

1 **DEPARTMENT OF COMMUNITY AND CULTURE**

2 **AMENDMENTS**

3 2012 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Wayne A. Harper**

6 Senate Sponsor: Stuart C. Reid

7

8 **LONG TITLE**

9 **General Description:**

10 This bill modifies the Community and Culture Development Code and the Utah
11 Workforce Services Code by renaming the Department of Community and Culture the
12 Department of Heritage and Arts and by moving the Division of Housing and
13 Community Development to the Department of Workforce Services.

14 **Highlighted Provisions:**

15 This bill:

- 16 ▶ defines terms;
- 17 ▶ changes the name of the Department of Community and Culture to the Department
18 of Heritage and Arts;
- 19 ▶ provides that the Department of Heritage and Arts is managed by an executive
20 director and describes certain powers of the executive director;
- 21 ▶ clarifies the responsibilities of the director of the Department of Heritage and Arts'
22 Division of Arts and Museums and of certain boards that are part of the division;
- 23 ▶ moves the Division of Housing and Community Development from the Department
24 of Community and Culture to the Department of Workforce Services;
- 25 ▶ changes the name of the Division of Housing and Community Development to the
26 Housing and Community Development Division;
- 27 ▶ modifies the powers and duties of the Housing and Community Development
28 Division;
- 29 ▶ creates an advisory council to advise the Department of Workforce Services during

30 the transition of moving the Division of Housing and Community Development from the
31 Department of Community and Culture; and

32 ▶ makes technical changes.

33 **Money Appropriated in this Bill:**

34 None

35 **Other Special Clauses:**

36 This bill takes effect on July 1, 2012.

37 This bill coordinates with H.B. 42, Permanent Community Impact Fund Board Grants,
38 by providing technical amendments.

39 **Utah Code Sections Affected:**

40 AMENDS:

41 **9-1-102**, as last amended by Laws of Utah 2005, Chapter 148

42 **9-1-201**, as last amended by Laws of Utah 2005, Chapter 148

43 **9-1-810**, as last amended by Laws of Utah 2004, Chapter 18

44 **9-6-102**, as last amended by Laws of Utah 2010, Chapter 111

45 **9-6-202**, as renumbered and amended by Laws of Utah 1992, Chapter 241

46 **9-6-204**, as last amended by Laws of Utah 2010, Chapter 286

47 **9-6-205**, as last amended by Laws of Utah 2010, Chapter 111

48 **9-6-305**, as last amended by Laws of Utah 2010, Chapters 286 and 324

49 **9-6-604**, as last amended by Laws of Utah 2010, Chapter 286

50 **9-6-605**, as last amended by Laws of Utah 2010, Chapter 111

51 **9-9-104.6**, as last amended by Laws of Utah 2011, Chapter 192

52 **10-9a-403**, as last amended by Laws of Utah 2010, Chapter 378

53 **10-9a-408**, as last amended by Laws of Utah 2005, Chapter 148 and renumbered and
54 amended by Laws of Utah 2005, Chapter 254

55 **11-13-103**, as last amended by Laws of Utah 2008, Chapter 250

56 **11-37-101**, as last amended by Laws of Utah 2008, Chapter 382

57 **17-27a-403**, as last amended by Laws of Utah 2008, Chapter 168

58 **17-27a-408**, as last amended by Laws of Utah 2005, Chapter 148 and renumbered and
59 amended by Laws of Utah 2005, Chapter 254
60 **17C-1-102**, as last amended by Laws of Utah 2011, Chapter 43
61 **17C-1-204**, as last amended by Laws of Utah 2011, Chapter 43
62 **17C-1-412**, as last amended by Laws of Utah 2010, Chapter 279
63 **19-3-301**, as last amended by Laws of Utah 2008, Chapter 360
64 **19-3-320**, as enacted by Laws of Utah 2001, Chapter 269
65 **35A-1-202**, as last amended by Laws of Utah 2011, Chapter 188
66 **35A-3-103**, as last amended by Laws of Utah 2005, Chapter 148
67 **35A-3-116**, as last amended by Laws of Utah 2011, Chapter 342
68 **35A-3-203**, as last amended by Laws of Utah 2005, Chapter 148
69 **35A-3-205**, as last amended by Laws of Utah 2011, Chapter 342
70 **35A-3-309**, as last amended by Laws of Utah 2005, Chapter 148
71 **51-9-504**, as last amended by Laws of Utah 2011, Chapter 342
72 **53B-18-1002**, as last amended by Laws of Utah 2005, Chapter 148
73 **53C-3-203**, as last amended by Laws of Utah 2011, Chapters 247, 252, 303 and last
74 amended by Coordination Clause, Laws of Utah 2011, Chapter 252
75 **54-7-13.6**, as last amended by Laws of Utah 2010, Chapter 324
76 **59-5-116**, as last amended by Laws of Utah 2010, Chapter 28
77 **59-5-119**, as last amended by Laws of Utah 2007, Chapter 104
78 **59-10-1306**, as last amended by Laws of Utah 2010, Chapter 278
79 **59-10-1314**, as last amended by Laws of Utah 2011, Chapter 303
80 **59-12-103**, as last amended by Laws of Utah 2011, Chapters 285, 303, 342, and 441
81 **59-12-204**, as last amended by Laws of Utah 2011, Chapter 198
82 **59-12-1102**, as last amended by Laws of Utah 2011, Chapter 309
83 **59-21-1**, as last amended by Laws of Utah 2011, Chapter 342
84 **59-21-2**, as last amended by Laws of Utah 2011, Chapter 342
85 **61-2c-105**, as last amended by Laws of Utah 2011, Chapter 398

- 86 **62A-1-111**, as last amended by Laws of Utah 2008, Chapters 3 and 382
- 87 **63A-2-401**, as last amended by Laws of Utah 2011, Chapters 131, 270 and renumbered
- 88 and amended by Laws of Utah 2011, Chapter 207
- 89 **63A-3-205**, as last amended by Laws of Utah 2010, Chapter 72
- 90 **63B-1b-102**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 91 **63B-1b-202**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 92 **63E-1-102**, as last amended by Laws of Utah 2011, Chapter 370
- 93 **63E-1-203**, as last amended by Laws of Utah 2002, Chapter 159
- 94 **63G-13-201**, as enacted by Laws of Utah 2011, Chapter 19
- 95 **63H-3-103**, as renumbered and amended by Laws of Utah 2011, Chapter 370
- 96 **63I-1-209**, as last amended by Laws of Utah 2011, Chapter 370
- 97 **63I-1-235**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 98 **63I-4-102**, as last amended by Laws of Utah 2011, Chapter 370
- 99 **63I-5-201**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 100 **63J-1-219**, as enacted by Laws of Utah 2011, Chapter 365
- 101 **63J-4-502**, as last amended by Laws of Utah 2011, Chapter 55
- 102 **63J-7-102**, as last amended by Laws of Utah 2011, Chapter 370
- 103 **63K-1-102**, as last amended by Laws of Utah 2011, Chapter 55
- 104 **63M-1-604**, as last amended by Laws of Utah 2010, Chapter 286
- 105 **63M-1-1503**, as last amended by Laws of Utah 2010, Chapter 286
- 106 **63M-7-301**, as last amended by Laws of Utah 2011, Chapter 370
- 107 **67-4-18**, as enacted by Laws of Utah 2009, Chapter 15
- 108 **67-19-6.7**, as last amended by Laws of Utah 2011, Chapter 340
- 109 **67-19c-101**, as last amended by Laws of Utah 2006, Chapter 139
- 110 **67-22-2**, as last amended by Laws of Utah 2009, Chapter 369
- 111 **72-4-302**, as last amended by Laws of Utah 2010, Chapter 286
- 112 **73-10c-3**, as last amended by Laws of Utah 2010, Chapter 286

113 ENACTS:

- 114 **9-1-201.1**, Utah Code Annotated 1953
- 115 **9-1-201.2**, Utah Code Annotated 1953
- 116 **35A-8-1801**, Utah Code Annotated 1953
- 117 **35A-8-1802**, Utah Code Annotated 1953
- 118 RENUMBERS AND AMENDS:
- 119 **35A-8-101**, (Renumbered from 9-4-102, as last amended by Laws of Utah 2011,
- 120 Chapter 14)
- 121 **35A-8-201**, (Renumbered from 9-4-201, as last amended by Laws of Utah 2004,
- 122 Chapter 18)
- 123 **35A-8-202**, (Renumbered from 9-4-202, as last amended by Laws of Utah 2010,
- 124 Chapter 324)
- 125 **35A-8-301**, (Renumbered from 9-4-301, as last amended by Laws of Utah 2010,
- 126 Chapter 378)
- 127 **35A-8-302**, (Renumbered from 9-4-302, as last amended by Laws of Utah 2007,
- 128 Chapter 303)
- 129 **35A-8-303**, (Renumbered from 9-4-303, as last amended by Laws of Utah 2007,
- 130 Chapter 303)
- 131 **35A-8-304**, (Renumbered from 9-4-304, as last amended by Laws of Utah 2010,
- 132 Chapter 286)
- 133 **35A-8-305**, (Renumbered from 9-4-305, as last amended by Laws of Utah 2002,
- 134 Chapter 286)
- 135 **35A-8-306**, (Renumbered from 9-4-306, as last amended by Laws of Utah 2008,
- 136 Chapter 382)
- 137 **35A-8-307**, (Renumbered from 9-4-307, as last amended by Laws of Utah 2011,
- 138 Chapter 247)
- 139 **35A-8-401**, (Renumbered from 9-4-602, as last amended by Laws of Utah 2010,
- 140 Chapter 378)
- 141 **35A-8-402**, (Renumbered from 9-4-603, as last amended by Laws of Utah 1997,

142 Chapter 52)
143 **35A-8-403**, (Renumbered from 9-4-604, as renumbered and amended by Laws of Utah
144 1992, Chapter 241)
145 **35A-8-404**, (Renumbered from 9-4-606, as last amended by Laws of Utah 2011,
146 Chapter 216)
147 **35A-8-405**, (Renumbered from 9-4-607, as renumbered and amended by Laws of Utah
148 1992, Chapter 241)
149 **35A-8-406**, (Renumbered from 9-4-608, as renumbered and amended by Laws of Utah
150 1992, Chapter 241)
151 **35A-8-407**, (Renumbered from 9-4-609, as last amended by Laws of Utah 2011,
152 Chapter 121)
153 **35A-8-408**, (Renumbered from 9-4-610, as last amended by Laws of Utah 1993,
154 Chapter 224)
155 **35A-8-409**, (Renumbered from 9-4-611, as renumbered and amended by Laws of Utah
156 1992, Chapter 241)
157 **35A-8-410**, (Renumbered from 9-4-612, as last amended by Laws of Utah 2010,
158 Chapter 193)
159 **35A-8-411**, (Renumbered from 9-4-613, as renumbered and amended by Laws of Utah
160 1992, Chapter 241)
161 **35A-8-412**, (Renumbered from 9-4-614, as last amended by Laws of Utah 2001,
162 Chapter 73)
163 **35A-8-413**, (Renumbered from 9-4-615, as renumbered and amended by Laws of Utah
164 1992, Chapter 241)
165 **35A-8-414**, (Renumbered from 9-4-616, as renumbered and amended by Laws of Utah
166 1992, Chapter 241)
167 **35A-8-415**, (Renumbered from 9-4-617, as renumbered and amended by Laws of Utah
168 1992, Chapter 241)
169 **35A-8-416**, (Renumbered from 9-4-618, as renumbered and amended by Laws of Utah

170 1992, Chapter 241)
171 **35A-8-417**, (Renumbered from 9-4-619, as renumbered and amended by Laws of Utah
172 1992, Chapter 241)
173 **35A-8-418**, (Renumbered from 9-4-620, as renumbered and amended by Laws of Utah
174 1992, Chapter 241)
175 **35A-8-419**, (Renumbered from 9-4-621, as renumbered and amended by Laws of Utah
176 1992, Chapter 241)
177 **35A-8-420**, (Renumbered from 9-4-622, as renumbered and amended by Laws of Utah
178 1992, Chapter 241)
179 **35A-8-421**, (Renumbered from 9-4-623, as renumbered and amended by Laws of Utah
180 1992, Chapter 241)
181 **35A-8-422**, (Renumbered from 9-4-624, as renumbered and amended by Laws of Utah
182 1992, Chapter 241)
183 **35A-8-423**, (Renumbered from 9-4-625, as renumbered and amended by Laws of Utah
184 1992, Chapter 241)
185 **35A-8-424**, (Renumbered from 9-4-626, as renumbered and amended by Laws of Utah
186 1992, Chapter 241)
187 **35A-8-425**, (Renumbered from 9-4-627, as renumbered and amended by Laws of Utah
188 1992, Chapter 241)
189 **35A-8-426**, (Renumbered from 9-4-628, as renumbered and amended by Laws of Utah
190 1992, Chapter 241)
191 **35A-8-427**, (Renumbered from 9-4-629, as renumbered and amended by Laws of Utah
192 1992, Chapter 241)
193 **35A-8-428**, (Renumbered from 9-4-630, as last amended by Laws of Utah 2011,
194 Chapter 342)
195 **35A-8-429**, (Renumbered from 9-4-631, as last amended by Laws of Utah 2011,
196 Chapter 216)
197 **35A-8-430**, (Renumbered from 9-4-632, as renumbered and amended by Laws of Utah

198 1992, Chapter 241)
199 **35A-8-501**, (Renumbered from 9-4-701, as last amended by Laws of Utah 2001,
200 Chapter 175)
201 **35A-8-502**, (Renumbered from 9-4-702, as last amended by Laws of Utah 2001,
202 Chapter 175)
203 **35A-8-503**, (Renumbered from 9-4-703, as last amended by Laws of Utah 2010,
204 Chapters 286 and 378)
205 **35A-8-504**, (Renumbered from 9-4-704, as last amended by Laws of Utah 2011,
206 Chapter 342)
207 **35A-8-505**, (Renumbered from 9-4-705, as last amended by Laws of Utah 2003,
208 Chapter 95)
209 **35A-8-506**, (Renumbered from 9-4-706, as last amended by Laws of Utah 2002,
210 Chapter 159)
211 **35A-8-507**, (Renumbered from 9-4-707, as last amended by Laws of Utah 2011,
212 Chapter 342)
213 **35A-8-508**, (Renumbered from 9-4-708, as last amended by Laws of Utah 2011,
214 Chapter 342)
215 **35A-8-601**, (Renumbered from 9-4-801, as last amended by Laws of Utah 2011,
216 Chapters 178 and 366)
217 **35A-8-602**, (Renumbered from 9-4-802, as last amended by Laws of Utah 2011,
218 Chapter 366)
219 **35A-8-603**, (Renumbered from 9-4-803, as last amended by Laws of Utah 2010,
220 Chapter 278)
221 **35A-8-701**, (Renumbered from 9-4-901, as last amended by Laws of Utah 2001,
222 Chapter 319)
223 **35A-8-702**, (Renumbered from 9-4-902, as last amended by Laws of Utah 2001,
224 Chapter 319)
225 **35A-8-703**, (Renumbered from 9-4-903, as last amended by Laws of Utah 2011,

226 Chapter 366)
227 **35A-8-704**, (Renumbered from 9-4-904, as last amended by Laws of Utah 2010,
228 Chapter 286)
229 **35A-8-705**, (Renumbered from 9-4-904.5, as enacted by Laws of Utah 2001, Chapter
230 319)
231 **35A-8-706**, (Renumbered from 9-4-905, as last amended by Laws of Utah 2001,
232 Chapter 319)
233 **35A-8-707**, (Renumbered from 9-4-906, as last amended by Laws of Utah 2008,
234 Chapter 382)
235 **35A-8-708**, (Renumbered from 9-4-907, as last amended by Laws of Utah 2001,
236 Chapter 319)
237 **35A-8-709**, (Renumbered from 9-4-908, as last amended by Laws of Utah 2001,
238 Chapter 319)
239 **35A-8-710**, (Renumbered from 9-4-909, as last amended by Laws of Utah 2001,
240 Chapter 319)
241 **35A-8-711**, (Renumbered from 9-4-910, as last amended by Laws of Utah 2003,
242 Chapter 95)
243 **35A-8-712**, (Renumbered from 9-4-911, as last amended by Laws of Utah 2001,
244 Chapter 319)
245 **35A-8-713**, (Renumbered from 9-4-912, as last amended by Laws of Utah 2001,
246 Chapter 319)
247 **35A-8-714**, (Renumbered from 9-4-913, as last amended by Laws of Utah 2001,
248 Chapter 319)
249 **35A-8-715**, (Renumbered from 9-4-914, as last amended by Laws of Utah 2011,
250 Chapter 342)
251 **35A-8-716**, (Renumbered from 9-4-915, as last amended by Laws of Utah 2001,
252 Chapter 319)
253 **35A-8-717**, (Renumbered from 9-4-916, as last amended by Laws of Utah 2001,

254 Chapter 319)
255 **35A-8-718**, (Renumbered from 9-4-917, as last amended by Laws of Utah 2008,
256 Chapter 382)
257 **35A-8-719**, (Renumbered from 9-4-918, as last amended by Laws of Utah 2001,
258 Chapter 319)
259 **35A-8-720**, (Renumbered from 9-4-919, as last amended by Laws of Utah 2001,
260 Chapter 319)
261 **35A-8-721**, (Renumbered from 9-4-920, as last amended by Laws of Utah 2001,
262 Chapter 319)
263 **35A-8-722**, (Renumbered from 9-4-922, as last amended by Laws of Utah 2001,
264 Chapter 319)
265 **35A-8-723**, (Renumbered from 9-4-923, as last amended by Laws of Utah 2001,
266 Chapter 319)
267 **35A-8-724**, (Renumbered from 9-4-924, as last amended by Laws of Utah 2010,
268 Chapter 378)
269 **35A-8-725**, (Renumbered from 9-4-925, as last amended by Laws of Utah 2001,
270 Chapter 319)
271 **35A-8-726**, (Renumbered from 9-4-926, as enacted by Laws of Utah 2001, Chapter
272 319)
273 **35A-8-727**, (Renumbered from 9-4-927, as enacted by Laws of Utah 2009, Chapter 15)
274 **35A-8-801**, (Renumbered from 9-4-1201, as enacted by Laws of Utah 1997, Chapter
275 30)
276 **35A-8-802**, (Renumbered from 9-4-1202, as last amended by Laws of Utah 2009,
277 Chapter 72)
278 **35A-8-803**, (Renumbered from 9-4-1203, as last amended by Laws of Utah 2002,
279 Chapter 159)
280 **35A-8-804**, (Renumbered from 9-4-1204, as last amended by Laws of Utah 2005,
281 Chapter 254)

282 **35A-8-901**, (Renumbered from 9-4-1301, as last amended by Laws of Utah 2008,
283 Chapter 382)
284 **35A-8-1001**, (Renumbered from 9-4-1401, as enacted by Laws of Utah 2000, Chapter
285 286)
286 **35A-8-1002**, (Renumbered from 9-4-1402, as enacted by Laws of Utah 2000, Chapter
287 286)
288 **35A-8-1003**, (Renumbered from 9-4-1403, as last amended by Laws of Utah 2004,
289 Chapter 18)
290 **35A-8-1004**, (Renumbered from 9-4-1404, as last amended by Laws of Utah 2008,
291 Chapters 192 and 382)
292 **35A-8-1005**, (Renumbered from 9-4-1405, as last amended by Laws of Utah 2006,
293 Chapter 23)
294 **35A-8-1006**, (Renumbered from 9-4-1406, as last amended by Laws of Utah 2008,
295 Chapter 382)
296 **35A-8-1007**, (Renumbered from 9-4-1407, as enacted by Laws of Utah 2000, Chapter
297 286)
298 **35A-8-1008**, (Renumbered from 9-4-1408, as enacted by Laws of Utah 2000, Chapter
299 286)
300 **35A-8-1009**, (Renumbered from 9-4-1409, as last amended by Laws of Utah 2011,
301 Chapters 194 and 342)
302 **35A-8-1101**, (Renumbered from 9-4-1501, as last amended by Laws of Utah 2011,
303 Chapter 303)
304 **35A-8-1102**, (Renumbered from 9-4-1502, as last amended by Laws of Utah 2011,
305 Chapter 303)
306 **35A-8-1103**, (Renumbered from 9-4-1503, as last amended by Laws of Utah 2011,
307 Chapter 303)
308 **35A-8-1201**, (Renumbered from 9-4-1601, as enacted by Laws of Utah 2011, Chapter
309 217)

310 **35A-8-1202**, (Renumbered from 9-4-1602, as enacted by Laws of Utah 2011, Chapter
311 217)
312 **35A-8-1203**, (Renumbered from 9-4-1603, as enacted by Laws of Utah 2011, Chapter
313 217)
314 **35A-8-1301**, (Renumbered from 9-4-1701, as enacted by Laws of Utah 2011, Chapter
315 222)
316 **35A-8-1401**, (Renumbered from 9-12-101, as enacted by Laws of Utah 1998, Chapter
317 336)
318 **35A-8-1402**, (Renumbered from 9-12-102, as renumbered and amended by Laws of
319 Utah 1998, Chapter 336)
320 **35A-8-1403**, (Renumbered from 9-12-103, as last amended by Laws of Utah 2010,
321 Chapter 378)
322 **35A-8-1404**, (Renumbered from 9-12-104, as renumbered and amended by Laws of
323 Utah 1998, Chapter 336)
324 **35A-8-1405**, (Renumbered from 9-12-105, as last amended by Laws of Utah 2008,
325 Chapter 382)
326 **35A-8-1501**, (Renumbered from 9-12-201, as last amended by Laws of Utah 2010,
327 Chapter 378)
328 **35A-8-1502**, (Renumbered from 9-12-202, as renumbered and amended by Laws of
329 Utah 1998, Chapter 336)
330 **35A-8-1503**, (Renumbered from 9-12-203, as renumbered and amended by Laws of
331 Utah 1998, Chapter 336)
332 **35A-8-1504**, (Renumbered from 9-12-204, as renumbered and amended by Laws of
333 Utah 1998, Chapter 336)
334 **35A-8-1601**, (Renumbered from 9-10-101, as last amended by Laws of Utah 2007,
335 Chapter 104)
336 **35A-8-1602**, (Renumbered from 9-10-102, as last amended by Laws of Utah 2002,
337 Chapter 256)

338 **35A-8-1603**, (Renumbered from 9-10-103, as last amended by Laws of Utah 2010,
339 Chapter 286)
340 **35A-8-1604**, (Renumbered from 9-10-104, as last amended by Laws of Utah 2007,
341 Chapter 104)
342 **35A-8-1605**, (Renumbered from 9-10-105, as last amended by Laws of Utah 2008,
343 Chapter 382)
344 **35A-8-1606**, (Renumbered from 9-10-106, as last amended by Laws of Utah 2007,
345 Chapter 104)
346 **35A-8-1607**, (Renumbered from 9-10-107, as last amended by Laws of Utah 1997,
347 Chapters 35 and 135)
348 **35A-8-1608**, (Renumbered from 9-10-108, as last amended by Laws of Utah 2011,
349 Chapter 303)
350 **35A-8-1701**, (Renumbered from 9-11-101, as enacted by Laws of Utah 1996, Chapter
351 135)
352 **35A-8-1702**, (Renumbered from 9-11-102, as last amended by Laws of Utah 2008,
353 Chapters 202 and 382)
354 **35A-8-1703**, (Renumbered from 9-11-103, as last amended by Laws of Utah 2001,
355 Chapter 150)
356 **35A-8-1704**, (Renumbered from 9-11-104, as last amended by Laws of Utah 2011,
357 Chapter 303)
358 **35A-8-1705**, (Renumbered from 9-11-105, as last amended by Laws of Utah 2010,
359 Chapter 286)
360 **35A-8-1706**, (Renumbered from 9-11-106, as last amended by Laws of Utah 2008,
361 Chapter 382)
362 **35A-8-1707**, (Renumbered from 9-11-107, as last amended by Laws of Utah 2008,
363 Chapters 202 and 382)
364 **35A-8-1708**, (Renumbered from 9-11-108, as enacted by Laws of Utah 1996, Chapter
365 135)

366 REPEALS:

367 9-6-601, as last amended by Laws of Utah 2010, Chapter 111

368 9-6-607, as renumbered and amended by Laws of Utah 2006, Chapter 24

369 **Utah Code Sections Affected by Coordination Clause:**

370 9-4-305, as last amended by Laws of Utah 2002, Chapter 286

371 9-4-307, as last amended by Laws of Utah 2011, Chapter 247



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

374 Section 1. Section 9-1-102 is amended to read:

375 **TITLE 9. HERITAGE, ARTS, LIBRARIES, AND CULTURAL DEVELOPMENT**

376 **9-1-102. Definitions.**

377 As used in this title:

378 [~~(2)~~] (1) "Executive director" means the executive director of the Department of

379 [~~Community and Culture~~] Heritage and Arts.

