Financial information.**

2207 (1) The amount of the surcharge imposed under this part by courts of record shall be  
2208 collected before any fine and deposited with the state treasurer.

2209 (2) The amount of the surcharge and the amount of criminal fines, penalties, and  
2210 forfeitures imposed under this part by courts not of record shall be collected concurrently.

2211 (a) As [~~monies are~~] money is collected on criminal fines, penalties, and forfeitures  
2212 subject to the 90% surcharge, the [~~monies~~] money shall be divided pro rata so that the local  
2213 governmental collecting entity retains 53% of the collected [~~monies~~] money and the state

2214 retains 47% of the collected [~~monies~~] money.

2215 (b) As [~~monies are~~] money is collected on criminal fines, penalties, and forfeitures  
2216 subject to the 35% surcharge, the [~~monies~~] money shall be divided pro rata so that the local  
2217 governmental collecting entity retains 74% of the collected [~~monies~~] money and the state  
2218 retains 26% of the collected [~~monies~~] money.

2219 (c) The court shall deposit with the state treasurer the surcharge portion of all [~~monies~~]  
2220 money as [~~they are~~] it is collected.

2221 (3) Courts of record, courts not of record, and administrative traffic proceedings shall  
2222 collect financial information to determine:

2223 (a) the total number of cases in which:

2224 (i) a final judgment has been rendered;

2225 (ii) surcharges and fines are paid by partial or installment payment; and

2226 (iii) the judgment is fulfilled by an alternative method upon the court's order; and

2227 (b) the total dollar amounts of surcharges owed to the state and fines owed to the state  
2228 and county or municipality, including:

2229 (i) waived surcharges;

2230 (ii) uncollected surcharges; and

2231 (iii) collected surcharges.

2232 (4) The courts of record, courts not of record, and administrative traffic proceedings  
2233 shall report all collected financial information monthly to the Administrative Office of the  
2234 Courts. The collected information shall be categorized by cases subject to the 90% and 35%  
2235 surcharge.

2236 (5) The purpose of the surcharge is to finance the trust funds and support accounts as  
2237 provided in this part.

2238 (6) (a) From the surcharge, the Division of Finance shall allocate in the manner and for  
2239 the purposes described in Sections 51-9-403 through 51-9-411.

2240 (b) Allocations shall be made on a fiscal year basis.

2241 (7) The provisions of this section and Section 51-9-401 may not impact the distribution

2242 and allocation of fines and forfeitures imposed in accordance with Sections 23-14-13,  
2243 78A-5-110, and 78A-7-120.

2244 Section 42. Section **51-9-404** is amended to read:

2245 **51-9-404. Distribution of surcharge amounts.**

2246 (1) In this section:

2247 (a) "Reparation fund" means the Crime Victim Reparations Fund.

2248 (b) "Safety account" means the Public Safety Support Account.

2249 (2) (a) There is created a restricted special revenue fund known as the "Crime Victim  
2250 Reparations Fund" to be administered and distributed as provided in this part by the Office of  
2251 Crime Victim Reparations under Title 63M, Chapter 7, Part 5, Crime Victim Reparations Act,  
2252 in cooperation with the Division of Finance.

2253 (b) [~~Monies~~] Money deposited in this fund [~~are~~] is for victim reparations, criminal  
2254 justice and substance abuse, other victim services, and, as appropriated, for administrative costs  
2255 of the Commission on Criminal and Juvenile Justice under Title 63M, Chapter 7.

2256 (3) (a) There is created a restricted account in the General Fund known as the "Public  
2257 Safety Support Account" to be administered and distributed by the Department of Public Safety  
2258 in cooperation with the Division of Finance as provided in this part.

2259 (b) [~~Monies~~] Money deposited in this account shall be appropriated to:

2260 (i) the Division of Peace Officer Standards and Training (POST) as described in Title  
2261 53, Chapter 6, Peace Officer Standards and Training Act; and

2262 (ii) the Office of the Attorney General for the support of the Utah Prosecution Council  
2263 established in Title 67, Chapter 5a, and the fulfillment of the council's duties.

2264 (4) The Division of Finance shall allocate from the collected surcharge established in  
2265 Section 51-9-401:

2266 (a) 35% to the Crime Victim Reparations Fund;

2267 (b) 18.5% to the safety account for POST, but not to exceed the amount appropriated  
2268 by the Legislature; and

2269 (c) 3% to the safety account for support of the Utah Prosecution Council, but not to

2270 exceed the amount appropriated by the Legislature.

2271 (5) (a) In addition to the funding provided by other sections of this part, a percentage of  
2272 the income earned by inmates working for correctional industries in a federally certified private  
2273 sector/prison industries enhancement program shall be deposited in the Crime Victim  
2274 Reparations Fund.

2275 (b) The percentage of income deducted from inmate pay under Subsection (5)(a) shall  
2276 be determined by the executive director of the Department of Corrections in accordance with  
2277 the requirements of the private sector/prison industries enhancement program.

2278 (6) (a) In addition to other [~~monies~~] money collected from the surcharge, judges are  
2279 encouraged to, and may in their discretion, impose additional reparations to be paid into the  
2280 Crime Victim Reparations Fund by convicted criminals.

2281 (b) The additional discretionary reparations may not exceed the statutory maximum  
2282 fine permitted by Title 76, Utah Criminal Code, for that offense.

2283 Section 43. Section **51-9-411** is amended to read:

2284 **51-9-411. Law Enforcement Operations Account -- Share of surcharge -- Uses.**

2285 (1) As used in this section:

2286 (a) "Account" means the Law Enforcement Operations Account.

2287 (b) "Commission" means the Commission on Criminal and Juvenile Justice created in  
2288 Section 63M-7-201.

2289 (c) "Law enforcement agency" means a state or local law enforcement agency.

2290 (d) "Other appropriate agency" means a state or local government agency, or a nonprofit  
2291 organization, that works to prevent illegal drug activity and enforce laws regarding illegal drug  
2292 activity and related criminal activity by:

2293 (i) programs, including education, prevention, treatment, and research programs; and

2294 (ii) enforcement of laws regarding illegal drugs.

2295 (2) There is created a restricted account within the General Fund known as the Law  
2296 Enforcement Operations Account.

2297 (3) (a) The Division of Finance shall allocate the balance of the collected surcharge

2298 under Section 51-9-401 that is not allocated under Title 51, Chapter 9, Part 4, Criminal  
2299 Conviction Surcharge Allocation, to the account, to be appropriated by the Legislature.

2300 (b) Money in the account shall be appropriated to the commission for implementing  
2301 law enforcement operations and programs related to reducing illegal drug activity and related  
2302 criminal activity as listed in Subsection (5).

2303 (c) The state treasurer shall invest [~~monies~~] money in the account according to Title 51,  
2304 Chapter 7, State Money Management Act.

2305 (d) The Division of Finance shall deposit interest or other earnings derived from  
2306 investment of account [~~monies~~] money into the General Fund.

2307 (4) (a) The commission shall allocate grants of funds from the account for the purposes  
2308 under Subsection (5) to state, local, or multijurisdictional law enforcement agencies and other  
2309 appropriate agencies.

2310 (b) The grants shall be made by an application process established by the commission  
2311 in accordance with Subsection (6).

2312 (5) (a) The first priority of the commission is to annually allocate not more than  
2313 \$2,500,000, depending upon funding available from other sources, to directly fund the  
2314 operational costs of state and local law enforcement agencies' drug or crime task forces,  
2315 including multijurisdictional task forces.

2316 (b) The second priority of the commission is to allocate grants for specified law  
2317 enforcement agency functions and other agency functions as the commission finds appropriate  
2318 to more effectively reduce illegal drug activity and related criminal activity, including  
2319 providing education, prevention, treatment, and research programs.

2320 (6) (a) In allocating grants and determining the amount of the grants, the commission  
2321 shall consider:

2322 (i) the demonstrated ability of the agency to appropriately use the grant to implement  
2323 the proposed functions and how this function or task force will add to the law enforcement  
2324 agency's current efforts to reduce illegal drug activity and related criminal activity; and

2325 (ii) the agency's cooperation with other state and local agencies and task forces.

2326 (b) Agencies qualify for a grant only if they demonstrate compliance with all reporting  
2327 and policy requirements applicable under this section and under Title 63M, Chapter 7,  
2328 Criminal Justice and Substance Abuse, in order to qualify as a potential grant recipient.

2329 (7) Recipient agencies may only use grant [~~monies~~] money after approval or  
2330 appropriation by the agency's governing body, and a determination that the grant [~~monies are~~]  
2331 money is nonlapsing.

2332 (8) A recipient law enforcement agency may use funds granted under this section only  
2333 for the purposes stated by the commission in the grant.

2334 (9) For each fiscal year, any law enforcement agency that receives a grant from the  
2335 commission under this section shall prepare, and file with the commission and the state auditor,  
2336 a report in a form specified by the commission. The report shall include the following  
2337 regarding each grant:

2338 (a) the agency's name;

2339 (b) the amount of the grant;

2340 (c) the date of the grant;

2341 (d) how the grant has been used; and

2342 (e) a statement signed by both the agency's or political subdivision's executive officer  
2343 or designee and by the agency's legal counsel, that all grant funds were used for law  
2344 enforcement operations and programs approved by the commission and that relate to reducing  
2345 illegal drug activity and related criminal activity, as specified in the grant.

2346 (10) The commission shall report in writing to the legislative Law Enforcement and  
2347 Criminal Justice Interim Committee annually regarding the grants allocated under this section,  
2348 including the amounts and uses of the grants.

2349 Section 44. Section **51-9-504** is amended to read:

2350 **51-9-504. Utah Navajo royalties and related issues.**

2351 (1) (a) Notwithstanding Title 63, Chapter 88, Navajo Trust Fund, repealed July 1,  
2352 2008, and except as provided in Subsection (7), the following are subject to this Subsection (1):

2353 (i) the repealed board of trustees;

- 2354 (ii) the repealed trust administrator;
- 2355 (iii) an employee or agent of the repealed Navajo Trust Fund; or
- 2356 (iv) the repealed Dineh Committee.
- 2357 (b) The repealed board of trustees may not:
- 2358 (i) beginning on March 17, 2008, take an action that imposes or may impose a liability
- 2359 or obligation described in Subsection (1)(d) that is:
- 2360 (A) anticipated to be completed on or after January 1, 2010; or
- 2361 (B) equal to or greater than \$100,000; or
- 2362 (ii) on or after May 5, 2008, take an action that imposes or may impose a liability or
- 2363 obligation described in Subsection (1)(d).
- 2364 (c) On or after March 17, 2008 a person described in Subsections (1)(a)(ii) through (iv)
- 2365 may not take an action that imposes or may impose a liability or obligation described in
- 2366 Subsection (1)(d).
- 2367 (d) Subsection (1)(b) applies to a liability or obligation on:
- 2368 (i) the repealed Navajo Trust Fund;
- 2369 (ii) the Navajo Revitalization Fund created under Title 9, Chapter 11, Navajo
- 2370 Revitalization Fund Act;
- 2371 (iii) the state; or
- 2372 (iv) any of the following related to an entity described in this Subsection (1)(d):
- 2373 (A) a department;
- 2374 (B) a division;
- 2375 (C) an office;
- 2376 (D) a committee;
- 2377 (E) a board;
- 2378 (F) an officer;
- 2379 (G) an employee; or
- 2380 (H) a similar agency or individual.
- 2381 (2) The Division of Finance shall:

- 2382 (a) establish a fund by no later than July 1, 2008:
- 2383 (i) to hold:
- 2384 (A) the [~~monies~~] money in the repealed Navajo Trust Fund as of June 30, 2008;
- 2385 (B) Utah Navajo royalties received by the state on or after July 1, 2008;
- 2386 (C) revenues from investments made by the state treasurer of the [~~monies~~] money in
- 2387 the fund established under this Subsection (2)(a);
- 2388 (D) [~~monies~~] money owed to the repealed Navajo Trust Fund, including [~~monies~~]
- 2389 money received by the repealed trust administrator or repealed Dineh Committee from an
- 2390 agreement executed by:
- 2391 (I) the repealed board of trustees;
- 2392 (II) the repealed trust administrator; or
- 2393 (III) the repealed Dineh Committee; and
- 2394 (E) [~~monies~~] money related to litigation, including settlement of litigation related to
- 2395 Utah Navajo royalties; and
- 2396 (ii) from which [~~monies~~] money may not be transferred or expended, except:
- 2397 (A) as provided in Subsection (7); or
- 2398 (B) as authorized by congressional action to designate a new recipient of the Utah
- 2399 Navajo royalties; and
- 2400 (b) by no later than July 1, 2008, transfer to the fund created under Subsection (2)(a) in
- 2401 a manner consistent with this section the related assets and liabilities of the repealed Navajo
- 2402 Trust Fund, including the transfer of [~~monies~~] money in the repealed Navajo Trust Fund.
- 2403 (3) The state treasurer shall invest [~~monies~~] money in the fund created in Subsection
- 2404 (2)(a) in accordance with Title 51, Chapter 7, State Money Management Act.
- 2405 (4) (a) By no later than May 5, 2008, the repealed board of trustees shall:
- 2406 (i) adopt a list of all related assets and liabilities of the repealed trust fund that are not
- 2407 satisfied by May 5, 2008, which may include assets and liabilities that are contingent in nature
- 2408 or amount;
- 2409 (ii) adopt a list of all individuals who at the time of adoption meet the requirements of

2410 Subsection (7)(b); and

2411 (iii) provide a copy of the lists described in Subsections (4)(a)(i) and (ii) to:

2412 (A) the state auditor; and

2413 (B) the Department of Administrative Services.

2414 (b) The state auditor, in addition to completing its Fiscal Year 2007-2008 audit of the

2415 repealed Navajo Trust Fund, shall:

2416 (i) verify the list of the related assets and liabilities of the repealed Navajo Trust Fund

2417 adopted by the repealed board of trustees under Subsection (4)(a) by no later than June 30,

2418 2008; and

2419 (ii) provide a written copy of the verification to the governor and the Legislature by no

2420 later than July 30, 2008.

2421 (5) The governor shall ensure that the reporting requirements under P.L. 90-306, 82

2422 Stat. 121, are met.

2423 (6) The Department of Administrative Services, in cooperation with the Department of

2424 Human Resources, may assist employees of the repealed Navajo Trust Fund as of June 30,

2425 2008, in accordance with Title 67, Chapter 19, Utah State Personnel Management Act.

2426 (7) With the fund created under Subsection (2) and the fixed assets of the repealed

2427 Navajo Trust Fund, the Department of Administrative Services shall:

2428 (a) subject to Subsection (8), fulfill the liabilities and obligations of the repealed

2429 Navajo Trust Fund as of June 30, 2008;

2430 (b) provide [~~monies~~] money to an individual enrolled member of the Navajo Nation

2431 who:

2432 (i) resides in San Juan County;

2433 (ii) as of June 30, 2012, has received [~~monies~~] money under this Subsection (7)(b) for

2434 postsecondary education;

2435 (iii) beginning the later of June 30 or the day on which the individual first receives

2436 [~~monies~~] money under this Subsection (7)(b), is enrolled in postsecondary education for the

2437 equivalent of at least two semesters each year; and

2438 (iv) meets the eligibility requirements adopted by the repealed board of trustees as of  
2439 March 17, 2008;

2440 (c) through the Division of Facilities Construction and Management, reasonably  
2441 maintain the fixed assets of the repealed Navajo Trust Fund, to the extent that a lessee of a  
2442 fixed asset is not required by a lease to maintain a fixed asset;

2443 (d) through the Division of Facilities Construction and Management, take those steps  
2444 necessary to secure the purchase:

2445 (i) of the following that is owned by the repealed Navajo Trust Fund as of May 5,  
2446 2008:

2447 (A) the government service building; or

2448 (B) another fixed asset of the repealed Navajo Trust Fund, if the sale of the fixed asset  
2449 is consistent with the obligations of the state with regard to the Utah Navajo royalties; and

2450 (ii) (A) in an arms length manner; and

2451 (B) so that fair market compensation is paid to the repealed Navajo Trust Fund; and

2452 (e) charge the fund established under Subsection (2)(a) for the expenses that are  
2453 necessary and reasonable to comply with the requirements of this Subsection (7).

2454 (8) To fulfill the liabilities and obligations of the repealed Navajo Trust Fund as of  
2455 June 30, 2008, the Division of Finance may expend [~~monies~~] money from the fund:

2456 (a) for a liability or obligation incurred before March 17, 2008, to the extent that the  
2457 expenditure was expressly a liability or obligation of the repealed Navajo Trust Fund as of  
2458 March 17, 2008; and

2459 (b) on and after March 11, 2010, for a project approved under Subsection (1)(b)(i) by  
2460 the repealed board of trustees, except that the Division of Finance may not expend [~~monies~~]  
2461 money from the fund for a project approved under Subsection (1)(b)(i):

2462 (i) in excess of \$100,000 in the aggregate for the project; or

2463 (ii) to fulfill a liability or obligation related to the project if the expenditure would be  
2464 on or after the earlier of:

2465 (A) the day on which [~~monies~~] money from the fund [~~are~~] is transferred as authorized

2466 by congressional action to designate a new recipient of the Utah Navajo royalties; or

2467 (B) January 1, 2012.

2468 (9) Unless expressly prohibited by this part, the state may take any action with regard  
2469 to the assets held by the state under this part that is consistent with the obligations of the state  
2470 related to the Utah Navajo royalties.

2471 Section 45. Section **51-9-602** is amended to read:

2472 **51-9-602. Creation of fund -- County Road and School Fund from Forest**  
2473 **Reserves.**

2474 There is established a fund known as the "County Road and School Fund from Forest  
2475 Reserves," comprised of:

2476 (1) [~~monies~~] money which shall come into the hands of the state treasurer from the  
2477 United States under the Act of May 23, 1908, 16 U.S.C. Sec. 500 et seq., and all acts  
2478 amendatory thereof and supplementary thereto; and

2479 (2) [~~monies~~] money paid under the act described in Subsection (1) that:

2480 (a) [~~have~~] has come into the hands of the state treasurer; and

2481 (b) (i) the state treasurer had not apportioned to counties as of February 24, 2009; or

2482 (ii) were apportioned to a county by the state treasurer, but were returned by the county  
2483 to the state treasurer on or before June 15, 2009.

2484 Section 46. Section **52-5-102** is amended to read:

2485 **52-5-102. Definitions.**

2486 As used in this chapter:

2487 (1) (a) "Contribution" means any of the following:

2488 (i) a gift, subscription, donation, loan, advance, or deposit of money or anything of  
2489 value to a fund;

2490 (ii) an express, legally enforceable contract, promise, or agreement to make a gift,  
2491 subscription, donation, unpaid or partially unpaid loan, advance, or deposit of money or  
2492 anything of value to a fund; or

2493 (iii) any transfer of funds from another elected official or surrogate to the filing elected

2494 official's or surrogate's fund.

2495 (b) "Contribution" does not include money lent to the elected official or surrogate by a  
2496 financial institution in the ordinary course of business.

2497 (2) "Disbursement" means [~~monies~~] money, transfers, or other withdrawals from a fund  
2498 for any purpose.

2499 (3) "Elected official" means each person elected to a state office, county office,  
2500 municipal office, school board or school district office, local district office, or special service  
2501 district office, but does not include judges standing for retention election.

2502 (4) (a) "Fund" means any sum of money or other resources, however titled or  
2503 described, that is segregated, designated, or set aside for the use or benefit of an elected  
2504 official.

2505 (b) "Fund" does not mean:

2506 (i) an elected official's or surrogate's private money or public money; or

2507 (ii) campaign funds or accounts established by candidates under the authority of Title  
2508 20A, Chapter 11, Part 2, State Office Candidates - Campaign Organization and Financial  
2509 Reporting Requirements, Title 20A, Chapter 11, Part 3, Candidates for Legislative Office -  
2510 Campaign Organization and Financial Reporting Requirements, and Title 20A, Chapter 11,  
2511 Part 4, Officeholder Financial Reporting [~~Requirement~~] Requirements.

2512 (5) "Private money" means personal [~~monies~~] money used to pay normal expenses for  
2513 which an elected official or surrogate is personally liable for state and federal taxes.

2514 (6) "Public money" means [~~monies~~] money controlled by an elected official or  
2515 surrogate in their public capacity that [~~are~~] is accounted for by a governmental entity.

2516 (7) "Surrogate" means any committee, party, organization, or other person or group  
2517 who holds or maintains a fund for the benefit of an elected official.

2518 Section 47. Section **53-1-117** is amended to read:

2519 **53-1-117. Alcohol or drug enforcement funding -- Rulemaking -- Legislative**  
2520 **findings.**

2521 (1) From [~~monies~~] money appropriated by the Legislature and any other funds made

2522 available for the purposes described under this section, the department shall assist the law  
2523 enforcement agencies of the state and its political subdivisions in the enforcement of alcohol or  
2524 drug-related offenses.

2525 (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
2526 commissioner shall make rules establishing criteria and procedures for granting [~~monies~~]  
2527 money under this section to law enforcement agencies for:

2528 (a) providing equipment, including drug and alcohol testing equipment;

2529 (b) funding the training and overtime of peace officers; and

2530 (c) managing driving under the influence related abandoned vehicles.

2531 (3) The Legislature finds that [~~these monies are~~] the money is for a general and  
2532 statewide public purpose.

2533 Section 48. Section **53-2-109** is amended to read:

2534 **53-2-109. General duties of the Search and Rescue Advisory Board.**

2535 The duties of the Search and Rescue Advisory Board shall include:

2536 (1) conducting a board meeting at least once per quarter;

2537 (2) receiving applications for reimbursement of eligible expenses from county search  
2538 and rescue operations by the end of the first quarter of each calendar year;

2539 (3) determining the reimbursement to be provided from the Search and Rescue  
2540 Financial Assistance Program to each applicant;

2541 (4) standardizing the format and maintaining key search and rescue statistical data from  
2542 each county within the state; and

2543 (5) disbursing funds accrued in the Search and Rescue Financial Assistance Program,  
2544 created under Section 53-2-107, to eligible applicants until the program [~~monies are~~] money is  
2545 depleted in that fiscal year.

2546 Section 49. Section **53-2-403** is amended to read:

2547 **53-2-403. State Disaster Recovery Restricted Account.**

2548 (1) (a) There is created a restricted account in the General Fund known as the "State  
2549 Disaster Recovery Restricted Account."

- 2550 (b) The disaster recovery fund shall consist of:
- 2551 (i) [~~monies~~] money deposited into the disaster recovery fund in accordance with
- 2552 Section 63J-1-314;
- 2553 (ii) [~~monies~~] money appropriated to the disaster recovery fund by the Legislature; and
- 2554 (iii) any other public or private [~~monies~~] money received by the division that [~~are~~] is:
- 2555 (A) given to the division for purposes consistent with this section; and
- 2556 (B) deposited into the disaster recovery fund at the request of:
- 2557 (I) the division; or
- 2558 (II) the person giving the [~~monies~~] money.
- 2559 (c) The Division of Finance shall deposit interest or other earnings derived from
- 2560 investment of fund [~~monies~~] money into the General Fund.
- 2561 (d) Subject to being appropriated by the Legislature, [~~monies~~] money in the disaster
- 2562 recovery fund may only be expended or committed to be expended as follows:
- 2563 (i) (A) subject to Section 53-2-406, in any fiscal year the division may expend or
- 2564 commit to expend an amount that does not exceed \$250,000, in accordance with Section
- 2565 53-2-404, to fund costs to the state of emergency disaster services in response to a declared
- 2566 disaster;
- 2567 (B) subject to Section 53-2-406, in any fiscal year the division may expend or commit
- 2568 to expend an amount that exceeds \$250,000, but does not exceed \$1,000,000, in accordance
- 2569 with Section 53-2-404, to fund costs to the state of emergency disaster services in response to a
- 2570 declared disaster if the division:
- 2571 (I) before making the expenditure or commitment to expend, obtains approval for the
- 2572 expenditure or commitment to expend from the governor;
- 2573 (II) subject to Subsection (4), provides written notice of the expenditure or
- 2574 commitment to expend to the speaker of the House of Representatives, the president of the
- 2575 Senate, the Division of Finance, and the Office of the Legislative Fiscal Analyst no later than
- 2576 72 hours after making the expenditure or commitment to expend; and
- 2577 (III) makes the report required by Subsection 53-2-406(2); and

2578 (C) subject to Section 53-2-406, in any fiscal year the division may expend or commit  
2579 to expend an amount that exceeds \$1,000,000, but does not exceed \$3,000,000, in accordance  
2580 with Section 53-2-404, to fund costs to the state of emergency disaster services in response to a  
2581 declared disaster if, before making the expenditure or commitment to expend, the division:

2582 (I) obtains approval for the expenditure or commitment to expend from the governor;  
2583 and

2584 (II) submits the expenditure or commitment to expend to the Executive Appropriations  
2585 Committee in accordance with Subsection 53-2-406(3); and

2586 (ii) subject to being appropriated by the Legislature, [~~monies~~] money not described in  
2587 Subsection (1)(d)(i) may be expended or committed to be expended to fund costs to the state  
2588 directly related to a declared disaster that are not costs related to:

2589 (A) emergency disaster services;

2590 (B) emergency preparedness; or

2591 (C) notwithstanding whether or not a county participates in the Wildland Fire  
2592 Suppression Fund created in Section 65A-8-204, any fire suppression or presuppression costs  
2593 that may be paid for from the Wildland Fire Suppression Fund if the county participates in the  
2594 Wildland Fire Suppression Fund.

2595 (2) The state treasurer shall invest [~~monies~~] money in the disaster recovery fund  
2596 according to Title 51, Chapter 7, State Money Management Act.

2597 (3) (a) Except as provided in Subsection (1), the [~~monies~~] money in the disaster  
2598 recovery fund may not be diverted, appropriated, expended, or committed to be expended for a  
2599 purpose that is not listed in this section.

2600 (b) Notwithstanding Section 63J-1-410, the Legislature may not appropriate [~~monies~~]  
2601 money from the disaster recovery fund to eliminate or otherwise reduce an operating deficit if  
2602 the [~~monies~~] money appropriated from the disaster recovery fund [~~are~~] is expended or  
2603 committed to be expended for a purpose other than one listed in this section.

2604 (c) The Legislature may not amend the purposes for which [~~monies~~] money in the  
2605 disaster recovery fund may be expended or committed to be expended except by the affirmative

2606 vote of two-thirds of all the members elected to each house.

2607 (4) The division:

2608 (a) shall provide the notice required by Subsection (1)(d)(i)(B) using the best available  
2609 method under the circumstances as determined by the division; and

2610 (b) may provide the notice required by Subsection (1)(d)(i)(B) in electronic format.

2611 Section 50. Section **53-2-404** is amended to read:

2612 **53-2-404. State costs for emergency disaster services.**

2613 (1) Subject to this section and Section 53-2-403, the division shall expend or commit to  
2614 expend [~~monies~~] money described in Subsection 53-2-403(1)(d)(i) to fund costs to the state of  
2615 emergency disaster services.

2616 (2) [~~Monies~~] Money paid by the division under this section to government entities and  
2617 private persons providing emergency disaster services are subject to Title 63G, Chapter 6, Utah  
2618 Procurement Code.

2619 Section 51. Section **53-2-405** is amended to read:

2620 **53-2-405. Local government disaster funds.**

2621 (1) (a) Subject to this section and notwithstanding anything to the contrary contained in  
2622 Title 10, Utah Municipal Code, or Title 17, Counties, Title 17B, Limited Purpose Local  
2623 Government Entities - Local Districts, or Title 17D, Chapter 1, Special Service District Act, the  
2624 governing body of a local government may create and maintain by ordinance a special fund  
2625 known as a local government disaster fund.

2626 (b) The local fund shall consist of:

2627 (i) subject to the limitations of this section, [~~monies~~] money transferred to it in  
2628 accordance with Subsection (2);

2629 (ii) any other public or private [~~monies~~] money received by the local government that  
2630 [~~are~~] is:

2631 (A) given to the local government for purposes consistent with this section; and

2632 (B) deposited into the local fund at the request of:

2633 (I) the governing body of the local government; or

2634 (II) the person giving the [~~monies~~] money; and  
2635 (iii) interest or income realized from the local fund.  
2636 (c) Interest or income realized from the local fund shall be deposited into the local  
2637 fund.  
2638 (d) [~~Monies~~] Money in a local fund may be:  
2639 (i) deposited or invested as provided in Section 51-7-11; or  
2640 (ii) transferred by the local government treasurer to the state treasurer under Section  
2641 51-7-5 for the state treasurer's management and control under Title 51, Chapter 7, State Money  
2642 Management Act.  
2643 (e) (i) The [~~monies~~] money in a local fund may accumulate from year to year until the  
2644 local government governing body determines to spend any money in the local fund for one or  
2645 more of the purposes specified in Subsection (3).  
2646 (ii) [~~Monies~~] Money in a local fund at the end of a fiscal year:  
2647 (A) shall remain in the local fund for future use; and  
2648 (B) may not be transferred to any other fund or used for any other purpose.  
2649 (2) The amounts transferred to a local fund may not exceed 10% of the total estimated  
2650 revenues of the local government for the current fiscal period that are not restricted or  
2651 otherwise obligated.  
2652 (3) [~~Monies~~] Money in the fund may only be used to fund the services and activities of  
2653 the local government creating the local fund in response to:  
2654 (a) a declared disaster within the boundaries of the local government;  
2655 (b) the aftermath of the disaster that gave rise to a declared disaster within the  
2656 boundaries of the local government; and  
2657 (c) subject to Subsection (5), emergency preparedness.  
2658 (4) (a) A local fund is subject to this part and:  
2659 (i) in the case of a town, Title 10, Chapter 5, Uniform Fiscal Procedures Act for Utah  
2660 Towns, except that:  
2661 (A) in addition to the funds listed in Section 10-5-106, the mayor shall prepare a

2662 budget for the local fund;

2663 (B) Section 10-5-119 addressing termination of special funds does not apply to a local  
2664 fund; and

2665 (C) the council of the town may not authorize an interfund loan under Section  
2666 10-5-120 from the local fund;

2667 (ii) in the case of a city, Title 10, Chapter 6, Uniform Fiscal Procedures Act for Utah  
2668 Cities, except that:

2669 (A) in addition to the funds listed in Section 10-6-109, the mayor shall prepare a  
2670 budget for the local fund;

2671 (B) Section 10-6-131 addressing termination of special funds does not apply to a local  
2672 fund; and

2673 (C) the governing body of the city may not authorize an interfund loan under Section  
2674 10-6-132 from the local fund; and

2675 (iii) in the case of a county, Title 17, Chapter 36, Uniform Fiscal Procedures Act for  
2676 Counties, except that:

2677 (A) Section 17-36-29 addressing termination of special funds does not apply to a local  
2678 fund; and

2679 (B) the governing body of the county may not authorize an interfund loan under  
2680 Section 17-36-30 from the local fund; and

2681 (iv) in the case of a local district or special service district, Title 17B, Chapter 1, Part 6,  
2682 Fiscal Procedures for Local Districts, except that:

2683 (A) Section 17B-1-625, addressing termination of a special fund, does not apply to a  
2684 local fund; and

2685 (B) the governing body of the local district or special service district may not authorize  
2686 an interfund loan under Section 17B-1-626 from the local fund.

2687 (b) Notwithstanding Subsection (4)(a), transfers of [~~monies~~] money to a local fund or  
2688 the accumulation of [~~monies~~] money in a local fund do not affect any limits on fund balances,  
2689 net assets, or the accumulation of retained earnings in any of the following of a local

2690 government:

- 2691 (i) a general fund;
- 2692 (ii) an enterprise fund;
- 2693 (iii) an internal service fund; or
- 2694 (iv) any other fund.

2695 (5) (a) A local government may not expend during a fiscal year more than 10% of the  
2696 [~~monies~~] money budgeted to be deposited into a local fund during that fiscal year for  
2697 emergency preparedness.

2698 (b) The amount described in Subsection (5)(a) shall be determined before the adoption  
2699 of the tentative budget.

2700 Section 52. Section **53A-1-612** is amended to read:

2701 **53A-1-612. Basic Skills Education Stipend Program.**

2702 (1) As used in this section:

2703 (a) "Basic skills education" means individual or group instruction, including  
2704 assessments, designed to develop the skills and knowledge necessary to pass the Utah Basic  
2705 Skills Competency Test.

2706 (b) "Basic skills provider" means:

- 2707 (i) a school district;
- 2708 (ii) a charter school;
- 2709 (iii) an accredited public or private educational institution; or
- 2710 (iv) other entity that meets board requirements pursuant to Subsection (12).

2711 (c) "Program" means the Basic Skills Education Stipend Program.

2712 (d) "Stipend recipient" means a student who receives a stipend under this section.

2713 (e) "Utah Basic Skills Competency Test" or "UBSCT" means the basic skills  
2714 competency test administered to students pursuant to Section 53A-1-611.

2715 (2) The Basic Skills Education Stipend Program is created to provide students who  
2716 have not passed the UBSCT supplemental instruction in the skills and knowledge necessary to  
2717 pass the test.

2718 (3) The State Board of Education shall administer the Basic Skills Education Stipend  
2719 Program.

2720 (4) (a) A student may receive a stipend for basic skills education if:

2721 (i) the student's score on one more subtests is below the midpoint of the partial mastery  
2722 range;

2723 (ii) the student's parent or guardian is a Utah resident;

2724 (iii) the student is enrolled full-time in a public school in the state; and

2725 (iv) the student does not qualify for the Utah Alternative Assessment.

2726 (b) A student who meets the criteria of Subsection (4)(a) may receive a stipend for  
2727 basic skills education in the subject of each subtest failed. Depending upon the number of  
2728 subtests failed, a student may receive one, two, or three stipends. A student may receive a  
2729 stipend only once for each subtest failed.

2730 (5) Stipend amounts shall be based on a student's subtest score as follows:

2731 (a) \$500, if the student's subtest score was below the midpoint of the partial mastery  
2732 range but above the minimal mastery range;

2733 (b) \$1,000, if the student's subtest score was below the partial mastery range, but above  
2734 or at the midpoint of the minimal mastery range; or

2735 (c) \$1,500, if the student's subtest score was below the midpoint of the minimal  
2736 mastery range.

2737 (6) A stipend recipient may apply for basic skills education from any basic skills  
2738 provider.

2739 (7) Each basic skill provider shall accept stipend recipients on a first come/first served  
2740 basis.

2741 (8) A stipend recipient shall give the following to the basic skills provider selected to  
2742 provide basic skills education:

2743 (a) a voucher in the amount of the stipend which the basic skills educator may present  
2744 for payment by the board if the stipend recipient passes the subtest corresponding to the basic  
2745 skills education provided by the basic skills provider; and

2746 (b) an authorization signed by the stipend recipient's parent or guardian for the stipend  
2747 recipient's school to release records of the stipend recipient to the basic skills provider, if the  
2748 basic skills provider is not the school district or charter school in which the stipend recipient is  
2749 enrolled.

2750 (9) A basic skills provider who possesses a voucher shall receive payment from the  
2751 board in the amount of the stipend, if, on a subsequent administration of the UBSCT, the  
2752 stipend recipient passes the subtest corresponding to the basic skills education provided by the  
2753 basic skills provider.

2754 (10) (a) A basic skills provider may charge a stipend recipient an amount in addition to  
2755 that paid by the board.

2756 (b) The additional amount charged by a basic skills provider shall be:

2757 (i) consistent with the restriction in Utah Constitution Article X, Section 2;

2758 (ii) disclosed to the stipend recipient's parent or guardian when the stipend recipient  
2759 applies for basic skills education; and

2760 (iii) reported to the board before receiving payment from the board.

2761 (c) A basic skills provider may not make any additional charge or refund of a charge  
2762 contingent upon a stipend recipient's passing or failing a UBSCT subtest.

2763 (11) (a) Stipends shall be awarded by the board subject to the availability of money  
2764 appropriated by the Legislature for that purpose.

2765 (b) The Legislature shall annually appropriate money to the board from the General  
2766 Fund to make stipend payments.

2767 (c) If [~~monies are~~] money is not available to pay for all stipends requested, the stipends  
2768 shall be allocated according to rules adopted by the State Board of Education.

2769 (12) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
2770 the State Board of Education shall make rules:

2771 (a) establishing qualifications for basic skills providers who are not school districts,  
2772 high schools, or accredited public or private educational institutions;

2773 (b) establishing procedures for the administration of the Basic Skills Education Stipend

2774 Program; and

2775 (c) requiring the parent or guardian of a stipend recipient who selects a basic skills  
2776 provider other than the school district or charter school in which the stipend recipient is  
2777 enrolled to sign:

2778 (i) an acknowledgment that the school district or charter school is released from further  
2779 remediation responsibility for the stipend recipient; and

2780 (ii) if the student has an IEP, an acknowledgment that offering a voucher to the basic  
2781 skill provider has the same effect as a parental refusal to consent to services pursuant to Section  
2782 614(a)(1) of the Individuals with Disabilities Education Act, 20 U.S.C. Sec. 1400 et seq.

2783 (13) School districts and charter schools shall provide each student who qualifies for a  
2784 basic skills education stipend information about the Basic Skills Education Stipend Program,  
2785 including:

2786 (a) voucher applications; and

2787 (b) how to access a list of approved public and private providers.

2788 Section 53. Section **53A-1-708** is amended to read:

2789 **53A-1-708. Grants for online delivery of U-PASS tests.**

2790 (1) As used in this section:

2791 (a) "summative tests" means tests administered near the end of a course to assess  
2792 overall achievement of course goals;

2793 (b) "uniform online summative test system" means a single system for the online  
2794 delivery of summative tests required under U-PASS that:

2795 (i) is coordinated by the Utah State Office of Education;

2796 (ii) ensures the reliability and security of U-PASS tests; and

2797 (iii) is selected through collaboration between Utah State Office of Education and  
2798 school district representatives with expertise in technology, assessment, and administration;

2799 and

2800 (c) "U-PASS" means the Utah Performance Assessment System for Students.

2801 (2) The State Board of Education may award grants to school districts and charter

2802 schools to implement a uniform online summative test system to enable parents of students and  
2803 school staff to review U-PASS test scores by the end of the school year.

2804 (3) (a) Grant [~~monies~~] money may be used to pay for any of the following, provided it  
2805 is directly related to implementing a uniform online summative test system:

2806 (i) computer equipment and peripherals, including electronic data capture devices  
2807 designed for electronic test administration and scoring;

2808 (ii) software;

2809 (iii) networking equipment;

2810 (iv) upgrades of existing equipment or software;

2811 (v) upgrades of existing physical plant facilities;

2812 (vi) personnel to provide technical support or coordination and management; and

2813 (vii) teacher professional development.

2814 (b) Equipment purchased in compliance with Subsection (3)(a), when not in use for the  
2815 online delivery of summative tests required under U-PASS may be used for other purposes.

2816 (4) The State Board of Education may award grants only to school districts and charter  
2817 schools that intend to implement a uniform online summative test system.

2818 (5) (a) The State Board of Education shall make rules specifying:

2819 (i) establishing procedures for applying for and awarding grants;

2820 (ii) specifying how grant [~~monies~~] money shall be allocated among school districts and  
2821 charter schools that qualify to receive grants under Subsection (4); and

2822 (iii) requiring reporting of grant money expenditures and evidence showing that the  
2823 grant [~~monies have~~] money has been used to implement a uniform online summative test  
2824 system.

2825 (b) To ensure that small school districts and charter schools receive adequate funds to  
2826 implement a uniform online summative test system, grant [~~monies~~] money shall be allocated on  
2827 a 25% base, with the remaining 75% distributed on a per pupil basis.

2828 (6) If a school district or charter school uses grant [~~monies~~] money for purposes other  
2829 than those stated in Subsection (3), the school district or charter school is liable for reimbursing

2830 the State Board of Education in the amount of the grant [~~monies~~] money improperly used.

2831 Section 54. Section **53A-1-903** is amended to read:

2832 **53A-1-903. Federal programs -- School official duties.**

2833 (1) School officials may:

2834 (a) apply for, receive, and administer funds made available through programs of the  
2835 federal government;

2836 (b) only expend federal funds for the purposes for which they are received and are  
2837 accounted for by the state, school district, or charter school; and

2838 (c) reduce or eliminate a program created with or expanded by federal funds to the  
2839 extent allowed by law when federal funds for that program are subsequently reduced or  
2840 eliminated.

2841 (2) School officials shall:

2842 (a) prioritize resources, especially to resolve conflicts between federal provisions or  
2843 between federal and state programs, including:

2844 (i) providing first priority to meeting state goals, objectives, program needs, and  
2845 accountability systems as they relate to federal programs; and

2846 (ii) providing second priority to implementing federal goals, objectives, program needs,  
2847 and accountability systems that do not directly and simultaneously advance state goals,  
2848 objectives, program needs, and accountability systems;

2849 (b) interpret the provisions of federal programs in the best interest of students in this  
2850 state;

2851 (c) maximize local control and flexibility;

2852 (d) minimize additional state resources that are diverted to implement federal programs  
2853 beyond the federal [~~monies~~] money that [~~are~~] is provided to fund the programs;

2854 (e) request changes to federal educational programs, especially programs that are  
2855 underfunded or provide conflicts with other state or federal programs, including:

2856 (i) federal statutes;

2857 (ii) federal regulations; and

- 2858 (iii) other federal policies and interpretations of program provisions; and  
2859 (f) seek waivers from all possible federal statutes, requirements, regulations, and  
2860 program provisions from federal education officials to:  
2861 (i) maximize state flexibility in implementing program provisions; and  
2862 (ii) receive reasonable time to comply with federal program provisions.  
2863 (3) The requirements of school officials under this part, including the responsibility to  
2864 lobby federal officials, are not intended to mandate school officials to incur costs or require the  
2865 hiring of lobbyists, but are intended to be performed in the course of school officials' normal  
2866 duties.

2867 Section 55. Section **53A-1a-108** is amended to read:

2868 **53A-1a-108. School community councils authorized -- Duties -- Composition --**  
2869 **Election procedures and selection of members.**

2870 (1) As used in this section:

2871 (a) (i) "Parent or guardian member" means a member of a school community council  
2872 who is a parent or guardian of a student who is attending the school or who will be enrolled at  
2873 the school at any time during the parent's or guardian's initial term of office.

2874 (ii) "Parent or guardian member" may not include a person who meets the definition of  
2875 a school employee member unless the person's employment at the school does not exceed an  
2876 average of six hours per week.