380 [~~(1)~~] (2) "Department" means the Department of [~~Community and Culture~~] Heritage

381 and Arts.

382 Section 2. Section 9-1-201 is amended to read:

383 **Part 2. Department of Heritage and Arts**

384 **9-1-201. Department of Heritage and Arts -- Creation -- Powers and duties.**

385 (1) There is created the Department of [~~Community and Culture~~] Heritage and Arts.

386 (2) The department shall:

387 (a) be responsible for [~~community~~] preserving and promoting the heritage of the state,

388 the arts in the state, and cultural development within the state;

389 (b) perform [~~community and~~] heritage, arts, and cultural development planning for the

390 state;

391 (c) coordinate the program plans of the various divisions within the department;

392 (d) administer and coordinate all state or federal grant programs which are, or become,

393 available for [~~community~~] heritage, arts, and cultural development;

394 (e) administer any other programs over which the department is given administrative
395 supervision by the governor;

396 (f) annually submit a report to the governor and the Legislature; and

397 (g) perform any other duties as provided by the Legislature.

398 (3) The department may solicit and accept contributions of money, services, and
399 facilities from any other sources, public or private, but may not use ~~[these funds]~~ those
400 contributions for publicizing the exclusive interest of the donor.

401 (4) Money received ~~[pursuant to]~~ under Subsection (3) shall be deposited in the
402 General Fund as restricted revenues of the department.

403 Section 3. Section **9-1-201.1** is enacted to read:

404 **9-1-201.1. Executive director of department -- Appointment -- Removal --**
405 **Compensation.**

406 (1) The department shall be directed, organized, and managed by an executive director
407 appointed by the governor with the consent of the Senate.

408 (2) The executive director serves at the pleasure of the governor.

409 (3) The salary of the executive director shall be established by the governor within the
410 salary range fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation.

411 Section 4. Section **9-1-201.2** is enacted to read:

412 **9-1-201.2. Organization of department -- Jurisdiction of executive director.**

413 The executive director:

414 (1) may organize the department in any fashion considered appropriate, unless
415 otherwise expressly provided by statute; and

416 (2) may consolidate personnel and service functions to effectuate efficiency and
417 economy within the department.

418 Section 5. Section **9-1-810** is amended to read:

419 **9-1-810. Administration, reporting, and expenses.**

420 (1) The ~~[Division of Housing and Community Development]~~ Department of Heritage
421 and Arts shall provide necessary administrative and staff support services to the commission.

422 (2) The commission shall report to the office of the lieutenant governor.

423 Section 6. Section **9-6-102** is amended to read:

424 **9-6-102. Definitions.**

425 As used in this chapter:

426 (1) "Advisory board" means the Museum Services Advisory Board created in Section
427 9-6-604.

428 [~~(1)~~] (2) "Board" means the Board of Directors of the Utah Arts Council created in
429 Section 9-6-204.

430 [~~(2)~~] (3) "Council" means the Utah Arts Council created in Section 9-6-301.

431 [~~(3)~~] (4) "Director" means the director of the Division of Arts and Museums.

432 [~~(4)~~] (5) "Division" means the Division of Arts and Museums.

433 (6) "Museum" means an organized and permanent institution that:

434 (a) is owned or controlled by the state, a county, or a municipality, or is a nonprofit
435 organization;

436 (b) has an educational or aesthetic purpose;

437 (c) owns or curates a tangible collection; and

438 (d) exhibits the collection to the public on a regular schedule.

439 (7) "Office" means the Office of Museum Services created in Section 9-6-602.

440 [~~(5)~~] (8) (a) "Pass-through funding" means funds appropriated by the Legislature to a
441 state agency that are intended to be passed through the state agency to:

442 (i) local governments;

443 (ii) other government agencies;

444 (iii) private organizations, including not-for-profits; or

445 (iv) persons in the form of a loan or grant.

446 (b) The funding may be:

447 (i) general funds, federal funds, dedicated credits, or any combination of funding
448 sources; and

449 (ii) ongoing or one-time.

450 Section 7. Section **9-6-202** is amended to read:

451 **9-6-202. Division director.**

452 (1) The chief administrative officer of the division shall be a director appointed by the
453 executive director in consultation with the [~~concurrence of the~~] board and the advisory board.

454 (2) The director shall be a person experienced in administration and knowledgeable
455 [~~in~~] about the arts and museums.

456 (3) In addition to the division, the director is the chief administrative officer for:

457 (a) the Board of Directors of the Utah Arts Council created in Section 9-6-204;

458 (b) the Utah Arts Council created in Section 9-6-301;

459 (c) the Office of Museum Services created in Section 9-6-602; and

460 (d) the Museum Services Advisory Board created in Section 9-6-604.

461 Section 8. Section **9-6-204** is amended to read:

462 **9-6-204. Utah Arts Council Board of Directors.**

463 (1) There is created within the [~~department~~] division the Board of Directors of the Utah
464 Arts Council.

465 (2) (a) The board shall consist of 13 members appointed by the governor to four-year
466 terms of office with the consent of the Senate.

467 (b) Notwithstanding the requirements of Subsection (2)(a), the governor shall, at the
468 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
469 board members are staggered so that approximately half of the board is appointed every two
470 years.

471 (c) Nine board members shall be working artists in the following areas:

472 (i) visual arts;

473 (ii) architecture or design;

474 (iii) literature;

475 (iv) music;

476 (v) sculpture;

477 (vi) folklore or folk arts;

- 478 (vii) theatre;
- 479 (viii) dance; and
- 480 (ix) media arts.
- 481 (d) Four board members shall be citizens knowledgeable in the arts.
- 482 (3) The members shall be appointed from the state at large with due consideration for
- 483 geographical representation.
- 484 (4) When a vacancy occurs in the membership for any reason, the replacement shall be
- 485 appointed for the unexpired term by the governor within one month from the time of vacancy.
- 486 (5) Seven members of the board constitute a quorum for the transaction of business.
- 487 (6) The governor shall annually select one of the board members as chair.
- 488 (7) A member may not receive compensation or benefits for the member's service, but
- 489 may receive per diem and travel expenses in accordance with:
- 490 (a) Section 63A-3-106;
- 491 (b) Section 63A-3-107; and
- 492 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
- 493 63A-3-107.
- 494 (8) A member may not receive gifts, prizes, or awards of money from the purchasing
- 495 fund of the division during the member's term of office.
- 496 Section 9. Section **9-6-205** is amended to read:
- 497 **9-6-205. Board powers and duties.**
- 498 (1) The board may:
- 499 (a) make, amend, or repeal rules for the conduct of its business in governing the
- 500 ~~[institute and the division]~~ council in accordance with Title 63G, Chapter 3, Utah
- 501 Administrative Rulemaking Act;
- 502 (b) receive gifts, bequests, and property; and
- 503 (c) issue certificates and offer and confer prizes, certificates, and awards for works of
- 504 art and achievement in the arts.
- 505 (2) The board shall make policy for the ~~[institute and for the division]~~ council.

506 (3) (a) By September 30 of each year, the board shall prepare and submit a request to
507 the governor and the Legislature for prioritized capital facilities grants to be awarded to eligible
508 individuals and organizations under this part and Parts 3 through 5.

509 (b) The board shall prepare a list of the requested capital facilities grants in a
510 prioritized order and include a written explanation of:

- 511 (i) the total grant amount requested in the list; and
- 512 (ii) the basis of its prioritization of requested grants on the list.

513 (c) The board shall accept applications for capital facilities grants through June 1 of
514 each year, prior to compiling and submitting its yearly request to the governor and the
515 Legislature under Subsection (3)(a).

516 Section 10. Section **9-6-305** is amended to read:

517 **9-6-305. Art collection committee.**

518 (1) The ~~[division]~~ board shall appoint a committee of artists or judges of art to take
519 charge of all works of art acquired under this chapter. This collection shall be known as the
520 Utah State Alice Art Collection.

521 (2) (a) Except as required by Subsection (2)(b), as terms of current ~~[board]~~ committee
522 members expire, the ~~[division]~~ board shall appoint each new member or reappointed member
523 to a four-year term.

524 (b) Notwithstanding the requirements of Subsection (2)(a), the ~~[division]~~ board shall,
525 at the time of appointment or reappointment, adjust the length of terms to ensure that the terms
526 of ~~[board]~~ committee members are staggered so that approximately half of the board is
527 appointed every two years.

528 (3) When a vacancy occurs in the membership ~~[for any reason]~~, the replacement shall
529 be appointed for the unexpired term.

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

- 532 (a) Section 63A-3-106;
- 533 (b) Section 63A-3-107; and

534 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
535 63A-3-107.

536 Section 11. Section **9-6-604** is amended to read:

537 **9-6-604. Museum Services Advisory Board -- Membership.**

538 (1) There is created the Museum Services Advisory Board.

539 (2) The advisory board shall consist of 11 members appointed by the governor.

540 (3) The governor shall ensure that the advisory board includes:

541 (a) at least six members who are qualified, trained, and experienced museum
542 professionals, three of whom shall have a minimum of five years continuous paid work
543 experience in a museum and be drawn from a list proposed by the Utah Museums Association;

544 (b) other persons with an interest in Utah's museums; and

545 (c) representation from throughout Utah.

546 (4) (a) Advisory board members shall be appointed for terms of four years except that
547 three shall initially be appointed for two years, four for three years, and four for four years.

548 (b) [~~They~~] The members serve until their successors are appointed and qualified.

549 (5) (a) The governor shall appoint the chair of the advisory board.

550 (b) The advisory board shall choose a vice chair from [~~its~~] the advisory board's own
551 members.

552 (c) Members may be reappointed for one additional term only, unless the governor
553 determines that unusual circumstances warrant a further term.

554 (6) When a vacancy occurs in the membership for any reason, the replacement shall be
555 appointed for the unexpired term.

556 (7) Six members of the board constitute a quorum for the transaction of business.

557 (8) The advisory board shall meet at least once a year.

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

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

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

562 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
563 63A-3-107.

564 (10) The department shall pay those expenses on warrant to the Division of Finance
565 from money in the budget appropriated for that purpose.

566 Section 12. Section **9-6-605** is amended to read:

567 **9-6-605. Advisory board -- Duties.**

568 (1) The advisory board is the policymaking body for the office.

569 (2) The advisory board shall, in consultation with the director of the office:

570 (a) set policies and, in accordance with Title 63G, Chapter 3, Utah Administrative
571 Rulemaking Act, make rules governing:

572 (i) the office grants program; and

573 (ii) the awarding of grants to assist Utah's eligible museums; and

574 (b) set eligibility guidelines for grants administered through the office.

575 (3) (a) By September 30 of each year, the advisory board shall prepare and submit a
576 request to the governor and the Legislature for prioritized capital facilities grants to be awarded
577 to eligible museums under this part.

578 (b) The advisory board shall prepare a list of the requested capital facilities grants in a
579 prioritized order and include a written explanation of:

580 (i) the total grant amount requested in the list; and

581 (ii) the basis of its prioritization of requested grants on the list.

582 (c) The advisory board shall accept applications for capital facilities grants through
583 June 1 of each year, prior to compiling and submitting its yearly request to the governor and the
584 Legislature under Subsection (3)(a).

585 Section 13. Section **9-9-104.6** is amended to read:

586 **9-9-104.6. Participation of state agencies in meetings with tribal leaders --**

587 **Contact information.**

588 (1) For at least three of the joint meetings described in Subsection 9-9-104.5(2)(a), the
589 division shall coordinate with representatives of tribal governments and the entities listed in

590 Subsection (2) to provide for the broadest participation possible in the joint meetings.
591 (2) The following may participate in all meetings described in Subsection (1):
592 (a) the chairs of the Native American Legislative Liaison Committee created in Section
593 36-22-1;
594 (b) the governor or the governor's designee;
595 (c) (i) the American Indian-Alaskan Native Health Liaison appointed in accordance
596 with Section 26-7-2.5; or
597 (ii) if the American Indian-Alaskan Native Health Liaison is not appointed, a
598 representative of the Department of Health appointed by the executive director of the
599 Department of Health; and
600 (d) a representative appointed by the chief administrative officer of the following:
601 (i) the Department of Human Services;
602 (ii) the Department of Natural Resources;
603 (iii) the Department of Workforce Services;
604 (iv) the Governor's Office of Economic Development;
605 (v) the State Office of Education; and
606 (vi) the State Board of Regents.
607 (3) (a) The chief administrative officer of the agencies listed in Subsection (3)(b) shall:
608 (i) designate the name of a contact person for that agency that can assist in coordinating
609 the efforts of state and tribal governments in meeting the needs of the Native Americans
610 residing in the state; and
611 (ii) notify the division:
612 (A) who is the designated contact person described in Subsection (3)(a)(i); and
613 (B) of any change in who is the designated contact person described in Subsection
614 (3)(a)(i).
615 (b) This Subsection (3) applies to:
616 (i) the Department of Agriculture and Food;
617 (ii) the Department of [~~Community and Culture~~] Heritage and Arts;

- 618 (iii) the Department of Corrections;
- 619 (iv) the Department of Environmental Quality;
- 620 (v) the Department of Public Safety;
- 621 (vi) the Department of Transportation;
- 622 (vii) the Office of the Attorney General;
- 623 (viii) the State Tax Commission; and
- 624 (ix) any agency described in Subsection (2)(c) or (d).
- 625 (c) At the request of the division, a contact person listed in Subsection (3)(b) may
- 626 participate in a meeting described in Subsection (1).
- 627 (4) A participant under this section who is not a legislator may not receive
- 628 compensation or benefits for the participant's service, but may receive per diem and travel
- 629 expenses in accordance with:
- 630 (a) Section 63A-3-106;
- 631 (b) Section 63A-3-107; and
- 632 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
- 633 63A-3-107.
- 634 Section 14. Section **10-9a-403** is amended to read:
- 635 **10-9a-403. Plan preparation.**
- 636 (1) (a) The planning commission shall provide notice, as provided in Section
- 637 10-9a-203, of its intent to make a recommendation to the municipal legislative body for a
- 638 general plan or a comprehensive general plan amendment when the planning commission
- 639 initiates the process of preparing its recommendation.
- 640 (b) The planning commission shall make and recommend to the legislative body a
- 641 proposed general plan for the area within the municipality.
- 642 (c) The plan may include areas outside the boundaries of the municipality if, in the
- 643 planning commission's judgment, those areas are related to the planning of the municipality's
- 644 territory.
- 645 (d) Except as otherwise provided by law or with respect to a municipality's power of

646 eminent domain, when the plan of a municipality involves territory outside the boundaries of
647 the municipality, the municipality may not take action affecting that territory without the
648 concurrence of the county or other municipalities affected.

649 (2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts,
650 and descriptive and explanatory matter, shall include the planning commission's
651 recommendations for the following plan elements:

652 (i) a land use element that:

653 (A) designates the long-term goals and the proposed extent, general distribution, and
654 location of land for housing, business, industry, agriculture, recreation, education, public
655 buildings and grounds, open space, and other categories of public and private uses of land as
656 appropriate; and

657 (B) may include a statement of the projections for and standards of population density
658 and building intensity recommended for the various land use categories covered by the plan;

659 (ii) a transportation and traffic circulation element consisting of the general location
660 and extent of existing and proposed freeways, arterial and collector streets, mass transit, and
661 any other modes of transportation that the planning commission considers appropriate, all
662 correlated with the population projections and the proposed land use element of the general
663 plan; and

664 (iii) for cities, an estimate of the need for the development of additional moderate
665 income housing within the city, and a plan to provide a realistic opportunity to meet estimated
666 needs for additional moderate income housing if long-term projections for land use and
667 development occur.

668 (b) In drafting the moderate income housing element, the planning commission:

669 (i) shall consider the Legislature's determination that cities shall facilitate a reasonable
670 opportunity for a variety of housing, including moderate income housing:

671 (A) to meet the needs of people desiring to live there; and

672 (B) to allow persons with moderate incomes to benefit from and fully participate in all
673 aspects of neighborhood and community life; and

674 (ii) may include an analysis of why the recommended means, techniques, or
675 combination of means and techniques provide a realistic opportunity for the development of
676 moderate income housing within the planning horizon, which means or techniques may include
677 a recommendation to:

678 (A) rezone for densities necessary to assure the production of moderate income
679 housing;

680 (B) facilitate the rehabilitation or expansion of infrastructure that will encourage the
681 construction of moderate income housing;

682 (C) encourage the rehabilitation of existing uninhabitable housing stock into moderate
683 income housing;

684 (D) consider general fund subsidies to waive construction related fees that are
685 otherwise generally imposed by the city;

686 (E) consider utilization of state or federal funds or tax incentives to promote the
687 construction of moderate income housing;

688 (F) consider utilization of programs offered by the Utah Housing Corporation within
689 that agency's funding capacity; and

690 (G) consider utilization of affordable housing programs administered by the
691 Department of [~~Community and Culture~~] Workforce Services.

692 (c) In drafting the land use element, the planning commission shall:

693 (i) identify and consider each agriculture protection area within the municipality; and

694 (ii) avoid proposing a use of land within an agriculture protection area that is
695 inconsistent with or detrimental to the use of the land for agriculture.

696 (3) The proposed general plan may include:

697 (a) an environmental element that addresses:

698 (i) the protection, conservation, development, and use of natural resources, including
699 the quality of air, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals,
700 and other natural resources; and

701 (ii) the reclamation of land, flood control, prevention and control of the pollution of

702 streams and other waters, regulation of the use of land on hillsides, stream channels and other
703 environmentally sensitive areas, the prevention, control, and correction of the erosion of soils,
704 protection of watersheds and wetlands, and the mapping of known geologic hazards;

705 (b) a public services and facilities element showing general plans for sewage, water,
706 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for them,
707 police and fire protection, and other public services;

708 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and
709 programs for:

710 (i) historic preservation;

711 (ii) the diminution or elimination of blight; and

712 (iii) redevelopment of land, including housing sites, business and industrial sites, and
713 public building sites;

714 (d) an economic element composed of appropriate studies and forecasts, as well as an
715 economic development plan, which may include review of existing and projected municipal
716 revenue and expenditures, revenue sources, identification of basic and secondary industry,
717 primary and secondary market areas, employment, and retail sales activity;

718 (e) recommendations for implementing all or any portion of the general plan, including
719 the use of land use ordinances, capital improvement plans, community development and
720 promotion, and any other appropriate action;

721 (f) provisions addressing any of the matters listed in Subsection 10-9a-401(2); and

722 (g) any other element the municipality considers appropriate.

723 Section 15. Section **10-9a-408** is amended to read:

724 **10-9a-408. Biennial review of moderate income housing element of general plan.**

725 (1) The legislative body of each city shall biennially:

726 (a) review the moderate income housing plan element of its general plan and its
727 implementation; and

728 (b) prepare a report setting forth the findings of the review.

729 (2) Each report under Subsection (1) shall include a description of:

730 (a) efforts made by the city to reduce, mitigate, or eliminate local regulatory barriers to
731 moderate income housing;

732 (b) actions taken by the city to encourage preservation of existing moderate income
733 housing and development of new moderate income housing;

734 (c) progress made within the city to provide moderate income housing, as measured by
735 permits issued for new units of moderate income housing; and

736 (d) efforts made by the city to coordinate moderate income housing plans and actions
737 with neighboring municipalities.

738 (3) The legislative body of each city shall send a copy of the report under Subsection
739 (1) to the Department of [~~Community and Culture~~] Workforce Services and the association of
740 governments in which the city is located.

741 (4) In a civil action seeking enforcement or claiming a violation of this section or of
742 Subsection 10-9a-404(5)(c), a plaintiff may not recover damages but may be awarded only
743 injunctive or other equitable relief.

744 Section 16. Section **11-13-103** is amended to read:

745 **11-13-103. Definitions.**

746 As used in this chapter:

747 (1) "Additional project capacity" means electric generating capacity provided by a
748 generating unit that first produces electricity on or after May 6, 2002, and that is constructed or
749 installed at or adjacent to the site of a project that first produced electricity before May 6, 2002,
750 regardless of whether:

751 (a) the owners of the new generating unit are the same as or different from the owner of
752 the project; and

753 (b) the purchasers of electricity from the new generating unit are the same as or
754 different from the purchasers of electricity from the project.

755 (2) "Board" means the Permanent Community Impact Fund Board created by Section
756 [~~9-4-304~~] 35A-8-304, and its successors.

757 (3) "Candidate" means one or more of:

758 (a) the state;

759 (b) a county, municipality, school district, local district, special service district, or other
760 political subdivision of the state; and

761 (c) a prosecution district.

762 (4) "Commercial project entity" means a project entity, defined in Subsection (12),
763 that:

764 (a) has no taxing authority; and

765 (b) is not supported in whole or in part by and does not expend or disburse tax
766 revenues.

767 (5) "Direct impacts" means an increase in the need for public facilities or services that
768 is attributable to the project or facilities providing additional project capacity, except impacts
769 resulting from the construction or operation of a facility that is:

770 (a) owned by an owner other than the owner of the project or of the facilities providing
771 additional project capacity; and

772 (b) used to furnish fuel, construction, or operation materials for use in the project.

773 (6) "Electric interlocal entity" means an interlocal entity described in Subsection
774 11-13-203(3).

775 (7) "Energy services interlocal entity" means an interlocal entity that is described in
776 Subsection 11-13-203(4).

777 (8) (a) "Estimated electric requirements," when used with respect to a qualified energy
778 services interlocal entity, includes any of the following that meets the requirements of
779 Subsection (8)(b):

780 (i) generation capacity;

781 (ii) generation output; or

782 (iii) an electric energy production facility.

783 (b) An item listed in Subsection (8)(a) is included in "estimated electric requirements"
784 if it is needed by the qualified energy services interlocal entity to perform the qualified energy
785 services interlocal entity's contractual or legal obligations to any of its members.

- 786 (9) "Interlocal entity" means:
- 787 (a) a Utah interlocal entity, an electric interlocal entity, or an energy services interlocal
- 788 entity; or
- 789 (b) a separate legal or administrative entity created under Section 11-13-205.
- 790 (10) "Out-of-state public agency" means a public agency as defined in Subsection
- 791 (13)(c), (d), or (e).
- 792 (11) (a) "Project":
- 793 (i) means an electric generation and transmission facility owned by a Utah interlocal
- 794 entity or an electric interlocal entity; and
- 795 (ii) includes fuel or fuel transportation facilities and water facilities owned by that Utah
- 796 interlocal entity or electric interlocal entity and required for the generation and transmission
- 797 facility.
- 798 (b) "Project" includes a project entity's ownership interest in:
- 799 (i) facilities that provide additional project capacity; and
- 800 (ii) additional generating, transmission, fuel, fuel transportation, water, or other
- 801 facilities added to a project.
- 802 (12) "Project entity" means a Utah interlocal entity or an electric interlocal entity that
- 803 owns a project.
- 804 (13) "Public agency" means:
- 805 (a) a city, town, county, school district, local district, special service district, or other
- 806 political subdivision of the state;
- 807 (b) the state or any department, division, or agency of the state;
- 808 (c) any agency of the United States;
- 809 (d) any political subdivision or agency of another state or the District of Columbia
- 810 including any interlocal cooperation or joint powers agency formed under the authority of the
- 811 law of the other state or the District of Columbia; and
- 812 (e) any Indian tribe, band, nation, or other organized group or community which is
- 813 recognized as eligible for the special programs and services provided by the United States to

814 Indians because of their status as Indians.

815 (14) "Qualified energy services interlocal entity" means an energy services interlocal
816 entity that at the time that the energy services interlocal entity acquires its interest in facilities
817 providing additional project capacity has at least five members that are Utah public agencies.

818 (15) "Utah interlocal entity":

819 (a) means an interlocal entity described in Subsection 11-13-203(2); and

820 (b) includes a separate legal or administrative entity created under Laws of Utah 1977,
821 Chapter 47, Section 3, as amended.

822 (16) "Utah public agency" means a public agency under Subsection (13)(a) or (b).

823 Section 17. Section **11-37-101** is amended to read:

824 **11-37-101. Definition -- Procurement -- Use of recycled goods.**

825 (1) "Local government entity" means:

826 (a) municipalities, cities, and counties;

827 (b) entities created under Title 26A, Chapter 1, Local Health Departments; and

828 (c) political subdivisions created by cities or counties, including entities created under:

829 (i) Title [9] 35A, Chapter [4] 8, Part [9] 7, Utah Housing Corporation Act; and

830 (ii) Title 11, Chapter 13, Interlocal Cooperation Act.

831 (2) The procurement officer or other person responsible for purchasing supplies for
832 each local government entity shall:

833 (a) maintain for reference a copy of the current listing of recycled items available on
834 state contract as issued by the chief procurement officer under Section 63G-6-204; and

835 (b) give recycled items consideration when inviting bids and purchasing supplies.

836 Section 18. Section **17-27a-403** is amended to read:

837 **17-27a-403. Plan preparation.**

838 (1) (a) The planning commission shall provide notice, as provided in Section
839 17-27a-203, of its intent to make a recommendation to the county legislative body for a general
840 plan or a comprehensive general plan amendment when the planning commission initiates the
841 process of preparing its recommendation.

842 (b) The planning commission shall make and recommend to the legislative body a
843 proposed general plan for the unincorporated area within the county.

844 (c) (i) The plan may include planning for incorporated areas if, in the planning
845 commission's judgment, they are related to the planning of the unincorporated territory or of
846 the county as a whole.

847 (ii) Elements of the county plan that address incorporated areas are not an official plan
848 or part of a municipal plan for any municipality, unless it is recommended by the municipal
849 planning commission and adopted by the governing body of the municipality.

850 (2) (a) At a minimum, the proposed general plan, with the accompanying maps, charts,
851 and descriptive and explanatory matter, shall include the planning commission's
852 recommendations for the following plan elements:

853 (i) a land use element that:

854 (A) designates the long-term goals and the proposed extent, general distribution, and
855 location of land for housing, business, industry, agriculture, recreation, education, public
856 buildings and grounds, open space, and other categories of public and private uses of land as
857 appropriate; and

858 (B) may include a statement of the projections for and standards of population density
859 and building intensity recommended for the various land use categories covered by the plan;

860 (ii) a transportation and traffic circulation element consisting of the general location
861 and extent of existing and proposed freeways, arterial and collector streets, mass transit, and
862 any other modes of transportation that the planning commission considers appropriate, all
863 correlated with the population projections and the proposed land use element of the general
864 plan; and

865 (iii) an estimate of the need for the development of additional moderate income
866 housing within the unincorporated area of the county, and a plan to provide a realistic
867 opportunity to meet estimated needs for additional moderate income housing if long-term
868 projections for land use and development occur.

869 (b) In drafting the moderate income housing element, the planning commission:

870 (i) shall consider the Legislature's determination that counties should facilitate a
871 reasonable opportunity for a variety of housing, including moderate income housing:

872 (A) to meet the needs of people desiring to live there; and

873 (B) to allow persons with moderate incomes to benefit from and fully participate in all
874 aspects of neighborhood and community life; and

875 (ii) may include an analysis of why the recommended means, techniques, or
876 combination of means and techniques provide a realistic opportunity for the development of
877 moderate income housing within the planning horizon, which means or techniques may include
878 a recommendation to:

879 (A) rezone for densities necessary to assure the production of moderate income
880 housing;

881 (B) facilitate the rehabilitation or expansion of infrastructure that will encourage the
882 construction of moderate income housing;

883 (C) encourage the rehabilitation of existing uninhabitable housing stock into moderate
884 income housing;

885 (D) consider general fund subsidies to waive construction related fees that are
886 otherwise generally imposed by the county;

887 (E) consider utilization of state or federal funds or tax incentives to promote the
888 construction of moderate income housing;

889 (F) consider utilization of programs offered by the Utah Housing Corporation within
890 that agency's funding capacity; and

891 (G) consider utilization of affordable housing programs administered by the
892 Department of [~~Community and Culture~~] Workforce Services.

893 (c) In drafting the land use element, the planning commission shall:

894 (i) identify and consider each agriculture protection area within the unincorporated area
895 of the county; and

896 (ii) avoid proposing a use of land within an agriculture protection area that is
897 inconsistent with or detrimental to the use of the land for agriculture.

898 (3) The proposed general plan may include:
899 (a) an environmental element that addresses:
900 (i) the protection, conservation, development, and use of natural resources, including
901 the quality of air, forests, soils, rivers and other waters, harbors, fisheries, wildlife, minerals,
902 and other natural resources; and
903 (ii) the reclamation of land, flood control, prevention and control of the pollution of
904 streams and other waters, regulation of the use of land on hillsides, stream channels and other
905 environmentally sensitive areas, the prevention, control, and correction of the erosion of soils,
906 protection of watersheds and wetlands, and the mapping of known geologic hazards;
907 (b) a public services and facilities element showing general plans for sewage, water,
908 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for them,
909 police and fire protection, and other public services;
910 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and
911 programs for:
912 (i) historic preservation;
913 (ii) the diminution or elimination of blight; and
914 (iii) redevelopment of land, including housing sites, business and industrial sites, and
915 public building sites;
916 (d) an economic element composed of appropriate studies and forecasts, as well as an
917 economic development plan, which may include review of existing and projected county
918 revenue and expenditures, revenue sources, identification of basic and secondary industry,
919 primary and secondary market areas, employment, and retail sales activity;
920 (e) recommendations for implementing all or any portion of the general plan, including
921 the use of land use ordinances, capital improvement plans, community development and
922 promotion, and any other appropriate action;
923 (f) provisions addressing any of the matters listed in Subsection 17-27a-401(2); and
924 (g) any other element the county considers appropriate.
925 Section 19. Section **17-27a-408** is amended to read:

926 **17-27a-408. Biennial review of moderate income housing element of general plan.**

927 (1) The legislative body of each county with a population over 25,000 shall biennially:

928 (a) review the moderate income housing plan element of its general plan and its
929 implementation; and

930 (b) prepare a report setting forth the findings of the review.

931 (2) Each report under Subsection (1) shall include a description of:

932 (a) efforts made by the county to reduce, mitigate, or eliminate local regulatory barriers
933 to moderate income housing;

934 (b) actions taken by the county to encourage preservation of existing moderate income
935 housing and development of new moderate income housing;

936 (c) progress made within the county to provide moderate income housing, as measured
937 by permits issued for new units of moderate income housing; and

938 (d) efforts made by the county to coordinate moderate income housing plans and
939 actions with neighboring counties and municipalities.

940 (3) The legislative body of each county with a population over 25,000 shall send a copy
941 of the report under Subsection (1) to the Department of [~~Community and Culture~~] Workforce
942 Services and the association of governments in which the county is located.

943 (4) In a civil action seeking enforcement or claiming a violation of this section or of
944 Subsection 17-27a-404(6)(c), a plaintiff may not recover damages but may be awarded only
945 injunctive or other equitable relief.

946 Section 20. Section **17C-1-102** is amended to read:

947 **17C-1-102. Definitions.**

948 As used in this title:

949 (1) "Adjusted tax increment" means:

950 (a) for tax increment under a pre-July 1, 1993, project area plan, tax increment under
951 Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3); and

952 (b) for tax increment under a post-June 30, 1993, project area plan, tax increment under
953 Section 17C-1-404, excluding tax increment under Section 17C-1-406.

954 (2) "Affordable housing" means housing to be owned or occupied by persons and
955 families of low or moderate income, as determined by resolution of the agency.

956 (3) "Agency" or "community development and renewal agency" means a separate body
957 corporate and politic, created under Section 17C-1-201 or as a redevelopment agency under
958 previous law, that is a political subdivision of the state, that is created to undertake or promote
959 urban renewal, economic development, or community development, or any combination of
960 them, as provided in this title, and whose geographic boundaries are coterminous with:

- 961 (a) for an agency created by a county, the unincorporated area of the county; and
- 962 (b) for an agency created by a city or town, the boundaries of the city or town.

963 (4) "Annual income" has the meaning as defined under regulations of the [U.S.] United
964 States Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as amended or
965 as superseded by replacement regulations.

966 (5) "Assessment roll" has the meaning as defined in Section 59-2-102.

967 (6) "Base taxable value" means:

968 (a) for an urban renewal or economic development project area, the taxable value of
969 the property within a project area from which tax increment will be collected, as shown upon
970 the assessment roll last equalized before:

- 971 (i) for a pre-July 1, 1993, project area plan, the effective date of the project area plan;
- 972 (ii) for a post-June 30, 1993, project area plan:

973 (A) the date of the taxing entity committee's approval of the first project area budget;

974 or

975 (B) if no taxing entity committee approval is required for the project area budget, the
976 later of:

977 (I) the date the project area plan is adopted by the community legislative body; and

978 (II) the date the agency adopts the first project area budget;

979 (iii) for a project on an inactive industrial site, a year after the date on which the
980 inactive industrial site is sold for remediation and development; or

981 (iv) for a project on an inactive airport site, a year after the later of:

982 (A) the date on which the inactive airport site is sold for remediation and development;
983 and

984 (B) the date on which the airport that had been operated on the inactive airport site
985 ceased operations; and

986 (b) for a community development project area, the agreed value specified in a
987 resolution or interlocal agreement under Subsection 17C-4-201(2).

988 (7) "Basic levy" means the portion of a school district's tax levy constituting the
989 minimum basic levy under Section 59-2-902.

990 (8) "Blight" or "blighted" means the condition of an area that meets the requirements of
991 Subsection 17C-2-303(1).

992 (9) "Blight hearing" means a public hearing under Subsection 17C-2-102(1)(a)(i)(C)
993 and Section 17C-2-302 regarding the existence or nonexistence of blight within the proposed
994 urban renewal project area.

995 (10) "Blight study" means a study to determine the existence or nonexistence of blight
996 within a survey area as provided in Section 17C-2-301.

997 (11) "Board" means the governing body of an agency, as provided in Section
998 17C-1-203.

999 (12) "Budget hearing" means the public hearing on a draft project area budget required
1000 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget or Subsection
1001 17C-3-201(2)(d) for an economic development project area budget.

1002 (13) "Closed military base" means land within a former military base that the Defense
1003 Base Closure and Realignment Commission has voted to close or realign when that action has
1004 been sustained by the President of the United States and Congress.

1005 (14) "Combined incremental value" means the combined total of all incremental values
1006 from all urban renewal project areas, except project areas that contain some or all of a military
1007 installation or inactive industrial site, within the agency's boundaries under adopted project area
1008 plans and adopted project area budgets at the time that a project area budget for a new urban
1009 renewal project area is being considered.

1010 (15) "Community" means a county, city, or town.

1011 (16) "Community development" means development activities within a community,
1012 including the encouragement, promotion, or provision of development.

1013 (17) "Economic development" means to promote the creation or retention of public or
1014 private jobs within the state through:

1015 (a) planning, design, development, construction, rehabilitation, business relocation, or
1016 any combination of these, within a community; and

1017 (b) the provision of office, industrial, manufacturing, warehousing, distribution,
1018 parking, public, or other facilities, or other improvements that benefit the state or a community.

1019 (18) "Fair share ratio" means the ratio derived by:

1020 (a) for a city or town, comparing the percentage of all housing units within the city or
1021 town that are publicly subsidized income targeted housing units to the percentage of all
1022 housing units within the whole county that are publicly subsidized income targeted housing
1023 units; or

1024 (b) for the unincorporated part of a county, comparing the percentage of all housing
1025 units within the unincorporated county that are publicly subsidized income targeted housing
1026 units to the percentage of all housing units within the whole county that are publicly subsidized
1027 income targeted housing units.

1028 (19) "Family" has the meaning as defined under regulations of the [~~U.S.~~] United States
1029 Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as
1030 superseded by replacement regulations.

1031 (20) "Greenfield" means land not developed beyond agricultural or forestry use.

1032 (21) "Hazardous waste" means any substance defined, regulated, or listed as a
1033 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,
1034 or toxic substance, or identified as hazardous to human health or the environment, under state
1035 or federal law or regulation.

1036 (22) "Housing funds" means the funds allocated in an urban renewal project area
1037 budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).

1038 (23) (a) "Inactive airport site" means land that:
1039 (i) consists of at least 100 acres;
1040 (ii) is occupied by an airport:
1041 (A) (I) that is no longer in operation as an airport; or
1042 (II) (Aa) that is scheduled to be decommissioned; and
1043 (Bb) for which a replacement commercial service airport is under construction; and
1044 (B) that is owned or was formerly owned and operated by a public entity; and
1045 (iii) requires remediation because:
1046 (A) of the presence of hazardous waste or solid waste; or
1047 (B) the site lacks sufficient public infrastructure and facilities, including public roads,
1048 electric service, water system, and sewer system, needed to support development of the site.
1049 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land
1050 described in Subsection (23)(a).

1051 (24) (a) "Inactive industrial site" means land that:
1052 (i) consists of at least 1,000 acres;
1053 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial
1054 facility; and
1055 (iii) requires remediation because of the presence of hazardous waste or solid waste.
1056 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land
1057 described in Subsection (24)(a).

1058 (25) "Income targeted housing" means housing to be owned or occupied by a family
1059 whose annual income is at or below 80% of the median annual income for the county in which
1060 the housing is located.

1061 (26) "Incremental value" means a figure derived by multiplying the marginal value of
1062 the property located within an urban renewal project area on which tax increment is collected
1063 by a number that represents the percentage of adjusted tax increment from that project area that
1064 is paid to the agency.

1065 (27) "Loan fund board" means the Olene Walker Housing Loan Fund Board,

1066 established under Title [9] 35A, Chapter [4] 8, Part [7] 5, Olene Walker Housing Loan Fund.

1067 (28) "Marginal value" means the difference between actual taxable value and base
1068 taxable value.

1069 (29) "Military installation project area" means a project area or a portion of a project
1070 area located within a federal military installation ordered closed by the federal Defense Base
1071 Realignment and Closure Commission.

1072 (30) (a) "Municipal building" means a building owned and operated by a municipality
1073 for the purpose of providing one or more primary municipal functions, including:

1074 (i) a fire station;

1075 (ii) a police station;

1076 (iii) a city hall; or

1077 (iv) a court or other judicial building.

1078 (b) "Municipal building" does not include a building the primary purpose of which is
1079 cultural or recreational in nature.

1080 (31) "Plan hearing" means the public hearing on a draft project area plan required
1081 under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection
1082 17C-3-102(1)(d) for an economic development project area plan, and Subsection
1083 17C-4-102(1)(d) for a community development project area plan.

1084 (32) "Post-June 30, 1993, project area plan" means a project area plan adopted on or
1085 after July 1, 1993, whether or not amended subsequent to its adoption.

1086 (33) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July
1087 1, 1993, whether or not amended subsequent to its adoption.

1088 (34) "Private," with respect to real property, means:

1089 (a) not owned by the United States or any agency of the federal government, a public
1090 entity, or any other governmental entity; and

1091 (b) not dedicated to public use.

1092 (35) "Project area" means the geographic area described in a project area plan or draft
1093 project area plan where the urban renewal, economic development, or community

1094 development, as the case may be, set forth in the project area plan or draft project area plan
1095 takes place or is proposed to take place.

1096 (36) "Project area budget" means a multiyear projection of annual or cumulative
1097 revenues and expenses and other fiscal matters pertaining to a urban renewal or economic
1098 development project area that includes:

- 1099 (a) the base taxable value of property in the project area;
- 1100 (b) the projected tax increment expected to be generated within the project area;
- 1101 (c) the amount of tax increment expected to be shared with other taxing entities;
- 1102 (d) the amount of tax increment expected to be used to implement the project area plan,
1103 including the estimated amount of tax increment to be used for land acquisition, public
1104 improvements, infrastructure improvements, and loans, grants, or other incentives to private
1105 and public entities;

1106 (e) the tax increment expected to be used to cover the cost of administering the project
1107 area plan;

1108 (f) if the area from which tax increment is to be collected is less than the entire project
1109 area:

1110 (i) the tax identification numbers of the parcels from which tax increment will be
1111 collected; or

1112 (ii) a legal description of the portion of the project area from which tax increment will
1113 be collected;

1114 (g) for property that the agency owns and expects to sell, the expected total cost of the
1115 property to the agency and the expected selling price; and

1116 (h) (i) for an urban renewal project area, the information required under Subsection
1117 17C-2-201(1)(b); and

1118 (ii) for an economic development project area, the information required under
1119 Subsection 17C-3-201(1)(b).

1120 (37) "Project area plan" means a written plan under Chapter 2, Part 1, Urban Renewal
1121 Project Area Plan, Chapter 3, Part 1, Economic Development Project Area Plan, or Chapter 4,

1122 Part 1, Community Development Project Area Plan, as the case may be, that, after its effective
1123 date, guides and controls the urban renewal, economic development, or community
1124 development activities within a project area.

1125 (38) "Property tax" includes privilege tax and each levy on an ad valorem basis on
1126 tangible or intangible personal or real property.

1127 (39) "Public entity" means:

1128 (a) the state, including any of its departments or agencies; or

1129 (b) a political subdivision of the state, including a county, city, town, school district,
1130 local district, special service district, or interlocal cooperation entity.

1131 (40) "Publicly owned infrastructure and improvements" means water, sewer, storm
1132 drainage, electrical, and other similar systems and lines, streets, roads, curb, gutter, sidewalk,
1133 walkways, parking facilities, public transportation facilities, and other facilities, infrastructure,
1134 and improvements benefitting the public and to be publicly owned or publicly maintained or
1135 operated.

1136 (41) "Record property owner" or "record owner of property" means the owner of real
1137 property as shown on the records of the recorder of the county in which the property is located
1138 and includes a purchaser under a real estate contract if the contract is recorded in the office of
1139 the recorder of the county in which the property is located or the purchaser gives written notice
1140 of the real estate contract to the agency.

1141 (42) "Superfund site":

1142 (a) means an area included in the National Priorities List under the Comprehensive
1143 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

1144 (b) includes an area formerly included in the National Priorities List, as described in
1145 Subsection (42)(a), but removed from the list following remediation that leaves on site the
1146 waste that caused the area to be included in the National Priorities List.

1147 (43) "Survey area" means an area designated by a survey area resolution for study to
1148 determine whether one or more urban renewal projects within the area are feasible.

1149 (44) "Survey area resolution" means a resolution adopted by the agency board under

1150 Subsection 17C-2-101(1)(a) designating a survey area.

1151 (45) "Taxable value" means the value of property as shown on the last equalized
1152 assessment roll as certified by the county assessor.

1153 (46) (a) "Tax increment" means, except as provided in Subsection (46)(b), the
1154 difference between:

1155 (i) the amount of property tax revenues generated each tax year by all taxing entities
1156 from the area within a project area designated in the project area plan as the area from which
1157 tax increment is to be collected, using the current assessed value of the property; and

1158 (ii) the amount of property tax revenues that would be generated from that same area
1159 using the base taxable value of the property.

1160 (b) "Tax increment" does not include taxes levied and collected under Section
1161 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:

1162 (i) the project area plan was adopted before May 4, 1993, whether or not the project
1163 area plan was subsequently amended; and

1164 (ii) the taxes were pledged to support bond indebtedness or other contractual
1165 obligations of the agency.

1166 (47) "Taxing entity" means a public entity that levies a tax on a parcel or parcels of
1167 property located within a community.

1168 (48) "Taxing entity committee" means a committee representing the interests of taxing
1169 entities, created as provided in Section 17C-1-402.

1170 (49) "Unincorporated" means not within a city or town.

1171 (50) (a) "Urban renewal" means the development activities under a project area plan
1172 within an urban renewal project area, including:

1173 (i) planning, design, development, demolition, clearance, construction, rehabilitation,
1174 environmental remediation, or any combination of these, of part or all of a project area;

1175 (ii) the provision of residential, commercial, industrial, public, or other structures or
1176 spaces, including recreational and other facilities incidental or appurtenant to them;

1177 (iii) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating, or

1178 any combination of these, existing structures in a project area;

1179 (iv) providing open space, including streets and other public grounds and space around
1180 buildings;

1181 (v) providing public or private buildings, infrastructure, structures, and improvements;
1182 and

1183 (vi) providing improvements of public or private recreation areas and other public
1184 grounds.

1185 (b) "Urban renewal" means "redevelopment," as defined under the law in effect before
1186 May 1, 2006, if the context requires.

1187 Section 21. Section **17C-1-204** is amended to read:

1188 **17C-1-204. Urban renewal, economic development, and community development**
1189 **by an adjoining agency -- Requirements.**

1190 (1) An agency or community may, by resolution of its board or legislative body,
1191 respectively, authorize an agency to conduct urban renewal, economic development, or
1192 community development activities in a project area that includes an area within the authorizing
1193 agency's boundaries or within the boundaries of the authorizing community if the project area
1194 or community is contiguous to the boundaries of the other agency.