2877 (b) "School employee member" means a member of a school community council who  
2878 is a person employed at a school by the school or school district, including the principal.

2879 (2) Each public school, in consultation with its local school board, shall establish a  
2880 school community council at the school building level.

2881 (3) (a) Each school community council shall:

2882 (i) develop a school improvement plan in accordance with Section 53A-1a-108.5;

2883 (ii) develop the School LAND Trust Program in accordance with Section  
2884 53A-16-101.5;

2885 (iii) assist in the development and implementation of a staff professional development

2886 plan as provided by Section 53A-3-701;

2887 (iv) develop a child access routing plan in accordance with Section 53A-3-402; and

2888 (v) advise and make recommendations to school and school district administrators and  
2889 the local school board regarding the school and its programs, school district programs, and  
2890 other issues relating to the community environment for students.

2891 (b) In addition to the duties specified in Subsection (3)(a), a school community council  
2892 for an elementary school shall develop a reading achievement plan in accordance with Section  
2893 53A-1-606.5.

2894 (4) (a) Each school community council shall consist of school employee members and  
2895 parent or guardian members in accordance with this section.

2896 (b) Except as provided in Subsection (4)(c):

2897 (i) each school community council for a high school shall have six parent or guardian  
2898 members and five school employee members, including the principal; and

2899 (ii) each school community council for a school other than a high school shall have  
2900 four parent or guardian members and three school employee members, including the principal.

2901 (c) (i) A school community council may have a larger membership provided that the  
2902 number of parent or guardian members exceeds the number of school employee members.

2903 (ii) A school community council may have a smaller membership provided that:

2904 (A) the number of parent or guardian members exceeds the number of school employee  
2905 members; and

2906 (B) there are at least two school employee members on the school community council.

2907 (5) (a) Each school employee member, except the principal, shall be elected by secret  
2908 ballot by a majority vote of the school employees and serve a two-year term. The principal  
2909 shall serve as an ex officio member with full voting privileges.

2910 (b) (i) Each parent or guardian member shall be elected by secret ballot at an election  
2911 held at the school by a majority vote of those voting at the election and serve a two-year term.

2912 (ii) Only parents or guardians of students attending the school may vote at the election  
2913 under Subsection (5)(b)(I).

2914 (iii) Any parent or guardian of a student who meets the qualifications of this section  
2915 may file or declare himself as a candidate for election to a school community council.

2916 (c) (i) The principal of the school, or the principal's designee, shall provide notice of  
2917 the available community council positions to school employees, parents, and guardians at least  
2918 14 days before the date that voting commences for the elections held under Subsections (5)(a)  
2919 and (5)(b).

2920 (ii) The notice shall include:

2921 (A) the dates and times of the elections;

2922 (B) a list of council positions that are up for election; and

2923 (C) instructions for becoming a candidate for a community council position.

2924 (iii) The principal of the school, or the principal's designee, shall oversee the elections  
2925 held under Subsections (5)(a) and (5)(b).

2926 (iv) Ballots cast in an election held under Subsection (5)(b) shall be deposited in a  
2927 secure ballot box;

2928 (d) Results of the elections held under Subsections (5)(a) and (5)(b) shall be made  
2929 available to the public upon request.

2930 (e) (i) If a parent or guardian position on a school community council remains unfilled  
2931 after an election is held, the other parent or guardian members of the council shall appoint a  
2932 parent or guardian who meets the qualifications of this section to fill the position.

2933 (ii) If a school employee position on a school community council remains unfilled after  
2934 an election is held, the other school employee members of the council shall appoint a school  
2935 employee to fill the position.

2936 (iii) The chair of the community council shall notify the local school board of each  
2937 appointment made under Subsection (5)(e)(i)[;] or (ii)[;] or this Subsection (5)(e)(iii).

2938 (iv) A member appointed to a school community council under Subsection (5)(e)(i) or  
2939 (ii) shall serve a two-year term.

2940 (f) Initial terms shall be staggered so that no more than 50% of the council members  
2941 stand for election in any one year.

2942 (g) (i) Each public school, in consultation with its local school board, shall set the  
2943 beginning date of the term of office for school community council members.

2944 (ii) Council members may serve up to three successive terms.

2945 (h) (i) Each school community council shall elect a chair and vice chair from its parent  
2946 or guardian members and elected employee members.

2947 (ii) No more than one parent or guardian member or elected employee member may at  
2948 the same time serve as an officer specified in Subsection (5)(h)(i).

2949 (6) (a) A school community council may create subcommittees or task forces to:

2950 (i) advise or make recommendations to the council; or

2951 (ii) develop all or part of a plan listed in Subsection (3).

2952 (b) Any plan or part of a plan developed by a subcommittee or task force shall be  
2953 subject to the approval of the school community council.

2954 (c) A school community council may appoint individuals who are not council members  
2955 to serve on a subcommittee or task force, including parents, school employees, or other  
2956 community members.

2957 (7) (a) A school community council shall provide the following information:

2958 (i) the proposed school community council meeting schedule for the year, provided  
2959 during the first two weeks of the school year;

2960 (ii) a summary of the school community council's actions and activities during the first  
2961 half of the school year information, provided at the mid-point of the school year; and

2962 (iii) a summary of the annual report required under Section 53A-16-101.5 on how the  
2963 school's School LAND Trust Program [~~monies were~~] money was used to enhance or improve  
2964 academic excellence at the school and implement a component of the school's improvement  
2965 plan, provided at the beginning of the next school year.

2966 (b) The school community council shall provide the information described in  
2967 Subsection (7)(a) by:

2968 (i) posting the information on the school's website; and

2969 (ii) providing individual delivery to each household that has a student attending the

- 2970 school by:
- 2971 (A) mailing the information;
- 2972 (B) delivering a voice message describing the information and explaining where to
- 2973 obtain the full information;
- 2974 (C) sending an e-mail message containing the information;
- 2975 (D) providing the information in a packet that is to be delivered to a student's parent or
- 2976 guardian:
- 2977 (I) during the school's annual registration period; or
- 2978 (II) with the student's report card; or
- 2979 (E) using a combination of the methods described in Subsections (7)(b)(ii)(A) through
- 2980 (D).
- 2981 (8) A school community council shall, at least one week prior to a meeting, post the
- 2982 following information on the school's website:
- 2983 (a) notice of the meeting date, time, and place;
- 2984 (b) an agenda for the meeting; and
- 2985 (c) a summary of the previous meeting.
- 2986 Section 56. Section **53A-1a-601** is amended to read:
- 2987 **53A-1a-601. Job enhancements for mathematics, science, technology, and special**
- 2988 **education training.**
- 2989 (1) As used in this part, "special education teacher" includes occupational therapist.
- 2990 (2) The Public Education Job Enhancement Program is established to attract, train, and
- 2991 retain highly qualified:
- 2992 (a) secondary teachers with expertise in mathematics, physics, chemistry, physical
- 2993 science, learning technology, or information technology;
- 2994 (b) special education teachers; and
- 2995 (c) teachers in grades four through six with mathematics endorsements.
- 2996 (3) The program shall provide for the following:
- 2997 (a) application by a school district superintendent or the principal of a school on behalf

2998 of a qualified teacher;

2999 (b) an award of up to \$20,000 or a scholarship to cover the tuition costs for a master's  
3000 degree, an endorsement, or graduate education in the areas identified in Subsection (2) to be  
3001 given to selected public school teachers on a competitive basis:

3002 (i) whose applications are approved under Subsection 53A-1a-602(4); and

3003 (ii) who teach in the state's public education system for four years in the areas  
3004 identified in Subsection (2);

3005 (c) (i) as to the cash awards under Subsection (3)(b), payment of the award in two  
3006 installments, with an initial payment of up to \$10,000 at the beginning of the term and up to  
3007 \$10,000 at the conclusion of the term;

3008 (ii) repayment of a portion of the initial payment by the teacher if the teacher fails to  
3009 complete two years of the four-year teaching term in the areas identified in Subsection (2) as  
3010 provided by rule of the State Board of Education in accordance with Title 63G, Chapter 3, Utah  
3011 Administrative Rulemaking Act, unless waived for good cause by the Job Enhancement  
3012 Committee created in Section 53A-1a-602; and

3013 (iii) nonpayment of the second installment if the teacher fails to complete the four-year  
3014 teaching term; and

3015 (d) (i) as to the scholarships awarded under Subsection (3)(b), provision for the  
3016 providing institution to certify adequate performance in obtaining the master's degree,  
3017 endorsement, or graduate education in order for the teacher to maintain the scholarship; and

3018 (ii) repayment by the teacher of a prorated portion of the scholarship, if the teacher fails  
3019 to complete the authorized classes or program or to teach in the state system of public  
3020 education in the areas identified in Subsection (2) for four years after obtaining the master's  
3021 degree, the endorsement, or graduate education.

3022 (4) An individual teaching in the public schools under a letter of authorization may  
3023 participate in the cash award program if:

3024 (a) the individual has taught under the letter of authorization for at least one year in the  
3025 areas referred to in Subsection (2); and

3026 (b) the application made under Subsection (3)(a) is based in large part upon the  
3027 individual receiving a superior evaluation as a classroom teacher.

3028 (5) (a) The program may provide for the expenditure of up to \$1,000,000 of available  
3029 ~~[monies]~~ money, if at least an equal amount of matching ~~[monies become]~~ money becomes  
3030 available, to provide professional development training to superintendents, administrators, and  
3031 principals in the effective use of technology in public schools.

3032 (b) An award granted under this Subsection (5) shall be made in accordance with  
3033 criteria developed and adopted by the Job Enhancement Committee created in Section  
3034 53A-1a-602.

3035 (c) An amount up to \$120,000 of the \$1,000,000 authorized in Subsection (5)(a) may  
3036 be expended, regardless of the matching ~~[monies]~~ money being available.

3037 Section 57. Section **53A-1a-706** is amended to read:

3038 **53A-1a-706. Scholarship payments.**

3039 (1) (a) Scholarships shall be awarded by the board subject to the availability of money  
3040 appropriated by the Legislature for that purpose.

3041 (b) The Legislature shall annually appropriate money to the board from the General  
3042 Fund to make scholarship payments.

3043 (c) (i) If ~~[monies are]~~ money is not available to pay for all scholarships requested, the  
3044 scholarships shall be allocated on a random basis except that preference shall be given to  
3045 students who received scholarships in the previous school year.

3046 (ii) If ~~[monies are]~~ money is insufficient in a school year to pay for all the continuing  
3047 scholarships, new scholarships may not be awarded during that school year and the ~~[monies]~~  
3048 money available for scholarships shall be prorated among the eligible students who received  
3049 scholarships in the previous year.

3050 (2) Full-year scholarships shall be awarded in the following amounts:

3051 (a) for a student who received an average of 180 minutes per day or more of special  
3052 education services in a public school before transferring to a private school, an amount not to  
3053 exceed the lesser of:

- 3054 (i) the value of the weighted pupil unit multiplied by 2.5; or  
3055 (ii) the private school tuition and fees; and  
3056 (b) for a student who received an average of less than 180 minutes per day of special  
3057 education services in a public school before transferring to a private school, an amount not to  
3058 exceed the lesser of:
- 3059 (i) the value of the weighted pupil unit multiplied by 1.5; or  
3060 (ii) the private school tuition and fees.
- 3061 (3) The scholarship amount for a student enrolled in a half-day kindergarten program  
3062 shall be the amount specified in Subsection (2)(a) or (b) multiplied by .55.
- 3063 (4) (a) The scholarship amount for a student who receives a waiver under Subsection  
3064 53A-1a-704(3) shall be based upon the assessment team's determination of the appropriate  
3065 level of special education services to be provided to the student.
- 3066 (b) (i) If the student requires an average of 180 minutes per day or more of special  
3067 education services, a full-year scholarship shall be equal to the amount specified in Subsection  
3068 (2)(a).
- 3069 (ii) If the student requires less than an average of 180 minutes per day of special  
3070 education services, a full-year scholarship shall be equal to the amount specified in Subsection  
3071 (2)(b).
- 3072 (iii) If the student is enrolled in a half-day kindergarten program, a full-year  
3073 scholarship is equal to the amount specified in Subsection (3).
- 3074 (5) (a) Except as provided in Subsection (5)(b), upon review and receipt of  
3075 documentation that verifies a student's admission to, or continuing enrollment and attendance  
3076 at, a private school, the board shall make scholarship payments in four equal amounts no later  
3077 than September 1, November 1, February 1, and April 15 of each school year in which a  
3078 scholarship is in force.
- 3079 (b) In accordance with board rule, the board may make a scholarship payment before  
3080 the first quarterly payment of the school year, if a private school requires partial payment of  
3081 tuition before the start of the school year to reserve space for a student admitted to the school.

3082 (6) A parent of a scholarship student shall notify the board if the student does not have  
3083 continuing enrollment and attendance at an eligible private school.

3084 (7) Before scholarship payments are made, the board shall cross-check enrollment lists  
3085 of scholarship students, school districts, and youth in custody to ensure that scholarship  
3086 payments are not erroneously made.

3087 (8) (a) Scholarship payments shall be made by the board by individual warrant made  
3088 payable to the student's parent and mailed by the board to the private school. The parent shall  
3089 restrictively endorse the warrant to the private school for deposit into the account of the private  
3090 school.

3091 (b) A person, on behalf of a private school, may not accept a power of attorney from a  
3092 parent to sign a warrant referred to in Subsection (8)(a), and a parent of a scholarship student  
3093 may not give a power of attorney designating a person, on behalf of a private school, as the  
3094 parent's attorney-in-fact.

3095 (9) (a) Scholarships shall be retroactively awarded to students with disabilities for  
3096 attendance at a private school in the 2004-05 school year, if:

3097 (i) the student meets the qualifications for a scholarship under Section 53A-1a-704 and  
3098 is awarded a scholarship under this section; and

3099 (ii) the private school meets the eligibility requirements of Section 53A-1a-705,  
3100 including submitting an application to enroll scholarship students in the 2005-06 school year.

3101 (b) Subsection (5) does not apply to retroactive scholarship payments.

3102 Section 58. Section **53A-1a-806** is amended to read:

3103 **53A-1a-806. Scholarship payments.**

3104 (1) (a) Scholarships shall be awarded by the board subject to the availability of money  
3105 appropriated by the Legislature for that purpose.

3106 (b) The Legislature shall annually appropriate money to the board from the General  
3107 Fund to make scholarship payments for all students projected to apply for scholarships.

3108 (c) (i) If [~~monies are~~] money is not available to pay for all scholarships requested, the  
3109 scholarships shall be allocated on a random basis except that preference shall be given to

3110 students who received scholarships in the previous year.

3111 (ii) If [~~monies are~~] money is insufficient in a school year to pay for all the continuing  
3112 scholarships:

3113 (A) new scholarships may not be awarded during that school year;

3114 (B) the [~~monies~~] money available for scholarships shall be prorated among the eligible  
3115 students who received scholarships in the previous year; and

3116 (C) the board shall request a supplemental appropriation from the Legislature to make  
3117 full scholarship payments as provided in Subsection (4) or (5).

3118 (2) (a) Scholarships shall be awarded based upon the income of a scholarship student's  
3119 parents in the calendar year immediately preceding the school year for which a scholarship is  
3120 sought.

3121 (b) (i) The board shall make rules specifying how the income of a prospective  
3122 scholarship student's parents shall be determined and verified.

3123 (ii) The rules shall provide that the scholarship shall be based upon parental income as  
3124 follows:

3125 (A) if the parents are married, the income of both parents;

3126 (B) if a parent is widowed, the income of the widowed parent;

3127 (C) if a parent is widowed and has remarried, the income of the parent and stepparent;

3128 (D) if the parents are divorced, the income of the parent with whom the scholarship  
3129 student resided for the greatest amount of time during the past 12 months;

3130 (E) if the parents are divorced and the scholarship student resided with each parent an  
3131 equal amount of time, the income of the parent who provided more financial support during the  
3132 past 12 months;

3133 (F) if the divorced parent with whom the scholarship student resided for the greatest  
3134 amount of time or who provided the greatest financial support has remarried, the income of the  
3135 parent and stepparent; and

3136 (G) if the scholarship student resides with a guardian, the income of the guardian,  
3137 unless the guardian's income is exempt by board rule.

3138 (iii) The rules shall provide that:  
3139 (A) if a parent filed federal or state income tax forms, income shall be based upon  
3140 adjusted gross income as listed on the income tax forms;  
3141 (B) if a parent was exempt from filing federal and state income tax forms, income shall  
3142 be based on income earned from work; and  
3143 (C) a parent shall submit documentation verifying income.  
3144 (3) (a) The board shall compare the income of a scholarship student's parents to the  
3145 maximum annual incomes listed in the income eligibility guideline as defined in Section  
3146 53A-1a-803 to set the scholarship amount.

3147 (b) In determining scholarship amounts, the board shall use:  
3148 (i) the income eligibility guideline in effect for the school year immediately preceding  
3149 the school year for which a scholarship is sought; and  
3150 (ii) the scholarship student's household size as the applicable household size for the  
3151 purpose of determining maximum annual income under the income eligibility guideline.

3152 (4) Full-year scholarships shall be awarded in the amounts shown in the following  
3153 table, or for the amount of tuition for a full year, whichever is less.

3154 If the annual income of a scholarship 3155 student's parents is:	The full-year scholarship amount is:
3156 Less than or equal to 100% of the 3157 income eligibility guideline	\$3,000
3158 Greater than 100% but less than or equal 3159 to 125% of the income eligibility guideline	\$2,750
3160 Greater than 125% but less than or equal to 3161 150% of the income eligibility guideline	\$2,500
3162 Greater than 150% but less than or equal to 3163 175% of the income eligibility guideline	\$2,250
3164 Greater than 175% but less than or equal to 3165 200% of the income eligibility guideline	\$2,000

3166	Greater than 200% but less than or equal to	
3167	225% of the income eligibility guideline	\$1,750
3168	Greater than 225% but less than or equal to	
3169	250% of the income eligibility guideline	\$1,000
3170	Greater than 250% of the income eligibility guideline	\$500

3171           (5) The full-year scholarship amounts shown in the table in Subsection (4) apply to  
3172 scholarships for all grades except kindergarten. The full-year scholarship amount for  
3173 kindergarten shall be .55 times the amounts shown in the table in Subsection (4).

3174           (6) The board shall annually increase the full-year scholarship amounts shown in the  
3175 table in Subsection (4) by the same percentage annual increase in the value of the weighted  
3176 pupil unit established in Section 53A-17a-103.

3177           (7) (a) Except as provided in Subsection (7)(b), upon review and receipt of  
3178 documentation that verifies a student's admission to, or continuing enrollment and attendance  
3179 at, a private school, the board shall make scholarship payments in four equal amounts no later  
3180 than September 1, November 1, February 1, and April 15 of each school year in which a  
3181 scholarship is in force.

3182           (b) In accordance with board rule, the board shall make a scholarship payment before  
3183 the first quarterly payment of the school year, if a private school requires partial payment of  
3184 tuition before the start of the school year to reserve space for a student admitted to the school.

3185           (8) A parent of a scholarship student and the student's private school shall notify the  
3186 board if the student does not have continuing enrollment and attendance at the private school.

3187           (9) Before scholarship payments are made, the board shall cross-check enrollment lists  
3188 of scholarship students, school districts, and youth in custody to ensure that scholarship  
3189 payments are not erroneously made.

3190           (10) (a) Scholarship payments shall be made by the board by individual warrant made  
3191 payable to the student's parent and mailed by the board to the private school. The parent shall  
3192 restrictively endorse the warrant to the private school for deposit into the account of the private  
3193 school.

3194 (b) A person, on behalf of a private school, may not accept a power of attorney from a  
3195 parent to sign a warrant referred to in Subsection (10)(a), and a parent of a scholarship student  
3196 may not give a power of attorney designating a person, on behalf of a private school, as the  
3197 parent's attorney in fact.

3198 Section 59. Section **53A-4-205** is amended to read:

3199 **53A-4-205. Establishment of public education foundations -- Powers and duties --**  
3200 **Tax exempt status.**

3201 (1) State and local school boards may establish foundations to:

3202 (a) assist in the development and implementation of the programs authorized under this  
3203 part to promote educational excellence; and

3204 (b) assist in the accomplishment of other education-related objectives.

3205 (2) A foundation established under Subsection (1):

3206 (a) may solicit and receive contributions from private enterprises for the purpose of this  
3207 part;

3208 (b) shall comply with Title 51, Chapter 7, State Money Management Act, and rules  
3209 made under the act;

3210 (c) has no power or authority to incur contractual obligations or liabilities that  
3211 constitute a claim against public funds except as provided in this section;

3212 (d) may not exercise executive, administrative, or rulemaking authority over the  
3213 programs referred to in this part, except to the extent specifically authorized by the responsible  
3214 school board;

3215 (e) is exempt from all taxes levied by the state or any of its political subdivisions with  
3216 respect to activities conducted under this part;

3217 (f) may participate in the Risk Management Fund under Section 63A-4-204;

3218 (g) shall provide a school with information detailing transactions and balances of funds  
3219 managed for that school;

3220 (h) shall, for foundation accounts from which [~~monies are~~] money is distributed to  
3221 schools, provide all the schools within a school district information that:

- 3222 (i) details account transactions; and
- 3223 (ii) shows available balances in the accounts; and
- 3224 (i) may not:
- 3225 (i) engage in lobbying activities;
- 3226 (ii) attempt to influence legislation; or
- 3227 (iii) participate in any campaign activity for or against:
- 3228 (A) a political candidate; or
- 3229 (B) an initiative, referendum, proposed constitutional amendment, bond, or any other
- 3230 ballot proposition submitted to the voters.
- 3231 (3) A local school board that establishes a foundation under Subsection (1) shall:
- 3232 (a) require the foundation to:
- 3233 (i) use the school district's accounting system; or
- 3234 (ii) follow written accounting policies established by the board;
- 3235 (b) review and approve the foundation's accounting, purchasing, and check issuance
- 3236 policies to ensure that there is an adequate separation of responsibilities; and
- 3237 (c) approve procedures to verify that issued foundation payments have been properly
- 3238 approved.
- 3239 Section 60. Section **53A-16-107.1** is amended to read:
- 3240 **53A-16-107.1. School capital outlay in counties of the first class -- Allocation --**
- 3241 **Report to Education Interim Committee.**
- 3242 (1) For purposes of this section:
- 3243 (a) "Average annual enrollment growth over the prior three years" means the quotient
- 3244 of:
- 3245 (i) (A) enrollment in the current school year, based on October 1 enrollment counts;
- 3246 minus
- 3247 (B) enrollment in the year three years prior, based on October 1 enrollment counts;
- 3248 divided by
- 3249 (ii) three.

3250 (b) "Capital outlay increment [~~monies~~ money" means the amount of revenue equal to  
3251 the difference between:

3252 (i) the amount of revenue generated by a levy of .0006 per dollar of taxable value  
3253 within a receiving school district during a fiscal year; and

3254 (ii) the amount of revenue the receiving school district received during the same fiscal  
3255 year from the distribution described in Subsection (2).

3256 (c) "Contributing school district" means a school district in a county of the first class  
3257 that in a fiscal year receives less revenue from the distribution described in Subsection (2) than  
3258 it would have received during the same fiscal year from a levy imposed within the school  
3259 district of .0006 per dollar of taxable value.

3260 (d) "Receiving school district" means a school district in a county of the first class that  
3261 in a fiscal year receives more revenue from the distribution described in Subsection (2) than it  
3262 would have received during the same fiscal year from a levy imposed within the school district  
3263 of .0006 per dollar of taxable value.

3264 (2) The county treasurer of a county of the first class shall distribute revenues  
3265 generated by the .0006 portion of the capital outlay levy required in Subsection 53A-16-107(3)  
3266 to school districts located within the county of the first class as follows:

3267 (a) 25% of the revenues shall be distributed in proportion to a school district's  
3268 percentage of the total enrollment growth in all of the school districts within the county that  
3269 have an increase in enrollment, calculated on the basis of the average annual enrollment growth  
3270 over the prior three years in all of the school districts within the county that have an increase in  
3271 enrollment over the prior three years, as of the October 1 enrollment counts; and

3272 (b) 75% of the revenues shall be distributed in proportion to a school district's  
3273 percentage of the total current year enrollment in all of the school districts within the county, as  
3274 of the October 1 enrollment counts.

3275 (3) If a new school district is created or school district boundaries are adjusted, the  
3276 enrollment and average annual enrollment growth for each affected school district shall be  
3277 calculated on the basis of enrollment in school district schools located within that school

3278 district's newly created or adjusted boundaries, as of October 1 enrollment counts.

3279 (4) On or before December 31 of each year, the State Board of Education shall provide  
3280 a county treasurer with audited enrollment information from the fall enrollment audit necessary  
3281 to distribute revenues as required by this section.

3282 (5) On or before March 31 of each year, a county treasurer in a county of the first class  
3283 shall distribute the revenue generated within the county of the first class during the prior  
3284 calendar year from the capital outlay levy described in Section 53A-16-107.

3285 (6) On or before the November meeting of the Education Interim Committee of each  
3286 year, a receiving school district shall report to the committee:

3287 (a) how the receiving school district spent the district's capital outlay increment  
3288 [~~monies~~] money during the prior fiscal year; and

3289 (b) the receiving school district's plan to increase student capacity of existing school  
3290 buildings within the district.

3291 (7) The Education Interim Committee shall consider the reports of receiving school  
3292 districts described in Subsection (6) as part of a review to reauthorize this section and  
3293 provisions related to this section, if the committee is directed to conduct a review pursuant to  
3294 Title 63I, Legislative Oversight and Sunset Act.

3295 Section 61. Section **53A-17a-105** is amended to read:

3296 **53A-17a-105. Powers and duties of State Board of Education to adjust Minimum**  
3297 **School Program allocations.**

3298 (1) Except as provided in Subsection (2) or (4), if the number of weighted pupil units  
3299 in a program is underestimated, the State Board of Education shall reduce the value of the  
3300 weighted pupil unit in that program so that the total amount paid for the program does not  
3301 exceed the amount appropriated for the program.

3302 (2) If the number of weighted pupil units in a program is overestimated, the State  
3303 Board of Education shall spend excess [~~monies~~] money appropriated for the following  
3304 purposes giving priority to the purpose described in Subsection (2)(a):

3305 (a) to support the value of the weighted pupil unit in a program within the basic

3306 state-supported school program in which the number of weighted pupil units is underestimated;

3307 (b) to support the state guarantee per weighted pupil unit provided under the voted  
3308 leeway program established in Section 53A-17a-133 or the board-approved leeway program  
3309 established in Section 53A-17a-134, if:

3310 (i) local contributions to the voted leeway program or board-approved leeway program  
3311 are overestimated; or

3312 (ii) the number of weighted pupil units within school districts qualifying for a  
3313 guarantee is underestimated;

3314 (c) to support the state supplement to local property taxes allocated to charter schools,  
3315 if the state supplement is less than the amount prescribed by Subsection 53A-1a-513(4);

3316 (d) for charter school administrative costs, if the appropriation for charter school  
3317 administrative costs is insufficient to provide the amount per student prescribed in Subsection  
3318 53A-17a-108(2)(a); or

3319 (e) to support a school district with a loss in student enrollment as provided in Section  
3320 53A-17a-139.

3321 (3) If local contributions from the minimum basic tax rate imposed under Section  
3322 53A-17a-135 are overestimated, the State Board of Education shall reduce the value of the  
3323 weighted pupil unit for all programs within the basic state-supported school program so the  
3324 total state contribution to the basic state-supported school program does not exceed the amount  
3325 of state funds appropriated.

3326 (4) If local contributions from the minimum basic tax rate imposed under Section  
3327 53A-17a-135 are underestimated, the State Board of Education shall:

3328 (a) spend the excess local contributions for the purposes specified in Subsection (2),  
3329 giving priority to supporting the value of the weighted pupil unit in programs within the basic  
3330 state-supported school program in which the number of weighted pupil units is underestimated;  
3331 and

3332 (b) reduce the state contribution to the basic state-supported school program so the  
3333 total cost of the basic state-supported school program does not exceed the total state and local

3334 funds appropriated to the basic state-supported school program plus the local contributions  
3335 necessary to support the value of the weighted pupil unit in programs within the basic  
3336 state-supported school program in which the number of weighted pupil units is underestimated.

3337 (5) Except as provided in Subsection (2) or (4), the State Board of Education shall  
3338 reduce the guarantee per weighted pupil unit provided under the voted leeway program  
3339 established in Section 53A-17a-133 or board-approved leeway program established in Section  
3340 53A-17a-134, if:

3341 (a) local contributions to the voted leeway program or board-approved leeway program  
3342 are overestimated; or

3343 (b) the number of weighted pupil units within school districts qualifying for a  
3344 guarantee is underestimated.

3345 (6) [~~Monies~~] Money appropriated to the State Board of Education [~~are~~] is nonlapsing.

3346 (7) The State Board of Education shall report actions taken by the board under this  
3347 section to the Office of the Legislative Fiscal Analyst and the Governor's Office of Planning  
3348 and Budget.

3349 Section 62. Section **53A-17a-111** is amended to read:

3350 **53A-17a-111. Weighted pupil units for programs for students with disabilities --**  
3351 **District allocation.**

3352 (1) The number of weighted pupil units for students with disabilities shall reflect the  
3353 direct cost of programs for those students conducted in accordance with rules established by the  
3354 State Board of Education in accordance with Title 63G, Chapter 3, Utah Administrative  
3355 Rulemaking Act.

3356 (2) Disability program [~~monies~~] money allocated to districts [~~are~~] is restricted and shall  
3357 be spent for the education of students with disabilities but may include expenditures for  
3358 approved programs of services conducted for certified instructional personnel who have  
3359 students with disabilities in their classes.

3360 (3) The State Board of Education shall establish and strictly interpret definitions and  
3361 provide standards for determining which students have disabilities and shall assist districts in

3362 determining the services that should be provided to students with disabilities.

3363 (4) Each year the board shall evaluate the standards and guidelines that establish the  
3364 identifying criteria for disability classifications to assure strict compliance with those standards  
3365 by the districts.

3366 (5) (a) [~~Monies~~] Money appropriated to the State Board of Education for add-on WPU  
3367 for students with disabilities enrolled in regular programs shall be allocated to school districts  
3368 as provided in this Subsection (5).

3369 (b) Beginning on July 1, 2003, the State Board of Education shall:

3370 (i) use a district's average number of special education add-on weighted pupil units  
3371 determined by the previous five year's average daily membership data as a foundation for the  
3372 special education add-on appropriation; and

3373 (ii) implement a hold harmless provision for up to three years as needed to accomplish  
3374 a phase-in period for school districts to accommodate the change in the special education  
3375 add-on WPU foundation formula.

3376 (c) A district's special education add-on WPU for the current year may not be less than  
3377 the foundation special education add-on WPU.

3378 (d) Growth WPU shall be added to the prior year special education add-on WPU, and  
3379 growth WPU shall be determined as follows:

3380 (i) The special education student growth factor is calculated by comparing S-3 total  
3381 special education ADM of two years previous to the current year to the S-3 total special  
3382 education ADM three years previous to the current year, not to exceed the official October total  
3383 district growth factor from the prior year.

3384 (ii) When calculating and applying the growth factor, a district's S-3 total special  
3385 education ADM for a given year is limited to 12.18% of the district's S-3 total student ADM  
3386 for the same year.

3387 (iii) Growth ADMs are calculated by applying the growth factor to the S-3 total special  
3388 education ADM of two years previous to the current year.

3389 (iv) Growth ADMs for each district are multiplied by 1.53 weighted pupil units and

3390 added to the prior year special education add-on WPU to determine each district's total  
3391 allocation.

3392 (6) If [~~monies~~] money appropriated under this chapter for programs for students with  
3393 disabilities [~~do~~] does not meet the costs of districts for those programs, each district shall first  
3394 receive the amount generated for each student with a disability under the basic program.

3395 Section 63. Section **53A-17a-121** is amended to read:

3396 **53A-17a-121. Appropriation for at-risk programs.**

3397 (1) Money appropriated to the State Board of Education for at-risk programs shall be  
3398 allocated to local school boards for the following programs:

3399 (a) youth in custody;

3400 (b) homeless and disadvantaged minority students;

3401 (c) mathematics, engineering, and science achievement programs;

3402 (d) gang prevention and intervention; and

3403 (e) at-risk flow through.

3404 (2) Districts shall spend [~~monies~~] money for these programs according to rules  
3405 established by the State Board of Education in accordance with Title 63G, Chapter 3, Utah  
3406 Administrative Rulemaking Act.

3407 (3) (a) From the amount appropriated for youth at risk programs, the board shall  
3408 allocate [~~monies~~] money to school districts for homeless and disadvantaged minority students.

3409 (b) Each district shall receive its allocation on the basis of:

3410 (i) the total number of homeless students in the district;

3411 (ii) added to 50% of the number of disadvantaged minority students in the district;

3412 (iii) multiplying the total of Subsections (3)(b)(i) and (ii) by the value of the weighted  
3413 pupil unit; and

3414 (iv) prorating the amount under Subsection (3)(b)(iii) to the amount in Subsection

3415 (3)(a).

3416 (4) (a) From the amount appropriated for at-risk programs, the board shall allocate  
3417 [~~monies~~] money for mathematics, engineering, and science achievement programs, MESA

3418 programs, in the districts.

3419 (b) The board shall make the distribution to school districts on a competitive basis by  
3420 application under guidelines established by the board.

3421 (5) (a) From the amount appropriated for at-risk programs, the board shall distribute  
3422 [~~moneys~~] money for gang prevention and intervention programs at the district or school level.

3423 (b) The board shall make the distribution to school districts under guidelines  
3424 established by the board consistent with Section 53A-15-601.

3425 (6) (a) From the amount appropriated for at-risk programs, the board shall distribute  
3426 [~~moneys~~] money for programs for youth in custody.

3427 (b) The board shall allocate [~~these moneys~~] the money to school districts which operate  
3428 programs for youth in custody in accordance with standards established by the board.

3429 (7) From the amount appropriated for at-risk programs, the board shall allocate  
3430 [~~monies~~] money based on:

3431 (a) a formula which takes into account prior year WPU's per district and a district's low  
3432 income population; and

3433 (b) a minimum base of no less than \$18,600 for small school districts.

3434 Section 64. Section **53A-17a-123.5** is amended to read:

3435 **53A-17a-123.5. Interventions for Student Success Block Grant Program -- State**  
3436 **contribution.**

3437 (1) The State Board of Education shall distribute money appropriated for the  
3438 Interventions for Student Success Block Grant Program to school districts and charter schools  
3439 according to a formula adopted by the board, after consultation with school districts and charter  
3440 schools, that allocates the funding in a fair and equitable manner.

3441 (2) Schools districts and charter schools shall use Interventions for Student Success  
3442 Block Grant money to improve student academic success, with priority given to interventions  
3443 on behalf of students not performing to standards as determined by U-PASS test results.

3444 (3) (a) Each school district shall develop a plan for the expenditure of Interventions for  
3445 Student Success Block Grant money.

- 3446 (b) The plan:
- 3447 (i) shall specify anticipated results; and
- 3448 (ii) may include continuing existing programs to improve students' academic success
- 3449 for which funds were appropriated before the establishment of the block grant.
- 3450 (c) The local school board shall approve the plan for the expenditure of the block grant
- 3451 money in an open public meeting before the money [are] is spent.

3452 Section 65. Section **53A-17a-134** is amended to read:

3453 **53A-17a-134. Board-approved leeway -- Purpose -- State support -- Disapproval.**

3454 (1) Each local school board may levy a tax rate of up to .0004 per dollar of taxable

3455 value to maintain a school program above the cost of the basic school program as follows:

3456 (a) a local school board shall use the [monies] money generated by the tax for class

3457 size reduction within the school district;

3458 (b) if a local school board determines that the average class size in the school district is

3459 not excessive, it may use the [monies] money for other school purposes but only if the board

3460 has declared the use for other school purposes in a public meeting prior to levying the tax rate;

3461 and

3462 (c) a district may not use the [monies] money for other school purposes under

3463 Subsection (1)(b) until it has certified in writing that its class size needs are already being met

3464 and has identified the other school purposes for which the [monies] money will be used to the

3465 State Board of Education and the state board has approved their use for other school purposes.

3466 (2) (a) The state shall contribute an amount sufficient to guarantee \$25.25 per weighted

3467 pupil unit for each .0001 per dollar of taxable value.

3468 (b) The guarantee shall increase in the same manner as provided for the voted leeway

3469 guarantee in Subsection 53A-17a-133(3)(c).

3470 (c) (i) The amount of state guarantee money to which a school district would otherwise

3471 be entitled to under this Subsection (2) may not be reduced for the sole reason that the district's

3472 levy is reduced as a consequence of changes in the certified tax rate under Section 59-2-924

3473 pursuant to changes in property valuation.

3474           (ii) Subsection (2)(c)(i) applies for a period of five years following any such change in  
3475 the certified tax rate.

3476           (d) The guarantee provided under this section does not apply to:

3477           (i) a board-authorized leeway in the first fiscal year the leeway is in effect, unless the  
3478 leeway was approved by voters pursuant to Subsections (4) through (6); or

3479           (ii) the portion of a board-authorized leeway rate that is in excess of the  
3480 board-authorized leeway rate that was in effect for the previous fiscal year.

3481           (3) The levy authorized under this section is not in addition to the maximum rate of  
3482 .002 authorized in Section 53A-17a-133, but is a board-authorized component of the total tax  
3483 rate under that section.

3484           (4) As an exception to Section 53A-17a-133, the board-authorized levy does not  
3485 require voter approval, but the board may require voter approval if requested by a majority of  
3486 the board.

3487           (5) An election to consider disapproval of the board-authorized levy is required, if  
3488 within 60 days after the levy is established by the board, referendum petitions signed by the  
3489 number of legal voters required in Section 20A-7-301, who reside within the school district, are  
3490 filed with the school district.

3491           (6) (a) A local school board shall establish its board-approved levy by April 1 to have  
3492 the levy apply to the fiscal year beginning July 1 in that same calendar year except that if an  
3493 election is required under this section, the levy applies to the fiscal year beginning July 1 of the  
3494 next calendar year.

3495           (b) The approval and disapproval votes authorized in Subsections (4) and (5) shall  
3496 occur at a general election in even-numbered years, except that a vote required under this  
3497 section in odd-numbered years shall occur at a special election held on a day in odd-numbered  
3498 years that corresponds to the general election date. The school district shall pay for the cost of  
3499 a special election.

3500           (7) (a) Modification or termination of a voter-approved leeway rate authorized under  
3501 this section is governed by Section 53A-17a-133.

3502 (b) A board-authorized leeway rate may be modified or terminated by a majority vote  
3503 of the board subject to disapproval procedures specified in this section.

3504 (8) A board levy election does not require publication of a voter information pamphlet.

3505 Section 66. Section **53A-17a-144** is amended to read:

3506 **53A-17a-144. Contribution of state to cost of minimum school program --**

3507 **Determination of amounts -- Levy on taxable property -- Disbursal -- Deficiency.**

3508 The state's contribution to the total cost of the minimum school program is determined  
3509 and distributed as follows:

3510 (1) The State Tax Commission shall levy an amount determined by the Legislature on  
3511 all taxable property of the state.

3512 (a) This amount, together with other funds provided by law, is the state's contribution  
3513 to the minimum school program.

3514 (b) The statewide levy is set at zero until changed by the Legislature.

3515 (2) During the first week in November, the State Tax Commission shall certify to the  
3516 State Board of Education the amounts designated as state aid for each district under Section  
3517 59-2-902.

3518 (3) (a) The actual amounts computed under Section 59-2-902 are the state's  
3519 contribution to the minimum school program of each district.

3520 (b) The state board shall provide each district with a statement of the amount of state  
3521 aid.

3522 (4) Prior to the first day of each month, the state treasurer and the Division of Finance,  
3523 with the approval of the State Board of Education, shall disburse 1/12 of the state's contribution  
3524 to the cost of the minimum school program to each school district.

3525 (a) A disbursement may not be made to a district whose payments have been  
3526 interrupted under Subsection (4)(d).

3527 (b) Discrepancies between the monthly disbursements and the actual cost of the  
3528 program shall be adjusted in the final settlement under Subsection (5).

3529 (c) If the monthly distributions overdraw the money in the Uniform School Fund, the

3530 Division of Finance is authorized to run this fund in a deficit position.

3531 (d) The state board may interrupt disbursements to a district if, in the judgment of the  
3532 board, the district is failing to comply with the minimum school program, is operating  
3533 programs that are not approved by the state board, or has not submitted reports required by law  
3534 or the state board.

3535 (i) Disbursements shall be resumed upon request of the state board.

3536 (ii) Back disbursements shall be included in the next regular disbursement, and the  
3537 amount disbursed certified to the State Division of Finance and state treasurer by the state  
3538 board.

3539 (e) The State Board of Education may authorize exceptions to the 1/12 per month  
3540 disbursement formula for grant funds if the board determines that a different disbursement  
3541 formula would better serve the purposes of the grant.

3542 (5) (a) If [~~monies~~] money in the Uniform School Fund [~~are~~] is insufficient to meet the  
3543 state's contribution to the minimum school program as appropriated, the amount of the  
3544 deficiency thus created shall be carried as a deficiency in the Uniform School Fund until the  
3545 next session of the Legislature, at which time the Legislature shall appropriate funds to cover  
3546 the deficiency.

3547 (b) If there is an operating deficit in public education Uniform School Fund  
3548 appropriations, the Legislature shall eliminate the deficit by:

3549 (i) budget transfers or other legal means;

3550 (ii) appropriating money from the Education Budget Reserve Account;

3551 (iii) appropriating up to 25% of the balance in the General Fund Budget Reserve  
3552 Account; or

3553 (iv) some combination of Subsections (5)(b)(i), (ii), and (iii).

3554 (c) Nothing in Subsection (5)(b) precludes the Legislature from appropriating more  
3555 than 25% of the balance in the General Fund Budget Reserve Account to fund operating  
3556 deficits in public education appropriations.

3557 Section 67. Section **53A-17a-150** is amended to read:

3558 **53A-17a-150. K-3 Reading Improvement Program.**

3559 (1) As used in this section:

3560 (a) "program" means the K-3 Reading Improvement Program; and

3561 (b) "program [~~monies~~] money" means:

3562 (i) school district revenue from the levy authorized under Section 53A-17a-151;

3563 (ii) school district revenue allocated to the program from other [~~monies~~] money

3564 available to the school district, except [~~monies~~] money provided by the state, for the purpose of  
3565 receiving state funds under this section; and

3566 (iii) [~~monies~~] money appropriated by the Legislature to the program.