1195 (2) If an agency board or community legislative body adopts a resolution under
1196 Subsection (1) authorizing another agency to undertake urban renewal, economic development,
1197 or community development activities in the authorizing agency's project area or within the
1198 boundaries of the authorizing community:

1199 (a) the other agency may act in all respects as if the project area were within its own
1200 boundaries;

1201 (b) the board of the other agency has all the rights, powers, and privileges with respect
1202 to the project area as if it were within its own boundaries; and

1203 (c) the other agency may be paid tax increment funds to the same extent as if the
1204 project area were within its own boundaries.

1205 (3) Each project area plan approved by the other agency for the project area that is the

1206 subject of a resolution under Subsection (1) shall be adopted by ordinance of the legislative
1207 body of the community in which the project area is located.

1208 (4) (a) As used in this Subsection (4):

1209 (i) "County agency" means an agency that was created by a county.

1210 (ii) "Industrial property" means private real property:

1211 (A) over half of which is located within the boundary of a town, as defined in Section
1212 10-1-104; and

1213 (B) comprises some or all of an inactive industrial site.

1214 (iii) "Perimeter portion" means the portion of an inactive industrial site that is:

1215 (A) part of the inactive industrial site because it lies within the perimeter described in
1216 Subsection 17C-1-102[~~(25)~~](24)(b); and

1217 (B) located within the boundary of a city, as defined in Section 10-1-104.

1218 (b) (i) Subject to Subsection (4)(b)(ii), a county agency may undertake urban renewal,
1219 economic development, or community development on industrial property if the record
1220 property owner of the industrial property submits a written request to the county agency to do
1221 so.

1222 (ii) A county agency may not include a perimeter portion within a project area without
1223 the approval of the city in which the perimeter portion is located.

1224 (c) If a county agency undertakes urban renewal, economic development, or
1225 community development on industrial property:

1226 (i) the county agency may act in all respects as if the project area that includes the
1227 industrial property were within the county agency's boundary;

1228 (ii) the board of the county agency has each right, power, and privilege with respect to
1229 the project area as if the project area were within the county agency's boundary; and

1230 (iii) the county agency may be paid tax increment to the same extent as if the project
1231 area were within the county agency's boundary.

1232 (d) A project area plan for a project on industrial property that is approved by the
1233 county agency shall be adopted by ordinance of the legislative body of the county in which the

1234 project area is located.

1235 Section 22. Section **17C-1-412** is amended to read:

1236 **17C-1-412. Use of funds allocated for housing -- Separate accounting required --**
1237 **Issuance of bonds for housing -- Action to compel agency to provide housing funds.**

1238 (1) (a) Each agency shall use all funds allocated for housing under Section 17C-2-203
1239 or 17C-3-202 to:

1240 (i) pay part or all of the cost of land or construction of income targeted housing within
1241 the boundary of the agency, if practicable in a mixed income development or area;

1242 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
1243 boundary of the agency;

1244 (iii) lend, grant, or contribute money to a person, public entity, housing authority,
1245 private entity or business, or nonprofit corporation for income targeted housing within the
1246 boundary of the agency;

1247 (iv) plan or otherwise promote income targeted housing within the boundary of the
1248 agency;

1249 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of
1250 any building, facility, structure, or other housing improvement, including infrastructure
1251 improvements, related to housing located in a project area where blight has been found to exist;

1252 (vi) replace housing units lost as a result of the urban renewal, economic development,
1253 or community development;

1254 (vii) make payments on or establish a reserve fund for bonds:

1255 (A) issued by the agency, the community, or the housing authority that provides
1256 income targeted housing within the community; and

1257 (B) all or part of the proceeds of which are used within the community for the purposes
1258 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

1259 (viii) if the community's fair share ratio at the time of the first adoption of the project
1260 area budget is at least 1.1 to 1.0, make payments on bonds:

1261 (A) that were previously issued by the agency, the community, or the housing authority

1262 that provides income targeted housing within the community; and

1263 (B) all or part of the proceeds of which were used within the community for the
1264 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi); or

1265 (ix) relocate mobile home park residents displaced by an urban renewal, economic
1266 development, or community development project.

1267 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or
1268 any portion of housing funds to:

1269 (i) the community for use as provided under Subsection (1)(a);

1270 (ii) the housing authority that provides income targeted housing within the community
1271 for use in providing income targeted housing within the community; or

1272 (iii) the Olene Walker Housing Loan Fund, established under Title [9] 35A, Chapter
1273 [4] 8, Part [7] 5, Olene Walker Housing Loan Fund, for use in providing income targeted
1274 housing within the community.

1275 (2) The agency or community shall separately account for the housing funds, together
1276 with all interest earned by the housing funds and all payments or repayments for loans,
1277 advances, or grants from the housing funds.

1278 (3) An agency may:

1279 (a) issue bonds from time to time to finance a housing undertaking under this section,
1280 including the payment of principal and interest upon advances for surveys and plans or
1281 preliminary loans; and

1282 (b) issue refunding bonds for the payment or retirement of bonds under Subsection
1283 (3)(a) previously issued by the agency.

1284 (4) An agency:

1285 (a) shall allocate housing funds each year in which the agency receives sufficient tax
1286 increment to make a housing allocation required by the project area budget; and

1287 (b) is relieved, to the extent tax increment is insufficient in a year, of an obligation to
1288 allocate housing funds for the year tax increment is insufficient.

1289 (5) (a) Except as provided in Subsection (4), if an agency fails to provide housing

1290 funds in accordance with the project area budget and, if applicable, the housing plan adopted
1291 under Subsection 17C-2-204(2), the loan fund board may bring legal action to compel the
1292 agency to provide the housing funds.

1293 (b) In an action under Subsection (5)(a), the court:

1294 (i) shall award the loan fund board reasonable attorney fees, unless the court finds that
1295 the action was frivolous; and

1296 (ii) may not award the agency its attorney fees, unless the court finds that the action
1297 was frivolous.

1298 Section 23. Section **19-3-301** is amended to read:

1299 **19-3-301. Restrictions on nuclear waste placement in state.**

1300 (1) The placement, including transfer, storage, decay in storage, treatment, or disposal,
1301 within the exterior boundaries of Utah of high-level nuclear waste or greater than class C
1302 radioactive waste is prohibited.

1303 (2) Notwithstanding Subsection (1) the governor, after consultation with the county
1304 executive and county legislative body of the affected county and with concurrence of the
1305 Legislature, may specifically approve the placement as provided in this part, but only if:

1306 (a) (i) the federal Nuclear Regulatory Commission issues a license, pursuant to the
1307 Nuclear Waste Policy Act, 42 U.S.C.A. 10101 et seq., or the Atomic Energy Act, 42 U.S.C.A.
1308 2011 et seq., for the placement within the exterior boundaries of Utah of high-level nuclear
1309 waste or greater than class C radioactive waste; and

1310 (ii) the authority of the federal Nuclear Regulatory Commission to grant a license
1311 under Subsection (2)(a)(i) is clearly upheld by a final judgment of a court of competent
1312 jurisdiction; or

1313 (b) an agency of the federal government is transporting the waste, and all state and
1314 federal requirements to proceed with the transportation have been met.

1315 (3) The requirement for the approval of a final court of competent jurisdiction shall be
1316 met in all of the following categories, in order for a state license proceeding regarding waste to
1317 begin:

- 1318 (a) transfer or transportation, by rail, truck, or other mechanisms;
- 1319 (b) storage, including any temporary storage at a site away from the generating reactor;
- 1320 (c) decay in storage;
- 1321 (d) treatment; and
- 1322 (e) disposal.

1323 (4) (a) Upon satisfaction of the requirements of Subsection (2)(a), for each category
1324 listed in Subsection (3), or satisfaction of the requirements under Subsection (2)(b), the
1325 governor, with the concurrence of the attorney general, shall certify in writing to the executive
1326 director of the Department of Environmental Quality that all of the requirements have been
1327 met, and that any necessary state licensing processes may begin.

1328 (b) Separate certification under this Subsection (4) shall be given for each category in
1329 Subsection (3).

1330 (5) (a) The department shall make, by rule, a determination of the dollar amount of the
1331 health and economic costs expected to result from a reasonably foreseeable accidental release
1332 of waste involving a transfer facility or storage facility, or during transportation of waste,
1333 within the exterior boundaries of the state. The department may initiate rulemaking under this
1334 Subsection (5)(a) on or after March 15, 2001.

1335 (b) (i) The department shall also determine the dollar amount currently available to
1336 cover the costs as determined in Subsection (5)(a):

- 1337 (A) under nuclear industry self-insurance;
- 1338 (B) under federal insurance requirements; and
- 1339 (C) in federal money.

1340 (ii) The department may not include any calculations of federal money that may be
1341 appropriated in the future in determining the amount under Subsection (5)(b)(i).

1342 (c) The department shall use the information compiled under Subsections (5)(a) and (b)
1343 to determine the amount of unfunded potential liability in the event of a release of waste from a
1344 storage or transfer facility, or a release during the transportation of waste.

1345 (6) (a) State agencies may not, for the purpose of providing any goods, services, or

1346 municipal-type services to a storage facility or transfer facility, or to any organization engaged
1347 in the transportation of waste, enter into any contracts or any other agreements prior to:

- 1348 (i) the satisfaction of the conditions in Subsection (4); and
- 1349 (ii) the executive director of the department having certified that the requirements of
1350 Sections 19-3-304 through 19-3-308 have been met for the purposes of a license application
1351 proceeding for a storage facility or transfer facility.

1352 (b) Political subdivisions of the state may not enter into any contracts or any other
1353 agreements for the purpose of providing any goods, services, or municipal-type services to a
1354 storage facility or transfer facility, or to any organization engaged in the transportation of
1355 waste.

1356 (c) This Subsection (6) does not prohibit a state agency from exercising the regulatory
1357 authority granted to it by law.

1358 (7) (a) Notwithstanding any other provision of law, any political subdivision may not
1359 be formed pursuant to the laws of Utah for the purpose of providing any goods, services, or
1360 municipal-type services to a storage facility or transfer facility prior to the satisfaction of the
1361 conditions in Subsection (4). These political subdivisions include:

- 1362 (i) a cooperative;
- 1363 (ii) a local district authorized by Title 17B, Limited Purpose Local Government
1364 Entities - Local Districts;
- 1365 (iii) a special service district under Title 17D, Chapter 1, Special Service District Act;
- 1366 (iv) a limited purpose local governmental entities authorized by Title 17, Counties;
- 1367 (v) any joint power agreement authorized by Title 11, Cities, Counties, and Local
1368 Taxing Units; and
- 1369 (vi) the formation of a municipality, or any authority of a municipality authorized by
1370 Title 10, Utah Municipal Code.

1371 (b) (i) Subsection (7)(a) shall be strictly interpreted. Any political subdivision
1372 authorized and formed under the laws of the state on or after March 15, 2001, which
1373 subsequently contracts to, or in any manner agrees to provide, or does provide goods, services,

1374 or municipal-type services to a storage facility or transfer facility is formed in violation of
1375 Subsection (7)(a).

1376 (ii) If the conditions of Subsection (7)(b)(i) apply, the persons who formed the political
1377 subdivision are considered to have knowingly violated a provision of this part, and the
1378 penalties of Section 19-3-312 apply.

1379 (8) (a) An organization may not be formed for the purpose of providing any goods,
1380 services, or municipal-type services to a storage facility or transfer facility prior to:

1381 (i) the satisfaction of the conditions in Subsection (4); and

1382 (ii) the executive director of the department having certified that the requirements of
1383 Sections 19-3-304 through 19-3-308 have been met.

1384 (b) A foreign organization may not be registered to do business in the state for the
1385 purpose of providing any goods, services, or municipal-type services to a storage facility or
1386 transfer facility prior to:

1387 (i) the satisfaction of the conditions in Subsection (4); and

1388 (ii) the executive director of the department having certified that the requirements of
1389 Sections 19-3-304 through 19-3-308 have been met.

1390 (c) The prohibitions of Subsections (8)(a) and (b) shall be strictly applied, and:

1391 (i) the formation of a new organization or registration of a foreign organization within
1392 the state, any of whose purposes are to provide goods, services, or municipal-type services to a
1393 storage facility or transfer facility may not be licensed or registered in the state, and the local or
1394 foreign organization is void and does not have authority to operate within the state;

1395 (ii) any organization which is formed or registered on or after March 15, 2001, and
1396 which subsequently contracts to, or in any manner agrees to provide, or does provide goods,
1397 services, or municipal-type services to a storage facility or transfer facility has been formed or
1398 registered in violation of Subsection (8)(a) or (b) respectively; and

1399 (iii) if the conditions of Subsection (8)(c)(ii) apply, the persons who formed the
1400 organization or the principals of the foreign organization, are considered to have knowingly
1401 violated a provision of this part, and are subject to the penalties in Section 19-3-312.

1402 (9) (a) (i) Any contract or agreement to provide any goods, services, or municipal-type
1403 services to any organization engaging in, or attempting to engage in the placement of high-level
1404 nuclear waste or greater than class C radioactive waste at a storage facility or transfer facility
1405 within the state are declared to be against the greater public interest, health, and welfare of the
1406 state, by promoting an activity which has the great potential to cause extreme public harm.

1407 (ii) These contracts or agreements under Subsection (9)(a)(i), whether formal or
1408 informal, are declared to be void from inception, agreement, or execution as against public
1409 policy.

1410 (b) (i) Any contract or other agreement to provide goods, services, or municipal-type
1411 services to storage or transfer facilities may not be executed within the state.

1412 (ii) Any contract or other agreement, existing or executed on or after March 15, 2001,
1413 is considered void from the time of agreement or execution.

1414 (10) (a) All contracts and agreements under Subsection (10)(b) are assessed an annual
1415 transaction fee of 75% of the gross value of the contract to the party providing the goods,
1416 services, or municipal-type services to the storage facility or transfer facility or transportation
1417 entity. The fee shall be assessed per calendar year, and is payable on a prorated basis on or
1418 before the last day of each month in accordance with rules established under Subsection
1419 (10)(d), and as follows:

1420 (i) 25% of the gross value of the contract to the department; and

1421 (ii) 50% of the gross value of the contract to the Department of [~~Community and~~
1422 ~~Culture~~] Heritage and Arts, to be used by the Utah Division of Indian Affairs as provided in
1423 Subsection (11).

1424 (b) Contracts and agreements subject to the fee under Subsection (10)(a) are those
1425 contracts and agreements to provide goods, services, or municipal-type services to a storage or
1426 transfer facility, or to any organization engaged in the transportation of high-level nuclear
1427 waste or greater than class C radioactive waste to a transfer facility or storage facility, and
1428 which:

1429 (i) are in existence on March 15, 2001; or

1430 (ii) become effective notwithstanding Subsection (9)(a).

1431 (c) Any governmental agency which regulates the charges to consumers for services
1432 provided by utilities or other organizations shall require the regulated utility or organization to
1433 include the fees under Subsection (10)(a) in the rates charged to the purchaser of the goods,
1434 services, or municipal-type services affected by Subsection (10)(b).

1435 (d) (i) The department, in consultation with the State Tax Commission, shall establish
1436 rules for the valuation of the contracts and assessment and collection of the fees, and other
1437 rules as necessary to determine the amount of and collection of the fee under Subsection
1438 (10)(a). The department may initiate rulemaking under this Subsection (10)(d)(i) on or after
1439 March 15, 2001.

1440 (ii) Persons and organizations holding contracts affected by Subsection (10)(b) shall
1441 make a good faith estimate of the fee under Subsection (10)(a) for calendar year 2001, and
1442 remit that amount to the department on or before July 31, 2001.

1443 (11) (a) The portion of the fees imposed under Subsection (10) which is to be paid to
1444 the Department of [~~Community and Culture~~] Heritage and Arts for use by the Utah Division of
1445 Indian Affairs shall be used for establishment of a statewide community and economic
1446 development program for the tribes of Native American people within the exterior boundaries
1447 of the state who have by tribal procedure established a position rejecting siting of any nuclear
1448 waste facility on their reservation lands.

1449 (b) The program under Subsection (11)(a) shall include:

- 1450 (i) educational services and facilities;
- 1451 (ii) health care services and facilities;
- 1452 (iii) programs of economic development;
- 1453 (iv) utilities;
- 1454 (v) sewer;
- 1455 (vi) street lighting;
- 1456 (vii) roads and other infrastructure; and
- 1457 (viii) oversight and staff support for the program.

1458 (12) It is the intent of the Legislature that this part does not prohibit or interfere with a
1459 person's exercise of the rights under the First Amendment to the Constitution of the United
1460 States or under Utah Constitution Article I, Sec. 15, by an organization attempting to site a
1461 storage facility or transfer facility within the borders of the state for the placement of high-level
1462 nuclear waste or greater than class C radioactive waste.

1463 Section 24. Section **19-3-320** is amended to read:

1464 **19-3-320. Efforts to prevent siting of any nuclear waste facility to include**
1465 **economic development study regarding Native American reservation lands within the**
1466 **state.**

1467 (1) It is the intent of the Legislature that the department, in its efforts to prevent the
1468 siting of a nuclear waste facility within the exterior borders of the state, include in its work the
1469 study under Subsection (2) and the report under Subsection (3).

1470 (2) It is the intent of the Legislature that the Department of Environmental Quality, in
1471 coordination with the office of the governor, and in cooperation with the Departments of
1472 [~~Community and Culture~~] Heritage and Arts, Human Services, Health, Workforce Services,
1473 Agriculture and Food, Natural Resources, and Transportation, the state Office of Education,
1474 and the Board of Regents:

1475 (a) study the needs and requirements for economic development on the Native
1476 American reservations within the state; and

1477 (b) prepare, on or before November 30, 2001, a long-term strategic plan for economic
1478 development on the reservations.

1479 (3) It is the intent of the Legislature that this plan, prepared under Subsection (2)(b),
1480 shall be distributed to the governor and the members of the Legislature on or before December
1481 31, 2001.

1482 Section 25. Section **35A-1-202** is amended to read:

1483 **35A-1-202. Divisions -- Creation -- Duties -- Workforce Appeals Board, councils,**
1484 **Child Care Advisory Committee, and economic service areas.**

1485 (1) There is created within the department the following divisions:

- 1486 (a) the Employment Development Division to administer the development and
1487 implementation of employment assistance programs that are:
- 1488 (i) related to the operations of the department; and
 - 1489 (ii) consistent with federal and state law;
- 1490 (b) to administer those services that are not delivered through the economic service
1491 areas:
- 1492 (i) the Workforce Development and Information Division; and
 - 1493 (ii) the Unemployment Insurance Division; ~~and~~
 - 1494 (c) the Division of Adjudication to adjudicate claims or actions in accordance with this
1495 title[-]; and
 - 1496 (d) the Housing and Community Development Division, which is described in Sections
1497 35A-8-201 and 35A-8-202.
- 1498 (2) In addition to the divisions created under ~~[this section]~~ Subsection (1), within the
1499 department are the following:
- 1500 (a) the Workforce Appeals Board created in Section 35A-1-205;
 - 1501 (b) the State Council on Workforce Services created in Section 35A-1-206;
 - 1502 (c) the Employment Advisory Council created in Section 35A-4-502;
 - 1503 (d) the Child Care Advisory Committee created in Section 35A-3-205; and
 - 1504 (e) the economic service areas created in accordance with Chapter 2, Economic Service
1505 Areas.
- 1506 Section 26. Section **35A-3-103** is amended to read:
- 1507 **35A-3-103. Division responsibilities.**
- 1508 The division shall:
- 1509 (1) administer public assistance programs assigned by the Legislature and the
1510 governor;
 - 1511 (2) determine eligibility in accordance with the requirements of this chapter for public
1512 assistance programs assigned to it by the Legislature or the governor;
 - 1513 (3) cooperate with the federal government in the administration of public assistance

- 1514 programs;
- 1515 (4) administer the Utah state employment service in accordance with Section
- 1516 35A-3-115;
- 1517 (5) provide for the compilation of necessary or desirable information, statistics, and
- 1518 reports;
- 1519 (6) perform other duties and functions required by law;
- 1520 (7) monitor the application of eligibility policy;
- 1521 (8) develop personnel training programs for more effective and efficient operation of
- 1522 all programs under the administration of the division;
- 1523 (9) provide refugee resettlement services;
- 1524 (10) provide child care assistance for children; and
- 1525 (11) provide services and support that enable clients to qualify for affordable housing
- 1526 in cooperation with:
 - 1527 (a) the Utah Housing Corporation;
 - 1528 (b) the ~~[Division of]~~ Housing and Community Development Division ~~[within the~~
 - 1529 ~~Department of Community and Culture]~~; and
 - 1530 (c) local housing authorities.

1531 Section 27. Section **35A-3-116** is amended to read:

1532 **35A-3-116. Restricted special revenue fund -- Use of money -- Committee and**
1533 **director duties -- Restrictions.**

1534 (1) There is created a restricted special revenue fund, known as the "Refugee Services
1535 Fund," hereafter referred to in this section as "the fund."

1536 (2) The director or the director's designee, hereafter referred to in this section as the
1537 director, shall administer the fund with input from the ~~[Department of Community and Culture]~~
1538 Housing and Community Development Division, including any advisory committees within the
1539 ~~[Department of Community and Culture]~~ Housing and Community Development Division that
1540 deal with refugee services issues.

1541 (3) (a) Money shall be deposited into the fund from numerous sources, including

1542 federal grants, private foundations, and individual donors.

1543 (b) The director shall encourage a refugee who receives services from activities funded
1544 under Subsection (8) to become a donor to the fund once the refugee's financial situation
1545 improves to the point where the refugee is capable of making a donation.

1546 (4) The director may not expend money in the fund that is not restricted to a specific
1547 use under federal law or by donors without input from the [~~Department of Community and~~
1548 ~~Culture~~] Housing and Community Development Division, either directly or through an
1549 advisory committee identified in Subsection (2).

1550 (5) The state treasurer shall invest the money in the fund under Title 51, Chapter 7,
1551 State Money Management Act, and all interest or other earnings derived from the fund money
1552 shall be deposited in the fund.

1553 (6) The money in the fund may not be used by the director for administrative expenses.

1554 (7) If the [~~Department of Community and Culture~~] Housing and Community
1555 Development Division establishes a refugee services advisory committee referred to in
1556 Subsection (2), that committee may:

1557 (a) advise the director on refugee services needs in the state and on relevant operational
1558 aspects of any grant or revenue collection program established under this part;

1559 (b) recommend specific refugee projects to the director;

1560 (c) recommend policies and procedures for administering the fund;

1561 (d) make recommendations on grants made from the fund for any of the refugee
1562 services activities authorized under this section;

1563 (e) advise the director on the criteria by which grants shall be made from the fund;

1564 (f) recommend the order in which approved projects would be funded;

1565 (g) make recommendations regarding the distribution of money from the fund in
1566 accordance with the procedures, conditions, and restrictions placed upon money in the fund by
1567 donors; and

1568 (h) have joint responsibility to solicit public and private funding for the fund.

1569 (8) The director may use fund money to:

1570 (a) train an existing refugee organization to develop its capacity to operate
1571 professionally and effectively and to become an independent, viable organization; or
1572 (b) provide grants to an existing refugee organization and other entities identified in
1573 Subsection (9) to assist them:

- 1574 (i) with case management;
- 1575 (ii) in meeting emergency housing needs for refugees;
- 1576 (iii) in providing English language services;
- 1577 (iv) in providing interpretive services;
- 1578 (v) in finding and maintaining employment for refugees;
- 1579 (vi) in collaborating with the state's public education system to improve the
1580 involvement of refugee parents in assimilating their children into public schools;
- 1581 (vii) in meeting the health and mental health needs of refugees;
- 1582 (viii) in providing or arranging for child care services; or
- 1583 (ix) in administering refugee services.

1584 (9) In addition to Subsection (8), the director with advice from the [~~Department of~~
1585 ~~Community and Culture~~] Housing and Community Development Division or its refugee
1586 services advisory committee, if one is created, may grant fund money for refugee services
1587 outlined in Subsection (8) through a request for proposal process to:

- 1588 (a) local governments;
- 1589 (b) nonprofit community, charitable, or neighborhood-based organizations or private
1590 for profit organizations that deal solely or in part with providing or arranging for the provision
1591 of refugee services; or
- 1592 (c) regional or statewide nonprofit organizations.

1593 (10) The director shall enter into a written agreement with each successful grant
1594 applicant that has specific terms for each grant consistent with the provisions of this section
1595 that includes the structure, amount, and nature of the grant.

1596 (11) The director shall monitor the activities of the recipients of grants issued from the
1597 fund on an annual basis to ensure compliance with the terms and conditions imposed on the

1598 recipient by the fund.

1599 (12) An entity receiving a grant shall provide the director with periodic accounting of
1600 how the money it received from the fund was spent.

1601 (13) By November 1 of each year the director shall make an annual report to the
1602 Workforce Services and Community and Economic Development Interim Committee regarding
1603 the status of the fund and the programs and services funded by the fund.

1604 Section 28. Section **35A-3-203** is amended to read:

1605 **35A-3-203. Functions and duties of office -- Annual report.**

1606 The office shall:

1607 (1) assess critical child care needs throughout the state on an ongoing basis and focus
1608 its activities on helping to meet the most critical needs;

1609 (2) provide child care subsidy services for income-eligible children through age 12 and
1610 for income-eligible children with disabilities through age 18;

1611 (3) provide information:

1612 (a) to employers for the development of options for child care in the work place; and

1613 (b) for educating the public in obtaining quality child care;

1614 (4) coordinate services for quality child care training and child care resource and
1615 referral core services;

1616 (5) apply for, accept, or expend gifts or donations from public or private sources;

1617 (6) provide administrative support services to the committee;

1618 (7) work collaboratively with the following for the delivery of quality child care and
1619 early childhood programs, and school age programs throughout the state:

1620 (a) the State Board of Education; and

1621 [~~(b) the Department of Community and Culture; and~~]

1622 [~~(c)~~] (b) the Department of Health;

1623 (8) research child care programs and public policy that will improve quality and
1624 accessibility and that will further the purposes of the office and child care, early childhood
1625 programs, and school age programs;

1626 (9) provide planning and technical assistance for the development and implementation
1627 of programs in communities that lack child care, early childhood programs, and school age
1628 programs;

1629 (10) provide organizational support for the establishment of nonprofit organizations
1630 approved by the Child Care Advisory Committee, created in Section 35A-3-205; and

1631 (11) provide a written report on the status of child care in Utah to the Legislature by
1632 November 1 of each year through the Workforce Services and Community and Economic
1633 Development Interim Committee.

1634 Section 29. Section **35A-3-205** is amended to read:

1635 **35A-3-205. Creation of committee.**

1636 (1) There is created a Child Care Advisory Committee.

1637 (2) The committee shall counsel and advise the office in fulfilling its statutory
1638 obligations to include:

1639 (a) a review of and recommendations on the office's annual budget;

1640 (b) recommendations on how the office might best respond to child care needs
1641 throughout the state; and

1642 (c) recommendations on the use of new money that comes into the office, including
1643 those for the Child Care Fund.

1644 (3) The committee is composed of the following members, with special attention given
1645 to insure diversity and representation from both urban and rural groups:

1646 (a) one expert in early childhood development;

1647 (b) one child care provider who operates a center;

1648 (c) one child care provider who operates a family child care business;

1649 (d) one parent who is representative of households receiving a child care subsidy from
1650 the office;

1651 (e) one representative from the public at-large;

1652 (f) one representative of the State Office of Education;

1653 (g) one representative of the Department of Health;

1654 (h) one representative of the Department of Human Services;
1655 [~~(i)~~] one representative of the Department of Community and Culture;]
1656 [~~(j)~~] (i) two representatives from the corporate community, one who is a recent "Family
1657 Friendly" award winner and who received the award because of efforts in the child care arena;
1658 [~~(k)~~] (j) two representatives from the small business community;
1659 [~~(l)~~] (k) one representative from child care advocacy groups;
1660 [~~(m)~~] (l) one representative of children with disabilities;
1661 [~~(n)~~] (m) one representative from the state Head Start Association appointed by the
1662 association;
1663 [~~(o)~~] (n) one representative from each child care provider association; and
1664 [~~(p)~~] (o) one representative of a child care resource and referral center appointed by the
1665 organization representing child care resource and referral agencies.
1666 (4) (a) The executive director shall appoint the members designated in Subsections
1667 (3)(a) through (e) and (j) through (n).
1668 (b) The head of the respective departments shall appoint the members referred to in
1669 Subsections (3)(f) through (i).
1670 (c) Each child care provider association shall appoint its respective member referred to
1671 in Subsection (3)(o).
1672 (5) (a) Except as required by Subsection (5)(b), as terms of current committee members
1673 expire, the appointing authority shall appoint each new member or reappointed member to a
1674 four-year term.
1675 (b) Notwithstanding the requirements of Subsection (5)(a), the appointing authority
1676 shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the
1677 terms of committee members are staggered so that approximately half of the committee is
1678 appointed every two years.
1679 (6) When a vacancy occurs in the membership for any reason, including missing three
1680 consecutive meetings where the member has not been excused by the chair prior to or during
1681 the meeting, the replacement shall be appointed for the unexpired term.

- 1682 (7) A majority of the members constitutes a quorum for the transaction of business.
- 1683 (8) (a) The executive director shall select a chair from the committee membership.
- 1684 (b) A chair may serve no more than two one-year terms as chair.
- 1685 (9) A member may not receive compensation or benefits for the member's service, but
- 1686 may receive per diem and travel expenses in accordance with:
- 1687 (a) Section 63A-3-106;
- 1688 (b) Section 63A-3-107; and
- 1689 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
- 1690 63A-3-107.

1691 Section 30. Section **35A-3-309** is amended to read:

1692 **35A-3-309. Information regarding home ownership.**

1693 (1) The division shall provide information and service coordination to assist a client to

1694 obtain affordable housing.

1695 (2) The information and services may include:

1696 (a) information from the Utah Housing Corporation and the [~~Division of~~] Housing and

1697 Community Development [~~within the Department of Community and Culture~~] Division

1698 regarding special housing programs, including programs for first-time home buyers and

1699 persons with low and moderate incomes and the eligibility requirements for those programs;

1700 (b) referrals to programs operated by volunteers from the real estate industry that assist

1701 clients in obtaining affordable housing, including information on home ownership, down

1702 payments, closing costs, and credit requirements; and

1703 (c) referrals to housing programs operated by municipalities, counties, local housing

1704 authorities, and nonprofit housing organizations that assist individuals to obtain affordable

1705 housing, including first-time home ownership.

1706 Section 31. Section **35A-8-101**, which is renumbered from Section 9-4-102 is

1707 renumbered and amended to read:

1708 **CHAPTER 8. HOUSING AND COMMUNITY DEVELOPMENT DIVISION**

1709 **Part 1. Definitions**

1710 ~~[9-4-102].~~ 35A-8-101. **Definitions.**

1711 As used in this chapter:

1712 (1) "Accessible housing" means housing which has been constructed or modified to be
1713 accessible, as described in the State Construction Code or an approved code under Title 15A,
1714 State Construction and Fire Codes Act.

1715 (2) "Director" means the director of the division.

1716 (3) "Division" means the ~~[Division of]~~ Housing and Community Development
1717 Division.

1718 Section 32. Section **35A-8-201**, which is renumbered from Section 9-4-201 is
1719 renumbered and amended to read:

1720 **Part 2. Housing and Community Development Division**

1721 ~~[9-4-201].~~ 35A-8-201. **Housing and Community Development Division.**

1722 ~~[There is created within the department the Division of]~~ The Housing and Community
1723 Development Division is under the administration and general supervision of the director.

1724 Section 33. Section **35A-8-202**, which is renumbered from Section 9-4-202 is
1725 renumbered and amended to read:

1726 ~~[9-4-202].~~ 35A-8-202. **Powers and duties of division.**

1727 (1) The division shall:

1728 (a) assist local governments and citizens in the planning, development, and
1729 maintenance of necessary public infrastructure and services;

1730 (b) cooperate with, and provide technical assistance to, counties, cities, towns, regional
1731 planning commissions, area-wide clearinghouses, zoning commissions, parks or recreation
1732 boards, community development groups, community action agencies, and other agencies
1733 created for the purpose of aiding and encouraging an orderly, productive, and coordinated
1734 development of the state and its political subdivisions;

1735 (c) assist the governor in coordinating the activities of state agencies which have an
1736 impact on the solution of community development problems and the implementation of
1737 community plans;

1738 (d) serve as a clearinghouse for information, data, and other materials which may be
1739 helpful to local governments in discharging their responsibilities and provide information on
1740 available federal and state financial and technical assistance;

1741 (e) carry out continuing studies and analyses of the problems faced by communities
1742 within the state and develop such recommendations for administrative or legislative action as
1743 appear necessary;

1744 (f) assist in funding affordable housing and addressing problems of homelessness;

1745 (g) support economic development activities through grants, loans, and direct programs
1746 financial assistance;

1747 (h) certify project funding at the local level in conformance with federal, state, and
1748 other requirements;

1749 (i) utilize the capabilities and facilities of public and private universities and colleges
1750 within the state in carrying out its functions; and

1751 (j) assist and support local governments, community action agencies, and citizens in
1752 the planning, development, and maintenance of home weatherization, energy efficiency, and
1753 antipoverty activities[~~; and~~].

1754 [~~(k) assist and support volunteer efforts in the state.~~]

1755 (2) The division may:

1756 (a) by following the procedures and requirements of Title 63J, Chapter 5, Federal
1757 Funds Procedures Act, seek federal grants, loans, or participation in federal programs;

1758 (b) if any federal program requires the expenditure of state funds as a condition to
1759 participation by the state in any fund, property, or service, with the governor's approval, expend
1760 whatever funds are necessary out of the money provided by the Legislature for the use of the
1761 department;

1762 (c) in accordance with Part [~~13~~] 9, Domestic Violence Shelters, assist in developing,
1763 constructing, and improving shelters for victims of domestic violence, as described in Section
1764 77-36-1, through loans and grants to nonprofit and governmental entities; and

1765 (d) assist, when requested by a county or municipality, in the development of

1766 accessible housing.

1767 ~~[(3)(a) The division is recognized as an issuing authority as defined in Subsection~~
1768 ~~63M-1-3002(7), entitled to issue bonds from the Small Issue Bond Account created in~~
1769 ~~Subsection 63M-1-3006(1)(c) as a part of the state's private activity bond volume cap~~
1770 ~~authorized by the Internal Revenue Code of 1986 and computed under Section 146 of the~~
1771 ~~code.]~~

1772 ~~[(b) To promote and encourage the issuance of bonds from the Small Issue Bond~~
1773 ~~Account for manufacturing projects, the division may:]~~

1774 ~~[(i) develop campaigns and materials that inform qualified small manufacturing~~
1775 ~~businesses about the existence of the program and the application process;]~~

1776 ~~[(ii) assist small businesses in applying for and qualifying for these bonds; or]~~

1777 ~~[(iii) develop strategies to lower the cost to small businesses of applying for and~~
1778 ~~qualifying for these bonds, including making arrangements with financial advisors,~~
1779 ~~underwriters, bond counsel, and other professionals involved in the issuance process to provide~~
1780 ~~their services at a reduced rate when the division can provide them with a high volume of~~
1781 ~~applicants or issues.]~~

1782 Section 34. Section **35A-8-301**, which is renumbered from Section 9-4-301 is
1783 renumbered and amended to read:

1784 **Part 3. Community Impact Alleviation**

1785 ~~[9-4-301].~~ **35A-8-301. Legislative intent -- Purpose and policy.**

1786 (1) It is the intent of the Legislature to make available funds received by the state from
1787 federal mineral lease revenues under Section 59-21-2, bonus payments on federal oil shale
1788 lease tracts U-A and U-B, and all other bonus payments on federal mineral leases to be used for
1789 the alleviation of social, economic, and public finance impacts resulting from the development
1790 of natural resources in this state, subject to the limitations provided for in Section 35 of the
1791 Mineral Leasing Act of 1920 (41 Stat. 450, 30 U.S.C. Sec. 191).

1792 (2) The purpose of this part is to maximize the long term benefit of funds derived from
1793 these lease revenues and bonus payments by fostering funding mechanisms which will,

1794 consistent with sound financial practices, result in the greatest use of financial resources for the
1795 greatest number of citizens of this state, with priority given to those communities designated as
1796 impacted by the development of natural resources covered by the Mineral Leasing Act.

1797 (3) The policy of this state is to promote cooperation and coordination between the
1798 state and its agencies and political subdivisions with individuals, firms, and business
1799 organizations engaged in the development of the natural resources of this state. The purpose of
1800 such efforts include private sector participation, financial and otherwise, in the alleviation of
1801 impacts associated with resources development activities.

1802 Section 35. Section **35A-8-302**, which is renumbered from Section 9-4-302 is
1803 renumbered and amended to read:

1804 ~~[9-4-302]~~. **35A-8-302. Definitions.**

1805 As used in this part:

1806 (1) "Bonus payments" means that portion of the bonus payments received by the
1807 United States government under the Leasing Act paid to the state under Section 35 of the
1808 Leasing Act, 30 U.S.C. Sec. 191, together with any interest that had accrued on those
1809 payments.

1810 (2) "Impact board" means the Permanent Community Impact Fund Board created under
1811 Section ~~[9-4-304]~~ 35A-8-304.

1812 (3) "Impact fund" means the Permanent Community Impact Fund established by this
1813 chapter.

1814 (4) "Interlocal Agency" means a legal or administrative entity created by a subdivision
1815 or combination of subdivisions under the authority of Title 11, Chapter 13, Interlocal
1816 Cooperation Act.

1817 (5) "Leasing Act" means the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 181 et
1818 seq.

1819 (6) "Subdivision" means a county, city, town, county service area, special service
1820 district, special improvement district, water conservancy district, water improvement district,
1821 sewer improvement district, housing authority, building authority, school district, or public

1822 postsecondary institution organized under the laws of this state.

1823 Section 36. Section **35A-8-303**, which is renumbered from Section 9-4-303 is

1824 renumbered and amended to read:

1825 ~~[9-4-303]~~. **35A-8-303. Impact fund -- Deposits and contents -- Use of fund**
1826 **money.**

1827 (1) There is created an enterprise fund entitled the "Permanent Community Impact
1828 Fund."

1829 (2) The fund consists of:

1830 (a) all amounts appropriated to the impact fund under Section 59-21-2;

1831 (b) bonus payments deposited to the impact fund ~~[pursuant to]~~ under Subsection
1832 59-21-1(2);

1833 (c) all amounts appropriated to the impact fund under Section 53C-3-203;

1834 (d) all amounts received for the repayment of loans made by the impact board under
1835 this chapter; and

1836 (e) all other money appropriated or otherwise made available to the impact fund by the
1837 Legislature.

1838 (3) The state treasurer shall:

1839 (a) invest the money in the impact fund by following the procedures and requirements
1840 of Title 51, Chapter 7, State Money Management Act; and

1841 (b) deposit all interest or other earnings derived from those investments into the impact
1842 fund.

1843 (4) The amounts in the impact fund available for loans, grants, administrative costs, or
1844 other purposes of this part shall be limited to that which the Legislature appropriates for these
1845 purposes.

1846 (5) Federal mineral lease revenue received by the state under the Leasing Act that is
1847 deposited into the impact fund shall be used:

1848 (a) in a manner consistent with the provisions of:

1849 (i) the Leasing Act; and

1850 (ii) this part; and

1851 (b) for loans, grants, or both to state agencies or subdivisions that are socially or
1852 economically impacted by the leasing of minerals under the Leasing Act.

1853 (6) The money described in Subsection (2)(c) shall be used for grants to political
1854 subdivisions of the state to mitigate the impacts resulting from the development or use of
1855 school and institutional trust lands.

1856 Section 37. Section **35A-8-304**, which is renumbered from Section 9-4-304 is
1857 renumbered and amended to read:

1858 ~~[9-4-304].~~ **35A-8-304. Permanent Community Impact Fund Board created --**
1859 **Members -- Terms -- Chair -- Expenses.**

1860 (1) There is created within the [~~Department of Community and Culture~~] department the
1861 Permanent Community Impact Fund Board composed of 11 members as follows:

- 1862 (a) the chair of the Board of Water Resources or the chair's designee;
- 1863 (b) the chair of the Water Quality Board or the chair's designee;
- 1864 (c) the director of the department or the director's designee;
- 1865 (d) the state treasurer;
- 1866 (e) the chair of the Transportation Commission or the chair's designee;
- 1867 (f) a locally elected official who resides in Carbon, Emery, Grand, or San Juan County;
- 1868 (g) a locally elected official who resides in Juab, Millard, Sanpete, Sevier, Piute, or
1869 Wayne County;
- 1870 (h) a locally elected official who resides in Duchesne, Daggett, or Uintah County;
- 1871 (i) a locally elected official who resides in Beaver, Iron, Washington, Garfield, or Kane
1872 County; and

1873 (j) a locally elected official from each of the two counties that produced the most
1874 mineral lease money during the previous four-year period, prior to the term of appointment, as
1875 determined by the [~~Department of Community and Culture~~] department.

1876 (2) (a) The members specified under Subsections (1)(f) through (j) may not reside in
1877 the same county and shall be:

1878 (i) nominated by the Board of Directors of the Southeastern Association of
1879 Governments, Central Utah Association of Governments, Uintah Basin Association of
1880 Governments, and Southwestern Association of Governments, respectively, except that a
1881 member under Subsection (1)(j) shall be nominated by the Board of Directors of the
1882 Association of Governments from the region of the state in which the county is located; and

1883 (ii) appointed by the governor with the consent of the Senate.

1884 (b) Except as required by Subsection (2)(c), as terms of current board members expire,
1885 the governor shall appoint each new member or reappointed member to a four-year term.

1886 (c) Notwithstanding the requirements of Subsection (2)(b), the governor shall, at the
1887 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
1888 board members are staggered so that approximately half of the board is appointed every two
1889 years.

1890 (d) When a vacancy occurs in the membership for any reason, the replacement shall be
1891 appointed for the unexpired term.

1892 (3) The terms of office for the members of the impact board specified under
1893 Subsections (1)(a) through (1)(e) shall run concurrently with the terms of office for the
1894 councils, boards, committees, commission, departments, or offices from which the members
1895 come.

1896 (4) The executive director of the department, or the executive director's designee, [~~shall~~
1897 ~~be~~] is the chair of the impact board.

1898 (5) A member may not receive compensation or benefits for the member's service, but
1899 may receive per diem and travel expenses in accordance with:

1900 (a) Section 63A-3-106;

1901 (b) Section 63A-3-107; and

1902 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
1903 63A-3-107.

1904 Section 38. Section **35A-8-305**, which is renumbered from Section 9-4-305 is
1905 renumbered and amended to read:

1906 ~~[9-4-305].~~ 35A-8-305. **Duties -- Loans -- Interest.**

1907 (1) The impact board shall:

1908 (a) make grants and loans from the amounts appropriated by the Legislature out of the

1909 impact fund to state agencies, subdivisions, and interlocal agencies that are or may be socially

1910 or economically impacted, directly or indirectly, by mineral resource development for:

1911 (i) planning;

1912 (ii) construction and maintenance of public facilities; and

1913 (iii) provision of public services;

1914 (b) establish the criteria by which the loans and grants will be made;

1915 (c) determine the order in which projects will be funded;

1916 (d) in conjunction with other agencies of the state ~~[or of]~~, subdivisions, or ~~[of]~~

1917 interlocal agencies, conduct studies, investigations, and research into the effects of proposed

1918 mineral resource development projects upon local communities;

1919 (e) sue and be sued in accordance with applicable law;

1920 (f) qualify for, accept, and administer grants, gifts, loans, or other funds from:

1921 (i) the federal government; and ~~[from]~~

1922 (ii) other sources, public or private; and

1923 (g) perform other duties assigned to it under Sections 11-13-306 and 11-13-307.

1924 (2) Money, including all loan repayments and interest, in the impact fund derived from

1925 bonus payments may be used for any of the purposes set forth in Subsection (1)(a) but may

1926 only be given in the form of loans to be paid back into the impact fund by the agency,

1927 subdivision, or interlocal agency.

1928 (3) The average annual return to the impact fund on all bonus money may not be less

1929 than 1/2 of the average interest rate paid by the state on general obligation bonds issued during

1930 the most recent fiscal year in which bonds were sold.

1931 (4) (a) "Provision of public services" under Subsection (1)(a) includes contracts with

1932 public postsecondary institutions to fund research, education, or public service programs that

1933 benefit impacted counties or political subdivisions of the counties.

1934 (b) Each contract under Subsection (4)(a) shall be:

1935 (i) based on an application to the impact board from the impacted county; and

1936 (ii) approved by the county legislative body.

1937 (c) For purposes of this section, a land use plan is a public service program.

1938 Section 39. Section **35A-8-306**, which is renumbered from Section 9-4-306 is
1939 renumbered and amended to read:

1940 ~~[9-4-306]~~. **35A-8-306. Powers.**

1941 The impact board may:

1942 (1) appoint, where it considers this appropriate, a hearing examiner or administrative
1943 law judge with authority to conduct ~~[any]~~ hearings, make determinations, and enter appropriate
1944 findings of facts, conclusions of law, and orders under authority of the impact board under
1945 Sections 11-13-306 and 11-13-307;

1946 (2) appoint additional professional and administrative staff necessary to effectuate
1947 Sections 11-13-306 and 11-13-307;

1948 (3) make independent studies regarding matters submitted to it under Sections
1949 11-13-306 and 11-13-307 that the impact board, in its discretion, considers necessary, which
1950 studies shall be made a part of the record and may be considered in the impact board's
1951 determination; and

1952 (4) make rules under Title 63G, Chapter 3, Utah Administrative Rulemaking Act it
1953 considers necessary to perform its responsibilities under Sections 11-13-306 and 11-13-307.