3567 (2) The K-3 Reading Improvement Program consists of program [~~monies~~] money and  
3568 is created to achieve the state's goal of having third graders reading at or above grade level.

3569 (3) Subject to future budget constraints, the Legislature may annually appropriate  
3570 money to the K-3 Reading Improvement Program.

3571 (4) (a) Prior to using program [~~monies~~] money, a school district or charter school shall  
3572 submit a plan to the State Board of Education for reading proficiency improvement that  
3573 incorporates the following components:

3574 (i) assessment;

3575 (ii) intervention strategies;

3576 (iii) professional development;

3577 (iv) reading performance standards; and

3578 (v) specific measurable goals that are based upon gain scores.

3579 (b) The State Board of Education shall provide model plans which a school district or  
3580 charter school may use, or the district or school may develop its own plan.

3581 (c) Plans developed by a school district or charter school shall be approved by the State  
3582 Board of Education.

3583 (5) There is created within the K-3 Reading Achievement Program three funding  
3584 programs:

3585 (a) the Base Level Program;

3586 (b) the Guarantee Program; and  
3587 (c) the Low Income Students Program.  
3588 (6) [~~Monies~~] Money appropriated to the State Board of Education for the K-3 Reading  
3589 Improvement Program shall be allocated to the three funding programs as follows:  
3590 (a) 8% to the Base Level Program;  
3591 (b) 46% to the Guarantee Program; and  
3592 (c) 46% to the Low Income Students Program.  
3593 (7) (a) To participate in the Base Level Program, a school district or charter school  
3594 shall submit a reading proficiency improvement plan to the State Board of Education as  
3595 provided in Subsection (4) and must receive approval of the plan from the board.  
3596 (b) (i) Each school district qualifying for Base Level Program funds and the qualifying  
3597 elementary charter schools combined shall receive a base amount.  
3598 (ii) The base amount for the qualifying elementary charter schools combined shall be  
3599 allocated among each school in an amount proportionate to:  
3600 (A) each existing charter school's prior year fall enrollment in grades kindergarten  
3601 through grade 3; and  
3602 (B) each new charter school's estimated fall enrollment in grades kindergarten through  
3603 grade 3.  
3604 (8) (a) A school district that applies for program [~~monies~~] money in excess of the Base  
3605 Level Program funds shall choose to first participate in either the Guarantee Program or the  
3606 Low Income Students Program.  
3607 (b) A school district must fully participate in either the Guarantee Program or the Low  
3608 Income Students Program before it may elect to either fully or partially participate in the other  
3609 program.  
3610 (c) To fully participate in the Guarantee Program, a school district shall:  
3611 (i) levy a tax rate of .000056 under Section 53A-17a-151;  
3612 (ii) allocate to the program other [~~monies~~] money available to the school district,  
3613 except [~~monies~~] money provided by the state, equal to the amount of revenue that would be

3614 generated by a tax rate of .000056; or

3615 (iii) levy a tax under Section 53A-17a-151 and allocate to the program other [~~monies~~]  
3616 money available to the school district, except [~~monies~~] money provided by the state, so that the  
3617 total revenue from the combined revenue sources equals the amount of revenue that would be  
3618 generated by a tax rate of .000056.

3619 (d) To fully participate in the Low Income Students Program, a school district shall:

3620 (i) levy a tax rate of .000065 under Section 53A-17a-151;

3621 (ii) allocate to the program other [~~monies~~] money available to the school district,  
3622 except [~~monies~~] money provided by the state, equal to the amount of revenue that would be  
3623 generated by a tax rate of .000065; or

3624 (iii) levy a tax under Section 53A-17a-151 and allocate to the program other [~~monies~~]  
3625 money available to the school district, except [~~monies~~] money provided by the state, so that the  
3626 total revenue from the combined revenue sources equals the amount of revenue that would be  
3627 generated by a tax rate of .000065.

3628 (9) (a) A school district that fully participates in the Guarantee Program shall receive  
3629 state funds in an amount that is:

3630 (i) equal to the difference between \$21 times the district's total WPUs and the revenue  
3631 the school district is required to generate or allocate under Subsection (8)(c) to fully participate  
3632 in the Guarantee Program; and

3633 (ii) not less than \$0.

3634 (b) An elementary charter school shall receive under the Guarantee Program an amount  
3635 equal to \$21 times the school's total WPUs.

3636 (10) The State Board of Education shall distribute Low Income Students Program  
3637 funds in an amount proportionate to the number of students in each school district or charter  
3638 school who qualify for free or reduced price school lunch multiplied by two.

3639 (11) A school district that partially participates in the Guarantee Program or Low  
3640 Income Students Program shall receive program funds based on the amount of district revenue  
3641 generated for or allocated to the program as a percentage of the amount of revenue that could

3642 have been generated or allocated if the district had fully participated in the program.

3643 (12) (a) Each school district and charter school shall use program [monies] money for  
3644 reading proficiency improvement in grades kindergarten through grade three.

3645 (b) Program [monies] money may not be used to supplant funds for existing programs,  
3646 but may be used to augment existing programs.

3647 (13) (a) Each school district and charter school shall annually submit a report to the  
3648 State Board of Education accounting for the expenditure of program [monies] money in  
3649 accordance with its plan for reading proficiency improvement.

3650 (b) If a school district or charter school uses program [monies] money in a manner that  
3651 is inconsistent with Subsection (12), the school district or charter school is liable for  
3652 reimbursing the State Board of Education for the amount of program [monies] money  
3653 improperly used, up to the amount of program [monies] money received from the State Board  
3654 of Education.

3655 (14) (a) The State Board of Education shall make rules to implement the program.

3656 (b) (i) The rules under Subsection (14)(a) shall require each school district or charter  
3657 school to annually report progress in meeting goals stated in the district's or charter school's  
3658 plan for student reading proficiency as measured by gain scores.

3659 (ii) If a school district or charter school does not meet or exceed the goals, the school  
3660 district or charter school shall prepare a new plan which corrects deficiencies. The new plan  
3661 must be approved by the State Board of Education before the school district or charter school  
3662 receives an allocation for the next year.

3663 (15) If after 36 months of program operation, a school district fails to meet goals stated  
3664 in the district's plan for student reading proficiency as measured by gain scores, the school  
3665 district shall terminate any levy imposed under Section 53A-17a-151.

3666 Section 68. Section **53A-28-301** is amended to read:

3667 **53A-28-301. Business administrator duties -- Paying agent to provide notice --**  
3668 **State treasurer to execute transfer to paying agents -- Effect of transfer.**

3669 (1) (a) The business administrator of each board with outstanding, unpaid bonds shall

3670 transfer [~~monies~~] money sufficient for the scheduled debt service payment to its paying agent at  
3671 least 15 days before any principal or interest payment date for the bonds.

3672 (b) The paying agent may, if instructed to do so by the business administrator, invest  
3673 the [~~monies~~] money at the risk and for the benefit of the board until the payment date.

3674 (c) A business administrator who is unable to transfer the scheduled debt service  
3675 payment to the paying agent 15 days before the payment date shall immediately notify the  
3676 paying agent and the state treasurer by:

3677 (i) telephone;

3678 (ii) a writing sent by facsimile transmission; and

3679 (iii) a writing sent by first-class United States mail.

3680 (2) If sufficient funds are not transferred to the paying agent as required by Subsection  
3681 (1), the paying agent shall notify the state treasurer of that failure in writing at least 10 days  
3682 before the scheduled debt service payment date by:

3683 (a) telephone;

3684 (b) a writing sent by facsimile transmission; and

3685 (c) a writing sent by first-class United States mail.

3686 (3) (a) If sufficient [~~monies~~] money to pay the scheduled debt service payment [~~have~~]  
3687 has not been transferred to the paying agent, the state treasurer shall, on or before the scheduled  
3688 payment date, transfer sufficient [~~monies~~] money to the paying agent to make the scheduled  
3689 debt service payment.

3690 (b) The payment by the treasurer:

3691 (i) discharges the obligation of the issuing board to its bondholders for the payment;

3692 and

3693 (ii) transfers the rights represented by the general obligation of the board from the  
3694 bondholders to the state.

3695 (c) The board shall pay the transferred obligation to the state as provided in this  
3696 chapter.

3697 Section 69. Section **53A-28-302** is amended to read:

3698           **53A-28-302. State financial assistance intercept mechanism -- State treasurer**  
3699 **duties -- Interest and penalty provisions.**

3700           (1) (a) If one or more payments on bonds are made by the state treasurer as provided in  
3701 Section 53A-28-301, the state treasurer shall:

3702           (i) immediately intercept any payments from the Uniform School Fund or from any  
3703 other source of operating [~~monies~~] money provided by the state to the board that issued the  
3704 bonds that would otherwise be paid to the board by the state; and

3705           (ii) apply the intercepted payments to reimburse the state for payments made pursuant  
3706 to the state's guaranty until all obligations of the board to the state arising from those payments,  
3707 including interest and penalties, are paid in full.

3708           (b) The state has no obligation to the board or to any person or entity to replace any  
3709 [~~monies~~] money intercepted under authority of Subsection (1)(a).

3710           (2) The board that issued bonds for which the state has made all or part of a debt  
3711 service payment shall:

3712           (a) reimburse all [~~monies~~] money drawn by the state treasurer on its behalf;

3713           (b) pay interest to the state on all [~~monies~~] money paid by the state from the date the  
3714 [~~monies were~~] money was drawn to the date they are repaid at a rate not less than the average  
3715 prime rate for national money center banks plus 1%; and

3716           (c) pay all penalties required by this chapter.

3717           (3) (a) The state treasurer shall establish the reimbursement interest rate after  
3718 considering the circumstances of any prior draws by the board on the state, market interest and  
3719 penalty rates, and the cost of funds, if any, that were required to be borrowed by the state to  
3720 make payment on the bonds.

3721           (b) The state treasurer may, after considering the circumstances giving rise to the  
3722 failure of the board to make payment on its bonds in a timely manner, impose on the board a  
3723 penalty of not more than 5% of the amount paid by the state pursuant to its guaranty for each  
3724 instance in which a payment by the state is made.

3725           (4) (a) (i) If the state treasurer determines that amounts obtained under this section will

3726 not reimburse the state in full within one year from the state’s payment of a board’s scheduled  
3727 debt service payment, the state treasurer shall pursue any legal action, including mandamus,  
3728 against the board to compel it to:

3729 (A) levy and provide property tax revenues to pay debt service on its bonds when due  
3730 as required by Title 11, Chapter 14, Local Government Bonding Act; and

3731 (B) meet its repayment obligations to the state.

3732 (ii) In pursuing its rights under this Subsection (4)(a), the state shall have the same  
3733 substantive and procedural rights under Title 11, Chapter 14, Local Government Bonding Act,  
3734 as would a holder of the bonds of a board.

3735 (b) The attorney general shall assist the state treasurer in these duties.

3736 (c) The board shall pay the attorney’s fees, expenses, and costs of the state treasurer  
3737 and the attorney general.

3738 (5) (a) Except as provided in Subsection (5)(c), any board whose operating funds were  
3739 intercepted under this section may replace those funds from other board [~~monies~~] money or  
3740 from ad valorem property taxes, subject to the limitations provided in this Subsection (5).

3741 (b) A board may use ad valorem property taxes or other [~~monies~~] money to replace  
3742 intercepted funds only if the ad valorem property taxes or other [~~monies were~~] money was  
3743 derived from:

3744 (i) taxes originally levied to make the payment but which were not timely received by  
3745 the board;

3746 (ii) taxes from a special levy made to make the missed payment or to replace the  
3747 intercepted [~~monies~~] money;

3748 (iii) [~~monies~~] money transferred from the capital outlay fund of the board or the  
3749 undistributed reserve, if any, of the board; or

3750 (iv) any other source of money on hand and legally available.

3751 (c) Notwithstanding the provisions of Subsections (5)(a) and (b), a board may not  
3752 replace operating funds intercepted by the state with [~~monies~~] money collected and held to  
3753 make payments on bonds if that replacement would divert [~~monies~~] money from the payment

3754 of future debt service on the bonds and increase the risk that the state's guaranty would be  
3755 called upon a second time.

3756 Section 70. Section **53A-28-401** is amended to read:

3757 **53A-28-401. Backup liquidity arrangements -- Issuance of notes.**

3758 (1) (a) If, at the time the state is required to make a debt service payment under its  
3759 guaranty on behalf of a board, sufficient [~~monies~~] money of the state [~~are~~] is not on hand and  
3760 available for that purpose, the state treasurer may:

3761 (i) seek a loan from the Permanent School Fund sufficient to make the required  
3762 payment; or

3763 (ii) issue state debt as provided in Subsection (2).

3764 (b) Nothing in this Subsection (1) requires the Permanent School Fund to lend  
3765 [~~monies~~] money to the state treasurer.

3766 (2) (a) The state treasurer may issue state debt in the form of general obligation notes  
3767 to meet its obligations under this chapter.

3768 (b) The amount of notes issued may not exceed the amount necessary to make payment  
3769 on all bonds with respect to which the notes are issued plus all costs of issuance, sale, and  
3770 delivery of the notes, rounded up to the nearest natural multiple of \$5,000.

3771 (c) Each series of notes issued may not mature later than 18 months from the date the  
3772 notes are issued.

3773 (d) Notes issued may be refunded using the procedures set forth in this chapter for the  
3774 issuance of notes, in an amount not more than the amount necessary to pay principal of and  
3775 accrued but unpaid interest on any refunded notes plus all costs of issuance, sale, and delivery  
3776 of the refunding notes, rounded up to the nearest natural multiple of \$5,000.

3777 (e) Each series of refunding notes may not mature later than 18 months from the date  
3778 the refunding notes are issued.

3779 (3) (a) Before issuing or selling any general obligation note to other than a state fund or  
3780 account, the state treasurer shall:

3781 (i) prepare a written plan of financing; and

- 3782 (ii) file it with the governor.
- 3783 (b) The plan of financing shall provide for:
- 3784 (i) the terms and conditions under which the notes will be issued, sold, and delivered;
- 3785 (ii) the taxes or revenues to be anticipated;
- 3786 (iii) the maximum amount of notes that may be outstanding at any one time under the
- 3787 plan of financing;
- 3788 (iv) the sources of payment of the notes;
- 3789 (v) the rate or rates of interest, if any, on the notes or a method, formula, or index under
- 3790 which the interest rate or rates on the notes may be determined during the time the notes are
- 3791 outstanding; and
- 3792 (vi) all other details relating to the issuance, sale, and delivery of the notes.
- 3793 (c) In identifying the taxes or revenues to be anticipated and the sources of payment of
- 3794 the notes in the financing plan, the state treasurer may include:
- 3795 (i) the taxes authorized by Section 53A-28-402;
- 3796 (ii) the intercepted revenues authorized by Section 53A-28-302;
- 3797 (iii) the proceeds of refunding notes; or
- 3798 (iv) any combination of Subsections (3)(c)(i), (ii), and (iii).
- 3799 (d) The state treasurer may include in the plan of financing the terms and conditions of
- 3800 arrangements entered into by the state treasurer on behalf of the state with financial and other
- 3801 institutions for letters of credit, standby letters of credit, reimbursement agreements, and
- 3802 remarketing, indexing, and tender agent agreements to secure the notes, including payment
- 3803 from any legally available source of fees, charges, or other amounts coming due under the
- 3804 agreements entered into by the state treasurer.
- 3805 (e) When issuing the notes, the state treasurer shall issue an order setting forth the
- 3806 interest, form, manner of execution, payment, manner of sale, prices at, above, or below face
- 3807 value, and all details of issuance of the notes.
- 3808 (f) The order and the details set forth in the order shall conform with any applicable
- 3809 plan of financing and with this chapter.

3810 (g) (i) Each note shall recite that it is a valid obligation of the state and that the full  
 3811 faith, credit, and resources of the state are pledged for the payment of the principal of and  
 3812 interest on the note from the taxes or revenues identified in accordance with its terms and the  
 3813 constitution and laws of Utah.

3814 (ii) These general obligation notes do not constitute debt of the state for the purposes of  
 3815 the 1.5% debt limitation of the Utah Constitution, Article XIV, Section 1.

3816 (h) Immediately upon the completion of any sale of notes, the state treasurer shall:

3817 (i) make a verified return of the sale to the state auditor, specifying the amount of notes  
 3818 sold, the persons to whom the notes were sold, and the price, terms, and conditions of the sale;  
 3819 and

3820 (ii) credit the proceeds of sale, other than accrued interest and amounts required to pay  
 3821 costs of issuance of the notes, to the General Fund to be applied to the purpose for which the  
 3822 notes were issued.

3823 Section 71. Section **53A-28-402** is amended to read:

3824 **53A-28-402. Unlimited ad valorem tax as pledge of full faith and credit -- State**  
 3825 **Tax Commission duties -- Property tax abated.**

3826 (1) (a) In each year after the issuance of general obligation notes under this chapter and  
 3827 until all outstanding notes are retired, there is levied a direct annual tax on all real and personal  
 3828 property within the state subject to state taxation, sufficient to pay all principal of and interest  
 3829 on the general obligation notes as they become due.

3830 (b) If [~~monies~~] money expected to be intercepted under Section 53A-28-302 [~~are~~] is  
 3831 expected to be insufficient to reimburse the state for its payments of school districts' scheduled  
 3832 debt service payments or if it is necessary for the state treasurer to borrow as provided in  
 3833 Section 53A-28-401 and amounts to be intercepted under Section 53A-28-302 are expected to  
 3834 be insufficient to timely pay the general obligation notes issued or other borrowing undertaken  
 3835 under that section, the state treasurer shall certify to and give notice to the state tax commission  
 3836 of the amount of the deficiency.

3837 (c) After receipt of that certified notice from the state treasurer, the state tax

3838 commission shall:

3839 (i) immediately fix the tax rate necessary and levy direct ad valorem property tax on all  
3840 real and personal property in the state subject to state taxation sufficient to provide [monies]  
3841 money in the amount of the deficiency stated in the notice; and

3842 (ii) require that the tax be collected and remitted as soon as may be in the ordinary  
3843 course of ad valorem tax levy and collection.

3844 (2) To the extent that other legally available revenues and funds of the state are  
3845 sufficient to meet the certified deficiency, the property tax for this purpose is abated.

3846 Section 72. Section **53B-8a-103** is amended to read:

3847 **53B-8a-103. Creation of Utah Educational Savings Plan -- Powers and duties of**  
3848 **plan.**

3849 (1) There is created the Utah Educational Savings Plan, which may also be known and  
3850 function as the Utah Educational Savings Plan Trust.

3851 (2) The plan:

3852 (a) is a non-profit, self-supporting agency that administers a public trust;

3853 (b) shall administer the various programs, funds, trusts, plans, functions, duties, and  
3854 obligations assigned to the plan:

3855 (i) consistent with sound fiduciary principles; and

3856 (ii) subject to review of the board; and

3857 (c) shall be known as and managed as a qualified tuition program in compliance with  
3858 Section 529, Internal Revenue Code, that is sponsored by the state.

3859 (3) The plan may:

3860 (a) make and enter into contracts necessary for the administration of the plan payable  
3861 from plan [moneys] money, including:

3862 (i) contracts for goods and services; and

3863 (ii) contracts to engage:

3864 (A) personnel, including consultants, actuaries, managers, counsel, and auditors for the  
3865 purpose of rendering professional, managerial, and technical assistance and advice; and

- 3866 (B) one or more investment advisors, registered under the Investment Advisers Act of  
3867 1940, with at least 5,000 advisory clients and at least \$1,000,000,000 under management, to  
3868 provide investment advice to the board with respect to the assets held in each account;
- 3869 (b) adopt a corporate seal and change and amend it from time to time;
- 3870 (c) invest [~~moneys~~] money within the program fund:
- 3871 (i) (A) in any investments that are determined by the board to be appropriate; or
- 3872 (B) in mutual funds registered under the Investment Company Act of 1940, consistent  
3873 with the best interests of a designated beneficiary's higher education funding needs; and
- 3874 (ii) that [~~are~~] is in compliance with rules of the State Money Management Council  
3875 applicable to gift funds;
- 3876 (d) invest [~~moneys~~] money within the endowment fund in any investments that are:
- 3877 (i) determined by the board to be appropriate;
- 3878 (ii) approved by the state treasurer; and
- 3879 (iii) in compliance with rules of the State Money Management Council applicable to  
3880 gift funds;
- 3881 (e) enter into agreements with account owners, any institution of higher education, any  
3882 federal or state agency, or other entity as required to implement this chapter;
- 3883 (f) solicit and accept any grants, gifts, legislative appropriations, and other [~~moneys~~]  
3884 money from the state, any unit of federal, state, or local government, or any other person, firm,  
3885 partnership, or corporation for deposit to the administrative fund, endowment fund, or the  
3886 program fund;
- 3887 (g) make provision for the payment of costs of administration and operation of the  
3888 plan;
- 3889 (h) carry out studies and projections in order to advise account owners regarding  
3890 present and estimated future higher education costs and levels of financial participation in the  
3891 plan required in order to enable account owners to achieve their educational funding objective;
- 3892 (i) participate in federal, state, local governmental, or private programs;
- 3893 (j) create public and private partnerships, including investment or management

3894 relationships with other 529 plans or entities;

3895 (k) promulgate, impose, and collect administrative fees and charges in connection with  
3896 transactions of the plan, and provide for reasonable service charges;

3897 (l) procure insurance:

3898 (i) against any loss in connection with the property, assets, or activities of the plan; and

3899 (ii) indemnifying any member of the board from personal loss or accountability arising  
3900 from liability resulting from a member's action or inaction as a member of the plan's board;

3901 (m) administer outreach efforts to:

3902 (i) market and publicize the plan and its products to existing and prospective account  
3903 owners; and

3904 (ii) encourage economically challenged populations to save for post-secondary  
3905 education;

3906 (n) adopt, trademark, and copyright names and materials for use in marketing and  
3907 publicizing the plan and its products;

3908 (o) administer the funds of the plan;

3909 (p) sue and be sued in its own name; and

3910 (q) have and exercise any other powers or duties that are necessary or appropriate to  
3911 carry out and effectuate the purposes of this chapter.

3912 Section 73. Section **53B-13-107** is amended to read:

3913 **53B-13-107. Payment of funds -- Payment on warrants -- Contracts with**  
3914 **bondholders -- Security.**

3915 (1) The funds of the board, except as otherwise authorized or provided in this section,  
3916 are paid to the state treasurer.

3917 (2) The [~~moneys~~] money in the accounts [~~are~~] is paid out on warrants signed by the  
3918 State Division of Finance on requisition of the chairman of the board or of a board authorized  
3919 officer or employee.

3920 (3) The board, subject to the approval of the state treasurer, may contract with the  
3921 holders of its bonds as to the custody, collection, securing, investment, and payment of money

3922 of the board or of money held in trust or otherwise for the payment of bonds.

3923 (4) Money held in trust or otherwise for the payment of bonds or to secure bonds and  
3924 deposits of the money may be secured in the same manner as money of the board.

3925 (5) Banks and trust companies are authorized to give such security for the deposits.

3926 Section 74. Section **53B-21-105** is amended to read:

3927 **53B-21-105. Disposition and use of income from operation of buildings --**

3928 **Payment of principal and interest on bonds.**

3929 (1) Except for the revenues paid directly to a trustee under Subsection  
3930 53B-21-102(3)(f), all income and revenues from the operation of the buildings under this  
3931 chapter are deposited as collected in a fund established in compliance with the State Money  
3932 Management Act [~~of 1974~~].

3933 (2) (a) [~~These moneys are~~] This money is for the payment of the principal and interest  
3934 on the bonds authorized under this chapter.

3935 (b) [~~They~~] The money shall also be used, to the extent provided in the resolution  
3936 authorizing the bonds, to pay for the cost of maintaining and operating the building and to  
3937 establish reserves for that purpose.

3938 (3) The State Board of Regents treasurer or other designated fiscal officer shall, not  
3939 less than 15 days prior to the date interest and principal payments are due, transmit to the  
3940 paying agent sufficient money from the fund to pay the obligation.

3941 Section 75. Section **53C-3-202** is amended to read:

3942 **53C-3-202. Collection and distribution of revenues from federal land exchange**  
3943 **parcels.**

3944 (1) The director shall collect all bonus payments, rentals, and royalties from the lease  
3945 of:

3946 (a) minerals on acquired lands;

3947 (b) acquired mineral interests;

3948 (c) minerals on exchanged lands; and

3949 (d) exchanged mineral interests.

3950 (2) No later than the last day of the second month following each calendar quarter, the  
3951 director shall distribute:

3952 (a) bonus payments received during the calendar quarter from the lease of coal, oil and  
3953 gas, and coalbed methane on the identified tracts as follows:

3954 (i) 50% to the United States; and

3955 (ii) 50% to the Land Exchange Distribution Account created in Section 53C-3-203;

3956 (b) rentals and royalties received during the calendar quarter from the lease of subject  
3957 minerals on the acquired lands and the lease of acquired mineral interests as follows:

3958 (i) 50% to the Land Grant Management Fund created by Section 53C-3-101; and

3959 (ii) 50% to the Land Exchange Distribution Account created in Section 53C-3-203;

3960 (c) mineral bonus, rental, and royalty revenue generated from the lease of subject  
3961 minerals, other than oil shale, on exchanged lands or from the lease of exchanged mineral  
3962 interests, other than interests in oil shale, as follows:

3963 (i) 50% to the Land Grant Management Fund created by Section 53C-3-101; and

3964 (ii) 50% to the Land Exchange Distribution Account created in Section 53C-3-203; and

3965 (d) mineral bonus, rental, and royalty revenue generated from the lease of oil shale on  
3966 exchanged lands or the lease of exchanged mineral interests that are interests in oil shale, net of  
3967 amounts paid to the United States pursuant to a reserved interest of the United States in oil  
3968 shale, as follows:

3969 (i) 50% to the Land Grant Management Fund created by Section 53C-3-101; and

3970 (ii) 50% to the Land Exchange Distribution Account created in Section 53C-3-203.

3971 (3) (a) Except as provided in Subsection (3)(c), the director may retain up to 3% of the  
3972 ~~[monies]~~ money collected under Subsection (1) to pay for administrative costs incurred under  
3973 Subsections (1) and (2).

3974 (b) Except as provided in Subsection (3)(c), the director may deduct administrative  
3975 costs before distributions are made under Subsection (2).

3976 (c) The director may not deduct administrative costs from the portion of collections  
3977 derived from minerals on exchanged lands or exchanged mineral interests that is equal to the

3978 United States' reserved interest in oil shale.

3979 (d) The director shall keep the administrative cost deductions in separate accounts.

3980 (e) The [~~moneys~~] money retained under Subsection (3)(a) [~~are~~] is nonlapsing.

3981 (f) The director shall distribute in accordance with Subsection (2) the unused balance  
3982 of the [~~moneys~~] money retained under Subsection (3)(a) that exceeds \$2,000,000 at the end of a  
3983 fiscal year.

3984 Section 76. Section **54-4-15.2** is amended to read:

3985 **54-4-15.2. Signals or devices at grade crossings -- Funds for payment of costs.**

3986 The funds provided by the state for purposes of this act shall be used in conjunction  
3987 with other available [~~moneys~~] money, including [~~those~~] money received from federal sources,  
3988 to pay all or part of the cost of the installation, maintenance, reconstruction or improvement of  
3989 any signals or devices described in Section 54-4-15.1 at any grade crossing of a public highway  
3990 or any road over the tracks of any railroad or street railroad corporation in this state.

3991 Section 77. Section **54-7-17** is amended to read:

3992 **54-7-17. Stay of commission's order or decision pending appeal.**

3993 (1) A petition for judicial review does not stay or suspend the operation of the order or  
3994 decision of the commission.

3995 (2) (a) The court may stay or suspend, in whole or in part, the operation of the  
3996 commission's order or decision after at least three days' notice and after a hearing.

3997 (b) If the court stays or suspends the order or decision of the commission, the order  
3998 shall contain a specific finding, based upon evidence submitted to the court and identified by  
3999 reference, that:

4000 (i) great or irreparable damage will result to the petitioner absent suspension or a stay  
4001 of the order; and

4002 (ii) specifies the nature of the damage.

4003 (3) (a) The court's order staying or suspending the decision of the commission is not  
4004 effective until a supersedeas bond is executed, filed with, and approved by the commission (or  
4005 approved, on review, by the court).

4006 (b) The bond shall be payable to the state, and shall be sufficient in amount and  
4007 security to insure the prompt payment by the party petitioning for the review of:

4008 (i) all damages caused by the delay in the enforcement of the order or decision of the  
4009 commission; and

4010 (ii) all [~~moneys~~] money that any person or corporation is compelled to pay, pending the  
4011 review proceedings, for transportation, transmission, product, commodity, or service in excess  
4012 of the charges fixed by the order or decision of the commission.

4013 (c) Whenever necessary to insure the prompt payment of damages and any  
4014 overcharges, the court may order the party petitioning for a review to give additional security or  
4015 to increase the supersedeas bond.

4016 (4) (a) When the court stays or suspends the order or decision of the commission in any  
4017 matter affecting rates, fares, tolls, rentals, charges, or classifications, it shall order the public  
4018 utility affected to pay into court, or into some bank or trust company paying interest on  
4019 deposits, all sums of money collected by the public utility that are greater than the sum a person  
4020 would have paid if the order or decision of the commission had not been stayed or suspended.

4021 (b) (i) Upon the final decision by the court, the public utility shall refund all [~~moneys~~]  
4022 money collected by it that [~~are greater than those~~] exceeds the amount authorized by the court's  
4023 final decision, together with interest if the [~~moneys were~~] money was deposited in a bank or  
4024 trust company, to the persons entitled to the refund.

4025 (ii) The commission shall prescribe the methods for distributing the refund.

4026 (c) (i) If any of the refund money has not been claimed within one year from the final  
4027 decision of the court, the commission shall publish notice of the refund:

4028 (A) (I) once per week for two successive weeks in a newspaper of general circulation  
4029 printed and published in the city and county of Salt Lake; and

4030 (II) in any other newspapers that the commission designates; and

4031 (B) in accordance with Section 45-1-101 for two successive weeks.

4032 (ii) The notice shall state the names of the persons entitled to the [~~moneys~~] money and  
4033 the amount due each person.

4034 (iii) All [~~moneys~~] money not claimed within three months after the publication of the  
4035 notice shall be paid by the public utility into the General Fund.

4036 (5) When the court stays or suspends any order or decision lowering any rate, fare, toll,  
4037 rental, charge, or classification, after the execution and approval of the supersedeas bond, the  
4038 commission shall order the public utility affected to keep accounts, verified by oath, that show:

- 4039 (a) the amounts being charged or received by the public utility; and
- 4040 (b) the names and addresses of the persons to whom overcharges will be refundable.

4041 Section 78. Section **54-8b-10** is amended to read:

4042 **54-8b-10. Imposing a surcharge to provide hearing and speech impaired persons**  
4043 **with telecommunication devices -- Definitions -- Procedures for establishing program --**  
4044 **Surcharge -- Administration and disposition of surcharge money.**

4045 (1) As used in this section:

4046 (a) "Certified deaf or severely hearing or speech impaired person" means any state  
4047 resident who:

- 4048 (i) is so certified by:
  - 4049 (A) a licensed physician;
  - 4050 (B) an otolaryngologist;
  - 4051 (C) a speech language pathologist;
  - 4052 (D) an audiologist; or
  - 4053 (E) a qualified state agency; and

4054 (ii) qualifies for assistance under any low income public assistance program  
4055 administered by a state agency.

4056 (b) "Certified interpreter" means a person who is a certified interpreter under Title  
4057 53A, Chapter 26a, Interpreter Services for the Hearing Impaired Act.

4058 (c) (i) "Telecommunication device" means any mechanical adaptation device that  
4059 enables a deaf or severely hearing or speech impaired person to use the telephone.

4060 (ii) "Telecommunication device" includes:

- 4061 (A) telecommunication devices for the deaf (TDD);

- 4062 (B) telephone amplifiers;  
4063 (C) telephone signal devices;  
4064 (D) artificial larynxes; and  
4065 (E) adaptive equipment for TDD keyboard access.

4066 (2) The commission shall hold hearings to establish a program whereby any certified  
4067 deaf or severely hearing or speech impaired customer of a telephone corporation that provides  
4068 service through a local exchange or of a wireless telecommunications provider may obtain a  
4069 telecommunication device capable of serving the customer at no charge to the customer beyond  
4070 the rate for basic service.

4071 (3) (a) The program described in Subsection (2) shall provide a dual party relay system  
4072 using third party intervention to connect a certified deaf or severely hearing or speech impaired  
4073 person with a normal hearing person by way of telecommunication devices designed for that  
4074 purpose.

4075 (b) The commission may, by rule, establish the type of telecommunications device to  
4076 be provided to ensure functional equivalence.

4077 (4) (a) The commission shall impose a surcharge on each residence and business access  
4078 line of each customer to the local exchange of any telephone corporation providing such lines  
4079 in this state to cover the costs of:

- 4080 (i) the program described in Subsection (2); and  
4081 (ii) payments made under Subsection (5).

4082 (b) The commission shall establish by rule the amount to be charged under this section,  
4083 which may not exceed 25 cents per residence and business access line.

4084 (c) The telephone corporation shall collect the surcharge from its customers and  
4085 transfer the money collected to the commission under rules adopted by the commission.

4086 (d) The surcharge shall be separately identified on customer bills.

4087 (5) (a) Any money collected from the surcharge imposed under Subsection (4) shall be  
4088 deposited in the state treasury as dedicated credits to be administered as determined by the  
4089 Public Service Commission.

4090 (b) These dedicated credits may be used only:  
4091 (i) for the purchase, maintenance, repair, and distribution of telecommunication  
4092 devices;  
4093 (ii) for the acquisition, operation, maintenance, and repair of a dual party relay system;  
4094 (iii) to reimburse telephone corporations for the expenses incurred in collecting and  
4095 transferring to the commission the surcharge imposed by the commission;  
4096 (iv) for the general administration of the program;  
4097 (v) to train persons in the use of telecommunications devices; and  
4098 (vi) by the commission to contract, in compliance with Title 63G, Chapter 6, Utah  
4099 Procurement Code, with:  
4100 (A) an institution within the state system of higher education listed in Section  
4101 53B-1-102 for a program approved by the Board of Regents that trains persons to qualify as  
4102 certified interpreters; or  
4103 (B) the Division of Services to the Deaf and Hard of Hearing for a program that trains  
4104 persons to qualify as certified interpreters.  
4105 (c) (i) The commission shall make rules under Title 63G, Chapter 3, Utah  
4106 Administrative Rulemaking Act, for the administration of [~~monies~~] money under Subsection  
4107 (5)(b)(vi).  
4108 (ii) In the initial rulemaking to determine the administration of [~~monies~~] money under  
4109 Subsection (5)(b)(vi), the commission shall give notice and hold a public hearing.  
4110 (d) [~~Monies~~] Money received by the commission under Subsection (4) [~~are~~] is  
4111 nonlapsing.  
4112 (6) (a) The telephone surcharge need not be collected by a local exchange company if  
4113 the amount collected would be less than the actual administrative costs of the collection.  
4114 (b) If Subsection (6)(a) applies, the local exchange company shall submit to the  
4115 commission, in lieu of the revenue from the surcharge collection, a breakdown of the  
4116 anticipated costs and the expected revenue from the collection, showing that the costs exceed  
4117 the revenue.

4118 (7) The commission shall solicit the advice, counsel, and physical assistance of  
4119 severely hearing or speech impaired persons and the organizations serving them in the design  
4120 and implementation of the program.

4121 Section 79. Section **54-9-106** is amended to read:

4122 **54-9-106. Funding -- Power sales contracts -- Revenue bonds -- Fee in lieu of ad**  
4123 **valorem property taxes -- Bond issues -- Public purpose.**

4124 (1) A public power entity participating in common facilities under this chapter may  
4125 furnish money and provide property, both real and personal, and, in addition to any other  
4126 authority now existing, may issue and sell, either at public or privately negotiated sale, general  
4127 obligation bonds or revenue bonds, pledging either the revenues of its entire electric system or  
4128 only its interest or share of the revenues derived from the common facilities in order to pay its  
4129 respective share of the costs of the planning, financing, acquisition, construction, repair, and  
4130 replacement of common facilities.

4131 (2) (a) Capacity or output derived by a public power entity from its ownership share of  
4132 common facilities not then required by the public power entity for its own use and for the use  
4133 of its customers may be sold or exchanged for a consideration, for a period, and upon other  
4134 terms and conditions as may be determined by the parties prior to the sale and as embodied in a  
4135 power sales contract.

4136 (b) Any revenues arising under a power sales contract under Subsection (2)(a) may be  
4137 pledged by the public power entity to the payment of revenue bonds issued to pay its respective  
4138 share of the costs of the common facilities.

4139 (c) (i) As used in this Subsection (2)(c), "nonexempt purchaser" means a purchaser that  
4140 is not exempt from property taxes under Utah Constitution Article XIII, Section 2.

4141 (ii) (A) Each power sales contract between a public power entity and a nonexempt  
4142 purchaser shall contain a provision requiring the nonexempt purchaser to pay an annual fee to  
4143 the public power entity in lieu of ad valorem property taxes.

4144 (B) The amount of the fee in lieu of ad valorem property taxes under Subsection  
4145 (2)(c)(ii)(A) shall be based on the taxable value of the public power entity's percentage

4146 ownership of the common facilities used to produce the capacity or output that the public  
4147 power entity sells to or exchanges with the nonexempt purchaser.

4148 (iii) The public power entity shall pay over to the county treasurer each fee in lieu of ad  
4149 valorem property taxes that it receives from a nonexempt purchaser for distribution in the same  
4150 manner as other ad valorem tax revenues.

4151 (iv) This Subsection (2)(c) does not apply to a public power entity to the extent that its  
4152 interest in common facilities is subject to or exempt from the fee in lieu of ad valorem property  
4153 taxes under Section 11-13-302.

4154 (3) A public power entity acquiring or owning an undivided interest in common  
4155 facilities may contract with a county to pay, solely from the revenues derived from the interest  
4156 of the public power entity in the common facilities, to the county or counties in which the  
4157 common facilities are located, an annual fee in lieu of ad valorem property taxes based upon  
4158 the taxable value of the percentage of the ownership share of the public power entity in the  
4159 common facilities, which fee in lieu of ad valorem property taxes shall be paid over by the  
4160 public power entity to the county treasurer of the county or counties in which the common  
4161 facilities are located for distribution as per distribution of other ad valorem tax revenues.

4162 (4) (a) Bonds issued by a city or town shall be issued under the applicable provisions of  
4163 Title 11, Chapter 14, Local Government Bonding Act, authorizing the issuance of bonds for the  
4164 acquisition and construction of electric public utility properties by cities or towns.

4165 (b) Bonds or other debt instruments issued by an interlocal entity shall be issued under  
4166 Title 11, Chapter 13, Interlocal Cooperation Act, or other applicable law.

4167 (5) All [~~moneys~~] money paid or property supplied by a public power entity for the  
4168 purpose of carrying out powers conferred by this chapter [~~are~~] is declared to be for a public  
4169 purpose.

4170 Section 80. Section **58-63-103** is amended to read:

4171 **58-63-103. Use of dedicated credits for licensing, education, and enforcement.**

4172 (1) The director may, with the concurrence of the board, use the [~~monies~~] money  
4173 collected under Section 58-63-503 for the following purposes:

- 4174 (a) educating and training licensees under this chapter;
- 4175 (b) educating and training the general public or other interested persons in matters
- 4176 concerning the laws that govern the practices licensed under this chapter; and
- 4177 (c) enforcing this chapter by:
  - 4178 (i) investigating unprofessional or unlawful conduct; and
  - 4179 (ii) providing legal representation to the division when it takes legal action against a
  - 4180 person charged with unprofessional or unlawful conduct.

4181 (2) The [~~moneys~~] money collected under Section 58-63-503 and used for the purposes

4182 listed in Subsection (1) [~~are~~] is nonlapsing.

4183 Section 81. Section **59-2-1365** is amended to read:

4184 **59-2-1365. Payment to taxing entities by county treasurer -- Investment of**

4185 **proceeds -- Transfer and receipt of money between taxing entities.**

4186 (1) Except as provided in Subsections (3) and (4), the county treasurer shall pay to the

4187 treasurer of each taxing entity in the county on or before the tenth day of each month:

4188 (a) all [~~moneys~~] money that the county treasurer received during the preceding month

4189 that [~~are~~] is due to the taxing entity; and

4190 (b) each taxing entity's proportionate share of [~~moneys~~] money the county treasurer

4191 received during the preceding month for:

- 4192 (i) delinquent taxes;
- 4193 (ii) interest;
- 4194 (iii) penalties; and
- 4195 (iv) costs on all tax sales and redemptions.

4196 (2) Except as provided in Subsections (3) and (4), the county treasurer shall:

4197 (a) adopt an appropriate procedure to account for the transfer and receipt of [~~moneys~~]

4198 money between taxing entities;

4199 (b) make a final annual settlement on March 31 with each taxing entity, including

4200 providing the taxing entity a written statement for the most recent calendar year of the amount

4201 of:

- 4202 (i) total taxes charged;
- 4203 (ii) current taxes collected;
- 4204 (iii) treasurer's relief;
- 4205 (iv) redemptions;
- 4206 (v) penalties;
- 4207 (vi) interest;
- 4208 (vii) in lieu fee collections on motor vehicles; and
- 4209 (viii) miscellaneous collections;
- 4210 (c) invest the [moneys] money it receives under Subsection (1); and
- 4211 (d) pay annually to each taxing entity in the county the interest earned on the invested
- 4212 [moneys] money under Subsection (2)(c):
  - 4213 (i) on or before March 31; and
  - 4214 (ii) apportioned according to the proportion that the taxing entity's tax receipts bear to
  - 4215 the total tax receipts received by the county treasurer.
- 4216 (3) Notwithstanding Subsections (1) and (2), a county may:
  - 4217 (a) negotiate with a taxing entity a procedure other than the procedure provided in
  - 4218 Subsection (2)(a) to account for the transfer and receipt of [moneys] money between the county
  - 4219 and the taxing entity; and
  - 4220 (b) establish a date other than the tenth day of each month for the county treasurer to
  - 4221 make payments required under Subsection (1).
  - 4222 (4) This section does not invalidate an existing contract between a county and a taxing
  - 4223 entity relating to the apportionment and payment of [moneys] money or interest.
- 4224 Section 82. Section **59-9-102.5** is amended to read:
- 4225 **59-9-102.5. Offset for occupational health and safety related donations.**
  - 4226 (1) As used in this section:
    - 4227 (a) "Occupational health and safety center" means the Rocky Mountain Center for
    - 4228 Occupational and Environmental Health created in Title 53B, Chapter 17, Part 8, Rocky
    - 4229 Mountain Center for Occupational and Environmental Health.