1954 Section 40. Section **35A-8-307**, which is renumbered from Section 9-4-307 is
1955 renumbered and amended to read:

1956 ~~[9-4-307]~~. **35A-8-307. Impact fund administered by impact board -- Eligibility**
1957 **for assistance -- Review by board -- Administration costs -- Annual report.**

1958 (1) (a) The impact board shall:

1959 (i) administer the impact fund in a manner that will keep a portion of the impact fund
1960 revolving;

1961 (ii) determine provisions for repayment of loans;

1962 (iii) establish criteria for determining eligibility for assistance under this part; and
1963 (iv) consider recommendations from the School and Institutional Trust Lands
1964 Administration when awarding a grant described in Subsection [~~9-4-303(6)~~] 35A-8-303(6).
1965 (b) (i) [~~Criteria~~] The criteria for awarding loans or grants made from funds described in
1966 Subsection [~~9-4-303(5)~~] 35A-8-303(5) shall be consistent with the requirements of Subsection
1967 [~~9-4-303(5)~~] 35A-8-303(5).
1968 (ii) [~~Criteria~~] The criteria for awarding grants made from funds described in Subsection
1969 [~~9-4-303(2)(c)~~] 35A-8-303(2)(c) shall be consistent with the requirements of Subsection
1970 [~~9-4-303(6)~~] 35A-8-303(6).
1971 (c) In order to receive assistance under this part, subdivisions and interlocal agencies
1972 shall submit formal applications containing the information that the impact board requires.
1973 (2) In determining eligibility for loans and grants under this part, the impact board shall
1974 consider the following:
1975 (a) the subdivision's or interlocal agency's current mineral lease production;
1976 (b) the feasibility of the actual development of a resource that may impact the
1977 subdivision or interlocal agency directly or indirectly;
1978 (c) current taxes being paid by the subdivision's or interlocal agency's residents;
1979 (d) the borrowing capacity of the subdivision or interlocal agency, including:
1980 (i) its ability and willingness to sell bonds or other securities in the open market~~[-]~~; and
1981 (ii) its current and authorized indebtedness;
1982 (e) all possible additional sources of state and local revenue, including utility user
1983 charges;
1984 (f) the availability of federal assistance funds;
1985 (g) probable growth of population due to actual or prospective natural resource
1986 development in an area;
1987 (h) existing public facilities and services;
1988 (i) the extent of the expected direct or indirect impact upon public facilities and
1989 services of the actual or prospective natural resource development in an area; and

1990 (j) the extent of industry participation in an impact alleviation plan, either as specified
1991 in Title 63M, Chapter 5, Resource Development Act, or otherwise.

1992 (3) The impact board may not fund ~~[any]~~ an education project that could otherwise
1993 have reasonably been funded by a school district through a program of annual budgeting,
1994 capital budgeting, bonded indebtedness, or special assessments.

1995 (4) The impact board may restructure all or part of the agency's or subdivision's
1996 liability to repay loans for extenuating circumstances.

1997 (5) The impact board shall:

1998 (a) review the proposed uses of the impact fund for loans or grants before approving
1999 them and may condition its approval on whatever assurances ~~[that]~~ the impact board considers
2000 ~~[to be]~~ necessary to ensure that ~~[the]~~ proceeds of the loan or grant will be used in accordance
2001 with the Leasing Act and this part; and

2002 (b) ensure that each loan specifies the terms for repayment and is evidenced by general
2003 obligation, special assessment, or revenue bonds, notes, or other obligations of the appropriate
2004 subdivision or interlocal agency issued to the impact board under whatever authority for the
2005 issuance of those bonds, notes, or obligations exists at the time of the loan.

2006 (6) The impact board shall allocate from the impact fund to the department those funds
2007 that are appropriated by the Legislature for the administration of the impact fund, but this
2008 amount may not exceed 2% of the annual receipts to the impact fund.

2009 (7) The department shall make an annual report to the Legislature concerning the
2010 number and type of loans and grants made as well as a list of subdivisions and interlocal
2011 agencies that received this assistance.

2012 Section 41. Section ~~35A-8-401~~, which is renumbered from Section 9-4-602 is
2013 renumbered and amended to read:

2014 **Part 4. Housing Authorities**

2015 ~~[9-4-602].~~ **35A-8-401. Definitions.**

2016 As used in this part:

2017 (1) "Area of operation" means:

2018 (a) in the case of an authority of a city, the city, except that the area of operation of an
2019 authority of ~~[any]~~ a city does not include ~~[any]~~ an area that lies within the territorial boundaries
2020 of some other city; or

2021 (b) in the case of an authority of a county, all of the county for which it is created
2022 except, that a county authority may not undertake ~~[any]~~ a project within the boundaries of ~~[any]~~
2023 a city unless a resolution has been adopted by the governing body of the city ~~[f]~~, and by any
2024 authority which ~~[shall have]~~ has been ~~[theretofore]~~ established and authorized to exercise its
2025 powers in the city~~[g]~~, declaring that there is need for the county authority to exercise its powers
2026 within that city.

2027 (2) "Blighted area" means ~~[any]~~ an area where dwellings predominate that, by reason of
2028 dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light, or sanitary
2029 facilities or any combination of these factors, are detrimental to safety, health, and morals.

2030 (3) "Bonds" means ~~[any]~~ bonds, notes, interim certificates, debentures, or other
2031 obligations issued by an authority ~~[pursuant to]~~ under this part.

2032 (4) "City" means ~~[any]~~ a city or town in the state.

2033 (5) "Clerk" means the city ~~[clerk]~~ or ~~[the]~~ county clerk, or the officer charged with the
2034 duties customarily imposed on the clerk.

2035 (6) "County" means ~~[any]~~ a county in the state.

2036 (7) "Elderly" means a person who meets the age, disability, or other conditions
2037 established by regulation of the authority.

2038 (8) "Federal government" includes the United States of America, the Department of
2039 Housing and Urban Development, or any other agency or instrumentality, corporate or
2040 otherwise, of the United States.

2041 (9) "Governing body" means, in the case of a city, the council or other body of the city
2042 in which is vested legislative authority customarily imposed on the city council, and in the case
2043 of a county, the board of county commissioners.

2044 (10) "Housing authority" or "authority" means ~~[any]~~ a public body corporate and politic
2045 created by this part.

2046 (11) (a) "Housing project" or "project" means [~~any~~] a work or undertaking, on
2047 contiguous or noncontiguous sites to:

- 2048 (i) demolish, clear, or remove buildings from [~~any~~] a blighted area;
- 2049 (ii) provide or assist in providing decent, safe, and sanitary urban or rural dwellings,
2050 apartments, or other living accommodations for persons of medium and low income by any
2051 suitable methods, including rental, sale of individual units in single or multifamily structures
2052 under conventional condominium, cooperative sales contract, lease-purchase agreement, loans,
2053 or subsidizing of rentals or charges; or
- 2054 (iii) accomplish a combination of [~~the foregoing~~] Subsections (11)(a)(i) and (ii).

2055 (b) "Housing project" includes:

- 2056 (i) buildings, land, equipment, facilities, and other real or personal property for
2057 necessary, convenient, or desirable appurtenances;
- 2058 (ii) streets, sewers, water service, utilities, parks, site preparation and landscaping;
- 2059 (iii) facilities for administrative, community, health, recreational, welfare, or other
2060 purposes;
- 2061 (iv) the planning of the buildings and other improvements;
- 2062 (v) the acquisition of property or any interest [~~therein~~] in the property;
- 2063 (vi) the demolition of existing structures;
- 2064 (vii) the construction, reconstruction, rehabilitation, alteration, or repair of the
2065 improvements and all other work in connection with them; and
- 2066 (viii) all other real and personal property and all tangible or intangible assets held or
2067 used in connection with the housing project.

2068 (12) "Major disaster" means [~~any~~] a flood, drought, fire, hurricane, earthquake, storm,
2069 or other catastrophe, which in the determination of the governing body is of sufficient severity
2070 and magnitude to warrant the use of available resources of the federal, state, and local
2071 governments to alleviate the damage, hardship, or suffering caused.

2072 (13) "Mayor" means the mayor of the city or the officer charged with the duties
2073 customarily imposed on the mayor or executive head of a city.

2074 (14) "Obligee of an authority" or "obligee" includes [~~any~~] a bondholder, agent or
2075 trustee for [~~any~~] a bondholder, [~~any~~] a lessor demising to the authority used in connection with
2076 a project, [~~any~~] an assignee or assignees of the lessor's interest in whole or in part, and the
2077 federal government when it is a party to [~~any~~] a contract with the authority.

2078 (15) "Persons of medium and low income" mean persons or families who, as
2079 determined by the authority undertaking a project, cannot afford to pay the amounts at which
2080 private enterprise, unaided by appropriate assistance, is providing a substantial supply of
2081 decent, safe and sanitary housing.

2082 (16) "Person with a disability" means a person with any disability as defined by and
2083 covered under the Americans with Disabilities Act of 1990, 42 U.S.C. Sec. 12102.

2084 (17) "Public body" means [~~any~~] a city, county or municipal corporation, commission,
2085 district, authority, agency, subdivision, or other body of [~~any of~~] the foregoing.

2086 (18) "Real property" includes all lands, improvements, and fixtures on them, property
2087 of any nature appurtenant to them or used in connection with them, and every estate, interest,
2088 and right, legal or equitable, including terms for years.

2089 Section 42. Section ~~35A-8-402~~, which is renumbered from Section 9-4-603 is
2090 renumbered and amended to read:

2091 ~~[9-4-603]~~. 35A-8-402. Creation of housing authority authorized -- Procedure.

2092 (1) The governing body of each public body of the state, except the state[;] itself, may
2093 create an authority, corporate and politic, to be known as a "housing authority."

2094 (2) The governing body of a city or county shall give consideration to the need for an
2095 authority:

2096 (a) on its own motion; or

2097 (b) upon the filing of a petition signed by 25 electors of the city or county asserting that
2098 there is need for an authority to function in the city or county and requesting that its governing
2099 body [~~so declare~~] make a declaration to that effect.

2100 (3) The governing body shall adopt a resolution declaring there is need for an authority
2101 and creating an authority in the city or county if it finds:

2102 (a) that unsanitary or unsafe inhabited dwelling accommodations exist in the city or
2103 county; or

2104 (b) that there is a shortage of safe and sanitary dwelling accommodations in the city or
2105 county available to persons of medium and low income at rentals or prices they can afford.

2106 (4) (a) In any suit, action, or proceeding involving the validity or enforcement of [~~any~~]
2107 a contract of the authority, an authority shall be conclusively deemed to have become
2108 established and authorized to transact business and exercise its powers upon proof of the
2109 adoption of the resolution prescribed in Subsection (3).

2110 (b) A copy of the resolution duly certified by the clerk shall be admissible in evidence
2111 in [~~any~~] a suit, action, or proceeding.

2112 (5) In counties of the third, fourth, fifth, and sixth class, the governing body of each
2113 public body of the state, except the state itself, may contract with or execute an interlocal
2114 agreement for services to be provided by an existing housing authority established in another
2115 political subdivision.

2116 Section 43. Section **35A-8-403**, which is renumbered from Section 9-4-604 is
2117 renumbered and amended to read:

2118 [~~9-4-604~~]. **35A-8-403. Indian housing authorities.**

2119 (1) (a) There is created, with respect to each Indian tribe, band, or community in the
2120 state, a public body corporate and politic, to function in the operating area of the Indian tribe,
2121 band, or community to be known as the "housing authority" of the Indian tribe, band, or
2122 community, which [~~shall be~~] is an agency of [~~the~~] this state [~~of Utah~~], possessing all powers,
2123 rights, and functions specified for city and county authorities created [~~pursuant to~~] under this
2124 part.

2125 (b) This Indian housing authority may not transact [~~any~~] business [~~nor~~] or exercise its
2126 powers [~~until or~~] unless the governing council of the tribe, band, or community, by proper
2127 resolution, declares that there is a need for an authority to function for the tribe, band, or
2128 community.

2129 (2) (a) Except as otherwise provided in this part, [~~all~~] the provisions of law applicable

2130 to housing authorities created for cities and counties and the commissioners of these authorities
2131 shall be applicable to Indian housing authorities and the commissioners of those authorities.

2132 (b) The chief or other governing head of an Indian tribe, band, or community may
2133 exercise all appointing and other powers with respect to an Indian housing authority that are
2134 vested by this part in the mayor of a city relating to a city housing authority.

2135 Section 44. Section **35A-8-404**, which is renumbered from Section 9-4-606 is
2136 renumbered and amended to read:

2137 ~~[9-4-606].~~ **35A-8-404. Commissioners -- Appointment -- Terms -- Quorum --**
2138 **Meetings -- Employment of other officers and employees authorized.**

2139 (1) If a housing authority is authorized to transact business and exercise powers under
2140 this part, not less than five nor more than seven ~~[persons]~~ people shall be appointed as
2141 commissioners of the authority:

2142 (a) in the case of a city, by the mayor, with the advice and consent of the city's
2143 governing body; or

2144 (b) in the case of a county, by the county's governing body.

2145 (2) (a) The commissioners first appointed under this part shall ~~[be designated to]~~ serve
2146 for terms of one, two, three, four, and five years, respectively, from the date of their
2147 appointment.

2148 (b) After the first commissioners are appointed under Subsection (2)(a), commissioners
2149 are appointed for a term of office of four years.

2150 (c) Notwithstanding Subsections (2)(a) and (b), all vacancies are filled for the
2151 unexpired term.

2152 (3) A commissioner qualifies by taking the official oath of office.

2153 (4) A commissioner may not receive compensation except necessary expenses,
2154 including traveling expenses, incurred in the discharge of the commissioner's duties.

2155 (5) A commissioner holds office until the commissioner's successor is appointed and
2156 qualified.

2157 (6) A certificate of appointment or reappointment of a commissioner shall be:

2158 (a) filed with the authority; and
2159 (b) conclusive evidence of the appointment of the commissioner.
2160 (7) The powers of each authority are vested in the commissioners.
2161 (8) (a) A majority of the commissioners of an authority constitutes a quorum for the
2162 purpose of conducting its business and exercising its powers and for all other purposes
2163 notwithstanding the existence of any vacancies.

2164 (b) ~~[Action may be taken by the]~~ The authority may take action upon a vote of a
2165 majority of the commissioners present, unless the bylaws of the authority require a larger
2166 number.

2167 (9) Meetings of the commissioners of an authority may be held:

2168 (a) anywhere within the area of operation of the authority; or

2169 (b) within any area not described in Subsection (9)(a) in which the authority is
2170 authorized to undertake a project.

2171 (10) The commissioners of an authority shall elect a chair and vice chair from the
2172 commissioners.

2173 (11) An authority may employ an executive director, legal and technical experts, and
2174 other officers, agents, and employees, permanent and temporary, and shall determine their
2175 qualifications, duties, and compensation.

2176 (12) An authority may delegate to one or more of its agents or employees any powers
2177 or duties the authority considers proper.

2178 Section 45. Section **35A-8-405**, which is renumbered from Section 9-4-607 is
2179 renumbered and amended to read:

2180 ~~[9-4-607].~~ **35A-8-405. Disclosure of interest in project -- Restrictions.**

2181 (1) ~~[Any]~~ A commissioner, officer, or employee of an authority, who has voluntarily
2182 acquired any of the following interests, shall disclose to the commissioners of the authority, as
2183 soon as ~~[he]~~ the person has knowledge of the interest, the nature and extent of the interest:

2184 (a) ~~[any]~~ a present or future interest, direct or indirect, in ~~[any]~~ a project;

2185 (b) ~~[any]~~ a present or future interest, direct or indirect, in ~~[any]~~ a property included in

2186 or planned to be included in ~~[any]~~ a project;

2187 (c) ~~[any]~~ a contract or proposed contract relating to ~~[any]~~ a project; or

2188 (d) any other transaction or agreement with the authority.

2189 (2) The commissioners shall enter the particulars of the disclosure into the minutes of
2190 the authority.

2191 (3) After a disclosure of interest, the commissioner, officer, or employee may
2192 participate in any discussions concerning proposed authority action on the property, contract,
2193 transaction, or agreement in which ~~[he]~~ the person has an interest, but the commissioner,
2194 officer, or employee may not vote on any ~~[such]~~ action proposed by the authority regarding that
2195 property, contract, transaction, or agreement.

2196 (4) Commissioners, officers, and employees of an authority are not "public officers" for
2197 purposes of ~~[the Utah Public Officers' and Employees' Ethics Act,]~~ Title 67, Chapter 16, Utah
2198 Public Officers' and Employees' Ethics Act.

2199 Section 46. Section ~~35A-8-406~~, which is renumbered from Section 9-4-608 is
2200 renumbered and amended to read:

2201 ~~[9-4-608].~~ 35A-8-406. Misconduct of commissioners -- Removal.

2202 (1) ~~[For inefficiency, neglect of duty, or misconduct in office, a]~~ A commissioner of an
2203 authority may be removed by the mayor or, in the case of an authority for a county, by the body
2204 that appointed the commissioner for inefficiency, neglect of duty, or misconduct in office.

2205 (2) A commissioner may be removed only after a hearing and after ~~[he has]~~ having
2206 been given a copy of the charges at least 10 days prior to the hearing and ~~[had]~~ having an
2207 opportunity to be heard in person or by counsel.

2208 (3) If a commissioner is removed, a record of the proceedings, together with the
2209 charges and findings, shall be filed in the office of the clerk.

2210 Section 47. Section ~~35A-8-407~~, which is renumbered from Section 9-4-609 is
2211 renumbered and amended to read:

2212 ~~[9-4-609].~~ 35A-8-407. Powers of housing authority.

2213 (1) ~~[Each]~~ An authority has perpetual succession and all the powers necessary to carry

2214 out [~~and effectuate~~] the purposes [~~and provisions~~] of this part.

2215 (2) An authority may:

2216 (a) sue and be sued;

2217 (b) have a seal and alter it;

2218 (c) make and execute contracts and other instruments necessary to the exercise of its
2219 powers;

2220 (d) make, amend, and repeal bylaws and rules;

2221 (e) within its area of operation, prepare, carry out, and operate projects and provide for
2222 the acquisition, construction, reconstruction, rehabilitation, improvement, extension, alteration
2223 or repair of any project;

2224 (f) undertake and carry out studies and analyses of housing needs within its area of
2225 operation and ways of meeting those needs, including data with respect to population and
2226 family groups and its distribution according to income groups, the amount and quality of
2227 available housing, including accessible housing, and its distribution according to rentals and
2228 sales prices, employment, wages and other factors affecting the local housing needs and
2229 meeting these needs;

2230 (g) (i) make the results of studies and analyses available to the public and the building,
2231 housing, and supply industries; and

2232 (ii) engage in research and disseminate information on housing programs;

2233 (h) utilize, contract with, act through, assist, and cooperate or deal with any person,
2234 agency, institution, or organization, public or private, for the provision of services, privileges,
2235 works, or facilities, or in connection with its projects;

2236 (i) notwithstanding anything to the contrary contained in this part or in any other
2237 provision of law:

2238 (i) agree to any conditions attached to federal financial assistance relating to the
2239 determination of prevailing salaries or wages or payment of not less than prevailing salaries or
2240 wages or compliance with labor standards in the development or administration of projects;

2241 (ii) include in any contract awarded or entered into in connection with a project

2242 stipulations requiring that the contractor and all subcontractors comply with requirements as to
2243 minimum salaries or wages and maximum hours of labor; and
2244 (iii) comply with any conditions attached to the financial aid of the project;
2245 (j) lease, rent, sell, or lease with the option to purchase any dwellings, lands, buildings,
2246 structures, or facilities embraced in a project;
2247 (k) subject to the limitations contained in this part with respect to the rental or charges
2248 for dwellings in housing projects, establish and revise the rents or charges for the dwellings;
2249 (l) own, hold, and improve real or personal property;
2250 (m) purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise, or
2251 otherwise any real or personal property or any interest in it;
2252 (n) sell, lease, exchange, transfer, assign, pledge, or dispose of real or personal property
2253 or any interest in it;
2254 (o) make loans for the provision of housing for occupancy by persons of medium and
2255 low income;
2256 (p) make loans or grants for the development and construction of accessible housing;
2257 (q) insure or provide for the insurance, in stock or mutual companies, of real or
2258 personal property or operations of the authority against any risks or hazards;
2259 (r) procure or agree to the procurement of government insurance or guarantees of the
2260 payment of any bonds, in whole or in part, issued by the authority, including the power to pay
2261 premiums on the insurance;
2262 (s) invest money held in reserves, sinking funds, or any funds not required for
2263 immediate disbursement in property or securities in which savings banks may legally invest
2264 money subject to their control;
2265 (t) redeem its bonds at the redemption price established or purchase its bonds at less
2266 than redemption price, with all bonds that are redeemed or purchased to be canceled;
2267 (u) within its area of operation, determine where blighted areas exist or where there is
2268 unsafe, insanitary, or overcrowded housing;
2269 (v) make studies and recommendations relating to the problem of clearing, replanning,

2270 and reconstructing blighted areas, and the problem of eliminating unsafe, insanitary, or
2271 overcrowded housing and providing dwelling accommodations and maintaining a wholesome
2272 living environment for persons of medium and low income, and cooperate with any public
2273 body or the private sector in action taken in connection with those problems;

2274 (w) acting through one or more commissioners or other persons designated by the
2275 authority, conduct examinations and investigations and hear testimony and take proof under
2276 oath at public or private hearings on any matter material for its information;

2277 (x) administer oaths, issue subpoenas requiring the attendance of witnesses or the
2278 production of books and papers, and issue commissions for the examination of witnesses
2279 outside the state who are unable to appear before the authority or are excused from attendance;

2280 (y) make available to appropriate agencies, including those charged with the duty of
2281 abating or requiring the correction of nuisances or like conditions or of demolishing unsafe or
2282 insanitary structures within its area of operation, its findings and recommendations with regard
2283 to any building or property where conditions exist that are dangerous to the public health,
2284 morals, safety, or welfare; and

2285 (z) exercise all or any part or combination of the powers granted under this part.

2286 (3) (a) If there are two or more housing authorities established within a county of the
2287 first or second class, then those housing authorities shall create a uniform online application for
2288 the housing choice voucher program with links to each of the housing authorities within the
2289 county.

2290 (b) As used in Subsection (3)(a), "housing choice voucher program" means the federal
2291 government's housing assistance program administered by a housing authority, which enables
2292 low-income families, the elderly, and the disabled to secure decent, safe, and sanitary housing
2293 in the private market.

2294 (4) No provision of law with respect to the acquisition, operation, or disposition of
2295 property by other public bodies is applicable to an authority unless the Legislature specifically
2296 states that it is.

2297 Section 48. Section **35A-8-408**, which is renumbered from Section 9-4-610 is

2298 renumbered and amended to read:

2299 ~~[9-4-610].~~ **35A-8-408. Profit from projects prohibited -- Criteria for**
 2300 **determining rentals and payments.**

2301 (1) ~~[It is declared to be the policy of this state to]~~ To accomplish the public,
 2302 governmental, and charitable purposes of this part, the Legislature declares that:

2303 (a) ~~[each]~~ an authority manage and operate ~~[its]~~ the authority's housing projects in an
 2304 efficient manner to enable ~~[it]~~ each housing project to provide decent, safe, and sanitary
 2305 dwelling accommodations for persons of medium and low income and fix the rentals or
 2306 payments for these accommodations for persons of low income at low rates; and

2307 (b) ~~[no]~~ an authority may not be operated as a source of revenue to the city or county.

2308 (2) ~~[To this end each]~~ An authority shall fix the rentals or payments for dwellings in
 2309 ~~[its]~~ the authority's projects at no higher rates than ~~[it]~~ the authority finds necessary in order to
 2310 produce revenues that, together with all other available money, revenues, income, and receipts
 2311 of the authority from whatever sources derived, including federal financial assistance necessary
 2312 to maintain the low-rent character of the projects, is sufficient to:

2313 (a) pay, as they become due, the principal and interest on the bonds of the authority;

2314 (b) create and maintain reserves required to assure the payment of principal and interest
 2315 as it becomes due on its bonds;

2316 (c) meet the cost of, and provide for, maintaining and operating the projects, including
 2317 necessary reserves and the cost of any insurance, and the administrative expenses of the
 2318 authority; and

2319 (d) make payments in lieu of taxes and, after payment in full of all obligations for
 2320 which federal annual contributions are pledged, make repayments of federal and local
 2321 contributions as it determines are consistent with the maintenance of the low-rent character of
 2322 projects.

2323 (3) Rentals or payments for dwellings shall be established and the projects
 2324 administered, in so far as possible, to assure that any federal financial assistance required is
 2325 strictly limited to amounts and periods necessary to maintain the low-rent character of the

2326 projects.

2327 (4) Nothing in this section [~~may be construed to limit~~] limits the amount an authority
2328 may charge for nondwelling facilities.

2329 (5) All [~~such income, together with other~~] income and revenue[;] described in this
2330 section shall be used in the operation of the projects to aid in accomplishing the public,
2331 governmental, and charitable purposes of this part.

2332 Section 49. Section **35A-8-409**, which is renumbered from Section 9-4-611 is
2333 renumbered and amended to read:

2334 **[9-4-611]. 35A-8-409. Eligibility requirements for occupants -- Rights of**
2335 **obligee on default of authority.**

2336 (1) [~~Each~~] An authority shall make rules establishing eligibility requirements consistent
2337 with the purposes and objectives of this part for admission to and continued occupancy in its
2338 projects.

2339 (2) Nothing contained in this section or in Section [~~9-4-610~~] 35A-8-408 may be
2340 construed to limit the power of an authority, with respect to a housing project, to vest in an
2341 obligee the right, in case of a default by the authority, to take possession or cause the
2342 appointment of a receiver free from [~~all~~] the restrictions imposed by this section or Section
2343 [~~9-4-610~~] 35A-8-408.

2344 Section 50. Section **35A-8-410**, which is renumbered from Section 9-4-612 is
2345 renumbered and amended to read:

2346 **[9-4-612]. 35A-8-410. Penalties for fraudulently obtaining or continuing to**
2347 **receive housing assistance benefits.**

2348 (1) [~~No~~] A person may not knowingly, by misrepresentation, impersonation, or [~~any~~]
2349 other fraudulent means, make [~~any~~] a false statement to housing authority personnel or, after
2350 being accepted as a recipient of housing authority benefits, fail to disclose to housing authority
2351 personnel any:

2352 (a) change in household composition;

2353 (b) employment change;

2354 (c) change in marital status;
2355 (d) receipt of any other monetary assistance;
2356 (e) receipt of in-kind gifts; or
2357 (f) [~~any~~] other material fact or change in circumstances [~~which~~] that would affect the
2358 determination of that person's eligibility to receive housing assistance benefits, or would affect
2359 the amount of benefits for which [~~he~~] the person is eligible.

2360 (2) [~~No~~] A person may not fail to disclose any of the information described in
2361 Subsection (1) for the purpose of obtaining or continuing to receive funds or other housing
2362 assistance benefits to which [~~he~~] the person is not entitled, or in an amount larger than that to
2363 which [~~he~~] the person is entitled.

2364 (3) [~~No~~] A person who has duties relating to the administration of [~~any~~] a housing
2365 authority program may not fraudulently misappropriate [~~any~~] funds or other assistance with
2366 which [~~he~~] the person has been entrusted, or of which [~~he~~] the person has gained possession by
2367 virtue of [~~his~~] the person's position.

2368 (4) [~~No~~] A person may not knowingly:

2369 (a) file or falsify [~~any~~] a claim, report, or document required by state or federal law, or
2370 provider agreement, to obtain or attempt to obtain unauthorized housing assistance benefits
2371 under this [~~chapter~~] part; or

2372 (b) attempt to commit, or aid or abet the commission of, [~~any~~] an act prohibited by this
2373 section.

2374 (5) The punishment for violation of [~~any~~] a provision of this section by a housing
2375 assistance recipient is determined by the cumulative value of the [~~funds~~] money or other
2376 benefits [~~he~~] the person received from all [~~the frauds he~~] instances of fraud committed by the
2377 person, and not by each separate instance of fraud.

2378 (6) The punishment for the offenses of this section are:

2379 (a) a second degree felony if the value of the funds or other benefits received,
2380 misappropriated, claimed, or applied for, is equal to or exceeds \$5,000;

2381 (b) a third degree felony if the value of the funds or other benefits received,

2382 misappropriated, claimed, or applied for, is equal to or greater than \$1,500 but less than
2383 \$5,000;

2384 (c) a class A misdemeanor if the value of the funds or other benefits received,
2385 misappropriated, claimed, or applied for, is equal to or greater than \$500 but less than \$1,500;
2386 or

2387 (d) a class B misdemeanor if the value of the funds or other benefits received,
2388 misappropriated, claimed, or applied for, is less than \$500.

2389 Section 51. Section ~~35A-8-411~~, which is renumbered from Section 9-4-613 is
2390 renumbered and amended to read:

2391 ~~[9-4-613].~~ **35A-8-411. Authorities may join or cooperate.**

2392 (1) ~~[Any two]~~ Two or more authorities may cooperate with one another or jointly
2393 exercise any or all of their powers for the purpose of financing, issuing bonds and other
2394 obligations and giving security for them, planning, undertaking, owning, constructing,
2395 operating, or contracting with respect to a housing project or projects located within the area of
2396 operation of any one or more of the authorities.

2397 (2) For this purpose, an authority may by resolution ~~[prescribe and]~~ authorize ~~[any~~
2398 ~~other]~~ a housing authority ~~[or authorities]~~ joining or cooperating with ~~[it]~~ the authority to act on
2399 ~~[its]~~ the authority's behalf ~~[with respect to any or all powers, as its agent or otherwise, in the~~
2400 ~~name of the authority or authorities that are joining or cooperating or in its own name].~~

2401 Section 52. Section ~~35A-8-412~~, which is renumbered from Section 9-4-614 is
2402 renumbered and amended to read:

2403 ~~[9-4-614].~~ **35A-8-412. Preference for elderly and persons with a disability.**

2404 (1) For the purpose of increasing the supply of low-rent housing and related facilities
2405 for medium and low-income elderly and medium and low-income persons with a disability, an
2406 authority may exercise any of its powers under this part in projects involving dwelling
2407 accommodations designed specifically for these persons.

2408 (2) For dwelling units in any projects suitable to the needs of the elderly or persons
2409 with a disability, special preference may be extended in admission to those dwelling units to

2410 these persons of medium and low income.

2411 Section 53. Section **35A-8-413**, which is renumbered from Section 9-4-615 is
 2412 renumbered and amended to read:

2413 ~~[9-4-615].~~ **35A-8-413. Victims of major disaster.**

2414 (1) (a) Notwithstanding the provisions of this or any other law relating to rentals,
 2415 preferences, or eligibility for admission or occupancy of dwellings in housing projects during
 2416 the period an authority determines that there is an acute need for housing to assure the
 2417 availability of dwellings for victims of a major disaster, the authority may undertake the
 2418 development and administration of housing projects for the federal government~~[, and~~
 2419 ~~dwellings]~~.

2420 (b) Dwellings in any housing project under the jurisdiction of the authority may be
 2421 made available to victims of a major disaster.

2422 (2) An authority may contract with the federal government or a public body for
 2423 advance payment or reimbursement for the furnishing of housing to victims of a major disaster,
 2424 including the furnishing of housing free of charge to needy disaster victims during any period
 2425 covered by a determination of acute need by the authority.

2426 Section 54. Section **35A-8-414**, which is renumbered from Section 9-4-616 is
 2427 renumbered and amended to read:

2428 ~~[9-4-616].~~ **35A-8-414. Property and funds of authority declared public**
 2429 **property -- Exemption from taxes -- Alternative agreement with public body.**

2430 (1) The property and funds of an authority are declared to be public property used for
 2431 essential public, governmental, and charitable purposes.

2432 (2) ~~[The]~~ (a) Subject to Subsections (2)(b) and (c), the property and authority are
 2433 exempt from all taxes and special assessments of [any] a public body.

2434 (b) This tax exemption does not apply to any portion of a project used for a
 2435 profit-making enterprise.

2436 (c) In taxing these portions appropriate allowance shall be made for any expenditure by
 2437 an authority for utilities or other public services it provides to serve the property.

2438 (3) In lieu of taxes on its exempt property an authority may agree to make payments to
2439 [~~any~~] a public body [~~it~~] if the authority finds making the payments is consistent with the
2440 maintenance of the low-rent character of housing projects and the achievement of the purposes
2441 of this part.

2442 Section 55. Section **35A-8-415**, which is renumbered from Section 9-4-617 is
2443 renumbered and amended to read:

2444 ~~[9-4-617]~~. **35A-8-415. Projects subject to local building regulations.**

2445 ~~[All projects]~~ A project of an authority ~~[are]~~ is subject to the planning, zoning, sanitary,
2446 and building laws, ordinances, and regulations applicable to the locality in which the project is
2447 situated.

2448 Section 56. Section **35A-8-416**, which is renumbered from Section 9-4-618 is
2449 renumbered and amended to read:

2450 ~~[9-4-618]~~. **35A-8-416. Bonds authorized -- Payment -- Security -- Liability --**

2451 **Purpose -- Exemption from taxes except corporate franchise tax.**

2452 (1) An authority may:

2453 (a) issue bonds ~~[from time to time]~~ for any of its corporate purposes;

2454 (b) issue refunding bonds for the purpose of paying or retiring bonds previously issued
2455 by it;

2456 (c) issue bonds on which the principal and interest are payable:

2457 (i) exclusively from the income and revenues of the project financed with the proceeds
2458 of the bonds;

2459 (ii) exclusively from the income and revenues of certain designated projects, whether
2460 or not they are financed in whole or in part with the proceeds of the bonds; or

2461 (iii) from its revenues generally.

2462 (2) ~~[Any bonds]~~ Bonds issued by the authority may be additionally secured by a pledge
2463 of any loan, grant, or contributions, in whole or in part, from the federal government or other
2464 source, or a pledge of any income or revenues of the authority.

2465 (3) The members of an authority and [~~any~~] a person executing the bonds are not liable

2466 personally on the bonds.

2467 (4) (a) The bonds and other obligations of an authority are not a debt of the city,
2468 county, state, or ~~[any]~~ a political subdivision, and do not constitute indebtedness for purposes
2469 of any constitutional or statutory debt limitation or restrictions. ~~[This shall be stated on the~~
2470 ~~face of the bonds and other obligations.]~~

2471 (b) A bond or other obligation of an authority shall include a statement on the face of
2472 the bond or other obligation that explains that the bond or other obligation is not a debt of the
2473 city, county, state, or a political subdivision, and does not constitute indebtedness for purposes
2474 of any constitutional or statutory debt limitation or restrictions.

2475 (5) The city, county, state, or political subdivision is not liable on the bonds or other
2476 obligations.

2477 (6) These bonds or obligations may not be payable out of ~~[any]~~ funds or properties
2478 other than those of the authority.

2479 (7) Bonds of an authority are declared to be issued for an essential public and
2480 governmental purpose and to be public instrumentalities and, together with interest and
2481 income, are exempt from all taxes, except the corporate franchise tax.

2482 (8) The provisions of this part exempting from taxation the properties of an authority
2483 and its bonds and interests and income on them ~~[shall be considered]~~ are part of the contract for
2484 the security of bonds and have the force of contract, by virtue of this part and without the
2485 necessity of this being restated in the bonds, between the bondholders, including all transferees
2486 of the bonds, on the one hand and an authority and the state on the other.

2487 Section 57. Section **35A-8-417**, which is renumbered from Section 9-4-619 is
2488 renumbered and amended to read:

2489 ~~[9-4-619].~~ **35A-8-417. Bonds to be authorized by resolution -- Form -- Sale --**
2490 **Negotiability -- Validity presumed.**

2491 (1) Bonds of an authority ~~[shall be]~~ are authorized by resolution ~~[and]~~, may be issued
2492 in one or more series, and shall as provided by the resolution or its trust indenture:

2493 (a) bear dates, ~~[mature,]~~ including maturity dates;

- 2494 (b) bear interest rates[;];
- 2495 (c) be in denominations[;];
- 2496 (d) be either coupon or registered[;];
- 2497 (e) carry conversion or registration privileges[;];
- 2498 (f) have rank or priority[;];
- 2499 (g) be executed[;];
- 2500 (h) be payable[;]; and
- 2501 (i) be subject to terms of redemption[;] with or without premium[~~, as the resolution or~~
- 2502 ~~its trust indenture provides]~~.
- 2503 (2) (a) The bonds may bear interest at a variable interest rate as [~~the resolution~~
- 2504 ~~provides] provided by the resolution.~~
- 2505 (b) The resolution may establish a method, formula, or index [~~pursuant to which the] to~~
- 2506 ~~determine the current~~ interest rate on the bonds [~~may be determined from time to time]~~.
- 2507 (3) In connection with the bonds, the authority may authorize and enter into agreements
- 2508 or other arrangements with financial, banking, and other institutions for:
- 2509 (a) letters of credit[;];
- 2510 (b) standby letters of credit[;];
- 2511 (c) surety bonds[;];
- 2512 (d) reimbursement agreements[;];
- 2513 (e) remarketing agreements[;];
- 2514 (f) indexing agreements[;];
- 2515 (g) tender agent agreements[;]; and
- 2516 (h) other agreements with respect to:
- 2517 (i) securing the bonds[~~, with respect to]~~;
- 2518 (ii) enhancing the marketability and creditworthiness of the bonds[~~, with respect to]~~;
- 2519 (iii) determining a variable interest rate on the bonds[;]; and [~~with respect to]~~
- 2520 (iv) the payment from any legally available source, including [~~the] proceeds of the~~
- 2521 bonds, [~~of] fees, charges, [and] or other amounts coming due [~~with respect to any such] from~~~~

2522 the agreements.

2523 (4) ~~[The]~~ As provided by resolution, the bonds may be sold at a public or private sale
 2524 ~~[in a manner and at prices, either at, in excess of, or below]~~ at par value, ~~[as provided by~~
 2525 ~~resolution]~~ in excess of par value, or below par value.

2526 (5) If ~~[members or officers]~~ a member or an officer of an authority whose ~~[signatures~~
 2527 ~~appear on bonds or coupons cease to be members or officers]~~ signature appears on a bond or
 2528 coupon ceases to be a member or an officer before the delivery of the ~~[bonds, their signatures~~
 2529 ~~are]~~ bond or coupon, the signature is valid and sufficient for all purposes.

2530 (6) ~~[Any bonds]~~ A bond issued under this part ~~[are]~~ is fully negotiable.

2531 (7) In ~~[any]~~ a suit, action, or proceeding involving the validity or enforceability of
 2532 ~~[any]~~ a bond of an authority or the security for it, ~~[any]~~ a bond reciting in substance that it has
 2533 been issued by the authority to aid in financing a project ~~[shall be]~~ is conclusively ~~[deemed]~~
 2534 considered to have been issued for ~~[such purposes]~~ that purpose, and the project ~~[shall be]~~ is
 2535 conclusively ~~[deemed]~~ considered to have been planned, located, and carried out in accordance
 2536 with this part.

2537 Section 58. Section **35A-8-418**, which is renumbered from Section 9-4-620 is
 2538 renumbered and amended to read:

2539 ~~[9-4-620].~~ **35A-8-418. Bonds and other obligations -- Additional powers of**
 2540 **authority.**

2541 In connection with the issuance of bonds or the incurring of obligations under leases
 2542 and in order to secure the payment of bonds or obligations, an authority~~[-, in addition to its other~~
 2543 ~~powers,]~~ may:

2544 (1) pledge all or ~~[any]~~ a part of its gross or net rents, fees, or revenues to which its right
 2545 ~~[then]~~ currently exists or ~~[thereafter]~~ will accrue;

2546 (2) mortgage all or ~~[any]~~ a part of its real or personal property owned or ~~[thereafter]~~
 2547 acquired;

2548 (3) covenant against pledging all or ~~[any]~~ a part of its rents, fees, and revenues, or
 2549 against mortgaging all or ~~[any]~~ a part of its real or personal property to which its right or title

2550 then exists or [~~thereafter accrues~~] will accrue, or against permitting or suffering any lien on
2551 [~~such~~] the revenues or property;

2552 (4) covenant with respect to limitations on its right to sell, lease, or otherwise dispose
2553 of any housing project and covenant as to what other, or additional debts or obligations may be
2554 incurred by it;

2555 (5) covenant as to bonds to be issued and as to the issuance of bonds in escrow or
2556 otherwise, and as to the use and disposition of the bond proceeds;

2557 (6) provide for the replacement of lost, destroyed, or mutilated bonds;

2558 (7) covenant against extending the time for the payment of its bonds or interest on
2559 them;

2560 (8) covenant for the redemption of the bonds and provide the terms and conditions for
2561 them;

2562 (9) covenant, subject to the limitations contained in this part as to the rents and fees to
2563 be charged in the operation of a housing project [~~or projects~~], the amount to be raised each year
2564 or other period of time by rents, fees, and other revenues, and as to the use and disposition [~~to~~
2565 ~~be made thereof~~] of the revenues;

2566 (10) [~~create or~~] authorize the creation of special funds for money held for construction
2567 or operating costs, debt service, reserves, or other purposes, and covenant as to the use and
2568 disposition of the money held in [~~such~~] those funds;

2569 (11) prescribe the procedure[~~, of any,~~] by which the terms of [~~any~~] a contract with
2570 bondholders may be amended or abrogated, the proportion of outstanding bonds which must
2571 consent to the action, and the manner in which consent shall be given;

2572 (12) covenant as to the use, maintenance, and replacement of any or all of its real or
2573 personal property [~~and~~], the insurance to be carried on it, and the use and disposition of
2574 insurance money;

2575 (13) covenant as to the rights, liabilities, powers, and duties arising upon breach by it
2576 of [~~any~~] a covenant, condition, or obligation;

2577 (14) covenant and prescribe as to events of default and terms and conditions upon

2578 which any or all of its bonds or obligations shall become or may be declared due before
 2579 maturity, and as to the terms and conditions upon which such declaration and its consequences
 2580 may be waived;

2581 (15) vest in ~~[any]~~ an obligee of the authority, or ~~[any]~~ a specified proportion of them,
 2582 the right to enforce the payment of bonds or any covenants securing or relating to the bonds;

2583 (16) vest ~~[in]~~ an obligee with the right after default by the authority to take possession
 2584 of and use, operate, and manage any project or any part of it or any funds connected with them,
 2585 ~~[and]~~ collect the rents and revenues arising from them, and dispose of them in accordance with
 2586 the agreement with the authority;

2587 (17) provide the powers and duties of an obligee and limit ~~[his]~~ the obligee's liabilities;

2588 (18) provide the terms and conditions upon which ~~[such obligees]~~ an obligee may
 2589 enforce any covenant or rights securing or relating to the bonds;

2590 (19) exercise all or any part or combination of the powers granted and make any
 2591 covenants~~[-other than and]~~ in addition to the covenants expressly authorized in this section;

2592 (20) do any acts necessary, convenient, or desirable to secure its bonds; and

2593 (21) make any covenants or do any acts calculated to make the bonds more marketable.

2594 Section 59. Section **35A-8-419**, which is renumbered from Section 9-4-621 is
 2595 renumbered and amended to read:

2596 ~~[9-4-621].~~ **35A-8-419. Issuance of bonds -- Other laws not to apply.**

2597 (1) This part constitutes full authority for the authorization and issuance of bonds.

2598 (2) No other law ~~[with regard to]~~ for the authorization or issuance of obligations or the
 2599 deposit of their proceeds that requires a bond election or in any way impedes or restricts the
 2600 carrying out of the acts authorized to be done shall be construed as applying to any proceedings
 2601 taken or acts done ~~[pursuant to]~~ under this part.

2602 Section 60. Section **35A-8-420**, which is renumbered from Section 9-4-622 is
 2603 renumbered and amended to read:

2604 ~~[9-4-622].~~ **35A-8-420. Rights of obligees of authority.**

2605 An obligee of an authority, in addition to all other rights conferred on ~~[him]~~ the obligee

2606 subject to any contractual restrictions binding upon the obligee, may:

2607 (1) compel an authority, its officers, agents, or employees to perform each term,
2608 provision, and covenant contained in ~~[any]~~ a contract of the authority for the benefit of the
2609 obligee and to require the carrying out of all covenants and agreements of the authority and the
2610 fulfillment of all duties imposed upon it by this part; and

2611 (2) enjoin any acts or things that may be unlawful, or the violation of any of the rights
2612 of an obligee of the authority.

2613 Section 61. Section ~~35A-8-421~~, which is renumbered from Section 9-4-623 is
2614 renumbered and amended to read:

2615 ~~[9-4-623]~~. **35A-8-421. Obligees -- Additional rights conferred by authority.**

2616 (1) An authority may by resolution, trust indenture, mortgage, lease, or other contract,
2617 confer upon ~~[any]~~ an obligee the right, in addition to all rights that may otherwise be conferred,
2618 upon default as defined in a resolution or instrument, by suit, action, or proceeding in ~~[any]~~ a
2619 court of competent jurisdiction to:

2620 (a) cause possession of ~~[any]~~ a project, in whole or in part, to be surrendered to the
2621 obligee;

2622 (b) obtain the appointment of a receiver of ~~[any]~~ a project, in whole or in part, and of
2623 the rents and profits ~~[therefrom]~~ from the project; and

2624 (c) require the authority and its officers, agents, and employees to account as if ~~[it and]~~
2625 they were the trustees of an express trust.

2626 (2) The receiver:

2627 (a) may enter and take possession of the project or any part of it;

2628 (b) may operate and maintain ~~[it, and]~~ the project;

2629 (c) may collect and receive all fees, rents, revenues, or other charges arising
2630 ~~[therefrom. All money shall be kept]~~ from the project;

2631 (d) shall keep the money collected from the project in a separate account; and ~~[be~~
2632 ~~applied]~~

2633 (e) shall use the money in accordance with the obligations of the authority as the court

2634 directs.

2635 Section 62. Section **35A-8-422**, which is renumbered from Section 9-4-624 is
 2636 renumbered and amended to read:

2637 ~~[9-4-624].~~ **35A-8-422. Property of authority exempt from levy and sale --**
 2638 **Obligees excepted -- Waiver.**

2639 (1) (a) ~~[All property]~~ Property, including ~~[funds]~~ money, acquired or held by an
 2640 authority ~~[pursuant to]~~ under this part shall be exempt from levy and sale by virtue of an
 2641 execution.