- 4230 (b) "Qualified donation" means a donation that is:
- 4231 (i) cash;
- 4232 (ii) given directly to an occupational health and safety center; and
- 4233 (iii) given exclusively for the purpose of:
- 4234 (A) supporting graduate level education and training in fields of:
- 4235 (I) safety and ergonomics;
- 4236 (II) industrial hygiene;
- 4237 (III) occupational health nursing; and
- 4238 (IV) occupational medicine;
- 4239 (B) providing continuing education programs for employers designed to promote
- 4240 workplace safety; and
- 4241 (C) paying reasonable administrative, personnel, equipment, and overhead costs of the
- 4242 occupational health and safety center.
- 4243 (c) "Workers' compensation insurer" means an admitted insurer writing workers'
- 4244 compensation insurance in this state that is required to pay the premium assessment imposed
- 4245 under Subsection 59-9-101(2).
- 4246 (2) (a) A workers' compensation insurer may offset against the premium assessment
- 4247 imposed under Subsection 59-9-101(2) an amount equal to the lesser of:
- 4248 (i) the total of qualified donations made by the workers' compensation insurer in the
- 4249 calendar year for which the premium assessment is calculated; and
- 4250 (ii) .10% of the workers' compensation insurer's total workers' compensation premium
- 4251 income as defined in Subsection 59-9-101(2)(b) in the calendar year for which the premium
- 4252 assessment is calculated.
- 4253 (b) The offset provided under this Subsection (2) shall be allocated in proportion to the
- 4254 percentages provided in Subsection 59-9-101(2)(c).
- 4255 (3) An occupational health and safety center shall:
- 4256 (a) provide a workers' compensation insurer a receipt for any qualified donation made
- 4257 by the workers' compensation insurer to the occupational health and safety center;

- 4258 (b) expend [~~monies~~] money received by a qualified donation:
- 4259 (i) for the purposes described in Subsection (1)(b)(iii); and
- 4260 (ii) in a manner that can be audited to ensure that the [~~monies are~~] money is expended
- 4261 for the purposes described in Subsection (1)(b)(iii); and
- 4262 (c) in conjunction with the report required by Section 34A-2-202.5, report to the
- 4263 Legislature through the Office of the Legislative Fiscal Analyst by no later than July 1 of each
- 4264 year:
- 4265 (i) the qualified donations received by the occupational health and safety center in the
- 4266 previous calendar year; and
- 4267 (ii) the expenditures during the previous calendar year of qualified donations received
- 4268 by the occupational health and safety center.
- 4269 Section 83. Section **59-12-103** is amended to read:
- 4270 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**
- 4271 **tax revenues.**
- 4272 (1) A tax is imposed on the purchaser as provided in this part for amounts paid or
- 4273 charged for the following transactions:
- 4274 (a) retail sales of tangible personal property made within the state;
- 4275 (b) amounts paid for:
- 4276 (i) telecommunications service, other than mobile telecommunications service, that
- 4277 originates and terminates within the boundaries of this state;
- 4278 (ii) mobile telecommunications service that originates and terminates within the
- 4279 boundaries of one state only to the extent permitted by the Mobile Telecommunications
- 4280 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
- 4281 (iii) an ancillary service associated with a:
- 4282 (A) telecommunications service described in Subsection (1)(b)(i); or
- 4283 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
- 4284 (c) sales of the following for commercial use:
- 4285 (i) gas;

- 4286 (ii) electricity;
- 4287 (iii) heat;
- 4288 (iv) coal;
- 4289 (v) fuel oil; or
- 4290 (vi) other fuels;
- 4291 (d) sales of the following for residential use:
- 4292 (i) gas;
- 4293 (ii) electricity;
- 4294 (iii) heat;
- 4295 (iv) coal;
- 4296 (v) fuel oil; or
- 4297 (vi) other fuels;
- 4298 (e) sales of prepared food;
- 4299 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
- 4300 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
- 4301 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
- 4302 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
- 4303 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
- 4304 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
- 4305 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
- 4306 horseback rides, sports activities, or any other amusement, entertainment, recreation,
- 4307 exhibition, cultural, or athletic activity;
- 4308 (g) amounts paid or charged for services for repairs or renovations of tangible personal
- 4309 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
- 4310 (i) the tangible personal property; and
- 4311 (ii) parts used in the repairs or renovations of the tangible personal property described
- 4312 in Subsection (1)(g)(i), whether or not any parts are actually used in the repairs or renovations
- 4313 of that tangible personal property;

- 4314 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
- 4315 assisted cleaning or washing of tangible personal property;
- 4316 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
- 4317 accommodations and services that are regularly rented for less than 30 consecutive days;
- 4318 (j) amounts paid or charged for laundry or dry cleaning services;
- 4319 (k) amounts paid or charged for leases or rentals of tangible personal property if within
- 4320 this state the tangible personal property is:
  - 4321 (i) stored;
  - 4322 (ii) used; or
  - 4323 (iii) otherwise consumed;
- 4324 (l) amounts paid or charged for tangible personal property if within this state the
- 4325 tangible personal property is:
  - 4326 (i) stored;
  - 4327 (ii) used; or
  - 4328 (iii) consumed; and
- 4329 (m) amounts paid or charged for a sale:
  - 4330 (i) (A) of a product that:
    - 4331 (I) is transferred electronically; and
    - 4332 (II) would be subject to a tax under this chapter if the product was transferred in a
    - 4333 manner other than electronically; or
    - 4334 (B) of a repair or renovation of a product that:
      - 4335 (I) is transferred electronically; and
      - 4336 (II) would be subject to a tax under this chapter if the product was transferred in a
      - 4337 manner other than electronically; and
      - 4338 (ii) regardless of whether the sale provides:
        - 4339 (A) a right of permanent use of the product; or
        - 4340 (B) a right to use the product that is less than a permanent use, including a right:
          - 4341 (I) for a definite or specified length of time; and

4342 (II) that terminates upon the occurrence of a condition.

4343 (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax  
4344 is imposed on a transaction described in Subsection (1) equal to the sum of:

4345 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:

4346 (A) 4.70%; and

4347 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales  
4348 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211  
4349 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional  
4350 State Sales and Use Tax Act; and

4351 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales  
4352 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211  
4353 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state  
4354 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

4355 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
4356 transaction under this chapter other than this part.

4357 (b) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed  
4358 on a transaction described in Subsection (1)(d) equal to the sum of:

4359 (i) a state tax imposed on the transaction at a tax rate of 2%; and

4360 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
4361 transaction under this chapter other than this part.

4362 (c) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed  
4363 on amounts paid or charged for food and food ingredients equal to the sum of:

4364 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at  
4365 a tax rate of 1.75%; and

4366 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
4367 amounts paid or charged for food and food ingredients under this chapter other than this part.

4368 (d) (i) For a bundled transaction that is attributable to food and food ingredients and  
4369 tangible personal property other than food and food ingredients, a state tax and a local tax is

4370 imposed on the entire bundled transaction equal to the sum of:

4371       (A) a state tax imposed on the entire bundled transaction equal to the sum of:

4372           (I) the tax rate described in Subsection (2)(a)(i)(A); and

4373           (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State

4374 Sales and Use Tax Act, if the location of the transaction as determined under Sections

4375 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,

4376 Additional State Sales and Use Tax Act; and

4377           (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State

4378 Sales and Use Tax Act, if the location of the transaction as determined under Sections

4379 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which

4380 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

4381       (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates

4382 described in Subsection (2)(a)(ii).

4383           (ii) Subject to Subsection (2)(d)(iii), for a bundled transaction other than a bundled

4384 transaction described in Subsection (2)(d)(i):

4385           (A) if the sales price of the bundled transaction is attributable to tangible personal

4386 property, a product, or a service that is subject to taxation under this chapter and tangible

4387 personal property, a product, or service that is not subject to taxation under this chapter, the

4388 entire bundled transaction is subject to taxation under this chapter unless:

4389           (I) the seller is able to identify by reasonable and verifiable standards the tangible

4390 personal property, product, or service that is not subject to taxation under this chapter from the

4391 books and records the seller keeps in the seller's regular course of business; or

4392           (II) state or federal law provides otherwise; or

4393           (B) if the sales price of a bundled transaction is attributable to two or more items of

4394 tangible personal property, products, or services that are subject to taxation under this chapter

4395 at different rates, the entire bundled transaction is subject to taxation under this chapter at the

4396 higher tax rate unless:

4397           (I) the seller is able to identify by reasonable and verifiable standards the tangible

4398 personal property, product, or service that is subject to taxation under this chapter at the lower  
4399 tax rate from the books and records the seller keeps in the seller's regular course of business; or

4400 (II) state or federal law provides otherwise.

4401 (iii) For purposes of Subsection (2)(d)(ii), books and records that a seller keeps in the  
4402 seller's regular course of business includes books and records the seller keeps in the regular  
4403 course of business for nontax purposes.

4404 (e) Subject to Subsections (2)(f) and (g), a tax rate repeal or tax rate change for a tax  
4405 rate imposed under the following shall take effect on the first day of a calendar quarter:

4406 (i) Subsection (2)(a)(i)(A);

4407 (ii) Subsection (2)(b)(i);

4408 (iii) Subsection (2)(c)(i); or

4409 (iv) Subsection (2)(d)(i)(A)(I).

4410 (f) (i) A tax rate increase shall take effect on the first day of the first billing period that  
4411 begins after the effective date of the tax rate increase if the billing period for the transaction  
4412 begins before the effective date of a tax rate increase imposed under:

4413 (A) Subsection (2)(a)(i)(A);

4414 (B) Subsection (2)(b)(i);

4415 (C) Subsection (2)(c)(i); or

4416 (D) Subsection (2)(d)(i)(A)(I).

4417 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
4418 billing period that began before the effective date of the repeal of the tax or the tax rate  
4419 decrease if the billing period for the transaction begins before the effective date of the repeal of  
4420 the tax or the tax rate decrease imposed under:

4421 (A) Subsection (2)(a)(i)(A);

4422 (B) Subsection (2)(b)(i);

4423 (C) Subsection (2)(c)(i); or

4424 (D) Subsection (2)(d)(i)(A)(I).

4425 (g) (i) For a tax rate described in Subsection (2)(g)(ii), if a tax due on a catalogue sale

4426 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal  
4427 or change in a tax rate takes effect:

- 4428 (A) on the first day of a calendar quarter; and
- 4429 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

4430 (ii) Subsection (2)(g)(i) applies to the tax rates described in the following:

- 4431 (A) Subsection (2)(a)(i)(A);
- 4432 (B) Subsection (2)(b)(i);
- 4433 (C) Subsection (2)(c)(i); or
- 4434 (D) Subsection (2)(d)(i)(A)(I).

4435 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
4436 the commission may by rule define the term "catalogue sale."

4437 (3) (a) The following state taxes shall be deposited into the General Fund:

- 4438 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 4439 (ii) the tax imposed by Subsection (2)(b)(i);
- 4440 (iii) the tax imposed by Subsection (2)(c)(i); or
- 4441 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

4442 (b) The following local taxes shall be distributed to a county, city, or town as provided  
4443 in this chapter:

- 4444 (i) the tax imposed by Subsection (2)(a)(ii);
- 4445 (ii) the tax imposed by Subsection (2)(b)(ii);
- 4446 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 4447 (iv) the tax imposed by Subsection (2)(d)(i)(B).

4448 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
4449 2003, the lesser of the following amounts shall be used as provided in Subsections (4)(b)  
4450 through (g):

- 4451 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
  - 4452 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
  - 4453 (B) for the fiscal year; or

4454 (ii) \$17,500,000.

4455 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount  
4456 described in Subsection (4)(a) shall be transferred each year as dedicated credits to the  
4457 Department of Natural Resources to:

4458 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to  
4459 protect sensitive plant and animal species; or

4460 (B) award grants, up to the amount authorized by the Legislature in an appropriations  
4461 act, to political subdivisions of the state to implement the measures described in Subsections  
4462 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

4463 (ii) Money transferred to the Department of Natural Resources under Subsection  
4464 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other  
4465 person to list or attempt to have listed a species as threatened or endangered under the  
4466 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

4467 (iii) At the end of each fiscal year:

4468 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources  
4469 Conservation and Development Fund created in Section 73-10-24;

4470 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan  
4471 Program Subaccount created in Section 73-10c-5; and

4472 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan  
4473 Program Subaccount created in Section 73-10c-5.

4474 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in  
4475 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund  
4476 created in Section 4-18-6.

4477 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described  
4478 in Subsection (4)(a) shall be transferred each year as dedicated credits to the Division of Water  
4479 Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of  
4480 water rights.

4481 (ii) At the end of each fiscal year:

- 4482           (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources  
4483 Conservation and Development Fund created in Section 73-10-24;
- 4484           (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan  
4485 Program Subaccount created in Section 73-10c-5; and
- 4486           (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan  
4487 Program Subaccount created in Section 73-10c-5.
- 4488           (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described  
4489 in Subsection (4)(a) shall be deposited in the Water Resources Conservation and Development  
4490 Fund created in Section 73-10-24 for use by the Division of Water Resources.
- 4491           (ii) In addition to the uses allowed of the Water Resources Conservation and  
4492 Development Fund under Section 73-10-24, the Water Resources Conservation and  
4493 Development Fund may also be used to:
- 4494           (A) conduct hydrologic and geotechnical investigations by the Division of Water  
4495 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of  
4496 quantifying surface and ground water resources and describing the hydrologic systems of an  
4497 area in sufficient detail so as to enable local and state resource managers to plan for and  
4498 accommodate growth in water use without jeopardizing the resource;
- 4499           (B) fund state required dam safety improvements; and
- 4500           (C) protect the state's interest in interstate water compact allocations, including the  
4501 hiring of technical and legal staff.
- 4502           (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described  
4503 in Subsection (4)(a) shall be deposited in the Utah Wastewater Loan Program Subaccount  
4504 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.
- 4505           (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described  
4506 in Subsection (4)(a) shall be deposited in the Drinking Water Loan Program Subaccount  
4507 created in Section 73-10c-5 for use by the Division of Drinking Water to:
- 4508           (i) provide for the installation and repair of collection, treatment, storage, and  
4509 distribution facilities for any public water system, as defined in Section 19-4-102;

4510 (ii) develop underground sources of water, including springs and wells; and  
4511 (iii) develop surface water sources.

4512 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
4513 2006, the difference between the following amounts shall be expended as provided in this  
4514 Subsection (5), if that difference is greater than \$1:

4515 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the  
4516 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and  
4517 (ii) \$17,500,000.

4518 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:  
4519 (A) transferred each fiscal year to the Department of Natural Resources as dedicated  
4520 credits; and  
4521 (B) expended by the Department of Natural Resources for watershed rehabilitation or  
4522 restoration.

4523 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described  
4524 in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund  
4525 created in Section 73-10-24.

4526 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the  
4527 remaining difference described in Subsection (5)(a) shall be:  
4528 (A) transferred each fiscal year to the Division of Water Resources as dedicated  
4529 credits; and  
4530 (B) expended by the Division of Water Resources for cloud-seeding projects  
4531 authorized by Title 73, Chapter 15, Modification of Weather.

4532 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described  
4533 in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund  
4534 created in Section 73-10-24.

4535 (d) After making the transfers required by Subsections (5)(b) and (c), 94% of the  
4536 remaining difference described in Subsection (5)(a) shall be deposited into the Water  
4537 Resources Conservation and Development Fund created in Section 73-10-24 for use by the

4538 Division of Water Resources for:

4539 (i) preconstruction costs:

4540 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter

4541 26, Bear River Development Act; and

4542 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project

4543 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

4544 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,

4545 Chapter 26, Bear River Development Act;

4546 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project

4547 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

4548 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, 73-10-30, and

4549 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

4550 (e) Any unexpended [~~monies~~] money described in Subsection (5)(d) that [~~remain~~]

4551 remains in the Water Resources Conservation and Development Fund at the end of the fiscal

4552 year [~~are~~] is nonlapsing.

4553 (f) After making the transfers required by Subsections (5)(b) and (c) and subject to

4554 Subsection (5)(g), 6% of the remaining difference described in Subsection (5)(a) shall be

4555 transferred each year as dedicated credits to the Division of Water Rights to cover the costs

4556 incurred for employing additional technical staff for the administration of water rights.

4557 (g) At the end of each fiscal year, any unexpended dedicated credits described in

4558 Subsection (5)(f) over \$150,000 lapse to the Water Resources Conservation and Development

4559 Fund created in Section 73-10-24.

4560 (6) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,

4561 2003, and for taxes listed under Subsection (3)(a), the amount of revenue generated by a 1/16%

4562 tax rate on the transactions described in Subsection (1) for the fiscal year shall be deposited in

4563 the Transportation Fund created by Section 72-2-102.

4564 (7) (a) Notwithstanding Subsection (3)(a) and until Subsection (7)(b) applies,

4565 beginning on January 1, 2000, the Division of Finance shall deposit into the Centennial

4566 Highway Fund Restricted Account created in Section 72-2-118 a portion of the taxes listed  
4567 under Subsection (3)(a) equal to the revenues generated by a 1/64% tax rate on the taxable  
4568 transactions under Subsection (1).

4569 (b) Notwithstanding Subsection (3)(a), when the highway general obligation bonds  
4570 have been paid off and the highway projects completed that are intended to be paid from  
4571 revenues deposited in the Centennial Highway Fund Restricted Account as determined by the  
4572 Executive Appropriations Committee under Subsection 72-2-118(6)(d), the Division of  
4573 Finance shall deposit into the Transportation Investment Fund of 2005 created by Section  
4574 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to the revenues generated  
4575 by a 1/64% tax rate on the taxable transactions under Subsection (1).

4576 (8) (a) Notwithstanding Subsection (3)(a) and in addition to the amount deposited in  
4577 Subsection (7)(a), for the 2010-11 fiscal year only, the Division of Finance shall deposit into  
4578 the Centennial Highway Fund Restricted Account created by Section 72-2-118 a portion of the  
4579 taxes listed under Subsection (3)(a) equal to 1.93% of the revenues collected from the  
4580 following taxes, which represents a portion of the approximately 17% of sales and use tax  
4581 revenues generated annually by the sales and use tax on vehicles and vehicle-related products:

- 4582 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 4583 (ii) the tax imposed by Subsection (2)(b)(i);
- 4584 (iii) the tax imposed by Subsection (2)(c)(i); and
- 4585 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

4586 (b) Notwithstanding Subsection (3)(a), in addition to the amount deposited in  
4587 Subsection (7)(a), and until Subsection (8)(c) applies, for a fiscal year beginning on or after  
4588 July 1, 2011, the Division of Finance shall deposit into the Centennial Highway Fund  
4589 Restricted Account created by Section 72-2-118 a portion of the taxes listed under Subsection  
4590 (3)(a) equal to 8.3% of the revenues collected from the following taxes, which represents a  
4591 portion of the approximately 17% of sales and use tax revenues generated annually by the sales  
4592 and use tax on vehicles and vehicle-related products:

- 4593 (i) the tax imposed by Subsection (2)(a)(i)(A);

4594           (ii) the tax imposed by Subsection (2)(b)(i);  
4595           (iii) the tax imposed by Subsection (2)(c)(i); and  
4596           (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).  
4597           (c) Notwithstanding Subsection (3)(a) and in addition to the amounts deposited under  
4598 Subsection (7)(b), when the highway general obligation bonds have been paid off and the  
4599 highway projects completed that are intended to be paid from revenues deposited in the  
4600 Centennial Highway Fund Restricted Account as determined by the Executive Appropriations  
4601 Committee under Subsection 72-2-118(6)(d), the Division of Finance shall deposit into the  
4602 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes  
4603 listed under Subsection (3)(a) equal to 8.3% of the revenues collected from the following taxes,  
4604 which represents a portion of the approximately 17% of sales and use tax revenues generated  
4605 annually by the sales and use tax on vehicles and vehicle-related products:  
4606           (i) the tax imposed by Subsection (2)(a)(i)(A);  
4607           (ii) the tax imposed by Subsection (2)(b)(i);  
4608           (iii) the tax imposed by Subsection (2)(c)(i); and  
4609           (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).  
4610           (9) (a) Notwithstanding Subsection (3)(a) and for the fiscal year 2008-09 only, the  
4611 Division of Finance shall deposit \$55,000,000 of the revenues generated by the taxes listed  
4612 under Subsection (3)(a) into the Critical Highway Needs Fund created by Section 72-2-125.  
4613           (b) Notwithstanding Subsection (3)(a) and until Subsection (9)(c) applies, for a fiscal  
4614 year beginning on or after July 1, 2009, the Division of Finance shall annually deposit  
4615 \$90,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the  
4616 Critical Highway Needs Fund created by Section 72-2-125.  
4617           (c) Notwithstanding Subsection (3)(a) and in addition to any amounts deposited under  
4618 Subsections (7) and (8), when the general obligation bonds authorized by Section 63B-16-101  
4619 have been paid off and the highway projects completed that are included in the prioritized  
4620 project list under Subsection 72-2-125(4) as determined in accordance with Subsection  
4621 72-2-125(6), the Division of Finance shall annually deposit \$90,000,000 of the revenues

4622 generated by the taxes listed under Subsection (3)(a) into the Transportation Investment Fund  
4623 of 2005 created by Section 72-2-124.

4624 (10) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year  
4625 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund  
4626 created by Section 9-4-1409 and expended as provided in Section 9-4-1409.

4627 (11) (a) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection  
4628 (11)(a)(ii), and until Subsection (11)(b) applies, beginning on January 1, 2009, the Division of  
4629 Finance shall deposit into the Critical Highway Needs Fund created by Section 72-2-125 the  
4630 amount of tax revenue generated by a .025% tax rate on the transactions described in  
4631 Subsection (1).

4632 (ii) For purposes of Subsection (11)(a)(i), the Division of Finance may not deposit into  
4633 the Critical Highway Needs Fund any tax revenue generated by amounts paid or charged for  
4634 food and food ingredients, except for tax revenue generated by a bundled transaction  
4635 attributable to food and food ingredients and tangible personal property other than food and  
4636 food ingredients described in Subsection (2)(e).

4637 (b) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection (11)(b)(ii),  
4638 and in addition to any amounts deposited under Subsections (7), (9), and (10), when the general  
4639 obligation bonds authorized by Section 63B-16-101 have been paid off and the highway  
4640 projects completed that are included in the prioritized project list under Subsection 72-2-125(4)  
4641 as determined in accordance with Subsection 72-2-125(6), the Division of Finance shall  
4642 deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 the  
4643 amount of tax revenue generated by a .025% tax rate on the transactions described in  
4644 Subsection (1).

4645 (ii) For purposes of Subsection (11)(b)(i), the Division of Finance may not deposit into  
4646 the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or  
4647 charged for food and food ingredients, except for tax revenue generated by a bundled  
4648 transaction attributable to food and food ingredients and tangible personal property other than  
4649 food and food ingredients described in Subsection (2)(e).

4650 (12) (a) Notwithstanding Subsection (3)(a), and except as provided in Subsection  
4651 (12)(b), beginning on January 1, 2009, the Division of Finance shall deposit into the  
4652 Transportation Fund created by Section 72-2-102 the amount of tax revenue generated by a  
4653 .025% tax rate on the transactions described in Subsection (1) to be expended to address  
4654 chokepoints in construction management.

4655 (b) For purposes of Subsection (12)(a), the Division of Finance may not deposit into  
4656 the Transportation Fund any tax revenue generated by amounts paid or charged for food and  
4657 food ingredients, except for tax revenue generated by a bundled transaction attributable to food  
4658 and food ingredients and tangible personal property other than food and food ingredients  
4659 described in Subsection (2)(e).

4660 Section 84. Section **59-21-1** is amended to read:

4661 **59-21-1. Disposition of federal mineral lease money -- Priority to political**  
4662 **subdivisions impacted by mineral development -- Disposition of mineral bonus payments**  
4663 **-- Appropriation of money attributable to royalties from extraction of minerals on federal**  
4664 **land located within boundaries of Grand Staircase-Escalante National Monument.**

4665 (1) Except as provided in Subsections (2) through (4), all [~~monies~~] money received  
4666 from the United States under the provisions of the Mineral Lands Leasing Act, 30 U.S.C. Sec.  
4667 181 et seq., shall:

4668 (a) be deposited in the Mineral Lease Account of the General Fund; and

4669 (b) be appropriated by the Legislature giving priority to those subdivisions of the state  
4670 socially or economically impacted by development of minerals leased under the Mineral Lands  
4671 Leasing Act, for:

4672 (i) planning;

4673 (ii) construction and maintenance of public facilities; and

4674 (iii) provision of public services.

4675 (2) Seventy percent of money received from federal mineral lease bonus payments  
4676 shall be deposited into the Permanent Community Impact Fund and shall be used as provided  
4677 in Title 9, Chapter 4, Part 3, Community Impact Alleviation.

4678           (3) Thirty percent of money received from federal mineral lease bonus payments shall  
4679 be deposited in the Mineral Bonus Account created by Subsection 59-21-2(1) and appropriated  
4680 as provided in that subsection.

4681           (4) (a) For purposes of this Subsection (4):

4682           (i) the "boundaries of the Grand Staircase-Escalante National Monument" means the  
4683 boundaries:

4684           (A) established by Presidential Proclamation No. 6920, 61 Fed. Reg. 50,223 (1996);  
4685 and

4686           (B) modified by:

4687           (I) Pub. L. No. 105-335, 112 Stat. 3139; and

4688           (II) Pub. L. No. 105-355, 112 Stat. 3247; and

4689           (ii) a special service district, school district, or federal land is considered to be located  
4690 within the boundaries of the Grand Staircase-Escalante National Monument if a portion of the  
4691 special service district, school district, or federal land is located within the boundaries  
4692 described in Subsection (4)(a)(i).

4693           (b) Beginning on July 1, 1999, the Legislature shall appropriate, as provided in  
4694 Subsections (4)(c) through (g), [~~monies~~] money received from the United States that [~~are~~] is  
4695 attributable to royalties from the extraction of minerals on federal land that, on September 18,  
4696 1996, was located within the boundaries of the Grand Staircase-Escalante National Monument.

4697           (c) The Legislature shall annually appropriate 40% of the [~~monies~~] money described in  
4698 Subsection (4)(b) to the Department of Transportation to be distributed by the Department of  
4699 Transportation to special service districts that are:

4700           (i) established by counties under Title 17D, Chapter 1, Special Service District Act;

4701           (ii) socially or economically impacted by the development of minerals under the  
4702 Mineral Lands Leasing Act; and

4703           (iii) located within the boundaries of the Grand Staircase-Escalante National  
4704 Monument.

4705           (d) The Department of Transportation shall distribute the money described in

4706 Subsection (4)(c) in amounts proportionate to the amount of federal mineral lease money  
4707 generated by the county in which a special service district is located.

4708 (e) The Legislature shall annually appropriate 40% of the [~~monies~~] money described in  
4709 Subsection (4)(b) to the State Board of Education to be distributed equally to school districts  
4710 that are:

4711 (i) socially or economically impacted by the development of minerals under the  
4712 Mineral Lands Leasing Act; and

4713 (ii) located within the boundaries of the Grand Staircase-Escalante National  
4714 Monument.

4715 (f) The Legislature shall annually appropriate 2.25% of the [~~monies~~] money described  
4716 in Subsection (4)(b) to the Utah Geological Survey to facilitate the development of energy and  
4717 mineral resources in counties that are:

4718 (i) socially or economically impacted by the development of minerals under the  
4719 Mineral Lands Leasing Act; and

4720 (ii) located within the boundaries of the Grand Staircase-Escalante National  
4721 Monument.

4722 (g) Seventeen and three-fourths percent of the [~~monies~~] money described in Subsection  
4723 (4)(b) shall be deposited annually into the State School Fund established by Utah Constitution  
4724 Article X, Section 5.

4725 Section 85. Section **59-21-2** is amended to read:

4726 **59-21-2. Mineral Bonus Account created -- Contents -- Use of Mineral Bonus**  
4727 **Account money -- Mineral Lease Account created -- Contents -- Appropriation of money**  
4728 **from Mineral Lease Account.**

4729 (1) (a) There is created a restricted account within the General Fund known as the  
4730 "Mineral Bonus Account."

4731 (b) The Mineral Bonus Account consists of federal mineral lease bonus payments  
4732 deposited pursuant to Subsection 59-21-1(3).

4733 (c) The Legislature shall make appropriations from the Mineral Bonus Account in

4734 accordance with Section 35 of the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 191.

4735 (d) The state treasurer shall:

4736 (i) invest the money in the Mineral Bonus Account by following the procedures and  
4737 requirements of Title 51, Chapter 7, State Money Management Act; and

4738 (ii) deposit all interest or other earnings derived from the account into the Mineral  
4739 Bonus Account.

4740 (2) (a) There is created a restricted account within the General Fund known as the  
4741 "Mineral Lease Account."

4742 (b) The Mineral Lease Account consists of federal mineral lease money deposited  
4743 pursuant to Subsection 59-21-1(1).

4744 (c) The Legislature shall make appropriations from the Mineral Lease Account as  
4745 provided in Subsection 59-21-1(1) and this Subsection (2).

4746 (d) The Legislature shall annually appropriate 32.5% of all deposits made to the  
4747 Mineral Lease Account to the Permanent Community Impact Fund established by Section  
4748 9-4-303.

4749 (e) The Legislature shall annually appropriate 2.25% of all deposits made to the  
4750 Mineral Lease Account to the State Board of Education, to be used for education research and  
4751 experimentation in the use of staff and facilities designed to improve the quality of education in  
4752 Utah.

4753 (f) The Legislature shall annually appropriate 2.25% of all deposits made to the  
4754 Mineral Lease Account to the Utah Geological Survey, to be used for activities carried on by  
4755 the survey having as a purpose the development and exploitation of natural resources in the  
4756 state.

4757 (g) The Legislature shall annually appropriate 2.25% of all deposits made to the  
4758 Mineral Lease Account to the Water Research Laboratory at Utah State University, to be used  
4759 for activities carried on by the laboratory having as a purpose the development and exploitation  
4760 of water resources in the state.

4761 (h) (i) The Legislature shall annually appropriate to the Department of Transportation

4762 40% of all deposits made to the Mineral Lease Account to be distributed as provided in  
4763 Subsection (2)(h)(ii) to:

- 4764 (A) counties;
- 4765 (B) special service districts established:
  - 4766 (I) by counties;
  - 4767 (II) under Title 17D, Chapter 1, Special Service District Act; and
  - 4768 (III) for the purpose of constructing, repairing, or maintaining roads; or
- 4769 (C) special service districts established:
  - 4770 (I) by counties;
  - 4771 (II) under Title 17D, Chapter 1, Special Service District Act; and
  - 4772 (III) for other purposes authorized by statute.

4773 (ii) The Department of Transportation shall allocate the funds specified in Subsection  
4774 (2)(h)(i):

- 4775 (A) in amounts proportionate to the amount of mineral lease money generated by each  
4776 county; and
- 4777 (B) to a county or special service district established by a county under Title 17D,  
4778 Chapter 1, Special Service District Act, as determined by the county legislative body.

4779 (i) (i) The Legislature shall annually appropriate 5% of all deposits made to the  
4780 Mineral Lease Account to the Department of Community and Culture to be distributed to:

- 4781 (A) special service districts established:
  - 4782 (I) by counties;
  - 4783 (II) under Title 17D, Chapter 1, Special Service District Act; and
  - 4784 (III) for the purpose of constructing, repairing, or maintaining roads; or
- 4785 (B) special service districts established:
  - 4786 (I) by counties;
  - 4787 (II) under Title 17D, Chapter 1, Special Service District Act; and
  - 4788 (III) for other purposes authorized by statute.

4789 (ii) The Department of Community and Culture may distribute the amounts described

4790 in Subsection (2)(i)(i) only to special service districts established under Title 17D, Chapter 1,  
4791 Special Service District Act, by counties:

4792 (A) of the third, fourth, fifth, or sixth class;

4793 (B) in which 4.5% or less of the mineral lease [~~moneys~~] money within the state [~~are~~] is  
4794 generated; and

4795 (C) that are significantly socially or economically impacted as provided in Subsection  
4796 (2)(i)(iii) by the development of minerals under the Mineral Lands Leasing Act, 30 U.S.C. Sec.  
4797 181 et seq.

4798 (iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C)  
4799 shall be as a result of:

4800 (A) the transportation within the county of hydrocarbons, including solid hydrocarbons  
4801 as defined in Section 59-5-101;

4802 (B) the employment of persons residing within the county in hydrocarbon extraction,  
4803 including the extraction of solid hydrocarbons as defined in Section 59-5-101; or

4804 (C) a combination of Subsections (2)(i)(iii)(A) and (B).

4805 (iv) For purposes of distributing the appropriations under this Subsection (2)(i) to  
4806 special service districts established by counties under Title 17D, Chapter 1, Special Service  
4807 District Act, the Department of Community and Culture shall:

4808 (A) (I) allocate 50% of the appropriations equally among the counties meeting the  
4809 requirements of Subsections (2)(i)(ii) and (iii); and

4810 (II) allocate 50% of the appropriations based on the ratio that the population of each  
4811 county meeting the requirements of Subsections (2)(i)(ii) and (iii) bears to the total population  
4812 of all of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and

4813 (B) after making the allocations described in Subsection (2)(i)(iv)(A), distribute the  
4814 allocated revenues to special service districts established by the counties under Title 17D,  
4815 Chapter 1, Special Service District Act, as determined by the executive director of the  
4816 Department of Community and Culture after consulting with the county legislative bodies of  
4817 the counties meeting the requirements of Subsections (2)(i)(ii) and (iii).

4818 (v) The executive director of the Department of Community and Culture:  
4819 (A) shall determine whether a county meets the requirements of Subsections (2)(i)(ii)  
4820 and (iii);  
4821 (B) shall distribute the appropriations under Subsection (2)(i)(i) to special service  
4822 districts established by counties under Title 17D, Chapter 1, Special Service District Act, that  
4823 meet the requirements of Subsections (2)(i)(ii) and (iii); and  
4824 (C) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
4825 may make rules:  
4826 (I) providing a procedure for making the distributions under this Subsection (2)(i) to  
4827 special service districts; and  
4828 (II) defining the term "population" for purposes of Subsection (2)(i)(iv).  
4829 (j) (i) The Legislature shall annually make the following appropriations from the  
4830 Mineral Lease Account:  
4831 (A) an amount equal to 52 cents multiplied by the number of acres of school or  
4832 institutional trust lands, lands owned by the Division of Parks and Recreation, and lands owned  
4833 by the Division of Wildlife Resources that are not under an in lieu of taxes contract, to each  
4834 county in which those lands are located;  
4835 (B) to each county in which school or institutional trust lands are transferred to the  
4836 federal government after December 31, 1992, an amount equal to the number of transferred  
4837 acres in the county multiplied by a payment per acre equal to the difference between 52 cents  
4838 per acre and the per acre payment made to that county in the most recent payment under the  
4839 federal payment in lieu of taxes program, 31 U.S.C. Sec. 6901 et seq., unless the federal  
4840 payment was equal to or exceeded the 52 cents per acre, in which case a payment under this  
4841 Subsection (2)(j)(i)(B) may not be made for the transferred lands;  
4842 (C) to each county in which federal lands, which are entitlement lands under the federal  
4843 in lieu of taxes program, are transferred to the school or institutional trust, an amount equal to  
4844 the number of transferred acres in the county multiplied by a payment per acre equal to the  
4845 difference between the most recent per acre payment made under the federal payment in lieu of

4846 taxes program and 52 cents per acre, unless the federal payment was equal to or less than 52  
4847 cents per acre, in which case a payment under this Subsection (2)(j)(i)(C) may not be made for  
4848 the transferred land; and

4849 (D) to a county of the fifth or sixth class, an amount equal to the product of:

4850 (I) \$1,000; and

4851 (II) the number of residences described in Subsection (2)(j)(iv) that are located within  
4852 the county.

4853 (ii) A county receiving money under Subsection (2)(j)(i) may, as determined by the  
4854 county legislative body, distribute the money or a portion of the money to:

4855 (A) special service districts established by the county under Title 17D, Chapter 1,  
4856 Special Service District Act;

4857 (B) school districts; or

4858 (C) public institutions of higher education.

4859 (iii) (A) Beginning in fiscal year 1994-95 and in each year after fiscal year 1994-95, the  
4860 Division of Finance shall increase or decrease the amounts per acre provided for in Subsections  
4861 (2)(j)(i)(A) through (C) by the average annual change in the Consumer Price Index for all urban  
4862 consumers published by the Department of Labor.

4863 (B) For fiscal years beginning on or after fiscal year 2001-02, the Division of Finance  
4864 shall increase or decrease the amount described in Subsection (2)(j)(i)(D)(I) by the average  
4865 annual change in the Consumer Price Index for all urban consumers published by the  
4866 Department of Labor.

4867 (iv) Residences for purposes of Subsection (2)(j)(i)(D)(II) are residences that are:

4868 (A) owned by:

4869 (I) the Division of Parks and Recreation; or

4870 (II) the Division of Wildlife Resources;

4871 (B) located on lands that are owned by:

4872 (I) the Division of Parks and Recreation; or

4873 (II) the Division of Wildlife Resources; and

4874 (C) are not subject to taxation under:

4875 (I) Chapter 2, Property Tax Act; or

4876 (II) Chapter 4, Privilege Tax.

4877 (k) The Legislature shall annually appropriate to the Permanent Community Impact  
 4878 Fund all deposits remaining in the Mineral Lease Account after making the appropriations  
 4879 provided for in Subsections (2)(d) through (j).

4880 (3) (a) Each agency, board, institution of higher education, and political subdivision  
 4881 receiving money under this chapter shall provide the Legislature, through the Office of the  
 4882 Legislative Fiscal Analyst, with a complete accounting of the use of that money on an annual  
 4883 basis.

4884 (b) The accounting required under Subsection (3)(a) shall:

4885 (i) include actual expenditures for the prior fiscal year, budgeted expenditures for the  
 4886 current fiscal year, and planned expenditures for the following fiscal year; and

4887 (ii) be reviewed by the Economic Development and Human Resources Appropriation  
 4888 Subcommittee as part of its normal budgetary process under Title 63J, Chapter 1, Budgetary  
 4889 Procedures Act.

4890 Section 86. Section **61-2e-203** is amended to read:

4891 **61-2e-203. Criminal background check -- Conditional registration -- Changes in**  
 4892 **ownership or controlling person.**

4893 (1) The division shall request the Department of Public Safety to complete a Federal  
 4894 Bureau of Investigation criminal background check for an individual described in Subsection  
 4895 61-2e-202(1)(e) or (g) through the national criminal history system or any successor system.

4896 (2) (a) The entity filing the application under Section 61-2e-202 shall pay the cost of  
 4897 the criminal background check and the fingerprinting.

4898 (b) [~~Monies~~] Money paid to the division by an entity for the cost of a criminal  
 4899 background check [~~are~~] is nonlapsing.

4900 (3) (a) A registration issued under Section 61-2e-202 is conditional, pending  
 4901 completion of a criminal background check.

4902 (b) If a criminal background check discloses that an individual described in Subsection  
4903 61-2e-202(1)(e) or (g) fails to accurately disclose a criminal history, the registration is  
4904 immediately and automatically revoked.

4905 (c) An entity whose conditional registration is revoked under this Subsection (3) is  
4906 entitled to a post-revocation hearing conducted in accordance with Title 63G, Chapter 4,  
4907 Administrative Procedures Act, to challenge the revocation.

4908 (d) The board shall decide whether relief from the revocation of a registration under  
4909 this Subsection (3) will be granted, except that relief from a revocation under this Subsection  
4910 (3) may be granted only if:

4911 (i) the criminal history upon which the revocation is based:

4912 (A) did not occur; or

4913 (B) is the criminal history of another individual;

4914 (ii) (A) the revocation is based on a failure to accurately disclose a criminal history;

4915 and

4916 (B) the entity has a reasonable good faith belief at the time of application that there is  
4917 no criminal history to be disclosed; or

4918 (iii) the division fails to follow the prescribed procedure for the revocation.

4919 (e) If a registration is revoked or a revocation under this Subsection (3) is upheld after  
4920 a post-revocation hearing, the entity may not apply for a new registration until at least 12  
4921 months after the day on which the registration is revoked.

4922 (4) (a) An appraisal management company shall comply with this Subsection (4) if  
4923 there is a change in:

4924 (i) an individual who owns 10% or more of the entity; or

4925 (ii) the controlling person designated as the contact as required by Section 61-2e-201.

4926 (b) If there is a change in an individual described in Subsection (4)(a), within 30 days  
4927 of the day on which the change occurs, the appraisal management company shall file with the  
4928 division:

4929 (i) the individual's name, address, and contact information;

4930 (ii) a statement of whether or not the individual has had a license or certificate to  
4931 engage in an act related to a real estate or mortgage transaction refused, denied, canceled, or  
4932 revoked in this state or in another state; and

4933 (iii) (A) fingerprint cards in a form acceptable to the division at the time the  
4934 registration application is filed; and

4935 (B) consent to a criminal background check by the Utah Bureau of Criminal  
4936 Identification and the Federal Bureau of Investigation regarding the application.

4937 Section 87. Section **62A-1-119** is amended to read:

4938 **62A-1-119. Respite Care Assistance Fund -- Use of money -- Restrictions --**  
4939 **Annual report.**

4940 (1) There is created a restricted special revenue fund known as the Respite Care  
4941 Assistance Fund.

4942 (2) The fund shall consist of:

4943 (a) gifts, grants, devises, donations, and bequests of real property, personal property, or  
4944 services, from any source, made to the fund; and

4945 (b) any additional amounts as appropriated by the Legislature.

4946 (3) The fund shall be administered by the director of the Utah Developmental  
4947 Disabilities Council.

4948 (4) All [~~monies~~] money appropriated to the fund [~~are~~] is nonlapsing.

4949 (5) The fund [~~monies~~] money shall be used for the following activities:

4950 (a) to support a respite care information and referral system;

4951 (b) to educate and train caregivers and respite care providers; and

4952 (c) to provide grants to caregivers.

4953 (6) An individual who receives services paid for from the fund shall:

4954 (a) be a resident of Utah; and

4955 (b) be a primary care giver for:

4956 (i) an aging individual; or

4957 (ii) an individual with a cognitive, mental, or physical disability.

4958 (7) The fund [~~monies~~] money may not be used for:

4959 (a) administrative expenses that are normally provided for by legislative appropriation;

4960 or

4961 (b) direct services or support mechanisms that are available from or provided by  
4962 another government or private agency.

4963 (8) All interest and other earnings derived from the fund [~~monies~~] money shall be  
4964 deposited into the fund.

4965 (9) The state treasurer shall invest the [~~monies~~] money in the fund under Title 51,  
4966 Chapter 7, State Money Management Act.

4967 (10) The Department of Human Services shall make an annual report to the appropriate  
4968 appropriations subcommittee of the Legislature regarding the status of the fund, including a  
4969 report on the contributions received, expenditures made, and programs and services funded.

4970 Section 88. Section **62A-15-102** is amended to read:

4971 **62A-15-102. Definitions.**

4972 As used in this chapter:

4973 (1) "Director" means the director of the Division of Substance Abuse and Mental  
4974 Health.

4975 (2) "Division" means the Division of Substance Abuse and Mental Health established  
4976 in Section 62A-15-103.

4977 (3) "Local mental health authority" means a county legislative body.

4978 (4) "Local substance abuse authority" means a county legislative body.

4979 (5) (a) "Public funds" means federal [~~monies~~] money received from the Department of  
4980 Human Services or the Department of Health, and state [~~monies~~] money appropriated by the  
4981 Legislature to the Department of Human Services, the Department of Health, a county  
4982 governing body, or a local substance abuse authority, or a local mental health authority for the  
4983 purposes of providing substance abuse or mental health programs or services.

4984 (b) "Public funds" [~~includes those~~] include federal and state [~~monies~~] money that  
4985 [~~have~~] has been transferred by a local substance abuse authority or a local mental health

4986 authority to a private provider under an annual or otherwise ongoing contract to provide  
4987 comprehensive substance abuse or mental health programs or services for the local substance  
4988 abuse authority or local mental health authority. [~~Those monies maintain~~] The money  
4989 maintains the nature of "public funds" while in the possession of the private entity that has an  
4990 annual or otherwise ongoing contract with a local substance abuse authority or a local mental  
4991 health authority to provide comprehensive substance abuse or mental health programs or  
4992 services for the local substance abuse authority or local mental health authority.

4993 (c) Public funds received for the provision of services pursuant to substance abuse or  
4994 mental health service plans may not be used for any other purpose except those authorized in  
4995 the contract between the local mental health or substance abuse authority and provider for the  
4996 provision of plan services.

4997 (6) "Severe mental disorder" means schizophrenia, major depression, bipolar disorders,  
4998 delusional disorders, psychotic disorders, and other mental disorders as defined by the division.

4999 Section 89. Section **63A-8-301** is amended to read:

5000 **63A-8-301. State Debt Collection Fund.**

5001 (1) There is created a restricted special revenue fund entitled the "State Debt Collection  
5002 Fund."

5003 (2) The fund consists of:

5004 (a) all amounts appropriated to the fund under this chapter;

5005 (b) fees and interest established by the office under Subsection 63A-8-201(4)(g); and

5006 (c) except as otherwise provided by law, all postjudgment interest collected by the  
5007 office or the state except postjudgment interest on restitution.

5008 (3) [~~Monies~~] Money in this fund shall be used to pay for:

5009 (a) the costs of the office in the performance of its duties under this chapter;

5010 (b) restitution to victims to whom the debt is owed;

5011 (c) interest accrued that is associated with the debt;

5012 (d) principal on the debt to the state agencies or other entities that placed the receivable  
5013 for collection; and

5014 (e) other legal obligations including those ordered by a court.

5015 (4) (a) The fund may collect interest.

5016 (b) All interest earned from the fund shall be deposited in the General Fund.

5017 (5) The office shall ensure that [~~monies~~] money remaining in the fund at the end of the  
5018 fiscal year that [~~are~~] is not committed under the priorities established under Subsection (3) [~~are~~]  
5019 is deposited into the General Fund.

5020 (6) (a) The office shall report at least annually to the appropriations subcommittee  
5021 assigned to review the budget of the Department of Administrative Services on the fund  
5022 balance and its revenues and expenditures and administrative offsets.

5023 (b) The report shall include the amounts paid under each provision under Subsection  
5024 (3).

5025 Section 90. Section **63B-1b-402** is amended to read:

5026 **63B-1b-402. Commission may authorize revenue bonds -- Contents of bond**  
5027 **document -- Special and reserve funds -- Limitation on liability -- Restoration of money**  
5028 **in reserve funds -- Payment of bonds and other technical requirements -- Refunding --**  
5029 **Report to Division of Finance.**

5030 (1) (a) In order to provide authorizing agencies with an alternative method of  
5031 liquidating agency bonds and, by doing so, providing authorizing agencies with additional  
5032 funds to further the purposes of authorizing agencies, the commission may authorize the  
5033 issuance of revenue bonds from time to time by the state.

5034 (b) These revenue bonds shall be payable solely from a special fund established by the  
5035 state treasurer as provided in Subsection (4).

5036 (c) Revenue bonds may be sold at public or private sale and may be issued in one or  
5037 more series.

5038 (2) Revenue bonds may be authorized, issued, and sold by the commission on behalf of  
5039 the state at a time or times and in a manner set forth in a bond document that provides for:

5040 (a) the terms and conditions of sale, including price, whether at, below or above face  
5041 value;

- 5042 (b) interest rates, including a variable rate;
  - 5043 (c) authorized denomination;
  - 5044 (d) maturity dates;
  - 5045 (e) form;
  - 5046 (f) manner of execution;
  - 5047 (g) manner of authentication;
  - 5048 (h) place and medium of payment;
  - 5049 (i) redemption terms;
  - 5050 (j) authorized signatures of public officials; and
  - 5051 (k) other provisions and details considered necessary or appropriate.
- 5052 (3) To the extent set forth in the resolution, the proceeds of revenue bonds may be used
- 5053 for the purposes set forth in Subsection (1) and to:
- 5054 (a) provide for any necessary or desirable reserve fund as provided for in Subsection
  - 5055 (5); and
  - 5056 (b) pay fees, charges, and other amounts related to the issuance and sale of the revenue
  - 5057 bonds.
- 5058 (4) (a) As provided in the bond document, the principal of, premium, if any, and
- 5059 interest on, any issue of revenue bonds is payable solely from and secured by one or more
- 5060 special funds consisting of:
- 5061 (i) the pledge and assignment of any agency bonds, including all amounts payable on or
  - 5062 with respect to them, and other [~~monies~~] money and security, as provided for in an agreement
  - 5063 entered into under Subsection 63B-1b-401(2);
  - 5064 (ii) amounts on deposit in the reserve fund, if any, established under Subsection (5);
  - 5065 (iii) amounts available pursuant to any security device or credit enhancement device
  - 5066 that the commission authorizes for the purpose of improving the marketability of the revenue
  - 5067 bonds; and
  - 5068 (iv) other amounts available and pledged by the commission to secure payment of that
  - 5069 issue of revenue bonds.

5070 (b) Owners of revenue bonds do not have recourse against the general funds or general  
5071 credit of the state or its political subdivisions or agencies, but this limitation does not limit or  
5072 alter the obligations of political subdivisions on agency bonds in any manner.

5073 (c) Revenue bonds do not constitute nor give rise to a general obligation or liability of,  
5074 or constitute a charge or lien against, the general credit or taxing power of the state or its  
5075 political subdivisions or agencies, including any authorizing agency.

5076 (d) Revenue bonds shall contain on their face a statement that:

5077 (i) the revenue bonds are payable solely from the sources set forth in this Subsection  
5078 (4) and specified in the bond document with respect to the revenue bonds;

5079 (ii) neither the state nor any political subdivision of the state is obligated to pay the  
5080 revenue bonds; and

5081 (iii) neither the faith and credit nor the taxing power of the state or any of its political  
5082 subdivisions is pledged to the payment of principal or redemption price of, or premium, if any,  
5083 or interest on the revenue bonds.

5084 (e) Revenue bonds do not constitute debt of the state within the meaning of Utah  
5085 Constitution Article XIII, Sec. 5 (3) or Article XIV, Sec. 1.

5086 (5) (a) The commission may establish a reserve fund with respect to any issue of  
5087 revenue bonds.

5088 (b) If a reserve fund is established, the bond document relating to that issue of revenue  
5089 bonds shall specify:

5090 (i) the minimum amount that is required to be on deposit in the reserve fund;

5091 (ii) the amount of sale proceeds from the sale of that issue of revenue bonds that shall  
5092 be deposited in the reserve fund; and

5093 (iii) the manner in which any deficiency in the reserve fund shall be replenished.

5094 (c) (i) On or before the first day of December of each year, the state treasurer shall  
5095 certify to the governor and the director of the Division of Finance the amount, if any, that may  
5096 be required to restore all reserve funds established to the minimum amount specified by the  
5097 state treasurer with respect to each reserve fund.

5098           (ii) The governor may request an appropriation from the Legislature equal to the  
5099 certified amount in order to restore each reserve fund to the specified minimum amount.

5100           (6) (a) (i) The commission may provide in the bond document that any signature of a  
5101 public official authorized to sign revenue bonds may be by the facsimile signature of that  
5102 official imprinted, engraved, stamped, or otherwise placed on the revenue bonds.

5103           (ii) If all signatures of public officials on the revenue bonds are facsimile signatures,  
5104 the bond document shall provide for a manual authenticating signature on the revenue bonds by  
5105 or on behalf of a designated authenticating agent.

5106           (iii) If an official ceases to hold office before delivery of the revenue bonds signed by  
5107 that official, the signature or facsimile signature of the official is valid and sufficient for all  
5108 purposes.

5109           (b) A facsimile of the seal of the state may be imprinted, engraved, stamped, or  
5110 otherwise placed on the revenue bonds.

5111           (7) (a) The commission may provide in the bond document for the replacement of lost,  
5112 destroyed, stolen, or mutilated revenue bonds or for the exchange of revenue bonds after  
5113 issuance for revenue bonds of smaller or larger denominations.

5114           (b) Revenue bonds in changed denominations shall:

5115           (i) be exchanged for the original revenue bonds in the aggregate principal amounts and  
5116 in a manner that prevents the duplication of interest; and

5117           (ii) bear interest at the same rate, be of the same series, mature on the same date, and  
5118 be as nearly as practicable in the same form as the original revenue bonds.

5119           (8) (a) (i) Revenue bonds may be registered as to both principal and interest or may be  
5120 in a book entry form under which the right to principal and interest may be transferred only  
5121 through a book entry.

5122           (ii) The commission may provide for the services and payment for the services of one  
5123 or more financial institutions, other entities or persons, or nominees, within or outside the state,  
5124 for:

5125           (A) authentication;

- 5126 (B) registration;
- 5127 (C) transfer, including record, bookkeeping, or book entry functions;
- 5128 (D) exchange; and
- 5129 (E) payment.
- 5130 (b) The records of ownership, registration, transfer, and exchange of the revenue
- 5131 bonds, and of persons to whom payment with respect to them is made, are classified as private
- 5132 or protected as defined in Title 63G, Chapter 2, Government Records Access and Management
- 5133 Act.
- 5134 (c) The revenue bonds and any evidences of participation interests in the revenue bonds
- 5135 may be issued, executed, authenticated, registered, transferred, exchanged, and otherwise made
- 5136 to comply with Title 15, Chapter 7, Registered Public Obligations Act, or any other act of the
- 5137 Legislature relating to the registration of obligations enacted to meet the requirements of
- 5138 Section 149 (a), Internal Revenue Code of 1986, or any comparable predecessor or successor
- 5139 provision, and applicable regulations.
- 5140 (9) (a) The commission may authorize the execution and delivery of whatever
- 5141 agreements and contracts that the commission considers necessary and appropriate in
- 5142 connection with the issuance of revenue bonds.
- 5143 (b) These agreements and contracts may include agreements and contracts with
- 5144 financial and other institutions for financial advisory services, trustee services, insurance,
- 5145 letters of credit, reimbursement agreements, tender agreements, put agreements, repurchase
- 5146 agreements, and indexing and tender agent agreements to:
- 5147 (i) facilitate the sale of the revenue bonds; or
- 5148 (ii) secure or provide liquidity to support any agreement, obligation, or contract entered
- 5149 into by an authorized officer on behalf of the state in connection with:
- 5150 (A) the issuance and sale of the revenue bonds;
- 5151 (B) any repurchase, remarketing, or other pledge of the revenue bonds; and
- 5152 (C) any insurance, repurchase, remarketing, tender, put, letter of credit, or agreement,
- 5153 obligation, or contract entered into in connection with them, including payment of fees,

5154 charges, or other amounts coming due under agreements entered into with financial or other  
5155 institutions on behalf of the state.

5156 (10) When all revenue bonds of an issue have been paid, or provision for their payment  
5157 has been made, there shall be transferred to the appropriate authorizing agency or agencies, in  
5158 the amounts and in the manner that the commission considers fair and equitable, and to the  
5159 extent not required to secure payment of the revenue bonds and related fees, charges, and other  
5160 amounts:

5161 (a) all amounts remaining on deposit in any reserve fund established with respect to the  
5162 issue of revenue bonds; and

5163 (b) all other amounts and all agency bonds held by the commission and any trustee and  
5164 pledged to the payment of the revenue bonds.

5165 (11) (a) The state treasurer or the commission may create any funds and accounts  
5166 necessary to carry out the purposes of this section.

5167 (b) (i) The state treasurer shall administer and maintain those funds and accounts.

5168 (ii) The state treasurer may invest all [~~monies~~] money held in those funds and accounts  
5169 in accordance with Title 51, Chapter 7, State Money Management Act, and in accordance with  
5170 the bond document or any other agreement entered into on behalf of the state as authorized by  
5171 the bond document.

5172 (iii) The commission may not approve the bond document or other agreement with  
5173 respect to the investment and application of [~~these monies~~] the money unless the state treasurer  
5174 has affirmatively approved any investment provisions contained in the bond document or other  
5175 agreement.

5176 (c) All income from the [~~monies~~] money invested in a fund or account created under  
5177 this Subsection (11) shall accrue to the benefit of the fund or account and shall be used for the  
5178 purpose for which the fund or account was established.

5179 (12) (a) The commission may authorize the issuance of refunding revenue bonds of the  
5180 state in accordance with Title 11, Chapter 27, Utah Refunding Bond Act, for the purpose of  
5181 refunding any revenue bonds.

5182 (b) The state is considered a "public body" and the commission its "governing body"  
5183 for purposes of that act.

5184 (13) (a) Revenue bonds may not be issued under this section until an authorized  
5185 official finds and certifies that all conditions precedent to the issuance of the revenue bond  
5186 have been satisfied.

5187 (b) A recital on any revenue bond of a finding and certification conclusively establishes  
5188 the completion and satisfaction of all conditions of this section.

5189 (14) Revenue bonds, interest paid on revenue bonds, and any income from revenue  
5190 bonds is not taxable within this state for any purpose, except for the corporate franchise tax.

5191 (15) (a) Revenue bonds are legal investments for all state trust funds, insurance  
5192 companies, banks, trust companies, and the State School Fund.

5193 (b) Revenue bonds may also be used as collateral to secure legal obligations.

5194 (16) Immediately upon the issuance of each issue of revenue bonds, an authorized  
5195 official shall make a verified return to the Division of Finance of:

5196 (a) the aggregate principal amount of revenue bonds issued;

5197 (b) the amount of proceeds of sale of revenue bonds received by the state;

5198 (c) the amount paid to the authorizing agency or agencies for the agency bonds;

5199 (d) the total amount of all fees and expenses relating to the issuance of the revenue  
5200 bonds;

5201 (e) the amount of sale proceeds of the revenue bonds used to pay fees and expenses;

5202 and

5203 (f) the amount of sale proceeds of the revenue bonds deposited in the reserve fund  
5204 established with respect to the issue of revenue bonds, if any.

5205 Section 91. Section **63B-2-111** is amended to read:

5206 **63B-2-111. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5207 **income and unexpended proceeds.**

5208 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5209 within one or more accounts as determined by resolution of the commission.

5210 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5211 provided by the commission by resolution.

5212 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5213 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5214 money by this trustee.

5215 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5216 which the proceeds of bonds issued under this chapter may be invested.

5217 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5218 applied as provided by resolution of the commission.

5219 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5220 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5221 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5222 this chapter.

5223 Section 92. Section **63B-2-211** is amended to read:

5224 **63B-2-211. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5225 **income and unexpended proceeds.**

5226 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5227 within one or more accounts as determined by resolution of the commission.

5228 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5229 provided by the commission by resolution.

5230 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5231 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5232 money by this trustee.

5233 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5234 which the proceeds of bonds issued under this chapter may be invested.

5235 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5236 applied as provided by resolution of the commission.

5237 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon

5238 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5239 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5240 this chapter.

5241 Section 93. Section **63B-3-111** is amended to read:

5242 **63B-3-111. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5243 **income and unexpended proceeds.**

5244 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5245 within one or more accounts as determined by resolution of the commission.

5246 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5247 provided by the commission by resolution.

5248 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5249 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5250 money by this trustee.

5251 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5252 which the proceeds of bonds issued under this chapter may be invested.

5253 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5254 applied as provided by resolution of the commission.

5255 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5256 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5257 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5258 this chapter.

5259 Section 94. Section **63B-3-211** is amended to read:

5260 **63B-3-211. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5261 **income and unexpended proceeds.**

5262 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5263 within one or more accounts as determined by resolution of the commission.

5264 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5265 provided by the commission by resolution.

5266 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5267 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5268 money by this trustee.

5269 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5270 which the proceeds of bonds issued under this chapter may be invested.

5271 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5272 applied as provided by resolution of the commission.

5273 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5274 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5275 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5276 this chapter.

5277 Section 95. Section **63B-4-111** is amended to read:

5278 **63B-4-111. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5279 **income and unexpended proceeds.**

5280 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5281 within one or more accounts as determined by resolution of the commission.

5282 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5283 provided by the commission by resolution.

5284 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5285 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5286 money by this trustee.

5287 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5288 which the proceeds of bonds issued under this chapter may be invested.

5289 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5290 applied as provided by resolution of the commission.

5291 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5292 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5293 otherwise provided in the resolution of the commission authorizing the issuance of bonds under

5294 this chapter.

5295 Section 96. Section **63B-5-111** is amended to read:

5296 **63B-5-111. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5297 **income and unexpended proceeds.**

5298 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5299 within one or more accounts as determined by resolution of the commission.

5300 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5301 provided by the commission by resolution.

5302 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5303 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5304 money by this trustee.

5305 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5306 which the proceeds of bonds issued under this chapter may be invested.

5307 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5308 applied as provided by resolution of the commission.

5309 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5310 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5311 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5312 this chapter.

5313 Section 97. Section **63B-6-111** is amended to read:

5314 **63B-6-111. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5315 **income and unexpended proceeds.**

5316 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5317 within one or more accounts as determined by resolution of the commission.

5318 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5319 provided by the commission by resolution.

5320 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5321 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the

5322 money by this trustee.

5323 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5324 which the proceeds of bonds issued under this chapter may be invested.

5325 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5326 applied as provided by resolution of the commission.

5327 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5328 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5329 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5330 this chapter.

5331 Section 98. Section **63B-6-211** is amended to read:

5332 **63B-6-211. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5333 **income and unexpended proceeds.**

5334 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5335 within one or more accounts as determined by resolution of the commission.

5336 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5337 provided by the commission by resolution.

5338 (c) The commission, by resolution, may provide for the deposit of [~~these monies~~] the  
5339 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5340 money by this trustee.

5341 (2) (a) The commission, by resolution, shall provide for the kinds of investments in  
5342 which the proceeds of bonds issued under this chapter may be invested.

5343 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5344 applied as provided by resolution of the commission.

5345 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5346 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5347 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5348 this chapter.

5349 Section 99. Section **63B-6-304** is amended to read:

5350           **63B-6-304. General provisions -- Funds and accounts.**

5351           (1) (a) Sections 63B-6-205, 63B-6-206, 63B-6-213, 63B-6-214, 63B-6-215, and  
5352 63B-6-216 apply to any notes or renewals of notes issued under this part.

5353           (b) (i) For purposes of this part, any action that those sections require or permit the  
5354 commission to take shall be considered sufficient if taken by the state treasurer.

5355           (ii) The treasurer may take action by issuing a written order, or in some other manner  
5356 that he finds necessary or convenient, to accomplish the purposes of this part.

5357           (2) The treasurer may:

5358           (a) in a written order, establish whatever funds and accounts are necessary or desirable  
5359 to carry out the purposes of this part; and

5360           (b) until the [~~monies are~~] money is needed for the purpose for which the fund or  
5361 account was created, invest the [~~monies~~] money held in those funds and accounts by following  
5362 the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

5363           Section 100. Section **63B-6-411** is amended to read:

5364           **63B-6-411. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5365 **income and unexpended proceeds.**

5366           (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5367 within one or more accounts as determined by resolution of the commission.

5368           (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5369 provided by the commission by resolution.

5370           (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5371 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5372 money by this trustee.

5373           (2) (a) The commission by resolution shall provide for the kinds of investments in  
5374 which the proceeds of bonds issued under this chapter may be invested.

5375           (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5376 applied as provided by resolution of the commission.

5377           (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon

5378 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5379 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5380 this chapter.

5381 Section 101. Section **63B-7-111** is amended to read:

5382 **63B-7-111. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5383 **income and unexpended proceeds.**

5384 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5385 within one or more accounts as determined by resolution of the commission.

5386 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5387 provided by the commission by resolution.

5388 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5389 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5390 money by this trustee.

5391 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5392 which the proceeds of bonds issued under this chapter may be invested.

5393 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5394 applied as provided by resolution of the commission.

5395 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5396 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5397 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5398 this chapter.

5399 Section 102. Section **63B-7-211** is amended to read:

5400 **63B-7-211. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5401 **income and unexpended proceeds.**

5402 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5403 within one or more accounts as determined by resolution of the commission.

5404 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5405 provided by the commission by resolution.

5406 (c) The commission, by resolution, may provide for the deposit of [~~these monies~~] the  
5407 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5408 money by this trustee.

5409 (2) (a) The commission, by resolution, shall provide for the kinds of investments in  
5410 which the proceeds of bonds issued under this chapter may be invested.

5411 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5412 applied as provided by resolution of the commission.

5413 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5414 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5415 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5416 this chapter.

5417 Section 103. Section **63B-7-304** is amended to read:

5418 **63B-7-304. General provisions -- Funds and accounts.**

5419 (1) (a) Sections 63B-7-205, 63B-7-206, 63B-7-213, 63B-7-214, 63B-7-215, and  
5420 63B-7-216 apply to any notes or renewals of notes issued under this part.

5421 (b) (i) For purposes of this part, any action that those sections require or permit the  
5422 commission to take shall be considered sufficient if taken by the state treasurer.

5423 (ii) The treasurer may take action by issuing a written order, or in some other manner  
5424 that he finds necessary or convenient, to accomplish the purposes of this part.

5425 (2) The treasurer may:

5426 (a) in a written order, establish whatever funds and accounts are necessary or desirable  
5427 to carry out the purposes of this part; and

5428 (b) until the [~~monies are~~] money is needed for the purpose for which the fund or  
5429 account was created, invest the [~~monies~~] money held in those funds and accounts by following  
5430 the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

5431 Section 104. Section **63B-7-411** is amended to read:

5432 **63B-7-411. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5433 **income and unexpended proceeds.**

5434 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5435 within one or more accounts as determined by resolution of the commission.

5436 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5437 provided by the commission by resolution.

5438 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5439 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5440 money by this trustee.

5441 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5442 which the proceeds of bonds issued under this chapter may be invested.

5443 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5444 applied as provided by resolution of the commission.

5445 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5446 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5447 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5448 this chapter.

5449 Section 105. Section **63B-8-111** is amended to read:

5450 **63B-8-111. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5451 **income and unexpended proceeds.**

5452 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5453 within one or more accounts as determined by resolution of the commission.

5454 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5455 provided by the commission by resolution.

5456 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5457 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5458 money by this trustee.

5459 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5460 which the proceeds of bonds issued under this chapter may be invested.

5461 (b) Income from the investment of proceeds of bonds issued under this chapter shall be

5462 applied as provided by resolution of the commission.

5463 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5464 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5465 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5466 this chapter.

5467 Section 106. Section **63B-8-211** is amended to read:

5468 **63B-8-211. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5469 **income and unexpended proceeds.**

5470 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5471 within one or more accounts as determined by resolution of the commission.

5472 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5473 provided by the commission by resolution.

5474 (c) The commission, by resolution, may provide for the deposit of [~~these monies~~] the  
5475 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5476 money by this trustee.

5477 (2) (a) The commission, by resolution, shall provide for the kinds of investments in  
5478 which the proceeds of bonds issued under this chapter may be invested.

5479 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5480 applied as provided by resolution of the commission.

5481 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5482 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5483 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5484 this chapter.

5485 Section 107. Section **63B-8-304** is amended to read:

5486 **63B-8-304. General provisions -- Funds and accounts.**

5487 (1) (a) Sections 63B-8-205, 63B-8-206, 63B-8-213, 63B-8-214, 63B-8-215, and  
5488 63B-8-216 apply to any notes or renewals of notes issued under this part.

5489 (b) (i) For purposes of this part, any action that those sections require or permit the

5490 commission to take shall be considered sufficient if taken by the state treasurer.

5491 (ii) The treasurer may take action by issuing a written order, or in some other manner  
5492 that he finds necessary or convenient, to accomplish the purposes of this part.

5493 (2) The treasurer may:

5494 (a) in a written order, establish whatever funds and accounts are necessary or desirable  
5495 to carry out the purposes of this part; and

5496 (b) until the [~~monies are~~] money is needed for the purpose for which the fund or  
5497 account was created, invest the [~~monies~~] money held in those funds and accounts by following  
5498 the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

5499 Section 108. Section **63B-8-411** is amended to read:

5500 **63B-8-411. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5501 **income and unexpended proceeds.**

5502 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5503 within one or more accounts as determined by resolution of the commission.

5504 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5505 provided by the commission by resolution.

5506 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5507 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5508 money by this trustee.

5509 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5510 which the proceeds of bonds issued under this chapter may be invested.

5511 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5512 applied as provided by resolution of the commission.

5513 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5514 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5515 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5516 this chapter.

5517 Section 109. Section **63B-10-111** is amended to read:

5518           **63B-10-111. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5519 **income and unexpended proceeds.**

5520           (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5521 within one or more accounts as determined by resolution of the commission.

5522           (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5523 provided by the commission by resolution.

5524           (c) The commission, by resolution, may provide for the deposit of [~~these monies~~] the  
5525 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5526 money by this trustee.

5527           (2) (a) The commission, by resolution, shall provide for the kinds of investments in  
5528 which the proceeds of bonds issued under this chapter may be invested.

5529           (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5530 applied as provided by resolution of the commission.

5531           (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5532 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5533 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5534 this chapter.

5535           Section 110. Section **63B-10-204** is amended to read:

5536           **63B-10-204. General provisions -- Funds and accounts.**

5537           (1) (a) Sections 63B-10-105, 63B-10-106, 63B-10-113, 63B-10-114, 63B-10-115, and  
5538 63B-10-116 apply to any notes or renewals of notes issued under this part.

5539           (b) (i) For purposes of this part, any action that those sections require or permit the  
5540 commission to take shall be considered sufficient if taken by the state treasurer.

5541           (ii) The treasurer may take action by issuing a written order, or in some other manner  
5542 that he finds necessary or convenient, to accomplish the purposes of this part.

5543           (2) The treasurer may:

5544           (a) in a written order, establish whatever funds and accounts are necessary or desirable  
5545 to carry out the purposes of this part; and

5546 (b) until the [~~monies are~~] money is needed for the purpose for which the fund or  
5547 account was created, invest the [~~monies~~] money held in those funds and accounts by following  
5548 the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

5549 Section 111. Section **63B-11-111** is amended to read:

5550 **63B-11-111. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5551 **income and unexpended proceeds.**

5552 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5553 within one or more accounts as determined by resolution of the commission.

5554 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5555 provided by the commission by resolution.

5556 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5557 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5558 money by this trustee.

5559 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5560 which the proceeds of bonds issued under this chapter may be invested.

5561 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5562 applied as provided by resolution of the commission.

5563 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5564 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5565 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5566 this chapter.

5567 Section 112. Section **63B-11-211** is amended to read:

5568 **63B-11-211. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5569 **income and unexpended proceeds.**

5570 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5571 within one or more accounts as determined by resolution of the commission.

5572 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5573 provided by the commission by resolution.

5574 (c) The commission by resolution may provide for the deposit of [~~these monies~~] the  
5575 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5576 money by this trustee.

5577 (2) (a) The commission by resolution shall provide for the kinds of investments in  
5578 which the proceeds of bonds issued under this chapter may be invested.

5579 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5580 applied as provided by resolution of the commission.

5581 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5582 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5583 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5584 this chapter.

5585 Section 113. Section **63B-11-311** is amended to read:

5586 **63B-11-311. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
5587 **income and unexpended proceeds.**

5588 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
5589 within one or more accounts as determined by resolution of the commission.

5590 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
5591 provided by the commission by resolution.

5592 (c) The commission, by resolution, may provide for the deposit of [~~these monies~~] the  
5593 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
5594 money by this trustee.

5595 (2) (a) The commission, by resolution, shall provide for the kinds of investments in  
5596 which the proceeds of bonds issued under this chapter may be invested.

5597 (b) Income from the investment of proceeds of bonds issued under this chapter shall be  
5598 applied as provided by resolution of the commission.

5599 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5600 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5601 otherwise provided in the resolution of the commission authorizing the issuance of bonds under

5602 this chapter.

5603 Section 114. Section **63B-11-404** is amended to read:

5604 **63B-11-404. General provisions -- Funds and accounts.**

5605 (1) (a) Sections 63B-11-305, 63B-11-306, 63B-11-313, 63B-11-314, 63B-11-315, and  
 5606 63B-11-316 apply to any notes or renewals of notes issued under this part.

5607 (b) (i) For purposes of this part, any action that those sections require or permit the  
 5608 commission to take shall be considered sufficient if taken by the state treasurer.

5609 (ii) The treasurer may take action by issuing a written order, or in some other manner  
 5610 that he finds necessary or convenient, to accomplish the purposes of this part.

5611 (2) The treasurer may:

5612 (a) in a written order, establish whatever funds and accounts are necessary or desirable  
 5613 to carry out the purposes of this part; and

5614 (b) until the [~~monies are~~] money is needed for the purpose for which the fund or  
 5615 account was created, invest the [~~monies~~] money held in those funds and accounts by following  
 5616 the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

5617 Section 115. Section **63B-11-511** is amended to read:

5618 **63B-11-511. Bond proceeds -- Deposits -- Investment -- Disposition of investment**  
 5619 **income and unexpended proceeds.**

5620 (1) (a) Proceeds from the sale of bonds issued under this chapter shall be deposited  
 5621 within one or more accounts as determined by resolution of the commission.

5622 (b) The state treasurer shall administer and maintain these accounts unless otherwise  
 5623 provided by the commission by resolution.

5624 (c) The commission, by resolution, may provide for the deposit of [~~these monies~~] the  
 5625 money with a trustee and the administration, disposition, or investment of [~~these monies~~] the  
 5626 money by this trustee.

5627 (2) (a) The commission, by resolution, shall provide for the kinds of investments in  
 5628 which the proceeds of bonds issued under this chapter may be invested.

5629 (b) Income from the investment of proceeds of bonds issued under this chapter shall be

5630 applied as provided by resolution of the commission.

5631 (3) Any unexpended bond proceeds issued under this chapter shall be deposited, upon  
5632 completion of the purposes for which the bonds were issued, in the sinking fund, unless  
5633 otherwise provided in the resolution of the commission authorizing the issuance of bonds under  
5634 this chapter.

5635 Section 116. Section **63B-11-604** is amended to read:

5636 **63B-11-604. General provisions -- Funds and accounts.**

5637 (1) (a) Sections 63B-11-505, 63B-11-506, 63B-11-513, 63B-11-514, 63B-11-515, and  
5638 63B-11-516 apply to any notes or renewals of notes issued under this part.

5639 (b) (i) For purposes of this part, any action that those sections require or permit the  
5640 commission to take shall be considered sufficient if taken by the state treasurer.

5641 (ii) The treasurer may take action by issuing a written order, or in some other manner  
5642 that he finds necessary or convenient, to accomplish the purposes of this part.

5643 (2) The treasurer may:

5644 (a) in a written order, establish whatever funds and accounts are necessary or desirable  
5645 to carry out the purposes of this part; and

5646 (b) until the [~~monies are~~] money is needed for the purpose for which the fund or  
5647 account was created, invest the [~~monies~~] money held in those funds and accounts by following  
5648 the procedures and requirements of Title 51, Chapter 7, State Money Management Act.

5649 Section 117. Section **63C-6-104** is amended to read:

5650 **63C-6-104. Staffing and appropriated funds.**

5651 (1) Staff support to the commission shall be provided by the Division of Homeland  
5652 Security and the Utah Geological Survey.

5653 (2) [~~Monies~~] Money not expended by the Utah Seismic Safety Commission during a  
5654 fiscal year [~~are~~] is nonlapsing except that any balance of General Fund [~~monies~~] money greater  
5655 than \$10,000 lapses to the General Fund.

5656 Section 118. Section **63C-11-301** is amended to read:

5657 **63C-11-301. Licensing.**

- 5658 (1) A license is required for a person to act as or to represent that the person is:
- 5659 (a) a promoter;
- 5660 (b) a manager;
- 5661 (c) a contestant;
- 5662 (d) a second;
- 5663 (e) a referee;
- 5664 (f) a judge; or
- 5665 (g) another official established by the commission by rule.
- 5666 (2) The commission shall issue to a person who qualifies under this chapter a license in
- 5667 the classifications of:
- 5668 (a) promoter;
- 5669 (b) manager;
- 5670 (c) contestant;
- 5671 (d) second;
- 5672 (e) referee;
- 5673 (f) judge; or
- 5674 (g) another official who meets the requirements established by rule under Subsection
- 5675 (1)(g).
- 5676 (3) (a) All [~~monies~~] money collected pursuant to this section and Sections 63C-11-304,
- 5677 63C-11-307, 63C-11-310, and 63C-11-313 shall be retained as dedicated credits to pay for
- 5678 commission expenses.
- 5679 (b) All [~~monies~~] money available to the commission under Subsection (3)(a) to pay for
- 5680 commission expenses [~~are~~] is nonlapsing for fiscal year 2009-10 only.
- 5681 (4) Each applicant for licensure as a promoter shall:
- 5682 (a) submit an application in a form prescribed by the commission;
- 5683 (b) pay the fee determined by the commission under Section 63J-1-504;
- 5684 (c) provide to the commission evidence of financial responsibility, which shall include
- 5685 financial statements and other information that the commission may reasonably require to

5686 determine that the applicant or licensee is able to competently perform as and meet the  
5687 obligations of a promoter in this state;

5688 (d) make assurances that the applicant:

5689 (i) is not engaging in illegal gambling with respect to sporting events or gambling with  
5690 respect to the promotions the applicant is promoting;

5691 (ii) has not been found in a criminal or civil proceeding to have engaged in or  
5692 attempted to engage in any fraud or misrepresentation in connection with a contest or any other  
5693 sporting event; and

5694 (iii) has not been found in a criminal or civil proceeding to have violated or attempted  
5695 to violate any law with respect to a contest in any jurisdiction or any law, rule, or order relating  
5696 to the regulation of contests in this state or any other jurisdiction;

5697 (e) acknowledge in writing to the commission receipt, understanding, and intent to  
5698 comply with this chapter and the rules made under this chapter; and

5699 (f) if requested by the commission or the director, meet with the commission or the  
5700 director to examine the applicant's qualifications for licensure.

5701 (5) Each applicant for licensure as a contestant shall:

5702 (a) be not less than 18 years of age at the time the application is submitted to the  
5703 commission;

5704 (b) submit an application in a form prescribed by the commission;

5705 (c) pay the fee established by the commission under Section 63J-1-504;

5706 (d) provide a certificate of physical examination, dated not more than 60 days prior to  
5707 the date of application for licensure, in a form provided by the commission, completed by a  
5708 licensed physician and surgeon certifying that the applicant is free from any physical or mental  
5709 condition that indicates the applicant should not engage in activity as a contestant;

5710 (e) make assurances that the applicant:

5711 (i) is not engaging in illegal gambling with respect to sporting events or gambling with  
5712 respect to a contest in which the applicant will participate;

5713 (ii) has not been found in a criminal or civil proceeding to have engaged in or

5714 attempted to have engaged in any fraud or misrepresentation in connection with a contest or  
5715 any other sporting event; and

5716 (iii) has not been found in a criminal or civil proceeding to have violated or attempted  
5717 to violate any law with respect to contests in any jurisdiction or any law, rule, or order relating  
5718 to the regulation of contests in this state or any other jurisdiction;

5719 (f) acknowledge in writing to the commission receipt, understanding, and intent to  
5720 comply with this chapter and the rules made under this chapter; and

5721 (g) if requested by the commission or the director, meet with the commission or the  
5722 director to examine the applicant's qualifications for licensure.

5723 (6) Each applicant for licensure as a manager or second shall:

5724 (a) submit an application in a form prescribed by the commission;

5725 (b) pay a fee determined by the commission under Section 63J-1-504;

5726 (c) make assurances that the applicant:

5727 (i) is not engaging in illegal gambling with respect to sporting events or gambling with  
5728 respect to a contest in which the applicant is participating;

5729 (ii) has not been found in a criminal or civil proceeding to have engaged in or  
5730 attempted to have engaged in any fraud or misrepresentation in connection with a contest or  
5731 any other sporting event; and

5732 (iii) has not been found in a criminal or civil proceeding to have violated or attempted  
5733 to violate any law with respect to a contest in any jurisdiction or any law, rule, or order relating  
5734 to the regulation of contests in this state or any other jurisdiction;

5735 (d) acknowledge in writing to the commission receipt, understanding, and intent to  
5736 comply with this chapter and the rules made under this chapter; and

5737 (e) if requested by the commission or director, meet with the commission or the  
5738 director to examine the applicant's qualifications for licensure.

5739 (7) Each applicant for licensure as a referee or judge shall:

5740 (a) submit an application in a form prescribed by the commission;

5741 (b) pay a fee determined by the commission under Section 63J-1-504;

5742 (c) make assurances that the applicant:  
5743 (i) is not engaging in illegal gambling with respect to sporting events or gambling with  
5744 respect to a contest in which the applicant is participating;  
5745 (ii) has not been found in a criminal or civil proceeding to have engaged in or  
5746 attempted to have engaged in any fraud or misrepresentation in connection with a contest or  
5747 any other sporting event; and  
5748 (iii) has not been found in a criminal or civil proceeding to have violated or attempted  
5749 to violate any law with respect to contests in any jurisdiction or any law, rule, or order relating  
5750 to the regulation of contests in this state or any other jurisdiction;  
5751 (d) acknowledge in writing to the commission receipt, understanding, and intent to  
5752 comply with this chapter and the rules made under this chapter;  
5753 (e) provide evidence satisfactory to the commission that the applicant is qualified by  
5754 training and experience to competently act as a referee or judge in a contest; and  
5755 (f) if requested by the commission or the director, meet with the commission or the  
5756 director to examine the applicant's qualifications for licensure.  
5757 (8) The commission may make rules concerning the requirements for a license under  
5758 this chapter, that deny a license to an applicant for the violation of a crime that, in the  
5759 commission's determination, would have a material affect on the integrity of a contest held  
5760 under this chapter.  
5761 (9) (a) A licensee serves at the pleasure, and under the direction, of the commission  
5762 while participating in any way at a contest.  
5763 (b) A licensee's license may be suspended, or a fine imposed, if the licensee does not  
5764 follow the commission's direction at an event or contest.  
5765 Section 119. Section **63C-11-304** is amended to read:  
5766 **63C-11-304. Additional fees for license of promoter -- Dedicated credits --**  
5767 **Promotion of contests -- Annual exemption of showcase event.**  
5768 (1) In addition to the payment of any other fees and money due under this chapter,  
5769 every promoter shall pay a license fee determined by the commission and established in rule.

5770 (a) License fees collected under Subsection (1)(a) from professional boxing contests or  
5771 exhibitions shall be retained by the commission as a dedicated credit to be used by the  
5772 commission to award grants to organizations that promote amateur boxing in the state and  
5773 cover commission expenses.

5774 (b) [~~Monies~~] Money available to the commission for awarding grants to organizations  
5775 that promote amateur boxing in the state and covering commission expenses [~~are~~] is nonlapsing  
5776 for fiscal year 2009-10 only.

5777 (2) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
5778 commission shall adopt rules:

5779 (a) governing the manner in which applications for grants under Subsection (1) may be  
5780 submitted to the commission; and

5781 (b) establishing standards for awarding grants under Subsection (1) to organizations  
5782 which promote amateur boxing in the state.

5783 (3) (a) For the purpose of creating a greater interest in contests in the state, the  
5784 commission may exempt from the payment of license fees under this section one contest or  
5785 exhibition in each calendar year, intended as a showcase event.

5786 (b) The commission shall select the contest or exhibition to be exempted based on  
5787 factors which include:

5788 (i) attraction of the optimum number of spectators;

5789 (ii) costs of promoting and producing the contest or exhibition;

5790 (iii) ticket pricing;

5791 (iv) committed promotions and advertising of the contest or exhibition;

5792 (v) rankings and quality of the contestants; and

5793 (vi) committed television and other media coverage of the contest or exhibition.

5794 Section 120. Section **63E-2-110** is amended to read:

5795 **63E-2-110. Budgetary and fiscal requirements.**

5796 (1) The board of each independent corporation shall annually adopt a budget.

5797 (2) (a) All [~~monies~~] money held in trust by an independent corporation [~~are~~] is not

5798 public funds, even if they were public funds before [~~those monies were~~] the money was  
5799 received by the independent corporation.

5800 (b) The [~~monies~~] money of an independent corporation [~~are~~] is not required to be held  
5801 in the custody of the state treasurer.

5802 Section 121. Section **63G-1-201** is amended to read:

5803 **63G-1-201. Official state language.**

5804 (1) English is declared to be the official language of Utah.

5805 (2) As the official language of this State, the English language is the sole language of  
5806 the government, except as otherwise provided in this section.

5807 (3) Except as provided in Subsection (4), all official documents, transactions,  
5808 proceedings, meetings, or publications issued, conducted, or regulated by, on behalf of, or  
5809 representing the state and its political subdivisions shall be in English.

5810 (4) Languages other than English may be used when required:

5811 (a) by the United States Constitution, the Utah State Constitution, federal law, or  
5812 federal regulation;

5813 (b) by law enforcement or public health and safety needs;

5814 (c) by public and higher education systems according to rules made by the State Board  
5815 of Education and the State Board of Regents to comply with Subsection (5);

5816 (d) in judicial proceedings, when necessary to insure that justice is served;

5817 (e) to promote and encourage tourism and economic development, including the  
5818 hosting of international events such as the Olympics; and

5819 (f) by libraries to:

5820 (i) collect and promote foreign language materials; and

5821 (ii) provide foreign language services and activities.

5822 (5) The State Board of Education and the State Board of Regents shall make rules  
5823 governing the use of foreign languages in the public and higher education systems that promote  
5824 the following principles:

5825 (a) non-English speaking children and adults should become able to read, write, and

5826 understand English as quickly as possible;

5827 (b) foreign language instruction should be encouraged;

5828 (c) formal and informal programs in English as a Second Language should be initiated,  
5829 continued, and expanded; and

5830 (d) public schools should establish communication with non-English speaking parents  
5831 of children within their systems, using a means designed to maximize understanding when  
5832 necessary, while encouraging those parents who do not speak English to become more  
5833 proficient in English.

5834 (6) Unless exempted by Subsection (4), all state funds appropriated or designated for  
5835 the printing or translation of materials or the provision of services or information in a language  
5836 other than English shall be returned to the General Fund.

5837 (a) Each state agency that has state funds appropriated or designated for the printing or  
5838 translation of materials or the provision of services or information in a language other than  
5839 English shall:

5840 (i) notify the Division of Finance that [~~those monies exist~~] the money exists and the  
5841 amount of [~~those monies~~] the money; and

5842 (ii) return [~~those monies~~] the money to the Division of Finance.

5843 (b) The Division of Finance shall account for [~~those monies~~] the money and inform the  
5844 Legislature of the existence and amount of [~~those monies~~] the money at the beginning of the  
5845 Legislature's annual general session.

5846 (c) The Legislature may appropriate any [~~monies~~] money received under this section to  
5847 the State School Board for use in English as a Second Language programs.

5848 (7) Nothing in this section affects the ability of government employees, private  
5849 businesses, nonprofit organizations, or private individuals to exercise their rights under:

5850 (a) the First Amendment of the United States Constitution; and

5851 (b) Utah Constitution, Article 1, Sections 1 and 15.

5852 (8) If any provision of this section, or the application of any such provision to any  
5853 person or circumstance, is held invalid, the remainder of this act shall be given effect without

5854 the invalid provision or application.

5855 Section 122. Section **63J-1-104** is amended to read:

5856 **63J-1-104. Revenue types -- Disposition of funds collected or credited by a state**  
5857 **agency.**

5858 (1) (a) The Division of Finance shall:

5859 (i) account for revenues in accordance with generally accepted accounting principles;

5860 and

5861 (ii) use the major revenue types in internal accounting.

5862 (b) Each agency shall:

5863 (i) use the major revenue types to account for revenues;

5864 (ii) deposit revenues and other public funds received by them by following the  
5865 procedures and requirements of Title 51, Chapter 7, State Money Management Act; and

5866 (iii) expend revenues and public funds as required by this chapter.

5867 (2) (a) Each agency shall deposit its free revenues into the appropriate fund.

5868 (b) An agency may expend free revenues up to the amount specifically appropriated by  
5869 the Legislature.

5870 (c) Any free revenue funds appropriated by the Legislature to an agency that remain  
5871 unexpended at the end of the fiscal year lapse to the source fund unless the Legislature provides  
5872 by law that those funds are nonlapsing.

5873 (3) (a) Each agency shall deposit its restricted revenues into the applicable restricted  
5874 account or fund.

5875 (b) Revenues in a restricted account or fund do not lapse to another account or fund  
5876 unless otherwise specifically provided for by law or legislative appropriation.

5877 (c) The Legislature may appropriate restricted revenues from a restricted account or  
5878 fund for the specific purpose or program designated by law.

5879 (d) If the fund equity of a restricted account or fund is insufficient to provide the  
5880 accounts appropriated from it by the Legislature, the Division of Finance may reduce the  
5881 appropriation to a level that ensures that the fund equity is not less than zero.

5882 (e) Any restricted revenues appropriated by the Legislature to an agency that remain  
5883 unexpended at the end of the fiscal year lapse to the applicable restricted account or fund unless  
5884 the Legislature provides by law that those appropriations, or the program or line item financed  
5885 by those appropriations, are nonlapsing.

5886 (4) (a) An agency may expend dedicated credits for any purpose within the program or  
5887 line item.

5888 (b) (i) Except as provided in Subsection (4)(b)(ii), an agency may not expend dedicated  
5889 credits in excess of the amount appropriated as dedicated credits by the Legislature.

5890 (ii) In order to expend dedicated credits in excess of the amount appropriated as  
5891 dedicated credits by the Legislature, the following procedure shall be followed:

5892 (A) The agency seeking to make the excess expenditure shall:

5893 (I) develop a new work program that:

5894 (Aa) consists of the currently approved work program and the excess expenditure  
5895 sought to be made; and

5896 (Bb) complies with the requirements of Section 63J-2-202;

5897 (II) prepare a written justification for the new work program that sets forth the purpose  
5898 and necessity of the excess expenditure; and

5899 (III) submit the new work program and the written justification for the new work  
5900 program to the Division of Finance.

5901 (B) The Division of Finance shall process the new work program with written  
5902 justification and make this information available to the Governor's Office of Planning and  
5903 Budget and the legislative fiscal analyst.

5904 (iii) An expenditure of dedicated credits in excess of amounts appropriated as  
5905 dedicated credits by the Legislature may not be used to permanently increase personnel within  
5906 the agency unless:

5907 (A) the increase is approved by the Legislature; or

5908 (B) the ~~[monies are]~~ money is deposited as a dedicated ~~[credits]~~ credit in:

5909 (I) the Drug Stamp Tax Fund under Section 59-19-105; or

5910 (II) a line item covering tuition or federal vocational funds at an institution of higher  
5911 education.

5912 (c) (i) All excess dedicated credits lapse to the appropriate fund at the end of the fiscal  
5913 year unless the Legislature has designated the entire program or line item that is partially or  
5914 fully funded from dedicated credits as nonlapsing.

5915 (ii) The Division of Finance shall determine the appropriate fund into which the  
5916 dedicated credits lapse.

5917 (5) (a) The Legislature may establish by law the maximum amount of fixed collections  
5918 that an agency may expend.

5919 (b) If an agency receives less than the maximum amount of expendable fixed  
5920 collections established by law, the agency's authority to expend is limited to the amount of  
5921 fixed collections that it receives.

5922 (c) If an agency receives fixed collections greater than the maximum amount of  
5923 expendable fixed collections established by law, those excess amounts lapse to the General  
5924 Fund, the Education Fund, the Transportation Fund, or the Transportation Investment Fund of  
5925 2005 as designated by the director of the Division of Finance at the end of the fiscal year.

5926 (6) Unless otherwise specifically provided by law, when an agency has a program or  
5927 line item that is funded by more than one major revenue type:

5928 (a) the agency shall expend its dedicated credits and fixed collections first; and

5929 (b) if the program or line item includes both free revenue and restricted revenue, an  
5930 agency shall expend those revenues based upon a proration of the amounts appropriated from  
5931 each of those major revenue types.

5932 Section 123. Section **63J-1-206** is amended to read:

5933 **63J-1-206. Appropriations governed by chapter -- Restrictions on expenditures --**  
5934 **Transfer of funds -- Exclusion.**

5935 (1) As used in this section, "work program" means a budget that contains revenues and  
5936 expenditures for specific purposes or functions within an item of appropriation.

5937 (2) (a) Except as provided in Subsection (2)(b), (3)(e), or where expressly exempted in

5938 the appropriating act:

5939 (i) all [~~monies~~] money appropriated by the Legislature [~~are~~] is appropriated upon the  
5940 terms and conditions set forth in this chapter; and

5941 (ii) any department, agency, or institution that accepts [~~monies~~] money appropriated by  
5942 the Legislature does so subject to the requirements of this chapter.

5943 (b) This section does not apply to:

5944 (i) the Legislature and its committees; and

5945 (ii) the Investigation Account of the Water Resources Construction Fund, which is  
5946 governed by Section 73-10-8.

5947 (3) (a) Each appropriation item is to be expended subject to any schedule of programs  
5948 and any restriction attached to the appropriation item, as designated by the Legislature.

5949 (b) Each schedule of programs or restriction attached to an appropriation item:

5950 (i) is a restriction or limitation upon the expenditure of the respective appropriation  
5951 made;

5952 (ii) does not itself appropriate any money; and

5953 (iii) is not itself an item of appropriation.

5954 (c) An appropriation or any surplus of any appropriation may not be diverted from any  
5955 department, agency, institution, or division to any other department, agency, institution, or  
5956 division.

5957 (d) The money appropriated subject to a schedule or programs or restriction may be  
5958 used only for the purposes authorized.

5959 (e) In order for a department, agency, or institution to transfer [~~monies~~] money  
5960 appropriated to it from one program to another program within an item of appropriation, the  
5961 following procedure shall be followed:

5962 (i) The department, agency, or institution seeking to make the transfer shall prepare:

5963 (A) a new work program for the fiscal year involved that consists of the currently  
5964 approved work program and the transfer sought to be made; and

5965 (B) a written justification for the new work program that sets forth the purpose and

5966 necessity for the transfer.

5967 (ii) The Division of Finance shall process the new work program with written  
5968 justification and make this information available to the Governor's Office of Planning and  
5969 Budget and the legislative fiscal analyst.

5970 (f) (i) Except as provided in Subsection (3)(f)(ii), [~~monies~~] money may not be  
5971 transferred from one item of appropriation to any other item of appropriation.

5972 (ii) The state superintendent may transfer [~~monies~~] money appropriated for the  
5973 Minimum School Program between line items of appropriation in accordance with Section  
5974 53A-17a-105.

5975 (g) (i) The procedures for transferring [~~monies~~] money between programs within an  
5976 item of appropriation as provided by Subsection (3)(e) do not apply to [~~monies~~] money  
5977 appropriated to the State Board of Education for the Minimum School Program or capital  
5978 outlay programs created in Title 53A, Chapter 21, Public Education Capital Outlay Act.

5979 (ii) The state superintendent may transfer [~~monies~~] money appropriated for the  
5980 programs specified in Subsection (3)(g)(i) only as provided by Section 53A-17a-105.

5981 Section 124. Section **63J-1-210** is amended to read:

5982 **63J-1-210. Restrictions on agency expenditures of money -- Lobbyists.**

5983 (1) As used in this section:

5984 (a) (i) "Agency" means each department, commission, board, council, agency,  
5985 institution, officer, corporation, fund, division, office, committee, authority, laboratory, library,  
5986 unit, bureau, panel, or other administrative unit of the state.

5987 (ii) "Agency" includes the legislative branch, the judicial branch, the Board of Regents,  
5988 the board of trustees of each higher education institution, each higher education institution, or a  
5989 public education entity.

5990 (b) "Executive action" means action undertaken by the governor, including signing or  
5991 vetoing legislation, and action undertaken by any official in the executive branch of  
5992 government.

5993 (c) "Legislative action" means action undertaken by the Utah Legislature or any part of

5994 it.

5995 (d) "Lobbyist" means a person who is not an employee of an agency who is hired as an  
 5996 independent contractor by the agency to communicate with legislators or the governor for the  
 5997 purpose of influencing the passage, defeat, amendment, or postponement of legislative or  
 5998 executive action.

5999 (2) A state agency or entity to which [~~monies are~~] money is appropriated by the  
 6000 Legislature may not expend any [~~monies~~] money to pay a lobbyist.

6001 Section 125. Section **63J-1-312** is amended to read:

6002 **63J-1-312. Establishing a General Fund Budget Reserve Account -- Providing for**  
 6003 **deposits and expenditures from the account -- Providing for interest generated by the**  
 6004 **account.**

6005 (1) As used in this section:

6006 (a) "Education Fund budget deficit" means a situation where appropriations made by  
 6007 the Legislature from the Education Fund for a fiscal year exceed the estimated revenues  
 6008 adopted by the Executive Appropriations Committee of the Legislature for the Education Fund  
 6009 in that fiscal year.

6010 (b) "General Fund appropriations" means the sum of the spending authority for a fiscal  
 6011 year that is:

6012 (i) granted by the Legislature in all appropriation acts and bills; and

6013 (ii) identified as coming from the General Fund.

6014 (c) "General Fund budget deficit" means a situation where General Fund appropriations  
 6015 made by the Legislature for a fiscal year exceed the estimated revenues adopted by the  
 6016 Executive Appropriations Committee of the Legislature for the General Fund in that fiscal year.

6017 (d) "General Fund revenue surplus" means a situation where actual General Fund  
 6018 revenues collected in a completed fiscal year exceed the estimated revenues for the General  
 6019 Fund for that fiscal year that were adopted by the Executive Appropriations Committee of the  
 6020 Legislature.

6021 (e) "Operating deficit" means that, at the end of the fiscal year, the unreserved and

6022 undesignated fund balance in the General Fund is less than zero.

6023           (2) There is created within the General Fund a restricted account to be known as the  
6024 General Fund Budget Reserve Account, which is designated to receive the legislative  
6025 appropriations, investment earnings, and the surplus revenue required to be deposited into the  
6026 account by this section.

6027           (3) (a) (i) Except as provided in Subsection (3)(a)(ii), at the end of any fiscal year in  
6028 which the Division of Finance, in consultation with the Legislative Fiscal Analyst and in  
6029 conjunction with the completion of the annual audit by the state auditor, determines that there  
6030 is a General Fund revenue surplus, the Division of Finance shall transfer 25% of the General  
6031 Fund revenue surplus to the General Fund Budget Reserve Account.

6032           (ii) If the transfer of 25% of the General Fund revenue surplus to the General Fund  
6033 Budget Reserve Account would cause the balance in the account to exceed 6% of General Fund  
6034 appropriations for the fiscal year in which the revenue surplus occurred, the Division of  
6035 Finance shall transfer only those funds necessary to ensure that the balance in the account  
6036 equals 6% of General Fund appropriations for the fiscal year in which the General Fund  
6037 revenue surplus occurred.

6038           (iii) The Division of Finance shall calculate the amount to be transferred under this  
6039 Subsection (3)(a):

6040           (A) before transferring from the General Fund revenue surplus any other year-end  
6041 contingency appropriations, year-end set-asides, or other year-end transfers required by law;  
6042 and

6043           (B) excluding the investment earnings for the fiscal year and excluding any direct  
6044 legislative appropriation made to the General Fund Budget Reserve Account for the fiscal year.

6045           (b) (i) Except as provided in Subsection (3)(b)(ii), in addition to Subsection (3)(a)(i), if  
6046 a General Fund revenue surplus exists and if, within the last 10 years, the Legislature has  
6047 appropriated any money from the General Fund Budget Reserve Account that has not been  
6048 replaced by appropriation or as provided in this Subsection (3)(b), the Division of Finance shall  
6049 transfer up to 25% more of the General Fund revenue surplus to the General Fund Budget

6050 Reserve Account to replace the amounts appropriated, until direct legislative appropriations, if  
6051 any, and transfers from the General Fund revenue surplus under this Subsection (3)(b) have  
6052 replaced the appropriations from the account.

6053 (ii) If the transfer under Subsection (3)(b)(i) would cause the balance in the account to  
6054 exceed 6% of General Fund appropriations for the fiscal year in which the revenue surplus  
6055 occurred, the Division of Finance shall transfer only those funds necessary to ensure that the  
6056 balance in the account equals 6% of General Fund appropriations for the fiscal year in which  
6057 the revenue surplus occurred.

6058 (iii) The Division of Finance shall calculate the amount to be transferred under this  
6059 Subsection (3)(b):

6060 (A) before transferring from the General Fund revenue surplus any other year-end  
6061 contingency appropriations, year-end set-asides, or other year-end transfers required by law;  
6062 and

6063 (B) excluding the investment earnings for the fiscal year and excluding any direct  
6064 legislative appropriation made to the General Fund Budget Reserve Account for the fiscal year.

6065 (c) For appropriations made by the Legislature to the General Fund Budget Reserve  
6066 Account, the Division of Finance shall treat those appropriations, unless otherwise specified in  
6067 the appropriation, as replacement funds for appropriations made from the account if funds were  
6068 appropriated from the General Fund Budget Reserve Account within the past 10 years and have  
6069 not yet been replaced.

6070 (4) (a) If, at the close of any fiscal year, there [~~appear~~] appears to be insufficient  
6071 [~~monies~~] money to pay additional debt service for any bonded debt authorized by the  
6072 Legislature, the Division of Finance may hold back from any General Fund revenue surplus  
6073 [~~monies~~] money sufficient to pay the additional debt service requirements resulting from  
6074 issuance of bonded debt that was authorized by the Legislature.

6075 (b) The Division of Finance may not spend the hold back amount for debt service  
6076 under Subsection (4)(a) unless and until it is appropriated by the Legislature.

6077 (c) If, after calculating the amount for transfers to the General Fund Budget Reserve

6078 Account, the remaining General Fund revenue surplus is insufficient to cover the hold back for  
6079 debt service required by Subsection (4)(a), the Division of Finance shall reduce the transfer to  
6080 the General Fund Budget Reserve Account by the amount necessary to cover the debt service  
6081 hold back.

6082 (d) Notwithstanding Subsection (3), the Division of Finance shall hold back the  
6083 General Fund balance for debt service authorized by this Subsection (4) before making any  
6084 transfers to the General Fund Budget Reserve Account or any other designation or allocation of  
6085 General Fund revenue surplus.

6086 (5) Notwithstanding Subsection (3), if, at the end of a fiscal year, the Division of  
6087 Finance determines that an operating deficit exists and that holding back the transfers to the  
6088 State Disaster Recovery Restricted Account under Section 63J-1-314 does not eliminate the  
6089 operating deficit, the Division of Finance may reduce the transfer to the General Fund Budget  
6090 Reserve Account by the amount necessary to eliminate the operating deficit.

6091 (6) The Legislature may appropriate [~~monies~~] money from the General Fund Budget  
6092 Reserve Account only to:

6093 (a) resolve a General Fund budget deficit, for the fiscal year in which the General Fund  
6094 budget deficit occurs;

6095 (b) pay some or all of state settlement agreements approved under Title 63G, Chapter  
6096 10, State Settlement Agreements Act;

6097 (c) pay retroactive tax refunds; or

6098 (d) resolve an Education Fund budget deficit.

6099 (7) Interest generated from investments of money in the General Fund Budget Reserve  
6100 Account shall be deposited into the General Fund.

6101 Section 126. Section **63J-1-602.5** is amended to read:

6102 **63J-1-602.5. List of nonlapsing funds and accounts -- Title 64 and thereafter.**

6103 (1) Funds collected by the housing of state probationary inmates or state parole  
6104 inmates, as provided in Subsection 64-13e-104(2).

6105 (2) The Sovereign Lands Management account created in Section 65A-5-1.

6106 (3) Certain forestry and fire control funds utilized by the Division of Forestry, Fire, and  
6107 State Lands, as provided in Section 65A-8-103.

6108 (4) The Department of Human Resource Management user training program, as  
6109 provided in Section 67-19-6.

6110 (5) Funds for the University of Utah Poison Control Center program, as provided in  
6111 Section 69-2-5.5.

6112 (6) Appropriations to the Transportation Corridor Preservation Revolving Loan Fund,  
6113 as provided in Section 72-2-117.

6114 (7) Appropriations to the Local Transportation Corridor Preservation Fund, as provided  
6115 in Section 72-2-117.5.

6116 (8) Appropriations to the Tollway Special Revenue Fund, as provided in Section  
6117 72-2-120.

6118 (9) Appropriations to the Aeronautics Construction Revolving Loan Fund, as provided  
6119 in Section 72-2-122.

6120 (10) The Traffic Noise Abatement Program created in Section 72-6-112.

6121 (11) Certain funds received by the Office of the State Engineer for well drilling fines or  
6122 bonds, as provided in Section 73-3-25.

6123 (12) Certain [~~monies~~] money appropriated to increase the carrying capacity of the  
6124 Jordan River that [~~are~~] is transferred to the Division of Parks and Recreation, as provided in  
6125 Section 73-10e-1.

6126 (13) Certain funds in the Water Development and Flood Mitigation Reserve Account,  
6127 as provided in Section 73-10e-1.

6128 (14) Certain [~~monies~~] money appropriated from the Water Resources Conservation and  
6129 Development Fund, as provided in Section 73-23-2.

6130 (15) The Lake Powell Pipeline Project Operation and Maintenance Fund created in  
6131 Section 73-28-404.

6132 (16) Certain funds appropriated for compensation for special prosecutors, as provided  
6133 in Section 77-10a-19.

- 6134 (17) The Indigent Aggravated Murder Defense Trust Fund created in Section  
6135 77-32-601.
- 6136 (18) The Indigent Felony Defense Trust Fund created in Section 77-32-701.
- 6137 (19) Funds donated or paid to a juvenile court by private sources, as provided in  
6138 Subsection 78A-6-203(1)(c).
- 6139 (20) A state rehabilitative employment program, as provided in Section 78A-6-210.
- 6140 (21) The account for the Utah Geological Survey, as provided in Section 79-3-401.
- 6141 (22) Revenue for golf user fees at the Wasatch Mountain State Park, Palisades State  
6142 Park, Jordan River State Park, and Green River State Park, as provided under Section  
6143 79-4-403.
- 6144 (23) Certain funds received by the Division of Parks and Recreation from the sale or  
6145 disposal of buffalo, as provided under Section 79-4-1001.
- 6146 (24) The Bonneville Shoreline Trail Program created under Section 79-5-503.
- 6147 Section 127. Section **63J-3-205** is amended to read:
- 6148 **63J-3-205. Money excluded from the limitation.**
- 6149 ~~[Monies]~~ Money from the following sources ~~[are]~~ is excluded from the revenues  
6150 appropriated and used in determining a limitation:
- 6151 (1) ~~[monies]~~ money received from the government of the United States including  
6152 federal mineral lease payments;
- 6153 (2) ~~[monies]~~ money received by the state from another unit of government, except the  
6154 proceeds of taxes, fees, or penalties imposed by the state and collected by the other unit of  
6155 government;
- 6156 (3) ~~[monies]~~ money derived from the issuance of, or to pay interest, principal, or  
6157 redemption premiums on, any security;
- 6158 (4) ~~[monies]~~ money received from the sale of fixed assets or gains on fixed asset  
6159 transfers;
- 6160 (5) the proceeds of contracts, grants, gifts, donations, and bequests made to the state for  
6161 a purpose specified by the contractor or donor;

6162 (6) user charges derived by the state from the sale of a product or service pledged or  
6163 legally available to repay any security or for which the quantity of the product or level of  
6164 service provided to a user is at the discretion of the user; and

6165 (7) [~~monies~~] money raised to meet fiscal emergencies.

6166 Section 128. Section **63M-1-303** is amended to read:

6167 **63M-1-303. Board duties and powers.**

6168 (1) The board shall:

6169 (a) promote and encourage the economic, commercial, financial, industrial,  
6170 agricultural, and civic welfare of the state;

6171 (b) do all lawful acts for the development, attraction, and retention of businesses,  
6172 industries, and commerce within the state;

6173 (c) promote and encourage the expansion and retention of businesses, industries, and  
6174 commerce located in the state;

6175 (d) support the efforts of local government and regional nonprofit economic  
6176 development organizations to encourage expansion or retention of businesses, industries, and  
6177 commerce located in the state;

6178 (e) do other acts not specifically enumerated in this chapter, if the acts are for the  
6179 betterment of the economy of the state;

6180 (f) work in conjunction with companies and individuals located or doing business  
6181 within the state to secure favorable rates, fares, tolls, charges, and classification for  
6182 transportation of persons or property by:

6183 (i) railroad;

6184 (ii) motor carrier; or

6185 (iii) other common carriers;

6186 (g) recommend policies, priorities, and objectives to the office regarding the assistance,  
6187 retention, or recruitment of business, industries, and commerce in the state; and

6188 (h) recommend how any money or program administered by the office or its divisions  
6189 for the assistance, retention, or recruitment of businesses, industries, and commerce in the state

6190 shall be administered, so that the money or program is equitably available to all areas of the  
6191 state unless federal or state law requires or authorizes the geographic location of a recipient of  
6192 the money or program to be considered in the distribution of the money or administration of the  
6193 program.

6194 (2) The board may:

6195 (a) in furtherance of the authority granted under Subsection (1)(f), appear as a party  
6196 litigant on behalf of individuals or companies located or doing business within the state in  
6197 proceedings before regulatory commissions of the state, other states, or the federal government  
6198 having jurisdiction over such matters; and

6199 (b) make, amend, or repeal rules for the conduct of its business consistent with this part  
6200 and in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act.

6201 (3) (a) Subject to Subsection (3)(b), when [~~monies are~~] money is appropriated or  
6202 otherwise made available to the office by the Legislature for the purchase of a contract for the  
6203 sale of land, the board, with the approval of the state treasurer, may purchase the contract if the  
6204 board makes a finding that the purchase of the contract promotes a statewide public interest  
6205 such as promoting ease of interstate or intrastate travel or advancing economic development.

6206 (b) (i) As used in this Subsection (3)(b), "net projected debt service cost" means the  
6207 [~~monies~~] money projected to be necessary to pay bond issuance costs for a general obligation  
6208 bond and to make any interest payments for that general obligation bond less the projected  
6209 investment earnings from the state's investment of that bond's proceeds, if any.

6210 (ii) When some or all of the [~~monies~~] money made available by the Legislature to  
6211 purchase a contract for the sale of land [~~are~~] is provided from the proceeds from the issuance of  
6212 one or more general obligation bonds, if the board and state treasurer decide to purchase the  
6213 contract, the board and state treasurer shall purchase the contract at a price discounted by an  
6214 amount equal to the total net projected debt service cost for those bonds.

6215 (iii) The State Bonding Commission shall certify the total net projected debt service  
6216 cost to the board and the state treasurer.

6217 (iv) In purchasing a contract, the board and state treasurer may:

6218 (A) purchase the contract with a single payment; or  
6219 (B) arrange to have the contract placed in escrow pending the final payment on the  
6220 contract and make multiple payments on the contract according to a schedule that is negotiated  
6221 with the holder of the contract and included as part of the contract.

6222 (c) Before purchasing a contract, the board and the state treasurer shall:

6223 (i) contract with a qualified person or entity to prepare a report evaluating the  
6224 purchaser of the land;

6225 (ii) ensure that the report evaluates:

6226 (A) the purchaser's financial ability to pay the money to complete the purchase on the  
6227 date that the final payment is due under the contract;

6228 (B) whether or not the security underlying the contract is adequate to protect the state if  
6229 the purchaser defaults;

6230 (C) the purchaser's balance sheet and general credit-worthiness;

6231 (D) environmental issues affecting the property under federal or state law; and

6232 (E) any other items that will assist the board and the state treasurer in determining  
6233 whether or not to purchase the contract;

6234 (iii) ensure that the state has or will have a properly perfected security interest in, title  
6235 to, or a deed in escrow for, the property that is the subject of the purchase; and

6236 (iv) after reviewing the report, evaluating the state's security in case of a default on the  
6237 contract, and considering the terms of the proposed contract, determine whether or not to  
6238 purchase the contract.

6239 (d) The board and the state treasurer may not purchase a contract under this Subsection  
6240 (3) if the date of the last payment owed by the land purchaser under the contract is more than  
6241 seven years from the date that the board purchases the contract.

6242 Section 129. Section **63M-1-1207** is amended to read:

6243 **63M-1-1207. Utah Capital Investment Corporation -- Powers and purposes.**

6244 (1) (a) There is created an independent quasi-public nonprofit corporation known as the  
6245 Utah Capital Investment Corporation.

- 6246 (b) The corporation:
- 6247 (i) may exercise all powers conferred on independent corporations under Section
- 6248 63E-2-106;
- 6249 (ii) is subject to the prohibited participation provisions of Section 63E-2-107; and
- 6250 (iii) is subject to the other provisions of Title 63E, Chapter 2, Independent
- 6251 Corporations Act, except as otherwise provided in this part.
- 6252 (c) The corporation shall file with the Division of Corporations and Commercial Code:
- 6253 (i) articles of incorporation; and
- 6254 (ii) any amendment to its articles of incorporation.
- 6255 (d) In addition to the articles of incorporation, the corporation may adopt bylaws and
- 6256 operational policies that are consistent with this chapter.
- 6257 (e) Except as otherwise provided in this part, this part does not exempt the corporation
- 6258 from the requirements under state law which apply to other corporations organized under Title
- 6259 63E, Chapter 2, Independent Corporations Act.
- 6260 (2) The purposes of the corporation are to:
- 6261 (a) organize the Utah fund of funds;
- 6262 (b) select a venture capital investment fund allocation manager to make venture capital
- 6263 fund investments by the Utah fund of funds;
- 6264 (c) negotiate the terms of a contract with the venture capital investment fund allocation
- 6265 manager;
- 6266 (d) execute the contract with the selected venture capital investment fund manager on
- 6267 behalf of the Utah fund of funds;
- 6268 (e) receive funds paid by designated investors for the issuance of certificates by the
- 6269 board for private investment in the Utah fund of funds;
- 6270 (f) receive investment returns from the Utah fund of funds; and
- 6271 (g) establish the redemption reserve to be used by the corporation to redeem
- 6272 certificates.
- 6273 (3) The corporation may not:

- 6274 (a) exercise governmental functions;
- 6275 (b) have members;
- 6276 (c) pledge the credit or taxing power of the state or any political subdivision of the
- 6277 state; or
- 6278 (d) make its debts payable out of any [~~moneys~~] money except [~~those~~] money of the
- 6279 corporation.
- 6280 (4) The obligations of the corporation are not obligations of the state or any political
- 6281 subdivision of the state within the meaning of any constitutional or statutory debt limitations,
- 6282 but are obligations of the corporation payable solely and only from the corporation's funds.
- 6283 (5) The corporation may:
- 6284 (a) engage consultants and legal counsel;
- 6285 (b) expend funds;
- 6286 (c) invest funds;
- 6287 (d) issue debt and borrow funds;
- 6288 (e) enter into contracts;
- 6289 (f) insure against loss;
- 6290 (g) hire employees; and
- 6291 (h) perform any other act necessary to carry out its purposes.

6292 Section 130. Section **63M-1-1218** is amended to read:

6293 **63M-1-1218. Certificates and contingent tax credits.**

6294 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

6295 board, in consultation with the State Tax Commission, shall make rules governing the form,

6296 issuance, transfer, and redemption of certificates.

6297 (2) The board's issuance of certificates and related contingent tax credits to designated

6298 investors is subject to the following:

- 6299 (a) the aggregate outstanding certificates may not exceed a total of \$300,000,000 of
- 6300 contingent tax credits;
- 6301 (b) the board shall issue a certificate contemporaneously with an investment in the

6302 Utah fund of funds by a designated investor;

6303 (c) the board shall issue contingent tax credits in a manner that not more than  
6304 \$20,000,000 of contingent tax credits for each \$100,000,000 increment of contingent tax  
6305 credits may be redeemable in any fiscal year; and

6306 (d) the credits are certifiable if there are insufficient funds in the redemption reserve to  
6307 make a cash redemption and the board does not exercise its other options under Subsection  
6308 63M-1-1220(3)(b).

6309 (3) In determining the \$300,000,000 maximum limit in Subsection (2)(a) and the  
6310 \$20,000,000 limitation for each \$100,000,000 increment of contingent tax credits in Subsection  
6311 (2)(c):

6312 (a) the board shall use the cumulative amount of scheduled aggregate returns on  
6313 certificates issued by the board to designated investors;

6314 (b) certificates and related contingent tax credits which have expired may not be  
6315 included; and

6316 (c) certificates and related contingent tax credits which have been redeemed shall be  
6317 included only to the extent of tax credits actually allowed.

6318 (4) Contingent tax credits are subject to the following:

6319 (a) a contingent tax credit may not be redeemed except by a designated investor in  
6320 accordance with the terms of a certificate from the board;

6321 (b) a contingent tax credit may not be redeemed prior to the time the Utah fund of  
6322 funds receives full payment from the designated investor for the certificate;

6323 (c) a contingent tax credit shall be claimed for a tax year that begins during the  
6324 calendar year maturity date stated on the certificate;

6325 (d) an investor who redeems a certificate and the related contingent tax credit shall  
6326 allocate the amount of the contingent tax credit to the taxpayers of the investor based on the  
6327 taxpayer's pro rata share of the investor's earnings; and

6328 (e) a contingent tax credit shall be claimed as a refundable credit.

6329 (5) In calculating the amount of a contingent tax credit:

6330 (a) the board shall certify a contingent tax credit only if the actual return or payment of  
6331 principal and interest to the designated investor is less than that targeted at the issuance of the  
6332 certificate;

6333 (b) the amount of the contingent tax credit for a designated investor with an equity  
6334 interest may not exceed the difference between:

6335 (i) the sum of:

6336 (A) the initial private investment of the designated investor in the Utah fund of funds;  
6337 and

6338 (B) the scheduled aggregate return to the designated investor at rates of return  
6339 authorized by the board at the issuance of the certificate; and

6340 (ii) the aggregate actual return received by the designated investor and any predecessor  
6341 in interest of the initial equity investment and interest on the initial equity investment;

6342 (c) the rates, whether fixed rates or variable rates, shall be determined by a formula  
6343 stipulated in the certificate; and

6344 (d) the amount of the contingent tax credit for a designated investor with a loan or  
6345 other debt obligation from the Utah fund of funds shall be equal to the amount of any principal,  
6346 interest, or interest equivalent unpaid at the redemption of the loan or other obligation, as  
6347 stipulated in the certificate.

6348 (6) The board shall clearly indicate on the certificate:

6349 (a) the targeted return on the invested capital, if the private investment is an equity  
6350 interest;

6351 (b) the payment schedule of principal, interest, or interest equivalent, if the private  
6352 investment is a loan or other debt obligation;

6353 (c) the amount of the initial private investment;

6354 (d) the calculation formula for determining the scheduled aggregate return on the initial  
6355 equity investment, if applicable; and

6356 (e) the calculation formula for determining the amount of the contingent tax credit that  
6357 may be claimed.

6358 (7) Once ~~[moneys are]~~ money is invested by a designated investor, the certificate:

6359 (a) is binding on the board; and

6360 (b) may not be modified, terminated, or rescinded.

6361 (8) Funds invested by a designated investor for a certificate shall be paid to the

6362 corporation for placement in the Utah fund of funds.

6363 (9) The State Tax Commission may, in accordance with Title 63G, Chapter 3, Utah

6364 Administrative Rulemaking Act, and in consultation with the board, make rules to help

6365 implement this section.

6366 Section 131. Section **63M-1-1406** is amended to read:

6367 **63M-1-1406. Tourism Marketing Performance Account.**

6368 (1) There is created within the General Fund a restricted account known as the Tourism  
6369 Marketing Performance Account.

6370 (2) The account shall be administered by the office for the purposes listed in  
6371 Subsection (5).

6372 (3) (a) The account shall earn interest.

6373 (b) All interest earned on account ~~[monies]~~ money shall be deposited into the account.

6374 ~~[(c) Monies in the account are nonlapsing.]~~

6375 (4) The account shall be funded by appropriations made to the account by the  
6376 Legislature in accordance with this section.

6377 (5) The director may use account ~~[monies]~~ money appropriated to the office to pay for  
6378 the statewide advertising, marketing, and branding campaign for promotion of the state as  
6379 conducted by the office.

6380 (6) (a) For the fiscal year beginning July 1, 2007, the director shall allocate 10% of the  
6381 account ~~[monies]~~ money appropriated to the office to be distributed to a sports organization for  
6382 advertising, marketing, branding, and promoting Utah in attracting sporting events into the  
6383 state as determined by the office.

6384 (b) For a fiscal year beginning on or after July 1, 2008, the amount distributed under  
6385 Subsection (6)(a) shall be indexed from the July 1, 2007 fiscal year to reflect a percent increase

6386 or decrease of [~~monies~~] money set aside into the account as compared to the previous fiscal  
6387 year.

6388 (c) The [~~monies~~] money distributed under Subsections (6)(a) and (b) [~~are~~] is  
6389 nonlapsing.

6390 (d) The office shall provide for an annual accounting to the office by a sports  
6391 organization of the use of [~~monies~~] money it receives under Subsection (6)(a) or (b).

6392 (e) For purposes of this Subsection (6), "sports organization" means an organization  
6393 that is:

6394 (i) exempt from federal income taxation in accordance with Section 501(c)(3), Internal  
6395 Revenue Code; and

6396 (ii) created to foster national and international amateur sports competitions to be held  
6397 in the state and sports tourism throughout the state, to include advertising, marketing, branding,  
6398 and promoting Utah for the purpose of attracting sporting events into the state.

6399 (7) (a) [~~Monies~~] Money set aside into the account shall be as follows:

6400 (i) for the fiscal year beginning July 1, 2005 only, an amount appropriated in Section 7  
6401 of this bill;

6402 (ii) for the fiscal year beginning July 1, 2006:

6403 (A) the beginning nonlapsing appropriation balances, if any, in the Tourism Marketing  
6404 Performance Account;

6405 (B) any legislative appropriation from the sales and use tax revenue increases identified  
6406 in Subsection (8); and

6407 (C) any appropriation made by the Legislature from the General Fund to the account in  
6408 an appropriations bill; and

6409 (iii) for the fiscal year beginning July 1, 2007, and for each fiscal year thereafter, a  
6410 \$1,000,000 reduction in the prior year's appropriation sources other than the sales and use tax  
6411 revenue increases identified in Subsection (8), plus a legislative appropriation from the  
6412 cumulative sales and use tax revenue increases identified in Subsection (8).

6413 (b) [~~Monies~~] Money in the account [~~are~~] is nonlapsing.

6414 (8) (a) In fiscal years 2006 through 2015, a portion of the state sales and use tax  
6415 revenues determined under this Subsection (8) shall be certified as a set-aside for the account  
6416 by the State Tax Commission and reported to the Office of Legislative Fiscal Analyst.

6417 (b) The State Tax Commission shall determine the set-aside under this Subsection (8)  
6418 in each fiscal year by applying the following formula: if the increase in the state sales and use  
6419 tax revenues derived from the retail sales of tourist-oriented goods and services in the fiscal  
6420 year two years prior to the fiscal year in which the set-aside is to be made for the account is at  
6421 least 3% over the state sales and use tax revenues derived from the retail sales of  
6422 tourist-oriented goods and services generated in the fiscal year three years prior to the fiscal  
6423 year in which the set-aside is to be made, an amount equal to 1/2 of the state sales and use tax  
6424 revenues generated above the 3% increase shall be calculated by the commission and set aside  
6425 by the state treasurer for appropriation to the account.

6426 (c) Total [~~monies~~] money to be appropriated to the account in any fiscal year under  
6427 Subsections (8)(a) and (b) may not exceed the amount in the account under this section in the  
6428 fiscal year immediately preceding the current fiscal year by more than \$3,000,000.

6429 (d) As used in this Subsection (8), "sales of tourism-oriented goods and services" are  
6430 those sales by businesses registered with the State Tax Commission under the following codes  
6431 of the 1997 North American Industry Classification System of the federal Executive Office of  
6432 the President, Office of Management and Budget:

- 6433 (i) NAICS Code 453 Miscellaneous Store Retailers;
- 6434 (ii) NAICS Code 481 Passenger Air Transportation;
- 6435 (iii) NAICS Code 487 Scenic and Sightseeing Transportation;
- 6436 (iv) NAICS Code 711 Performing Arts, Spectator Sports and Related Industries;
- 6437 (v) NAICS Code 712 Museums, Historical Sites and Similar Institutions;
- 6438 (vi) NAICS Code 713 Amusement, Gambling and Recreation Industries;
- 6439 (vii) NAICS Code 721 Accommodations;
- 6440 (viii) NAICS Code 722 Food Services and Drinking Places;
- 6441 (ix) NAICS Code 4483 Jewelry, Luggage, and Leather Goods Stores;

- 6442 (x) NAICS Code 4853 Taxi and Limousine Service;
  - 6443 (xi) NAICS Code 4855 Charter Bus;
  - 6444 (xii) NAICS Code 5615 Travel Arrangement and Reservation Services;
  - 6445 (xiii) NAICS Code 44611 Pharmacies and Drug Stores;
  - 6446 (xiv) NAICS Code 45111 Sporting Goods Stores;
  - 6447 (xv) NAICS Code 45112 Hobby Toy and Game Stores;
  - 6448 (xvi) NAICS Code 45121 Book Stores and News Dealers;
  - 6449 (xvii) NAICS Code 445120 Convenience Stores without Gas Pumps;
  - 6450 (xviii) NAICS Code 447110 Gasoline Stations with Convenience Stores;
  - 6451 (xix) NAICS Code 447190 Other Gasoline Stations;
  - 6452 (xx) NAICS Code 532111 Passenger Car Rental; and
  - 6453 (xxi) NAICS Code 532292 Recreational Goods Rental.
- 6454 (e) For the fiscal year beginning on July 1, 2009, \$6,000,000 of ongoing [~~monies~~

6455 money in the account shall be transferred to the General Fund.

6456 Section 132. Section **63M-7-511** is amended to read:

6457 **63M-7-511. Compensable losses and amounts.**

6458 A reparations award under this chapter may be made if:

6459 (1) the reparations officer finds the claim satisfies the requirements for the award under  
6460 the provisions of this chapter and the rules of the board;

6461 (2) [~~monies are~~] money is available in the fund;

6462 (3) the person for whom the award of reparations is to be paid is otherwise eligible  
6463 under this part; and

6464 (4) the claim is for an allowable expense incurred by the victim, as follows:

6465 (a) reasonable and necessary charges incurred for products, services, and  
6466 accommodations;

6467 (b) inpatient and outpatient medical treatment and physical therapy, subject to rules  
6468 promulgated by the board pursuant to Title 63G, Chapter 3, Utah Administrative Rulemaking  
6469 Act;

- 6470 (c) mental health counseling which:
- 6471 (i) is set forth in a mental health treatment plan which has been approved prior to any
- 6472 payment by a reparations officer; and
- 6473 (ii) qualifies within any further rules promulgated by the board pursuant to Title 63G,
- 6474 Chapter 3, Utah Administrative Rulemaking Act;
- 6475 (d) actual loss of past earnings and anticipated loss of future earnings because of a
- 6476 death or disability resulting from the personal injury at a rate not to exceed 66-2/3% of the
- 6477 person's weekly gross salary or wages or the maximum amount allowed under the state
- 6478 workers' compensation statute;
- 6479 (e) care of minor children enabling a victim or spouse of a victim, but not both of them,
- 6480 to continue gainful employment at a rate per child per week as determined under rules
- 6481 established by the board;
- 6482 (f) funeral and burial expenses for death caused by the criminally injurious conduct,
- 6483 subject to rules promulgated by the board pursuant to Title 63G, Chapter 3, Utah
- 6484 Administrative Rulemaking Act;
- 6485 (g) loss of support to the dependent or dependents not otherwise compensated for a
- 6486 pecuniary loss for personal injury, for as long as the dependence would have existed had the
- 6487 victim survived, at a rate not to exceed 66-2/3% of the person's weekly salary or wages or the
- 6488 maximum amount allowed under the state workers' compensation statute, whichever is less;
- 6489 (h) personal property necessary and essential to the health or safety of the victim as
- 6490 defined by rules promulgated by the board pursuant to Title 63G, Chapter 3, Utah
- 6491 Administrative Rulemaking Act; and
- 6492 (i) medical examinations as defined in Section 63M-7-502, subject to rules
- 6493 promulgated by the board pursuant to Title 63G, Chapter 3, Utah Administrative Rulemaking
- 6494 Act, which may allow for exemptions from Sections 63M-7-509, 63M-7-512, and 63M-7-513.
- 6495 Section 133. Section **63M-7-514** is amended to read:
- 6496 **63M-7-514. Notification of claimant -- Suspension of proceedings.**
- 6497 (1) The Office of Crime Victim Reparations shall immediately notify the claimant in

6498 writing of any award and shall forward to the Division of Finance a certified copy of the award  
6499 and a warrant request for the amount of the award. The Division of Finance shall pay the  
6500 claimant the amount submitted to the division, out of the fund. If [~~monies~~] money in the fund  
6501 [~~are~~] is temporarily depleted, claimants approved to receive awards shall be placed on a waiting  
6502 list and shall receive their awards as funds are available in the order in which their awards were  
6503 approved.

6504 (2) The reparations officer may suspend the proceedings pending disposition of a  
6505 criminal prosecution that has been commenced or is imminent.

6506 Section 134. Section **65A-8-103** is amended to read:

6507 **65A-8-103. Forestry and fire control funds.**

6508 (1) The division shall use [~~monies~~] money available to it to meet the costs of:

6509 (a) controlling forest, range, and watershed fires;

6510 (b) controlling insect and disease epidemics;

6511 (c) rehabilitating or reforesting nonfederal forest, range, and watershed lands; and

6512 (d) carrying on the purposes of this chapter.

6513 (2) All [~~monies~~] money available to the division to meet the costs of Subsections (1)(a)  
6514 through (d) [~~are~~] is nonlapsing and available to the division until expended.

6515 (3) (a) The collection and disbursement of all money made available to the division  
6516 shall be in accordance with the rules of the Division of Finance.

6517 (b) [~~Monies~~] Money collected by the division from fees, rentals, sales, contributions,  
6518 reimbursements, and other such sources shall be deposited in the appropriate account.

6519 Section 135. Section **65A-8-205** is amended to read:

6520 **65A-8-205. Agreements for coverage by the Wildland Fire Suppression Fund --**  
6521 **Eligible lands -- County and state obligations -- Termination -- Revocation.**

6522 (1) (a) A county legislative body may enter annually into a written agreement with the  
6523 state forester to provide for payment from the Wildland Fire Suppression Fund of fire  
6524 suppression costs incurred by the county in excess of the county's fire suppression budget.

6525 (b) Fire suppression costs on forest, range, and watershed lands within the

6526 unincorporated area of a county, except federal or state lands, are eligible for coverage by the  
6527 Wildland Fire Suppression Fund.

6528 (2) (a) An agreement for payment of fire suppression costs from the Wildland Fire  
6529 Suppression Fund shall provide that the county shall:

6530 (i) except as provided by Subsection (2)(b), pay into the fund an amount equal to:

6531 (A) .01 times the number of acres of privately- or county-owned land in the  
6532 unincorporated area of the county; and

6533 (B) .0001151 times the taxable value of real property in the unincorporated area of the  
6534 county; and

6535 (ii) budget an amount for fire suppression costs determined to be normal by the state  
6536 forester in accordance with the formula specified by rule.

6537 (b) A county is not required to pay for an acre or real property described in Subsection  
6538 (2)(a)(i) if the acre or real property:

6539 (i) is subject to concentrated residential, commercial, or industrial development;

6540 (ii) would not be exposed to wildland fire; and

6541 (iii) would not expose any wildland to fire spreading from it.

6542 (3) (a) Any county that elects to initiate participation in the fund, or reestablish  
6543 participation in the fund after participation was terminated, shall make an equity payment, in  
6544 addition to the assessment provided in Subsection (2)(a)(i).

6545 (b) The equity payment shall represent what the county's equity in the fund would be if  
6546 the county had made assessments into the fund for each of the previous three years.

6547 (c) The equity payment shall be determined by the state forester in accordance with  
6548 division rules.

6549 (4) The agreement shall provide that:

6550 (a) the state shall pay into the fund an amount equal to the county's payment, including  
6551 any equity payment required under Subsection (3); and

6552 (b) if [~~monies~~] money in the fund [~~are~~] is insufficient to pay for all eligible fire  
6553 suppression costs, the state shall pay for 1/2 of the county's remaining costs.

6554 (5) The agreement shall provide for revocation of the agreement for failure to pay  
6555 assessments when due.

6556 (6) Any county that elects to withdraw from participation in the fund, or whose  
6557 participation in the fund is revoked due to failure to pay its assessments when due, shall forfeit  
6558 any right to any previously paid assessments by the county.

6559 Section 136. Section **67-3-1** is amended to read:

6560 **67-3-1. Functions and duties.**

6561 (1) (a) The state auditor is the auditor of public accounts and is independent of any  
6562 executive or administrative officers of the state.

6563 (b) The state auditor is not limited in the selection of personnel or in the determination  
6564 of the reasonable and necessary expenses of the state auditor's office.

6565 (2) The state auditor shall examine and certify annually in respect to each fiscal year,  
6566 financial statements showing:

6567 (a) the condition of the state's finances;

6568 (b) the revenues received or accrued;

6569 (c) expenditures paid or accrued;

6570 (d) the amount of unexpended or unencumbered balances of the appropriations to the  
6571 agencies, departments, divisions, commissions, and institutions; and

6572 (e) the cash balances of the funds in the custody of the state treasurer.

6573 (3) (a) The state auditor shall:

6574 (i) audit each permanent fund, each special fund, the General Fund, and the accounts of  
6575 any department of state government or any independent agency or public corporation as the law  
6576 requires, as the auditor determines is necessary, or upon request of the governor or the  
6577 Legislature;

6578 (ii) perform the audits in accordance with generally accepted auditing standards and  
6579 other auditing procedures as promulgated by recognized authoritative bodies;

6580 (iii) as the auditor determines is necessary, conduct the audits to determine:

6581 (A) honesty and integrity in fiscal affairs;

6582 (B) accuracy and reliability of financial statements;  
6583 (C) effectiveness and adequacy of financial controls; and  
6584 (D) compliance with the law.

6585 (b) If any state entity receives federal funding, the state auditor shall ensure that the  
6586 audit is performed in accordance with federal audit requirements.

6587 (c) (i) The costs of the federal compliance portion of the audit may be paid from an  
6588 appropriation to the state auditor from the General Fund.

6589 (ii) If an appropriation is not provided, or if the federal government does not  
6590 specifically provide for payment of audit costs, the costs of the federal compliance portions of  
6591 the audit shall be allocated on the basis of the percentage that each state entity's federal funding  
6592 bears to the total federal funds received by the state.

6593 (iii) The allocation shall be adjusted to reflect any reduced audit time required to audit  
6594 funds passed through the state to local governments and to reflect any reduction in audit time  
6595 obtained through the use of internal auditors working under the direction of the state auditor.

6596 (4) (a) Except as provided in Subsection (4)(b), the state auditor shall, in addition to  
6597 financial audits, and as the auditor determines is necessary, conduct performance and special  
6598 purpose audits, examinations, and reviews of any entity that receives public funds, including a  
6599 determination of any or all of the following:

6600 (i) the honesty and integrity of all its fiscal affairs;  
6601 (ii) whether or not its administrators have faithfully complied with legislative intent;  
6602 (iii) whether or not its operations have been conducted in an efficient, effective, and  
6603 cost-efficient manner;  
6604 (iv) whether or not its programs have been effective in accomplishing the intended  
6605 objectives; and  
6606 (v) whether or not its management, control, and information systems are adequate and  
6607 effective.

6608 (b) The auditor may not conduct performance and special purpose audits,  
6609 examinations, and reviews of any entity that receives public funds if the entity:

- 6610 (i) has an elected auditor; and
- 6611 (ii) has, within the entity's last budget year, had its financial statements or performance
- 6612 formally reviewed by another outside auditor.
- 6613 (5) The state auditor shall administer any oath or affirmation necessary to the
- 6614 performance of the duties of the auditor's office, and may subpoena witnesses and documents,
- 6615 whether electronic or otherwise, and examine into any matter that the auditor considers
- 6616 necessary.
- 6617 (6) The state auditor may require all persons who have had the disposition or
- 6618 management of any property of this state or its political subdivisions to submit statements
- 6619 regarding it at the time and in the form that the auditor requires.
- 6620 (7) The state auditor shall:
- 6621 (a) except where otherwise provided by law, institute suits in Salt Lake County in
- 6622 relation to the assessment, collection, and payment of its revenues against:
- 6623 (i) persons who by any means have become entrusted with public [~~monies~~] money or
- 6624 property and have failed to pay over or deliver [~~those monies~~] the money or property; and
- 6625 (ii) all debtors of the state;
- 6626 (b) collect and pay into the state treasury all fees received by the state auditor;
- 6627 (c) perform the duties of a member of all boards of which the state auditor is a member
- 6628 by the constitution or laws of the state, and any other duties that are prescribed by the
- 6629 constitution and by law;
- 6630 (d) stop the payment of the salary of any state official or state employee who:
- 6631 (i) refuses to settle accounts or provide required statements about the custody and
- 6632 disposition of public funds or other state property;
- 6633 (ii) refuses, neglects, or ignores the instruction of the state auditor or any controlling
- 6634 board or department head with respect to the manner of keeping prescribed accounts or funds;
- 6635 or
- 6636 (iii) fails to correct any delinquencies, improper procedures, and errors brought to the
- 6637 official's or employee's attention;

6638 (e) establish accounting systems, methods, and forms for public accounts in all taxing  
6639 or fee-assessing units of the state in the interest of uniformity, efficiency, and economy;

6640 (f) superintend the contractual auditing of all state accounts;

6641 (g) subject to Subsection (8), withhold state allocated funds or the disbursement of  
6642 property taxes from any state taxing or fee-assessing unit, if necessary, to ensure that officials  
6643 and employees in those taxing units of the state comply with state laws and procedures in the  
6644 budgeting, expenditures, and financial reporting of public funds; and

6645 (h) subject to Subsection (9), withhold the disbursement of tax [~~monies~~] money from  
6646 any county, if necessary, to ensure that officials and employees in the county comply with  
6647 Section 59-2-303.1.

6648 (8) Except as otherwise provided by law, the state auditor may not withhold funds  
6649 under Subsection (7)(g) until a taxing or fee-assessing unit has received formal written notice  
6650 of noncompliance from the auditor and has been given 60 days to make the specified  
6651 corrections.

6652 (9) The state auditor may not withhold funds under Subsection (7)(h) until a county has  
6653 received formal written notice of noncompliance from the auditor and has been given 60 days  
6654 to make the specified corrections.

6655 (10) The state auditor shall:

6656 (a) establish audit guidelines and procedures for audits of local mental health and  
6657 substance abuse authorities and their contract providers, conducted pursuant to Title 17,  
6658 Chapter 43, Parts 2, Local Substance Abuse Authorities and 3, Local Mental Health  
6659 Authorities, Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal  
6660 Organizations, and Other Local Entities Act, and Title 62A, Chapter 15, Substance Abuse and  
6661 Mental Health Act; and

6662 (b) ensure that those guidelines and procedures provide assurances to the state that:

6663 (i) state and federal funds appropriated to local mental health authorities are used for  
6664 mental health purposes;

6665 (ii) a private provider under an annual or otherwise ongoing contract to provide

6666 comprehensive mental health programs or services for a local mental health authority is in  
6667 compliance with state and local contract requirements, and state and federal law;

6668 (iii) state and federal funds appropriated to local substance abuse authorities are used  
6669 for substance abuse programs and services; and

6670 (iv) a private provider under an annual or otherwise ongoing contract to provide  
6671 comprehensive substance abuse programs or services for a local substance abuse authority is in  
6672 compliance with state and local contract requirements, and state and federal law.

6673 (11) The state auditor may, in accordance with the auditor's responsibilities for political  
6674 subdivisions of the state as provided in Title 51, Chapter 2a, Accounting Reports from Political  
6675 Subdivisions, Interlocal Organizations, and Other Local Entities Act, initiate audits or  
6676 investigations of any political subdivision that are necessary to determine honesty and integrity  
6677 in fiscal affairs, accuracy and reliability of financial statements, effectiveness, and adequacy of  
6678 financial controls and compliance with the law.

6679 (12) (a) The state auditor may not audit work that the state auditor performed before  
6680 becoming state auditor.

6681 (b) If the state auditor has previously been a responsible official in state government  
6682 whose work has not yet been audited, the Legislature shall:

6683 (i) designate how that work shall be audited; and

6684 (ii) provide additional funding for those audits, if necessary.

6685 (13) The state auditor shall:

6686 (a) with the assistance, advice, and recommendations of an advisory committee  
6687 appointed by the state auditor from among local district boards of trustees, officers, and  
6688 employees and special service district boards, officers, and employees:

6689 (i) prepare a Uniform Accounting Manual for Local Districts that:

6690 (A) prescribes a uniform system of accounting and uniform budgeting and reporting  
6691 procedures for local districts under Title 17B, Limited Purpose Local Government Entities -  
6692 Local Districts, and special service districts under Title 17D, Chapter 1, Special Service  
6693 District Act;

6694 (B) conforms with generally accepted accounting principles; and  
6695 (C) prescribes reasonable exceptions and modifications for smaller districts to the  
6696 uniform system of accounting, budgeting, and reporting;  
6697 (ii) maintain the manual under Subsection (13)(a) so that it continues to reflect  
6698 generally accepted accounting principles;  
6699 (iii) conduct a continuing review and modification of procedures in order to improve  
6700 them;  
6701 (iv) prepare and supply each district with suitable budget and reporting forms; and  
6702 (v) prepare instructional materials, conduct training programs, and render other  
6703 services considered necessary to assist local districts and special service districts in  
6704 implementing the uniform accounting, budgeting, and reporting procedures; and  
6705 (b) continually analyze and evaluate the accounting, budgeting, and reporting practices  
6706 and experiences of specific local districts and special service districts selected by the state  
6707 auditor and make the information available to all districts.  
6708 (14) (a) The following records in the custody or control of the state auditor are  
6709 protected records under Title 63G, Chapter 2, Government Records Access and Management  
6710 Act:  
6711 (i) records that would disclose information relating to allegations of personal  
6712 misconduct, gross mismanagement, or illegal activity of a past or present governmental  
6713 employee if the information or allegation cannot be corroborated by the state auditor through  
6714 other documents or evidence, and the records relating to the allegation are not relied upon by  
6715 the state auditor in preparing a final audit report;  
6716 (ii) records and audit workpapers to the extent they would disclose the identity of a  
6717 person who during the course of an audit, communicated the existence of any waste of public  
6718 funds, property, or manpower, or a violation or suspected violation of a law, rule, or regulation  
6719 adopted under the laws of this state, a political subdivision of the state, or any recognized entity  
6720 of the United States, if the information was disclosed on the condition that the identity of the  
6721 person be protected;

6722 (iii) before an audit is completed and the final audit report is released, records or drafts  
6723 circulated to a person who is not an employee or head of a governmental entity for their  
6724 response or information;

6725 (iv) records that would disclose an outline or part of any audit survey plans or audit  
6726 program; and

6727 (v) requests for audits, if disclosure would risk circumvention of an audit.

6728 (b) The provisions of Subsections (14)(a)(i), (ii), and (iii) do not prohibit the disclosure  
6729 of records or information that relate to a violation of the law by a governmental entity or  
6730 employee to a government prosecutor or peace officer.

6731 (c) The provisions of this Subsection (14) do not limit the authority otherwise given to  
6732 the state auditor to classify a document as public, private, controlled, or protected under Title  
6733 63G, Chapter 2, Government Records Access and Management Act.

6734 Section 137. Section **67-4-11** is amended to read:

6735 **67-4-11. Delict of treasurer -- Duties of auditor and governor -- Suspension.**

6736 (1) The state auditor shall notify the governor if the state auditor examines the books of  
6737 the state treasurer, and finds that:

6738 (a) the books do not correspond with the amount of funds on hand;

6739 (b) the books do not show the actual condition of the funds;

6740 (c) [~~monies~~] money belonging to the state [~~have~~] has been embezzled, diverted, or in  
6741 any manner taken from the treasury without authority of law; or

6742 (d) the state treasurer has been guilty of negligence in keeping the books or in taking  
6743 care of the public [~~monies~~] money.

6744 (2) Upon receipt of the notice, the governor shall:

6745 (a) take possession of all books, [~~monies~~] money, papers, and other property belonging  
6746 to the state in the possession of the state treasurer; and

6747 (b) temporarily suspend the state treasurer from office.

6748 (3) (a) The state auditor shall:

6749 (i) examine the books, papers, and all matters connected with the office of the

6750 suspended state treasurer; and

6751 (ii) notify the governor of the findings.

6752 (b) If, based upon the examination, the auditor concludes that the state treasurer has  
6753 embezzled or converted to personal use the public [~~moneys~~] money, or has been negligent in  
6754 keeping the books, or in taking care of the public [~~moneys~~] money, the governor shall appoint  
6755 another person to replace the suspended state treasurer.

6756 (c) The new state treasurer shall execute an official bond, and enter upon the office of  
6757 state treasurer, as provided by law.

6758 (d) The governor shall report all of the acts done under this section to the Legislature.

6759 (4) The new state treasurer shall hold office until the suspended state treasurer is  
6760 restored or until his successor is elected and qualified.

6761 Section 138. Section **67-5-1** is amended to read:

6762 **67-5-1. General duties.**

6763 The attorney general shall:

6764 (1) perform all duties in a manner consistent with the attorney-client relationship under  
6765 Section 67-5-17;

6766 (2) except as provided in Sections 10-3-928 and 17-18-1, attend the Supreme Court  
6767 and the Court of Appeals of this state, and all courts of the United States, and prosecute or  
6768 defend all causes to which the state, or any officer, board, or commission of the state in an  
6769 official capacity is a party; and take charge, as attorney, of all civil legal matters in which the  
6770 state is interested;

6771 (3) after judgment on any cause referred to in Subsection (2), direct the issuance of  
6772 process as necessary to execute the judgment;

6773 (4) account for, and pay over to the proper officer, all [~~moneys~~] money that [~~come~~]  
6774 comes into the attorney general's possession that [~~belong~~] belongs to the state;

6775 (5) keep a file of all cases in which the attorney general is required to appear, including  
6776 any documents and papers showing the court in which the cases have been instituted and tried,  
6777 and whether they are civil or criminal, and:

6778 (a) if civil, the nature of the demand, the stage of proceedings, and when prosecuted to  
6779 judgment, a memorandum of the judgment and of any process issued whether satisfied, and if  
6780 not satisfied, the return of the sheriff;

6781 (b) if criminal, the nature of the crime, the mode of prosecution, the stage of  
6782 proceedings, and when prosecuted to sentence, a memorandum of the sentence and of the  
6783 execution, if the sentence has been executed, if not executed, of the reason of the delay or  
6784 prevention; and

6785 (c) deliver this information to the attorney general's successor in office;

6786 (6) exercise supervisory powers over the district and county attorneys of the state in all  
6787 matters pertaining to the duties of their offices, and from time to time require of them reports of  
6788 the condition of public business entrusted to their charge;

6789 (7) give the attorney general's opinion in writing and without fee to the Legislature or  
6790 either house, and to any state officer, board, or commission, and to any county attorney or  
6791 district attorney, when required, upon any question of law relating to their respective offices;

6792 (8) when required by the public service or directed by the governor, assist any county,  
6793 district, or city attorney in the discharge of his duties;

6794 (9) purchase in the name of the state, under the direction of the state Board of  
6795 Examiners, any property offered for sale under execution issued upon judgments in favor of or  
6796 for the use of the state, and enter satisfaction in whole or in part of the judgments as the  
6797 consideration of the purchases;

6798 (10) when the property of a judgment debtor in any judgment mentioned in Subsection  
6799 (9) has been sold under a prior judgment, or is subject to any judgment, lien, or encumbrance  
6800 taking precedence of the judgment in favor of the state, redeem the property, under the  
6801 direction of the state Board of Examiners, from the prior judgment, lien, or encumbrance, and  
6802 pay all money necessary for the redemption, upon the order of the state Board of Examiners,  
6803 out of any money appropriated for these purposes;

6804 (11) when in his opinion it is necessary for the collection or enforcement of any  
6805 judgment, institute and prosecute on behalf of the state any action or proceeding necessary to

6806 set aside and annul all conveyances fraudulently made by the judgment debtors, and pay the  
6807 cost necessary to the prosecution, when allowed by the state Board of Examiners, out of any  
6808 money not otherwise appropriated;

6809 (12) discharge the duties of a member of all official boards of which the attorney  
6810 general is or may be made a member by the Utah Constitution or by the laws of the state, and  
6811 other duties prescribed by law;

6812 (13) institute and prosecute proper proceedings in any court of the state or of the  
6813 United States, to restrain and enjoin corporations organized under the laws of this or any other  
6814 state or territory from acting illegally or in excess of their corporate powers or contrary to  
6815 public policy, and in proper cases forfeit their corporate franchises, dissolve the corporations,  
6816 and wind up their affairs;

6817 (14) institute investigations for the recovery of all real or personal property that may  
6818 have escheated or should escheat to the state, and for that purpose, subpoena any persons  
6819 before any of the district courts to answer inquiries and render accounts concerning any  
6820 property, examine all books and papers of any corporations, and when any real or personal  
6821 property is discovered that should escheat to the state, institute suit in the district court of the  
6822 county where the property is situated for its recovery, and escheat that property to the state;

6823 (15) administer the Children's Justice Center as a program to be implemented in  
6824 various counties pursuant to Sections 67-5b-101 through 67-5b-107;

6825 (16) assist the Constitutional Defense Council as provided in Title 63C, Chapter 4,  
6826 Constitutional Defense Council;

6827 (17) pursue any appropriate legal action to implement the state's public lands policy  
6828 established in Subsection 63C-4-105(1);

6829 (18) investigate and prosecute violations of all applicable state laws relating to fraud in  
6830 connection with the state Medicaid program and any other medical assistance program  
6831 administered by the state, including violations of Title 26, Chapter 20, False Claims Act;

6832 (19) investigate and prosecute complaints of abuse, neglect, or exploitation of patients  
6833 at:

6834 (a) health care facilities that receive payments under the state Medicaid program; and  
6835 (b) board and care facilities, as defined in the federal Social Security Act, 42 U.S.C.  
6836 Sec. 1396b(q)(4)(B), regardless of the source of payment to the board and care facility; and  
6837 (20) (a) report at least twice per year to the Legislative Management Committee on any  
6838 pending or anticipated lawsuits, other than eminent domain lawsuits, that might:

6839 (i) cost the state more than \$500,000; or  
6840 (ii) require the state to take legally binding action that would cost more than \$500,000  
6841 to implement; and

6842 (b) if the meeting is closed, include an estimate of the state's potential financial or other  
6843 legal exposure in that report.

6844 Section 139. Section **67-19d-201** is amended to read:

6845 **67-19d-201. Trust fund -- Creation -- Oversight -- Dissolution.**

6846 (1) There is created a post-retirement benefits trust fund entitled the "State  
6847 Post-Retirement Benefits Trust Fund."

6848 (2) The trust fund consists of:

6849 (a) revenue provided from an ongoing labor additive as defined in Subsection  
6850 67-19d-202(2)(g);

6851 (b) appropriations made to the fund by the Legislature, if any;

6852 (c) income as defined in Section 67-19d-102; and

6853 (d) other revenues received from other sources.

6854 (3) The Division of Finance shall account for the receipt and expenditures of trust fund  
6855 [monies] money.

6856 (4) (a) The state treasurer shall invest trust fund [monies] money by following the  
6857 procedures and requirements of Part 3, Trust Fund Investments.

6858 (b) (i) The trust fund shall earn interest.

6859 (ii) The state treasurer shall deposit all interest or other income earned from investment  
6860 of the trust fund back into the trust fund.

6861 (5) The board of trustees created in Section 67-19d-202 may expend [monies] money

6862 from the trust fund for:

6863 (a) the employer portion of the costs of the programs established in Sections 67-19-14  
6864 through 67-19-14.4; and

6865 (b) reasonable administrative costs that the board of trustees incurs in performing their  
6866 duties as trustees of the trust fund.

6867 (6) The board of trustees shall ensure that:

6868 (a) [~~monies~~] money deposited into the trust fund [~~are~~] is irrevocable and [~~are~~] is  
6869 expended only for the employer portion of the costs of post-retirement benefits;

6870 (b) assets of the trust fund are dedicated to providing benefits to retirees and their  
6871 beneficiaries according to the terms of the post-retirement benefit plans established by statute  
6872 and rule; and

6873 (c) creditors of the board of trustees and of employers liable for the post-retirement  
6874 benefits may not seize, attach, or otherwise obtain assets of the trust fund.

6875 (7) When all of the liabilities for which the trust fund was created are paid, the  
6876 Division of Finance shall transfer any assets remaining in the state trust fund into the  
6877 appropriate fund.

6878 Section 140. Section **70D-3-402** is amended to read:

6879 **70D-3-402. Prohibited acts.**

6880 (1) An individual transacting the business of a loan originator in this state may not:

6881 (a) violate or not comply with:

6882 (i) this chapter;

6883 (ii) an order of the commissioner under this chapter;

6884 (iii) a rule made by the commissioner under this chapter;

6885 (iv) Title 70C, Utah Consumer Credit Code, if subject to that title; or

6886 (v) Chapter 2, Mortgage Lending and Servicing Act, if subject to that chapter;

6887 (b) engage in an act that is performed to:

6888 (i) evade this chapter; or

6889 (ii) assist another person to evade this chapter;

- 6890 (c) do any of the following to induce a lender to extend credit as part of a residential  
6891 mortgage loan transaction:
- 6892 (i) make a false statement or representation;
  - 6893 (ii) cause a false document to be generated; or
  - 6894 (iii) knowingly permit false information to be submitted by a person in a transaction;
- 6895 (d) fail to respond within the required time period to:
- 6896 (i) a notice or complaint of the commissioner; or
  - 6897 (ii) a request for information from the commissioner;
- 6898 (e) make a false representation to the commissioner, including in a licensure  
6899 application;
- 6900 (f) engage in the business of a loan originator with respect to a residential mortgage  
6901 loan transaction if the individual also acts in any of the following capacities with respect to the  
6902 same residential mortgage loan transaction:
- 6903 (i) appraiser;
  - 6904 (ii) escrow agent;
  - 6905 (iii) real estate agent;
  - 6906 (iv) general contractor; or
  - 6907 (v) title insurance agent;
- 6908 (g) engage in an act or omission in transacting the business of a loan originator that  
6909 constitutes dishonesty, fraud, or misrepresentation;
- 6910 (h) engage in false or misleading advertising;
- 6911 (i) (i) fail to account for [~~monies~~] money received in connection with a residential  
6912 mortgage loan;
- 6913 (ii) use [~~monies~~] money for a different purpose than the purpose for which the [~~monies~~  
6914 ~~are~~] money is received; or
- 6915 (iii) subject to Subsection (3), retain [~~monies~~] money paid for services if the services  
6916 are not performed;
- 6917 (j) fail, within 90 calendar days of a request from a borrower who has paid for an

6918 appraisal, to give a copy of an appraisal ordered and used for a residential mortgage loan to the  
6919 borrower;

6920 (k) recommend or encourage default, delinquency, or continuation of an existing  
6921 default or delinquency, by a mortgage applicant on an existing indebtedness before the closing  
6922 of a residential mortgage loan that will refinance all or part of the indebtedness; or

6923 (l) pay or offer to pay an individual who does not hold a license under this chapter for  
6924 services that require the individual to hold a license under this chapter.

6925 (2) (a) An individual engaging solely in loan processor or underwriter activities, may  
6926 not represent to the public that the individual can or will perform any act of a loan originator.

6927 (b) A representation prohibited under this Subsection (2) includes an advertisement or  
6928 other means of communicating or providing information including the use of:

6929 (i) a business card;

6930 (ii) stationery;

6931 (iii) a brochure;

6932 (iv) a sign;

6933 (v) a rate list; or

6934 (vi) another promotional item.

6935 (3) Notwithstanding Subsection (1)(i)(iii), if a licensee complies with Section  
6936 70D-2-305, the licensee may charge a reasonable cancellation fee for services completed to  
6937 originate a residential mortgage loan if the residential mortgage loan is not closed.

6938 Section 141. Section **72-2-117** is amended to read:

6939 **72-2-117. Transportation Corridor Preservation Revolving Loan Fund --**

6940 **Distribution -- Repayment -- Rulemaking.**

6941 (1) There is created the Transportation Corridor Preservation Revolving Loan Fund  
6942 within the Transportation Fund.

6943 (2) The fund shall be funded from the following sources:

6944 (a) motor vehicle rental tax imposed under Section 59-12-1201;

6945 (b) appropriations made to the fund by the Legislature;

- 6946 (c) contributions from other public and private sources for deposit into the fund;
- 6947 (d) interest earnings on cash balances;
- 6948 (e) all [~~monies~~] money collected for repayments and interest on fund [~~monies~~] money;
- 6949 (f) all [~~monies~~] money collected from rents and sales of real property acquired with
- 6950 fund [~~monies~~] money; and
- 6951 (g) proceeds from general obligation bonds, revenue bonds, or other obligations as
- 6952 authorized by Title 63B, Bonds.
- 6953 (3) All [~~monies~~] money appropriated to the Transportation Corridor Preservation
- 6954 Revolving Loan Fund [~~are~~] is nonlapsing.
- 6955 (4) (a) The commission shall authorize the expenditure of fund [~~monies~~] money to
- 6956 allow the department to acquire real property or any interests in real property for state, county,
- 6957 and municipal transportation corridors subject to:
- 6958 (i) [~~monies~~] money available in the fund;
- 6959 (ii) rules made under Subsection (7); and
- 6960 (iii) Subsection (9).
- 6961 (b) Fund [~~monies~~] money may be used to pay interest on debts incurred in accordance
- 6962 with this section.
- 6963 (5) Administrative costs for transportation corridor preservation shall be paid from the
- 6964 fund.
- 6965 (6) The department:
- 6966 (a) may apply to the commission under this section for [~~monies~~] money from the
- 6967 Transportation Corridor Preservation Revolving Loan Fund for a specified transportation
- 6968 corridor project, including for county and municipal projects; and
- 6969 (b) shall repay the fund [~~monies~~] money authorized for the project to the fund as
- 6970 required under Subsection (7).
- 6971 (7) The commission shall:
- 6972 (a) administer the Transportation Corridor Preservation Revolving Loan Fund to:
- 6973 (i) preserve transportation corridors;

- 6974 (ii) promote long-term statewide transportation planning;
- 6975 (iii) save on acquisition costs; and
- 6976 (iv) promote the best interests of the state in a manner which minimizes impact on
- 6977 prime agricultural land;
- 6978 (b) prioritize fund [~~monies~~] money based on considerations, including:
- 6979 (i) areas with rapidly expanding population;
- 6980 (ii) the willingness of local governments to complete studies and impact statements
- 6981 that meet department standards;
- 6982 (iii) the preservation of corridors by the use of local planning and zoning processes;
- 6983 (iv) the availability of other public and private matching funds for a project; and
- 6984 (v) the cost-effectiveness of the preservation projects;
- 6985 (c) designate high priority corridor preservation projects in cooperation with a
- 6986 metropolitan planning organization;
- 6987 (d) administer the program for the purposes provided in this section;
- 6988 (e) prioritize fund [~~monies~~] money in accordance with this section; and
- 6989 (f) make rules in accordance with Title 63G, Chapter 3, Utah Administrative
- 6990 Rulemaking Act, establishing:
- 6991 (i) the procedures for the awarding of fund [~~monies~~] money;
- 6992 (ii) the procedures for the department to apply for transportation corridor preservation
- 6993 [~~monies~~] money for projects; and
- 6994 (iii) repayment conditions of the [~~monies~~] money to the fund from the specified project
- 6995 funds.
- 6996 (8) (a) The proceeds from any bonds or other obligations secured by revenues of the
- 6997 Transportation Corridor Preservation Revolving Loan Fund shall be used for:
- 6998 (i) the acquisition of real property in hardship cases; and
- 6999 (ii) any of the purposes authorized for funds in the Transportation Corridor
- 7000 Preservation Revolving Loan Fund under this section.
- 7001 (b) The commission shall pledge the necessary part of the revenues of the

7002 Transportation Corridor Preservation Revolving Loan Fund to the payment of principal of and  
7003 interest on the bonds or other obligations.

7004 (9) (a) The department may not apply for [~~monies~~] money under this section unless the  
7005 highway authority has an access management policy or ordinance in effect that meets the  
7006 requirements under Subsection (9)(b).

7007 (b) The access management policy or ordinance shall:

7008 (i) be for the purpose of balancing the need for reasonable access to land uses with the  
7009 need to preserve the smooth flow of traffic on the highway system in terms of safety, capacity,  
7010 and speed; and

7011 (ii) include provisions:

7012 (A) limiting the number of conflict points at driveway locations;

7013 (B) separating conflict areas;

7014 (C) reducing the interference of through traffic;

7015 (D) spacing at-grade signalized intersections; and

7016 (E) providing for adequate on-site circulation and storage.

7017 (c) The department shall develop a model access management policy or ordinance that  
7018 meets the requirements of this Subsection (9) for the benefit of a county or municipality under  
7019 this section.

7020 (10) (a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking  
7021 Act, the commission shall make rules establishing a corridor preservation advisory council.

7022 (b) The corridor preservation advisory council shall:

7023 (i) assist with and help coordinate the corridor preservation efforts of the department  
7024 and local governments;

7025 (ii) provide recommendations and priorities concerning corridor preservation and the  
7026 use of fund [~~monies~~] money to the department and to the commission; and

7027 (iii) include members designated by each metropolitan planning organization in the  
7028 state to represent local governments that are involved with corridor preservation through  
7029 official maps and planning.

7030 Section 142. Section **72-2-117.5** is amended to read:

7031 **72-2-117.5. Definitions -- Local Transportation Corridor Preservation Fund --**  
7032 **Disposition of fund money.**

7033 (1) As used in this section:

7034 (a) "Council of governments" means a decision-making body in each county composed  
7035 of the county governing body and the mayors of each municipality in the county.

7036 (b) "Metropolitan planning organization" has the same meaning as defined in Section  
7037 72-1-208.5.

7038 (2) There is created the Local Transportation Corridor Preservation Fund within the  
7039 Transportation Fund.

7040 (3) The fund shall be funded from the following sources:

7041 (a) a local option highway construction and transportation corridor preservation fee  
7042 imposed under Section 41-1a-1222;

7043 (b) appropriations made to the fund by the Legislature;

7044 (c) contributions from other public and private sources for deposit into the fund;

7045 (d) all [~~monies~~] money collected from rents and sales of real property acquired with  
7046 fund [~~monies~~] money;

7047 (e) proceeds from general obligation bonds, revenue bonds, or other obligations issued  
7048 as authorized by Title 63B, Bonds;

7049 (f) the portion of the sales and use tax described in Subsection 59-12-2217(2)(b) and  
7050 required by Subsection 59-12-2217(8)(a) to be deposited into the fund; and

7051 (g) sales and use tax revenues deposited into the fund in accordance with Section  
7052 59-12-2218.

7053 (4) (a) The fund shall earn interest.

7054 (b) All interest earned on fund [~~monies~~] money shall be deposited into the fund.

7055 (c) All [~~monies~~] money appropriated to the Local Transportation Corridor Preservation  
7056 Fund [~~are~~] is nonlapsing.

7057 (d) The State Tax Commission shall provide the department with sufficient data for the

7058 department to allocate the revenues:

7059 (i) provided under Subsection (3)(a) to each county imposing a local option highway  
7060 construction and transportation corridor preservation fee under Section 41-1a-1222;

7061 (ii) provided under Subsection 59-12-2217(2)(b) to each county imposing a county  
7062 option sales and use tax for transportation; and

7063 (iii) provided under Subsection (3)(g) to each county of the second class or city or town  
7064 within a county of the second class that imposes the sales and use tax authorized by Section  
7065 59-12-2218.

7066 (e) (i) The department shall annually allocate the interest earned on fund [~~monies~~]  
7067 money to each county based on the proportionate amount of interest earned on each county's  
7068 allocation of funds under Subsection (4)(d) on an average monthly balance basis.

7069 (ii) The initial annual allocation of fund interest shall include all interest earned on  
7070 fund [~~monies~~] money since the creation of the fund.

7071 (f) The [~~monies~~] money allocated under Subsection (4)(d):

7072 (i) shall be used for the purposes provided in this section for each county, city, or town;  
7073 and

7074 (ii) are allocated to each county, city or town as provided in this section:

7075 (A) with the condition that the state will not be charged for any asset purchased with  
7076 the [~~monies~~] money allocated under Subsections (4)(d) and (e); and

7077 (B) are considered a local matching contribution for the purposes described under  
7078 Section 72-2-123 if used on a state highway.

7079 (g) Administrative costs of the department to implement this section shall be paid from  
7080 the fund.

7081 (5) (a) The department shall authorize the expenditure of fund [~~monies~~] money to  
7082 allow a highway authority to acquire real property or any interests in real property for state,  
7083 county, and municipal highway corridors subject to:

7084 (i) [~~monies~~] money available in the fund to each county under Subsections (4)(d) and  
7085 (e); and

7086 (ii) the provisions of this section.

7087 (b) Fund [monies] money may be used to pay interest on debts incurred in accordance  
7088 with this section.

7089 (c) (i) (A) Fund [monies] money may be used to pay maintenance costs of properties  
7090 acquired under this section but limited to a total of 5% of the purchase price of the property.

7091 (B) Any additional maintenance cost shall be paid from funds other than under this  
7092 section.

7093 (C) Revenue generated by any property acquired under this section is excluded from  
7094 the limitations under this Subsection (5)(c)(i).

7095 (ii) Fund [monies] money may be used to pay direct costs of acquisition of properties  
7096 acquired under this section.

7097 (d) Fund [monies] money allocated under Subsections (4)(d) and (e) may be used by a  
7098 county highway authority for countywide transportation planning if:

7099 (i) the county is not included in a metropolitan planning organization;

7100 (ii) the transportation planning is part of the county's continuing, cooperative, and  
7101 comprehensive process for transportation planning, corridor preservation, right-of-way  
7102 acquisition, and project programming;

7103 (iii) no more than four years allocation every 20 years to each county is used for  
7104 transportation planning under this Subsection (5)(d); and

7105 (iv) the county otherwise qualifies to use the fund [monies] money as provided under  
7106 this section.

7107 (e) (i) Subject to Subsection (11), fund [monies] money allocated under Subsections  
7108 (4)(d) and (e) may be used by a county highway authority for transportation corridor planning  
7109 that is part of the corridor elements of an ongoing work program of transportation projects.

7110 (ii) The transportation corridor planning under Subsection (5)(e)(i) shall be under the  
7111 direction of:

7112 (A) the metropolitan planning organization if the county is within the boundaries of a  
7113 metropolitan planning organization; or

7114 (B) the department if the county is not within the boundaries of a metropolitan  
7115 planning organization.

7116 (6) (a) (i) The Local Transportation Corridor Preservation Fund shall be used to  
7117 preserve highway corridors, promote long-term statewide transportation planning, save on  
7118 acquisition costs, and promote the best interests of the state in a manner which minimizes  
7119 impact on prime agricultural land.

7120 (ii) The Local Transportation Corridor Preservation Fund shall only be used to preserve  
7121 a highway corridor that is right-of-way:

7122 (A) in a county of the first or second class for a:

7123 (I) state highway;

7124 (II) a principal arterial highway as defined in Section 72-4-102.5;

7125 (III) a minor arterial highway as defined in Section 72-4-102.5; or

7126 (IV) a collector highway in an urban area as defined in Section 72-4-102.5; or

7127 (B) in a county of the third, fourth, fifth, or sixth class for a:

7128 (I) state highway;

7129 (II) a principal arterial highway as defined in Section 72-4-102.5;

7130 (III) a minor arterial highway as defined in Section 72-4-102.5;

7131 (IV) a major collector highway as defined in Section 72-4-102.5; or

7132 (V) a minor collector road as defined in Section 72-4-102.5.

7133 (iii) The Local Transportation Corridor Preservation Fund may not be used for a  
7134 highway corridor that is primarily a recreational trail as defined under Section 79-5-102.

7135 (b) (i) The department shall develop and implement a program to educate highway  
7136 authorities on the objectives, application process, use, and responsibilities of the Local  
7137 Transportation Corridor Preservation Fund as provided under this section to promote the most  
7138 efficient and effective use of fund [~~monies~~] money including priority use on designated high  
7139 priority corridor preservation projects.

7140 (ii) The department shall develop a model transportation corridor property acquisition  
7141 policy or ordinance that meets federal requirements for the benefit of a highway authority to

7142 acquire real property or any interests in real property under this section.

7143 (c) The department shall authorize the expenditure of fund [~~monies~~] money after  
7144 determining that the expenditure is being made in accordance with this section from  
7145 applications that are:

7146 (i) made by a highway authority;

7147 (ii) endorsed by the council of governments; and

7148 (iii) for a right-of-way purchase for a highway authorized under Subsection (6)(a)(ii).

7149 (7) (a) (i) A council of governments shall establish a council of governments  
7150 endorsement process which includes prioritization and application procedures for use of the  
7151 [~~monies~~] money allocated to each county under this section.

7152 (ii) The endorsement process under Subsection (7)(a)(i) may include review or  
7153 endorsement of the preservation project by the:

7154 (A) metropolitan planning organization if the county is within the boundaries of a  
7155 metropolitan planning organization; or

7156 (B) the department if the county is not within the boundaries of a metropolitan  
7157 planning organization.

7158 (b) All fund [~~monies~~] money shall be prioritized by each highway authority and council  
7159 of governments based on considerations, including:

7160 (i) areas with rapidly expanding population;

7161 (ii) the willingness of local governments to complete studies and impact statements  
7162 that meet department standards;

7163 (iii) the preservation of corridors by the use of local planning and zoning processes;

7164 (iv) the availability of other public and private matching funds for a project;

7165 (v) the cost-effectiveness of the preservation projects;

7166 (vi) long and short-term maintenance costs for property acquired; and

7167 (vii) whether the transportation corridor is included as part of:

7168 (A) the county and municipal master plan; and

7169 (B) (I) the statewide long range plan; or

7170 (II) the regional transportation plan of the area metropolitan planning organization if  
7171 one exists for the area.

7172 (c) The council of governments shall:

7173 (i) establish a priority list of highway corridor preservation projects within the county;

7174 (ii) submit the list described in Subsection (7)(c)(i) to the county's legislative body for  
7175 approval; and

7176 (iii) obtain approval of the list described in Subsection (7)(c)(i) from a majority of the  
7177 members of the county legislative body.

7178 (d) A county's council of governments may only submit one priority list described in  
7179 Subsection (7)(c)(i) per calendar year.

7180 (e) A county legislative body may only consider and approve one priority list described  
7181 in Subsection (7)(c)(i) per calendar year.

7182 (8) (a) Unless otherwise provided by written agreement with another highway  
7183 authority, the highway authority that holds the deed to the property is responsible for  
7184 maintenance of the property.

7185 (b) The transfer of ownership for property acquired under this section from one  
7186 highway authority to another shall include a recorded deed for the property and a written  
7187 agreement between the highway authorities.

7188 (9) (a) The proceeds from any bonds or other obligations secured by revenues of the  
7189 Local Transportation Corridor Preservation Fund shall be used for the purposes authorized for  
7190 funds under this section.

7191 (b) The highway authority shall pledge the necessary part of the revenues of the Local  
7192 Transportation Corridor Preservation Fund to the payment of principal and interest on the  
7193 bonds or other obligations.

7194 (10) (a) A highway authority may not apply for [~~monies~~] money under this section to  
7195 purchase a right-of-way for a state highway unless the highway authority has:

7196 (i) a transportation corridor property acquisition policy or ordinance in effect that  
7197 meets federal requirements for the acquisition of real property or any interests in real property

7198 under this section; and

7199 (ii) an access management policy or ordinance in effect that meets the requirements  
7200 under Subsection 72-2-117(9).

7201 (b) The provisions of Subsection (10)(a)(i) do not apply if the highway authority has a  
7202 written agreement with the department for the acquisition of real property or any interests in  
7203 real property under this section.

7204 (11) (a) The department shall, in expending or authorizing the expenditure of fund  
7205 [~~monies~~] money, ensure to the extent possible that the fund [~~monies~~] money allocated to a city  
7206 or town in accordance with Subsection (4) [~~are~~] is expended:

7207 (i) to fund a project or service as allowed by this section within the city or town to  
7208 which the fund [~~monies are~~] money is allocated;

7209 (ii) to pay debt service, principal, or interest on a bond or other obligation as allowed  
7210 by this section if that bond or other obligation is:

7211 (A) secured by [~~monies~~] money allocated to the city or town; and

7212 (B) issued to finance a project or service as allowed by this section within the city or  
7213 town to which the fund [~~monies are~~] money is allocated;

7214 (iii) to fund transportation planning as allowed by this section within the city or town  
7215 to which the fund [~~monies are~~] money is allocated; or

7216 (iv) for another purpose allowed by this section within the city or town to which the  
7217 fund [~~monies are~~] money is allocated.

7218 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
7219 department may make rules to implement the requirements of Subsection (11)(a).

7220 Section 143. Section **72-2-121.2** is amended to read:

7221 **72-2-121.2. Definition -- County of the Second Class State Highway Projects**

7222 **Fund -- Use of fund money.**

7223 (1) As used in this section, "fund" means the County of the Second Class State  
7224 Highway Projects Fund created by this section.

7225 (2) There is created within the Transportation Fund a special revenue fund known as

7226 the County of the Second Class State Highway Projects Fund.

7227 (3) The fund shall be funded by [~~monies~~] money collected from:

7228 (a) any voluntary contributions the department receives for new construction, major

7229 renovations, and improvements to state highways within a county of the second class; and

7230 (b) sales and use taxes deposited into the fund in accordance with Section 59-12-2218.

7231 (4) The department shall make a separate accounting for:

7232 (a) the revenues described in Subsection (3); and

7233 (b) each county of the second class or city or town within a county of the second class

7234 for which revenues are deposited into the fund.

7235 (5) (a) The fund shall earn interest.

7236 (b) Interest earned on fund [~~monies~~] money shall be deposited into the fund.

7237 (6) Subject to Subsection (9), the executive director may use fund [~~monies~~] money

7238 only:

7239 (a) for right-of-way acquisition, new construction, major renovations, and

7240 improvements to state highways within a county of the second class or a city or town within a

7241 county of the second class in an amount that does not exceed the amounts deposited for or

7242 allocated to that county of the second class or city or town within a county of the second class

7243 in accordance with this section;

7244 (b) to pay any debt service and bond issuance costs related to a purpose described in

7245 Subsection (6)(a) in an amount that does not exceed the amounts deposited for or allocated to

7246 that county of the second class or city or town within a county of the second class described in

7247 Subsection (6)(a) in accordance with this section; and

7248 (c) to pay the costs of the department to administer the fund in an amount not to exceed

7249 interest earned by the fund [~~monies~~] money.

7250 (7) If interest remains in the fund after the executive director pays the costs of the

7251 department to administer the fund, the interest shall be:

7252 (a) allocated to each county of the second class or city or town within a county of the

7253 second class for which revenues are deposited into the fund in proportion to the deposits made

7254 into the fund for that county of the second class or city or town within a county of the second  
7255 class; and

7256 (b) expended for the purposes described in Subsection (6).

7257 (8) Revenues described in Subsection (3)(b) that are deposited into the fund are  
7258 considered to be a local matching contribution for the purposes described in Section 72-2-123.

7259 (9) (a) The executive director shall, in using fund [~~monies~~] money, ensure to the extent  
7260 possible that the fund [~~monies~~] money deposited for or allocated to a city or town [~~are~~] is used:

7261 (i) for a purpose described in Subsection (6)(a) within the city or town to which the  
7262 fund [~~monies-are~~] money is allocated;

7263 (ii) to pay debt service and bond issuance costs described in Subsection (6)(b) if the  
7264 debt service and bond issuance costs are:

7265 (A) secured by [~~monies~~] money deposited for or allocated to the city or town; and

7266 (B) related to a project described in Subsection (6)(a) within the city or town to which  
7267 the fund [~~monies-are~~] money is allocated; or

7268 (iii) for a purpose described in Subsection (6)(c).

7269 (b) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
7270 department may make rules to implement the requirements of Subsection (9)(a).

7271 Section 144. Section **72-2-122** is amended to read:

7272 **72-2-122. Aeronautics Construction Revolving Loan Fund -- Distribution --**  
7273 **Repayment -- Rulemaking.**

7274 (1) There is created the Aeronautics Construction Revolving Loan Fund within the  
7275 Transportation Fund.

7276 (2) The fund shall include [~~monies~~] money from the following sources:

7277 (a) appropriations made to the fund by the Legislature;

7278 (b) contributions from other public and private sources for deposit into the fund;

7279 (c) interest earnings on cash balances;

7280 (d) all [~~monies~~] money collected for repayments and interest on fund [~~monies~~] money;

7281 and

7282 (e) proceeds from revenue bonds or other obligations issued in accordance with Title  
7283 63B, Chapter 1, Part 3, State Building Ownership Authority Act, and Title 63B, Bonds.

7284 (3) All [~~monies~~] money appropriated to the Aeronautics Construction Revolving Loan  
7285 Fund [~~are~~] is nonlapsing.

7286 (4) (a) The commission shall authorize the expenditure of fund [~~monies~~] money for  
7287 construction, major reconstruction, major renovation, or property acquisition of airports and  
7288 airport runways for state, county, and municipal airports subject to:

7289 (i) [~~monies~~] money available in the fund; and

7290 (ii) rules made under Subsection (7).

7291 (b) Fund [~~monies~~] money may be used to pay interest on debts incurred in accordance  
7292 with this section.

7293 (5) Administrative costs of the Aeronautics Construction Revolving Loan Fund shall  
7294 be paid from the fund.

7295 (6) The Operations Division:

7296 (a) may apply to the commission under this section for [~~monies~~] money from the  
7297 Aeronautics Construction Revolving Loan Fund for a specified aeronautics project, including  
7298 for county and municipal projects; and

7299 (b) shall repay the fund [~~monies~~] money authorized for the project to the fund as  
7300 required under Subsection (7).

7301 (7) The commission shall:

7302 (a) administer the Aeronautics Construction Revolving Loan Fund to promote  
7303 long-term statewide aeronautics transportation;

7304 (b) prioritize fund [~~monies~~] money based on considerations, including:

7305 (i) areas with rapidly expanding population;

7306 (ii) the willingness of local governments to:

7307 (A) complete studies and impact statements that meet department standards; and

7308 (B) preserve long-term airport operations by the use of local planning and zoning  
7309 processes;

7310 (iii) the availability of other public and private matching funds for a project; and  
7311 (iv) the cost-effectiveness of the projects; and  
7312 (c) make rules in accordance with Title 63G, Chapter 3, Utah Administrative  
7313 Rulemaking Act, establishing:  
7314 (i) the procedures for the awarding of fund [~~monies~~] money;  
7315 (ii) the procedures for the Operations Division to apply for Aeronautics Construction  
7316 Revolving Loan Fund [~~monies~~] money for projects; and  
7317 (iii) repayment schedules and conditions of replacing the [~~monies~~] money back into the  
7318 fund.  
7319 (8) For loans made under this section to a county or municipal airport, the Division of  
7320 Finance shall:  
7321 (a) collect and account for a loan made in accordance with this section; and  
7322 (b) have custody of all loan documents evidencing indebtedness of the Aeronautics  
7323 Construction Revolving Loan Fund, including all:  
7324 (i) notes; and  
7325 (ii) contracts.  
7326 (9) (a) The proceeds from the revenue bonds or other obligations issued on revenues of  
7327 the Aeronautics Construction Revolving Loan Fund shall be used for the purposes authorized  
7328 for funds under this section.  
7329 (b) The commission shall pledge the necessary part of the revenues of the Aeronautics  
7330 Construction Revolving Loan Fund to the payment of principal of and interest on the revenue  
7331 bonds or other obligations.  
7332 Section 145. Section **72-2-205** is amended to read:  
7333 **72-2-205. Loan contracts of state agencies.**  
7334 (1) (a) Notwithstanding Sections 53B-21-113 and 63A-1-112, a state agency may  
7335 obtain an infrastructure loan.  
7336 (b) A state agency may contract to repay an infrastructure loan from the [~~monies~~]  
7337 money which [~~are~~] is appropriated to the agency and may pledge all or any portion of [~~those~~

7338 monies] the money to repay the loan.

7339 (c) A state agency's infrastructure loan may not constitute a debt of the state or lending  
7340 the credit of the state within the meaning of any constitutional or statutory limitation.

7341 (2) The terms of an infrastructure loan contract shall bind the state and a state agency,  
7342 and the state agency shall unconditionally repay the loan from the [~~monies~~] money the agency  
7343 has pledged under the terms of the loan contract.

7344 Section 146. Section **73-10-8** is amended to read:

7345 **73-10-8. Water Resources Construction Fund -- Creation and contents of fund --**  
7346 **Use -- Investigation Account created -- Interest -- Retainage -- Loans and grants for dam**  
7347 **safety work.**

7348 (1) There is created the Water Resources Construction Fund, which consists of:

7349 (a) money appropriated or otherwise made available to it by the Legislature;

7350 (b) money from the sale or management of the 500,000 acres of land selected for the  
7351 establishment of reservoirs under Section 12 of the Utah Enabling Act;

7352 (c) charges assessed against water and power users pursuant to Section 73-10-6; and

7353 (d) interest accrued pursuant to Subsection (5).

7354 (2) The board may authorize the use of money in the fund for the following purposes:

7355 (a) to develop water conservation projects, including paying the costs of construction,  
7356 engineering, investigation, inspection, and other related expenses;

7357 (b) to provide loans and grants to dam owners to conduct dam safety studies;

7358 (c) to provide loans and grants to dam owners:

7359 (i) to upgrade dams in conformance with the minimum standards established by the  
7360 state engineer in rules; or

7361 (ii) for nonstructural solutions developed to meet minimum standards or lower hazard  
7362 ratings that are approved by the state engineer, including the purchase of habitable structures,  
7363 purchase of flood easements, and installation of early warning systems; or

7364 (d) as otherwise provided by law.

7365 (3) The board may provide for the repayment of the costs of investigation, engineering,

7366 and inspection out of the first [~~monies~~] money to be paid under a contract for the construction  
7367 of a water project. [~~Those monies~~] The money repaid shall be deposited into a subaccount  
7368 within the Water Resources Construction Fund known as the Investigation Account, to be used  
7369 by the board for the purpose of making investigations for the development and use of the water  
7370 resources of the state.

7371 (4) Contributions of money, property, or equipment may be received from any political  
7372 subdivision of the state, federal agency, water users' association, person, or corporation for use  
7373 in making investigations, constructing projects, or otherwise carrying out the purposes of this  
7374 section.

7375 (5) All [~~monies~~] money deposited into the Water Resources Construction Fund shall be  
7376 invested by the state treasurer with interest accruing to the Water Resources Construction  
7377 Fund.

7378 (6) If any payment on a contract with a private contractor to construct a project funded  
7379 by the Water Resources Construction Fund is retained or withheld, it shall be retained or  
7380 withheld and released as provided in Section 13-8-5.

7381 (7) Loans to dam owners for dam safety studies and to upgrade dams in conformance  
7382 with minimum standards shall be secured by taking water rights associated with the dam.

7383 (8) The following restrictions apply to any grant made to a dam owner for a dam safety  
7384 study:

7385 (a) only a nonprofit mutual irrigation company or a water users association is eligible  
7386 to receive a grant;

7387 (b) the dam safety study shall be required by the state engineer pursuant to Section  
7388 73-5a-503; and

7389 (c) the amount of any grant shall be limited to up to 50% of the costs of the dam safety  
7390 study.

7391 (9) (a) The board may provide grants to mutual irrigation companies and water users  
7392 associations to upgrade dams in conformance with minimum standards of the state engineer.  
7393 Each grant authorized by the board for the upgrade of a dam of a mutual irrigation company or

7394 water users association in conformance with the minimum standards shall be sufficient to pay  
7395 for 80% of the costs to upgrade the dam.

7396 (b) (i) Pursuant to guidelines specified in Subsection (9)(b)(ii), the board may provide  
7397 loans or grants, or both, to entities other than mutual irrigation companies and water users  
7398 associations to upgrade dams in conformance with minimum standards of the state engineer.

7399 (ii) In determining the type of financial assistance to be provided to an entity other than  
7400 a mutual irrigation company or water users association, the board shall consider the dam  
7401 owner's ability to pay and may consider other factors including:

7402 (A) the degree of hazard;

7403 (B) the threat to public safety;

7404 (C) the state engineer's priority list of dams;

7405 (D) the cost effectiveness of the restoration;

7406 (E) the number of potential and actual applications for financial assistance; and

7407 (F) the funds available.

7408 (10) The amount of money in the fund that may be used for grants for dam safety  
7409 studies shall be limited to the amount of money appropriated to the fund for that purpose.

7410 (11) The board shall consult with the state engineer in establishing a priority list of  
7411 dams to be upgraded with money in the fund.

7412 (12) A dam owner who has initiated or completed construction approved by the state  
7413 engineer to upgrade the dam in conformance with minimum standards may apply for a grant or  
7414 loan from the board as reimbursement for those construction expenditures.

7415 Section 147. Section **73-10-30** is amended to read:

7416 **73-10-30. Construction in conjunction with Water Resources Construction Fund**  
7417 **-- Supplemental financing.**

7418 (1) Projects authorized under this chapter may be constructed in participation with  
7419 [~~moneys~~ money] from the Water Resources Construction Fund when authorized by the board.

7420 (2) Projects specified by the Legislature to be financed by general obligation bonds of  
7421 the state may receive supplemental financing from the Water Resources Conservation and

7422 Development Fund when needed and [~~moneys are~~] money is available.

7423 Section 148. Section **73-10c-5** is amended to read:

7424 **73-10c-5. Water Development Security Fund created -- Water Quality Security**  
7425 **and Drinking Water Security Subaccounts created -- Use -- Revolving loan funds --**  
7426 **Hardship grants.**

7427 (1) There is established an enterprise fund known as the Water Development Security  
7428 Fund which includes the Water Quality Security Subaccount and the Drinking Water Security  
7429 Subaccount.

7430 (2) The Water Quality Security Subaccount consists of four subaccounts:

7431 (a) the Utah Wastewater Loan Program Subaccount, which consists of:

7432 (i) money appropriated to the subaccount by the Legislature;

7433 (ii) money received from the repayment of the principal of loans made by the Water  
7434 Quality Board under Sections 73-10c-4 and 73-10c-6 from the Utah Wastewater Loan Program  
7435 Subaccount; and

7436 (iii) money deposited in the subaccount under any other law;

7437 (b) the Utah State Revolving Fund for Wastewater Projects Subaccount, which consists  
7438 of:

7439 (i) money appropriated to the subaccount by the Legislature;

7440 (ii) money received from the Utah Wastewater Loan Program Subaccount applied to  
7441 meet match requirements for federal funds under 33 U.S.C.A. 1251 et seq., federal Clean  
7442 Water Act;

7443 (iii) money received from the repayment of loans made by the Water Quality Board  
7444 under Section 73-10c-4 from the Utah State Revolving Fund for Wastewater Projects  
7445 Subaccount;

7446 (iv) money received from the repayment of loans made by the Water Quality Board  
7447 under Section 73-10c-4.5;

7448 (v) money deposited in the subaccount under any other law;

7449 (vi) money received under and subject to the restrictions of 33 U.S.C.A. 1251 et seq.,

7450 federal Clean Water Act, and which is eligible for use in state revolving loan funds established  
7451 to meet the requirements of the act; and

7452 (vii) all investment income derived from money in the Utah State Revolving Fund for  
7453 Wastewater Projects Subaccount;

7454 (c) the Hardship Grant Program for Wastewater Projects Subaccount, which consists  
7455 of:

7456 (i) money appropriated to the subaccount by the Legislature;

7457 (ii) money received as interest payments on loans made by the Water Quality Board  
7458 under Sections 73-10c-4 and 73-10c-6, from the Utah Wastewater Loan Program Subaccount;

7459 (iii) money deposited in the subaccount under any other law;

7460 (iv) the Hardship Grant Assessment charged to State Revolving Fund loan recipients;  
7461 and

7462 (v) all investment income derived from money in the Utah Wastewater Loan Program  
7463 Subaccount or the Hardship Grant Program for Wastewater Projects Subaccount; and

7464 (d) the Water Quality Origination Fee Subaccount, which consists of the origination  
7465 fee paid under Section 73-10c-10.

7466 (3) The Drinking Water Security Subaccount consists of four subaccounts:

7467 (a) the Drinking Water Loan Program Subaccount, which consists of:

7468 (i) money appropriated to the subaccount by the Legislature;

7469 (ii) money received from the repayment of the principal of loans made by the Drinking  
7470 Water Board under Sections 73-10c-4 and 73-10c-6, from the Drinking Water Loan Program  
7471 Subaccount; and

7472 (iii) money deposited in the subaccount under any other law;

7473 (b) the State Revolving Fund for Drinking Water Projects Subaccount, which consists  
7474 of:

7475 (i) money appropriated to the subaccount by the Legislature;

7476 (ii) money received from the Utah Drinking Water Loan Program Subaccount and  
7477 applied to meet match requirements for federal funds under 42 U.S.C.A. 300f et seq., federal

7478 Safe Drinking Water Act;

7479 (iii) money received from the repayment of loans made by the Drinking Water Board

7480 under Section 73-10c-4 from the State Revolving Fund for Drinking Water Projects

7481 Subaccount;

7482 (iv) money deposited in the subaccount under any other law;

7483 (v) money received under and subject to the restrictions of 42 U.S.C.A. 300f et seq.,

7484 federal Safe Drinking Water Act, and which is eligible for use in state revolving loan funds

7485 established to meet the requirements of the act; and

7486 (vi) all investment income derived from money in the State Revolving Fund for

7487 Drinking Water Projects Subaccount;

7488 (c) the Hardship Grant Program for Drinking Water Projects Subaccount, which

7489 consists of:

7490 (i) money appropriated to the subaccount by the Legislature;

7491 (ii) money received from interest payments on loans made by the Drinking Water

7492 Board under Sections 73-10c-4 and 73-10c-6, from the Drinking Water Loan Program

7493 Subaccount;

7494 (iii) money deposited in the subaccount under any other law;

7495 (iv) the Hardship Grant Assessment charged to State Revolving Fund loan recipients;

7496 and

7497 (v) all investment income derived from money in the Drinking Water Loan Program

7498 Subaccount or the Hardship Grant Program for Drinking Water Projects Subaccount; and

7499 (d) the Drinking Water Origination Fee Subaccount, which consists of the origination

7500 fee paid under Section 73-10c-10.

7501 (4) State ~~monies~~ money in the Water Quality Security Subaccount and the Drinking

7502 Water Security Subaccount may be applied to meet match requirements for federal funds under

7503 the Clean Water Act, 33 U.S.C. Sec. 1251 et seq. and the Safe Drinking Water Act, 42 U.S.C.

7504 Sec. 300f et seq.

7505 (5) If the money in the security fund is insufficient for the purposes for which the

7506 security fund is established, the council shall ask the governor to request the Legislature to  
 7507 appropriate additional money to the account.

7508 (6) (a) The Drinking Water Board and Water Quality Board may use the money in the  
 7509 appropriate security fund subaccount only to the extent of the money available in the account,  
 7510 for the support of drinking water projects and wastewater projects in accordance with the terms  
 7511 of credit enhancement agreements, grant agreements, and loan agreements.

7512 (b) Repayments to the security fund from loans made by the acting board, [~~monies~~]  
 7513 money allocated by the Legislature, and interest accrued on [~~these monies~~] the money shall  
 7514 remain available for use by that board for further project funding.

7515 (c) The Drinking Water Board and Water Quality Board may use the money in the  
 7516 origination fee subaccount to administer this chapter.

7517 (7) Funds received under the Safe Drinking Water Act, 42 U.S.C. Sec. 300f et seq. may  
 7518 be used for providing financial assistance to community water systems and nonprofit  
 7519 noncommunity water systems as defined and within the limits of that act.

7520 Section 149. Section **73-26-302** is amended to read:

7521 **73-26-302. Construction contingent upon sale or lease of water -- Preconstruction**  
 7522 **may proceed if funded.**

7523 (1) Except as provided in Subsection (3), the division may not expend [~~monies~~] money  
 7524 for construction costs on any phase of a project until:

7525 (a) contracts have been made for the sale or lease of at least 70% of the water  
 7526 developed by that phase; and

7527 (b) all permits required by the environmental impact statement have been obtained.

7528 (2) Construction of the project and implementation of the environmental mitigation  
 7529 plan shall proceed concurrently.

7530 (3) The division may make expenditures for preconstruction costs if [~~monies are~~]  
 7531 money is expressly appropriated or earmarked by statute for that purpose by the Legislature.

7532 Section 150. Section **73-28-202** is amended to read:

7533 **73-28-202. Construction contingent upon sale of water.**

7534 (1) Except as provided in Subsection (3), the board may not expend [~~monies~~] money  
7535 for construction costs for any phase of the project until:

7536 (a) the board has contracted with the districts for the sale of at least 70% of the water  
7537 developed by that phase of the project; and

7538 (b) all permits required by the environmental impact statement have been obtained.

7539 (2) Construction of the project and implementation of any environmental mitigation  
7540 requirements may proceed concurrently.

7541 (3) The board may make expenditures for preconstruction costs if [~~monies are~~] money  
7542 is expressly appropriated or earmarked by statute for that purpose by the Legislature.

7543 Section 151. Section **73-28-404** is amended to read:

7544 **73-28-404. Repayments returned to Water Resources Conservation and**  
7545 **Development Fund -- Establishment of an enterprise fund.**

7546 (1) The board shall deposit, in accordance with Section 51-4-1, into the Water  
7547 Resources Conservation and Development Fund:

7548 (a) repayments of preconstruction and construction costs; and

7549 (b) the interest charged.

7550 (2) (a) There is created an enterprise fund, as defined in Subsection 51-5-4(8), entitled  
7551 the "Lake Powell Pipeline Project Operation and Maintenance Fund."

7552 (b) The fund consists of:

7553 (i) revenues received from the sale of developed water that is designated for project  
7554 operation, maintenance, repair, and replacement costs;

7555 (ii) revenues received from the sale of electricity that are deposited in the fund in  
7556 accordance with Subsection 73-28-203(3); and

7557 (iii) all interest earned by the fund.

7558 (3) (a) Any unexpended [~~monies~~] money remaining in the fund at the end of the fiscal  
7559 year [~~are~~] is nonlapsing.

7560 (b) Notwithstanding Section 63J-1-211, the Legislature may not appropriate any  
7561 [~~monies~~] money from the Lake Powell Pipeline Project Operation and Maintenance Fund.

7562 (4) The state treasurer shall:  
7563 (a) invest the [~~monies~~] money in the enterprise fund by following the procedures and  
7564 requirements of Title 51, Chapter 7, State Money Management Act; and  
7565 (b) deposit all interest or other earnings derived from those investments into the Lake  
7566 Powell Pipeline Operation and Maintenance Fund.

7567 (5) The committee shall approve the expenditure of fund [~~monies~~] money to cover the  
7568 project operation, maintenance, repair, and replacement costs, subject to:

7569 (a) [~~monies~~] money available in the fund; and  
7570 (b) rules established by the board under Subsection 73-28-104(2).

7571 (6) If title to the project is transferred under Section 73-28-405, the agreement shall  
7572 direct the disposition of the [~~monies~~] money remaining in the fund.

7573 Section 152. Section **76-8-401** is amended to read:

7574 **76-8-401. "Public money," "public funds," and "public officer" defined.**

7575 As used in this title:

7576 (1) "Public [~~monies~~] money" and "public funds" [~~mean monies~~] means money, funds,  
7577 and accounts, regardless of the source from which they are derived, that are owned, held, or  
7578 administered by the state or any of its boards, commissions, institutions, departments,  
7579 divisions, agencies, bureaus, laboratories, or other similar instrumentalities, or any county, city,  
7580 school district, political subdivision, or other public body. "Public [~~monies~~] money" also  
7581 includes [~~monies~~] money, funds, or accounts that have been transferred by any of those public  
7582 entities to a private contract provider of programs or services. [~~Those monies~~] The money,  
7583 funds, or accounts maintain the nature of public [~~monies~~] money while in the possession of the  
7584 private entity that has contracted with a public entity to provide programs or services.

7585 (2) "Public officer" means:

7586 (a) all elected officials of the state, a political subdivision of the state, a county, town,  
7587 city, precinct, or district;  
7588 (b) a person appointed to or serving an unexpired term of an elected office;  
7589 (c) a judge of a court of record and not of record including justice court judges; and

7590 (d) a member of the Board of Pardons and Parole.

7591 Section 153. Section **77-18-1.1** is amended to read:

7592 **77-18-1.1. Screening, assessment, and treatment.**

7593 (1) As used in this section:

7594 (a) "Assessment" has the same meaning as in Section 41-6a-501.

7595 (b) "Convicted" means:

7596 (i) a conviction by entry of a plea of guilty or nolo contendere, guilty and mentally ill,

7597 or no contest; and

7598 (ii) conviction of any crime or offense.

7599 (c) "Screening" has the same meaning as in Section 41-6a-501.

7600 (d) "Substance abuse treatment" means treatment obtained through a substance abuse

7601 program that is licensed by the Office of Licensing within the Department of Human Services.

7602 (2) On or after July 1, 2009, the courts of the judicial districts where the Drug Offender

7603 Reform Act under Section 63M-7-305 is implemented shall, in coordination with the local

7604 substance abuse authority regarding available resources, order offenders convicted of a felony

7605 to:

7606 (a) participate in a screening prior to sentencing;

7607 (b) participate in an assessment prior to sentencing if the screening indicates an

7608 assessment to be appropriate; and

7609 (c) participate in substance abuse treatment if:

7610 (i) the assessment indicates treatment to be appropriate;

7611 (ii) the court finds treatment to be appropriate for the offender; and

7612 (iii) the court finds the offender to be an appropriate candidate for community-based

7613 supervision.

7614 (3) The findings from any screening and any assessment conducted under this section

7615 shall be part of the presentence investigation report submitted to the court prior to sentencing

7616 of the offender.

7617 (4) [~~Monies~~ Money] appropriated by the Legislature to assist in the funding of the

7618 screening, assessment, substance abuse treatment, and supervision provided under this section  
7619 [~~are~~] is not subject to any requirement regarding matching funds from a state or local  
7620 governmental entity.

7621 Section 154. Section **77-28-1** is amended to read:

7622 **77-28-1. Compact enacted into law -- Text of compact.**

7623 The Western Interstate Corrections Compact as contained herein is enacted into law and  
7624 entered into on behalf of this state with any and all other states legally joining therein in a form  
7625 substantially as follows:

7626 ARTICLE I

7627 PURPOSE AND POLICY

7628 The party states, desiring by common action to improve their institutional facilities and  
7629 provide programs of sufficiently high quality for the confinement, treatment and rehabilitation  
7630 of various types of offenders, declare that it is the policy of each of the party states to provide  
7631 such facilities and programs on a basis of cooperation with one another, thereby serving the  
7632 best interests of such offenders and of society. The purpose of this compact is to provide for  
7633 the development and execution of such programs of cooperation for the confinement, treatment  
7634 and rehabilitation of offenders.

7635 ARTICLE II

7636 DEFINITIONS

7637 As used in this compact, unless the context clearly requires otherwise:

7638 (a) "State" means a state of the United States or, subject to the limitation contained in  
7639 Article VII, Guam.

7640 (b) "Sending state" means a state party to this compact in which conviction was had.

7641 (c) "Receiving state" means a state party to this compact to which an inmate is sent for  
7642 confinement other than a state in which conviction was had.

7643 (d) "Inmate" means a male or female offender who is under sentence to or confined in a  
7644 prison or other correctional institution.

7645 (e) "Institution" means any prison, reformatory or other correctional facility (including

7646 but not limited to a facility for the mentally ill or mentally defective) in which inmates may  
7647 lawfully be confined.

7648 ARTICLE III

7649 CONTRACTS

7650 (a) Each party state may make one or more contracts with any one or more of the other  
7651 party states for the confinement of inmates on behalf of a sending state in institutions situated  
7652 within receiving states. Any such contract shall provide for:

7653 (1) Its duration.

7654 (2) Payments to be made to the receiving state by the sending state for inmate  
7655 maintenance, extraordinary medical and dental expenses, and any participation in or receipt by  
7656 inmates of rehabilitative or correctional services, facilities, programs or treatment not  
7657 reasonably included as part of normal maintenance.

7658 (3) Participation in programs of inmate employment, if any; the disposition or crediting  
7659 of any payments received by inmates on account thereof; and the crediting of proceeds from or  
7660 disposal of any products resulting therefrom.

7661 (4) Delivery and retaking of inmates.

7662 (5) Such other matters as may be necessary and appropriate to fix the obligations,  
7663 responsibilities and rights of the sending and receiving states.

7664 (b) Prior to the construction or completion of construction of any institution or addition  
7665 thereto by a party state, any other party state or states may contract therewith for the  
7666 enlargement of the planned capacity of the institution or addition thereto, or for the inclusion  
7667 therein of particular equipment or structures, and for the reservation of a specific percentum of  
7668 the capacity of the institution to be kept available for use by inmates of the sending state or  
7669 states so contracting. Any sending state so contracting may, to the extent that [~~monies are~~  
7670 money is legally available therefor, pay to the receiving state, a reasonable sum as  
7671 consideration for such enlargement of capacity, or provision of equipment or structures, and  
7672 reservation of capacity. Such payment may be in a lump sum or in installments as provided in  
7673 the contract.

7674 (c) The terms and provisions of this compact shall be a part of any contract entered into  
7675 by the authority of or pursuant thereto, and nothing in any such contract shall be inconsistent  
7676 therewith.

7677 **ARTICLE IV**

7678 **PROCEDURE AND RIGHTS**

7679 (a) Whenever the duly constituted judicial or administrative authorities in a state party  
7680 to this compact, and which has entered into a contract pursuant to Article III, shall decide that  
7681 confinement in, or transfer of an inmate to, an institution within the territory of another party  
7682 state is necessary in order to provide adequate quarters and care or desirable in order to provide  
7683 an appropriate program of rehabilitation or treatment, said officials may direct that the  
7684 confinement be within an institution within the territory of said other party state, the receiving  
7685 state to act in that regard solely as agent for the sending state.

7686 (b) The appropriate officials of any state party to this compact shall have access, at all  
7687 reasonable times, to any institutions in which it has a contractual right to confine inmates for  
7688 the purpose of inspecting the facilities thereof and visiting such of its inmates as may be  
7689 confined in the institution.

7690 (c) Inmates confined in an institution pursuant to the terms of this compact shall at all  
7691 times be subject to the jurisdiction of the sending state and may at any time be removed  
7692 therefrom for transfer to a prison or other institution within the sending state, for transfer to  
7693 another institution in which the sending state may have a contractual or other right to confine  
7694 inmates, for release on probation or parole, for discharge, or for any other purpose permitted by  
7695 the laws of the sending state; provided that the sending state shall continue to be obligated to  
7696 such payments as may be required pursuant to the terms of any contract entered into under the  
7697 terms of Article III.

7698 (d) Each receiving state shall provide regular reports to each sending state on the  
7699 inmates of that sending state in institutions pursuant to this compact including a conduct record  
7700 of each inmate and certify said record to the official designated by the sending state, in order  
7701 that each inmate may have the benefit of his or her record in determining and altering the

7702 disposition of said inmate in accordance with the law which may obtain in the sending state  
7703 and in order that the same may be a source of information for the sending state.

7704 (e) All inmates who may be confined in an institution pursuant to the provisions of this  
7705 compact shall be treated in a reasonable and humane manner and shall be cared for and treated  
7706 equally with such similar inmates of the receiving state as may be confined in the same  
7707 institution. The fact of confinement in a receiving state shall not deprive any inmate so  
7708 confined of any legal rights which said inmate would have had if confined in an appropriate  
7709 institution of the sending state.

7710 (f) Any hearing or hearings to which an inmate confined pursuant to this compact may  
7711 be entitled by the laws of the sending state may be had before the appropriate authorities of the  
7712 sending state, or of the receiving state if authorized by the sending state. The receiving state  
7713 shall provide adequate facilities for such hearings as may be conducted by the appropriate  
7714 officials of a sending state. In the event such hearing or hearings are had before officials of the  
7715 receiving state, the governing law shall be that of the sending state and a record of the hearing  
7716 or hearings as prescribed by the sending state shall be made. Said record together with any  
7717 recommendations of the hearing officials shall be transmitted forthwith to the official or  
7718 officials before whom the hearing would have been had if it had taken place in the sending  
7719 state. In any and all proceedings had pursuant to the provisions of this subdivision, the  
7720 officials of the receiving state shall act solely as agents of the sending state and no final  
7721 determination shall be made in any matter except by the appropriate officials of the sending  
7722 state. Costs of records made pursuant to this subdivision shall be borne by the sending state.

7723 (g) Any inmate confined pursuant to this compact shall be released within the territory  
7724 of the sending state unless the inmate, and the sending and receiving states, shall agree upon  
7725 release in some other place. The sending state shall bear the cost of such return to its territory.

7726 (h) Any inmate confined pursuant to the terms of this compact shall have any and all  
7727 rights to participate in and derive any benefits or incur or be relieved of any obligations or have  
7728 such obligations modified or his status changed on account of any action or proceeding in  
7729 which he could have participated if confined in any appropriate institution of the sending state

7730 located within such state.

7731 (i) The parent, guardian, trustee, or other person or persons entitled under the laws of  
7732 the sending state to act for, advise, or otherwise function with respect to any inmate shall not be  
7733 deprived of or restricted in his exercise of any powers in respect of any inmate confined  
7734 pursuant to the terms of this compact.

7735 **ARTICLE V**

7736 **ACTS NOT REVIEWABLE IN RECEIVING STATE -- EXTRADITION**

7737 (a) Any decision of the sending state in respect of any matter over which it retains  
7738 jurisdiction pursuant to this compact shall be conclusive upon and not reviewable within the  
7739 receiving state, but if at any time the sending state seeks to remove an inmate from an  
7740 institution in the receiving state there is pending against the inmate within such state any  
7741 criminal charge or if the inmate is suspected of having committed within such state a criminal  
7742 offense, the inmate shall not be returned without the consent of the receiving state until  
7743 discharged from prosecution or other form of proceeding, imprisonment or detention for such  
7744 offense. The duly accredited officers of the sending state shall be permitted to transport  
7745 inmates pursuant to this compact through any and all states party to this compact without  
7746 interference.

7747 (b) An inmate who escapes from an institution in which he is confined pursuant to this  
7748 compact shall be deemed a fugitive from the sending state and from the state in which the  
7749 institution is situated. In the case of an escape to a jurisdiction other than the sending or  
7750 receiving state, the responsibility for institution of extradition proceedings shall be that of the  
7751 sending state, but nothing contained herein shall be construed to prevent or affect the activities  
7752 of officers and agencies of any jurisdiction directed toward the apprehension and return of an  
7753 escapee.

7754 **ARTICLE VI**

7755 **FEDERAL AID**

7756 Any state party to this compact may accept federal aid for use in connection with any  
7757 institution or program, the use of which is or may be affected by this compact or any contract

7758 pursuant hereto and any inmate in a receiving state pursuant to this compact may participate in  
7759 any such federally aided program or activity for which the sending and receiving states have  
7760 made contractual provision provided that if such program or activity is not part of the  
7761 customary correctional regimen the express consent of the appropriate official of the sending  
7762 state shall be required therefor.

7763 **ARTICLE VII**

7764 **ENTRY INTO FORCE**

7765 This compact shall enter into force and become effective and binding upon the states so  
7766 acting when it has been enacted into law by any two contiguous states from among the states of  
7767 Alaska, Arizona, California, Colorado, Hawaii, Idaho, Montana, Nebraska, Nevada, New  
7768 Mexico, Oregon, Utah, Washington and Wyoming. For the purposes of this article, Alaska and  
7769 Hawaii shall be deemed contiguous to each other; to any and all of the states of California,  
7770 Oregon and Washington; and to Guam. Thereafter, this compact shall enter into force and  
7771 become effective and binding as to any other of said states, or any other state contiguous to at  
7772 least one party state upon similar action by such state. Guam may become party to this  
7773 compact by taking action similar to that provided for joinder by any other eligible party state  
7774 and upon the consent of congress to such joinder. For the purpose of this article, Guam shall  
7775 be deemed contiguous to Alaska, Hawaii, California, Oregon and Washington.

7776 **ARTICLE VIII**

7777 **WITHDRAWAL AND TERMINATION**

7778 This compact shall continue in force and remain binding upon a party state until it shall  
7779 have enacted a statute repealing the same and providing for the sending of formal written  
7780 notice of withdrawal from the compact to the appropriate officials of all other party states. An  
7781 actual withdrawal shall not take effect until two years after the notices provided in said statute  
7782 have been sent. Such withdrawal shall not relieve the withdrawing state from its obligations  
7783 assumed hereunder prior to the effective date of withdrawal. Before the effective date of  
7784 withdrawal, a withdrawing state shall remove to its territory, at its own expense, such inmates  
7785 as it may have confined pursuant to the provisions of this compact.

ARTICLE IX

OTHER ARRANGEMENTS UNAFFECTED

Nothing contained in this compact shall be construed to abrogate or impair any agreement or other arrangement which a party state may have with a non-party state for the confinement, rehabilitation or treatment of inmates nor to repeal any other laws of a party state authorizing the making of cooperative institutional arrangements.

ARTICLE X

CONSTRUCTION AND SEVERABILITY

The provisions of this compact shall be liberally construed and shall be severable. If any phrase, clause, sentence or provision of this compact is declared to be contrary to the constitution of any participating state or of the United States or the applicability thereof to any government, agency, person or circumstance is held invalid, the validity of the remainder of this compact and the applicability thereof to any government, agency, person or circumstance shall not be affected thereby. If this compact shall be held contrary to the constitution of any state participating therein, the compact shall remain in full force and effect as to the remaining states and in full force and effect as to the state affected as to all severable matters.

Section 155. Section **79-5-503** is amended to read:

**79-5-503. Bonneville Shoreline Trail Program.**

(1) There is created the Bonneville Shoreline Trail Program.

(2) The program shall be funded from the following sources:

(a) appropriations made to the program by the Legislature; and

(b) contributions from other public and private sources.

(3) All [~~monies~~] money appropriated to the Bonneville Shoreline Trail Program [~~are~~] is nonlapsing.

(4) The Bonneville Shoreline Trail is intended to:

(a) follow on or near the old Lake Bonneville shoreline terrace near the foot of the Wasatch Mountains from Juab County through Cache County; and

(b) provide continuous and safe trails.

7814           (5) (a) The program [~~monies~~ money] shall be used to provide grants to local  
7815 governments for the planning, development, and construction of the Bonneville Shoreline  
7816 Trail.  
7817           (b) Grant recipients shall provide matching funds in accordance with Section 79-5-501.