2642 (b) An execution or other judicial process may not issue against the property ~~[and a]~~.

2643 (c) A judgment against the authority ~~[may]~~ is not ~~[be]~~ a charge or lien upon the
 2644 property.

2645 (2) This section does not apply to or limit the right of ~~[obligees]~~ an obligee to pursue
 2646 ~~[any remedies]~~ a remedy for the enforcement of ~~[any]~~ a pledge or lien given by the authority on
 2647 its rents, fees, or revenues or the right of the federal government to pursue ~~[any remedies]~~ a
 2648 remedy conferred upon it ~~[pursuant to]~~ under this part.

2649 (3) An authority may waive its exemption with respect to claims against ~~[any]~~ a
 2650 profit-making enterprise occupying ~~[any]~~ a portion of a project if that waiver does not affect or
 2651 impair the rights of any obligee of the authority.

2652 Section 63. Section **35A-8-423**, which is renumbered from Section 9-4-625 is
 2653 renumbered and amended to read:

2654 ~~[9-4-625].~~ **35A-8-423. Financial assistance from federal government**
 2655 **permitted.**

2656 (1) In addition to the powers conferred upon an authority by other provisions of this
 2657 part, an authority may:

2658 (a) borrow money or accept contributions, grants, or other financial assistance from the
 2659 federal government in aid of ~~[any]~~ a project or related ~~[activities]~~ activity concerning health,
 2660 welfare, economic, educational, environmental, ~~[and similar problems of persons of]~~ or related
 2661 issues faced by persons of medium and low income;

2662 (b) take over ~~[or]~~, lease, or manage ~~[any]~~ a project or undertaking constructed or
2663 owned by the federal government; and

2664 (c) ~~[to these ends,]~~ comply with conditions and enter into contracts, covenants,
2665 mortgages, trust indentures, leases, or agreements considered necessary, convenient, or
2666 desirable to accomplish the purposes of Subsections (1)(a) and (b).

2667 (2) (a) ~~[It is the]~~ The purpose and intent of this part is to authorize ~~[any]~~ an authority to
2668 do ~~[all things]~~ everything necessary or desirable to secure the financial aid or cooperation of the
2669 federal government in the provision of decent, safe, and sanitary dwellings and maintaining a
2670 wholesome living environment for persons of medium and low income.

2671 (b) To accomplish ~~[this]~~ the purpose of Subsection (2)(a) an authority may include in
2672 ~~[any]~~ a contract for financial assistance with the federal government ~~[any]~~ the provisions that
2673 the federal government may require as conditions to ~~[its]~~ the federal government's financial aid
2674 ~~[not]~~ unless those provisions are inconsistent with the purposes of this part.

2675 Section 64. Section **35A-8-424**, which is renumbered from Section 9-4-626 is
2676 renumbered and amended to read:

2677 **[9-4-626]. 35A-8-424. Defaults -- Conveyance of title to federal government.**

2678 (1) ~~[The authority in any]~~ In a contract with the federal government for annual
2679 contributions, the authority may obligate itself to convey to the federal government possession
2680 of or title to the project upon the occurrence of a substantial default, as defined in the contract,
2681 with respect to the covenants and conditions to which the authority is subject.

2682 (2) This obligation ~~[shall be]~~ is specifically enforceable and does not constitute a
2683 mortgage, notwithstanding any other laws.

2684 (3) In case of conveyance, the federal government may complete, operate, manage,
2685 lease, convey, or otherwise deal with the project and funds in accordance with the terms of the
2686 contract if the contract by its terms requires the federal government, as soon as practicable after
2687 it is satisfied that all defaults have been cured and that the project will be operated in
2688 accordance with the contract, to reconvey the project to the authority.

2689 Section 65. Section **35A-8-425**, which is renumbered from Section 9-4-627 is

2690 renumbered and amended to read:

2691 ~~[9-4-627]~~. **35A-8-425. Powers of public body aiding in project.**

2692 (1) For the purpose of aiding and cooperating in the planning, undertaking,
2693 construction, or operation of projects located within its jurisdiction, ~~[any]~~ a public body may,
2694 with or without consideration~~[, as it may determine]~~:

2695 (a) dedicate, sell, convey, or lease any of its interest in property, or grant easements,
2696 licenses, or other rights or privileges to a housing authority or the federal government;

2697 (b) cause parks, playgrounds, recreational, community, educational, water, sewer, or
2698 drainage facilities, or other works that it is otherwise empowered to undertake to be furnished
2699 adjacent to or in connection with these projects;

2700 (c) furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads,
2701 roadways, alleys, sidewalks, or other places that it is otherwise empowered to undertake;

2702 (d) plan or replan, zone or rezone any parts of the public body, make exceptions from
2703 building regulations and ordinances, and make changes in its map;

2704 (e) cause the same services to be furnished to a housing authority that the public body
2705 may furnish, and provide facilities and services, including feeding facilities and services for
2706 tenants, in connection with housing projects;

2707 (f) enter into agreements with respect to the exercise by the public body of its powers
2708 relating to the repair, improvement, condemnation, closing, or demolition of unsafe, insanitary,
2709 or unfit buildings;

2710 (g) notwithstanding the provisions of any other law, use any ~~[funds]~~ money belonging
2711 to or within the control of the public body, including ~~[funds]~~ money derived from the sale or
2712 furnishing of property or facilities to a housing authority, in the purchase of the bonds or other
2713 obligations of a housing authority and exercise any related rights;

2714 (h) do any and all things necessary or convenient to aid and cooperate in the planning,
2715 undertaking, construction, or operation of any projects;

2716 (i) incur the entire expense of public improvements made by a public body in
2717 exercising the powers granted in this part; and

2718 (j) enter into agreements, that may extend over any period notwithstanding any
2719 provision or rule of law to the contrary, with a housing authority respecting action to be taken
2720 by a public body [~~pursuant to~~] under any of the powers granted by this part.

2721 (2) If title to or possession of [~~any~~] a project is held by [~~any~~] a public governmental
2722 agency authorized by law to engage in the development or administration of low-rent housing
2723 or slum clearance projects, including [~~any~~] an agency or instrumentality of the United States,
2724 the provisions of the agreements entered into [~~pursuant to~~] under Subsection (1)(j) [~~shall~~] inure
2725 to the benefit of and may be enforced by that public body or governmental agency.

2726 (3) [~~Any~~] A sale, conveyance, lease, or agreement provided for in this section may be
2727 made by a public body without appraisal, public notice, advertisement, or public bidding,
2728 notwithstanding any other laws to the contrary.

2729 Section 66. Section **35A-8-426**, which is renumbered from Section 9-4-628 is
2730 renumbered and amended to read:

2731 **[~~9-4-628~~]. 35A-8-426. Agreement by public body to accept payment from**
2732 **authority in lieu of taxes.**

2733 In connection with [~~any~~] a project of a housing authority located wholly or partly within
2734 the area in which [~~any~~] a public body is authorized to act, [~~any~~] the public body may agree with
2735 the housing authority with respect to the payment by the authority of sums in lieu of taxes for
2736 any year or period of years that are determined by the authority to be consistent with the
2737 maintenance of the low-rent character of housing projects or the achievement of the purposes
2738 of this part.

2739 Section 67. Section **35A-8-427**, which is renumbered from Section 9-4-629 is
2740 renumbered and amended to read:

2741 **[~~9-4-629~~]. 35A-8-427. Public body may provide financial aid.**

2742 In addition to other aids provided, [~~any~~] a public body may provide financial aid to a
2743 housing authority by:

- 2744 (1) loan, donation, grant, contribution, and appropriation of money[~~, by~~];
- 2745 (2) abatement or remission of taxes[~~, by~~];

2746 (3) payments in lieu of taxes~~[, by]~~;

2747 (4) other charges~~[-]~~; or ~~[by any]~~

2748 (5) other means.

2749 Section 68. Section **35A-8-428**, which is renumbered from Section 9-4-630 is
2750 renumbered and amended to read:

2751 ~~[9-4-630].~~ **35A-8-428. Investment in authority authorized.**

2752 (1) The state, public officers, political subdivisions, public bodies, banks, bankers, trust
2753 companies, savings banks and institutions, building and loan associations, savings and loan
2754 associations, investment companies, insurance companies, insurance associations, other
2755 persons carrying on a banking or insurance business, executors, administrators, guardians,
2756 trustees, and other fiduciaries may legally invest money or funds belonging to them or within
2757 their control in any bonds or other obligations issued by a housing authority created under this
2758 part or issued by ~~[any]~~ a public housing authority or agency in the United States, ~~[any of its~~
2759 ~~territories]~~ a United States Territory, the District of Columbia, Puerto Rico, Guam, or the
2760 Virgin Islands.

2761 (2) These bonds or other obligations shall be secured by a pledge of annual
2762 contributions or other financial assistance to be paid by the United States government or any of
2763 its agencies, or by an agreement between the United States government or any of its agencies
2764 and the public housing authority or agency in which the United States government or its agency
2765 agrees to lend to the public housing authority or agency, prior to the maturity of the bonds or
2766 other obligations, money in an amount which, together with any other money irrevocably
2767 committed to the payment of interest on the bonds or other obligations, will suffice to pay the
2768 principal of the bonds or other obligations with interest to maturity.

2769 (3) The money, under the terms of the agreement, ~~[shall be]~~ is required to be used for
2770 this purpose, and the bonds and other obligations ~~[shall be]~~ are authorized security for all
2771 public deposits and ~~[shall be]~~ are fully negotiable in this state.

2772 (4) Nothing contained in this section ~~[may be construed to relieve any]~~ relieves a
2773 person, firm, or corporation from any duty of exercising reasonable care in selecting securities.

2774 (5) The provisions of this section apply notwithstanding any restrictions on
2775 investments contained in other laws.

2776 Section 69. Section **35A-8-429**, which is renumbered from Section 9-4-631 is
2777 renumbered and amended to read:

2778 ~~[9-4-631].~~ **35A-8-429. Annual report -- Budget -- Minutes.**

2779 (1) At least once a year, ~~[each]~~ an authority shall file with the clerk, with a copy given
2780 to the governing body, a report ~~[of]~~ containing:

2781 (a) its activities for the preceding year ~~[and]~~;

2782 (b) its approved annual budget~~[-]~~; and ~~[make]~~

2783 (c) recommendations ~~[with reference to additional]~~ for legislation or other action
2784 considered necessary to carry out the purposes of this part.

2785 (2) ~~[Each]~~ An authority shall post electronically for public review its:

2786 (a) annual approved budget; and

2787 (b) minutes of all open meetings held by its board of commissioners.

2788 Section 70. Section **35A-8-430**, which is renumbered from Section 9-4-632 is
2789 renumbered and amended to read:

2790 ~~[9-4-632].~~ **35A-8-430. Provisions controlling -- Acts of governmental bodies**
2791 **deemed administrative.**

2792 (1) The provisions of this part ~~[shall be]~~ are controlling, notwithstanding anything to
2793 the contrary in any other law of this state, city charter, or local ordinance. ~~[Any]~~

2794 (2) An action of a city ~~[or]~~, county, or governing body in carrying out the purposes of
2795 this part, whether by resolution, ordinance, or otherwise, ~~[shall be]~~ is considered administrative
2796 in character, and no public notice or publication ~~[need be made]~~ is required with respect to that
2797 action.

2798 Section 71. Section **35A-8-501**, which is renumbered from Section 9-4-701 is
2799 renumbered and amended to read:

2800 **Part 5. Olene Walker Housing Loan Fund**

2801 ~~[9-4-701].~~ **35A-8-501. Definitions.**

2802 As used in this part:

2803 (1) "Board" means the Housing Board created by this part.

2804 (2) "Fund" means the Olene Walker Housing Loan Fund created by this part.

2805 (3) "Rural" means [~~any~~] a county in the state other than Utah, Salt Lake, Davis, or
2806 Weber.

2807 Section 72. Section **35A-8-502**, which is renumbered from Section 9-4-702 is
2808 renumbered and amended to read:

2809 **[9-4-702]. 35A-8-502. Creation and administration.**

2810 (1) (a) There is created an enterprise fund known as the Olene Walker Housing Loan
2811 Fund, administered by the executive director or [~~his~~] the executive director's designee.

2812 (b) The department [~~shall be~~] is the administrator of the fund.

2813 (2) There shall be deposited into the fund:

2814 (a) grants, paybacks, bonuses, entitlements, and other money received by the
2815 department from the federal government to preserve, rehabilitate, build, restore, or renew
2816 housing or for other activities authorized by the fund;

2817 (b) transfers, grants, gifts, bequests, [~~or any~~] and money made available from any
2818 source to implement this part; and

2819 (c) money appropriated to the fund by the Legislature.

2820 (3) The money in the fund shall be invested by the state treasurer according to the
2821 procedures and requirements of Title 51, Chapter 7, State Money Management Act, except that
2822 all interest or other earnings derived from [~~the fund~~] money in the fund shall be deposited in
2823 the fund.

2824 Section 73. Section **35A-8-503**, which is renumbered from Section 9-4-703 is
2825 renumbered and amended to read:

2826 **[9-4-703]. 35A-8-503. Housing loan fund board -- Duties -- Expenses.**

2827 (1) There is created the Olene Walker Housing Loan Fund Board.

2828 (2) The board [~~shall be~~] is composed of 11 voting members.

2829 (a) The governor shall appoint the following members to four-year terms:

- 2830 (i) two members from local governments;
- 2831 (ii) two members from the mortgage lending community;
- 2832 (iii) one member from real estate sales interests;
- 2833 (iv) one member from home builders interests;
- 2834 (v) one member from rental housing interests;
- 2835 (vi) one member from housing advocacy interests;
- 2836 (vii) one member of the manufactured housing interest; and
- 2837 (viii) two members of the general public.
- 2838 (b) The director or [~~his~~] the director's designee [~~shall serve~~] serves as the secretary of
- 2839 the [~~committee~~] board.
- 2840 (c) The members of the board shall annually elect a chair from among the voting
- 2841 membership of the board.
- 2842 (3) (a) Notwithstanding the requirements of Subsection (2), the governor shall, at the
- 2843 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
- 2844 board members are staggered so that approximately half of the board is appointed every two
- 2845 years.
- 2846 (b) When a vacancy occurs in the membership for any reason, the replacement [~~shall~~
- 2847 ~~be~~] is appointed for the unexpired term.
- 2848 (4) (a) The board shall:
- 2849 (i) meet regularly, at least quarterly, on dates fixed by the board;
- 2850 (ii) keep minutes of its meetings; and
- 2851 (iii) comply with the procedures and requirements of Title 52, Chapter 4, Open and
- 2852 Public Meetings Act.
- 2853 (b) Seven members of the board constitute a quorum, and the governor, the chair, or a
- 2854 majority of the board may call a meeting of the board.
- 2855 (5) The board shall:
- 2856 (a) review the housing needs in the state;
- 2857 (b) determine the relevant operational aspects of any grant, loan, or revenue collection

2858 program established under the authority of this chapter;

2859 (c) determine the means to implement the policies and goals of this chapter;

2860 (d) select specific projects to receive grant or loan money; and

2861 (e) determine how fund money shall be allocated and distributed.

2862 (6) A member may not receive compensation or benefits for the member's service, but
2863 may receive per diem and travel expenses in accordance with:

2864 (a) Section 63A-3-106;

2865 (b) Section 63A-3-107; and

2866 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
2867 63A-3-107.

2868 Section 74. Section **35A-8-504**, which is renumbered from Section 9-4-704 is
2869 renumbered and amended to read:

2870 ~~[9-4-704].~~ **35A-8-504. Distribution of fund money.**

2871 (1) The executive director shall:

2872 (a) make grants and loans from the fund for any of the activities authorized by Section
2873 ~~[9-4-705]~~ 35A-8-505, as directed by the board;

2874 (b) establish the criteria with the approval of the board by which loans and grants will
2875 be made; and

2876 (c) determine with the approval of the board the order in which projects will be funded.

2877 (2) The executive director shall distribute, as directed by the board, any federal money
2878 contained in the fund according to the procedures, conditions, and restrictions placed upon the
2879 use of the money by the federal government.

2880 (3) (a) The executive director shall distribute, as directed by the board, any funds
2881 received ~~[pursuant to]~~ under Section 17C-1-412 to pay the costs of providing income targeted
2882 housing within the community that created the community development and renewal agency
2883 under Title 17C, Limited Purpose Local Government Entities - Community Development and
2884 Renewal Agencies Act.

2885 (b) As used in Subsection (3)(a):

2886 (i) "Community" has the meaning as defined in Section 17C-1-102.
2887 (ii) "Income targeted housing" has the meaning as defined in Section 17C-1-102.
2888 (4) Except for federal money and money received under Section 17C-1-412, the
2889 executive director shall distribute, as directed by the board, [~~all other~~] money from the fund
2890 according to the following requirements:
2891 (a) Not less than 30% of all fund money shall be distributed to rural areas of the state.
2892 (b) At least 50% of the money in the fund shall be distributed as loans to be repaid to
2893 the fund by the entity receiving them.
2894 (i) (A) Of the fund money distributed as loans, at least 50% shall be distributed to
2895 benefit persons whose annual income is at or below 50% of the median family income for the
2896 state.
2897 (B) The remaining loan money shall be distributed to benefit persons whose annual
2898 income is at or below 80% of the median family income for the state.
2899 (ii) The executive director or the executive director's designee shall lend money in
2900 accordance with this Subsection (4) at a rate based upon the borrower's ability to pay.
2901 (c) Any fund money not distributed as loans shall be distributed as grants.
2902 (i) At least 90% of the fund money distributed as grants shall be distributed to benefit
2903 persons whose annual income is at or below 50% of the median family income for the state.
2904 (ii) The remaining fund money distributed as grants may be used by the executive
2905 director to obtain federal matching funds or for other uses consistent with the intent of this part,
2906 including the payment of reasonable loan servicing costs, but no more than 3% of the revenues
2907 of the fund may be used to offset other department or board administrative expenses.
2908 (5) The executive director may with the approval of the board:
2909 (a) enact rules to establish procedures for the grant and loan process by following the
2910 procedures and requirements of Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
2911 and
2912 (b) service or contract, [~~pursuant to~~] under Title 63G, Chapter 6, Utah Procurement
2913 Code, for the servicing of loans made by the fund.

2914 Section 75. Section **35A-8-505**, which is renumbered from Section 9-4-705 is
2915 renumbered and amended to read:

2916 **[9-4-705]. 35A-8-505. Activities authorized to receive fund money -- Powers of**
2917 **the executive director.**

2918 At the direction of the board, the executive director may:

2919 (1) provide fund money to any of the following activities:

2920 (a) acquisition, rehabilitation, or new construction of low-income housing units;

2921 (b) matching funds for social services projects directly related to providing housing for
2922 special-need renters in assisted projects;

2923 (c) the development and construction of accessible housing designed for low-income
2924 persons;

2925 (d) shelters and transitional housing for the homeless; and

2926 (e) other activities that will assist in improving the availability or quality of housing in
2927 the state for low-income persons;

2928 (2) do any act necessary or convenient to the exercise of the powers granted by this part
2929 or reasonably implied ~~[therefrom]~~ from those granted powers, including:

2930 (a) making or executing contracts and other instruments necessary or convenient for
2931 the performance of the executive director and board's duties and the exercise of the executive
2932 director and board's powers and functions under this part, including contracts or agreements for
2933 the servicing and originating of mortgage loans;

2934 (b) procuring insurance against ~~[any]~~ a loss in connection with property or other assets
2935 held by the fund, including mortgage loans, in amounts and from insurers it considers
2936 desirable;

2937 (c) entering into agreements with ~~[any]~~ a department, agency, or instrumentality of the
2938 United States or this state and with mortgagors and mortgage lenders for the purpose of
2939 planning and regulating and providing for the financing and refinancing, purchase,
2940 construction, reconstruction, rehabilitation, leasing, management, maintenance, operation, sale,
2941 or other disposition of ~~[any]~~ residential housing undertaken with the assistance of the

2942 department under this part;

2943 (d) proceeding with a foreclosure action, to own, lease, clear, reconstruct, rehabilitate,
2944 repair, maintain, manage, operate, assign, encumber, sell, or otherwise dispose of [~~any~~] real or
2945 personal property obtained by the fund due to the default on [~~any~~] a mortgage loan held by the
2946 fund in preparation for disposition of the property, taking assignments of leases and rentals,
2947 proceeding with foreclosure actions, and taking other actions necessary or incidental to the
2948 performance of its duties; and

2949 (e) selling, at a public or private sale, with public bidding, [~~any~~] a mortgage or other
2950 obligation held by the fund.

2951 Section 76. Section **35A-8-506**, which is renumbered from Section 9-4-706 is
2952 renumbered and amended to read:

2953 ~~[9-4-706]~~. **35A-8-506**. **Entities authorized to receive fund money.**

2954 (1) The executive director, with the approval of the board, may grant or lend fund
2955 money to housing sponsors.

2956 (2) "Housing sponsor" includes a person who constructs, develops, rehabilitates,
2957 purchases, or owns a housing development that is or will be subject to legally enforceable
2958 restrictive covenants that require the housing development to provide, at least in part,
2959 residential housing to low and moderate income persons.

2960 (3) A housing sponsor includes:

2961 [~~(1)~~] (a) a local public body;

2962 [~~(2)~~] (b) a nonprofit, limited profit, or for profit corporation;

2963 [~~(3)~~] (c) a limited partnership;

2964 [~~(4)~~] (d) a limited liability company;

2965 [~~(5)~~] (e) a joint venture;

2966 [~~(6)~~] (f) a subsidiary of the Utah Housing Corporation or any subsidiary of the
2967 subsidiary of the Utah Housing Corporation;

2968 [~~(7)~~] (g) a cooperative;

2969 [~~(8)~~] (h) a mutual housing organization;

- 2970 [~~(9)~~] (i) a local government;
- 2971 [~~(10)~~] (j) a local housing authority;
- 2972 [~~(11)~~] (k) a regional or statewide nonprofit housing or assistance organization; or
- 2973 [~~(12)~~] (l) any other type of entity or arrangement that helps provide affordable housing
- 2974 for low and moderate income persons.

2975 Section 77. Section **35A-8-507**, which is renumbered from Section 9-4-707 is

2976 renumbered and amended to read:

2977 ~~[9-4-707].~~ **35A-8-507. Application process and priorities.**

2978 (1) (a) In each calendar year that money is available from the fund for distribution by

2979 the executive director under the direction of the board, the executive director shall, at least

2980 once in that year, announce a grant and loan application period by sending notice to interested

2981 persons.

2982 (b) The executive director shall accept applications [~~which~~] that are received in a

2983 timely manner.

2984 (2) The executive director shall give first priority to applications for projects and

2985 activities that use existing privately owned housing stock, including privately owned housing

2986 stock purchased by nonprofit public development authorities.

2987 (3) [~~Preference shall be given~~] The executive director shall give preference to

2988 applications that demonstrate the following:

2989 (a) a high degree of leverage with other sources of financing;

2990 (b) high recipient contributions to total project costs, including allied contributions

2991 from other sources such as professional, craft, and trade services[;] and lender interest rate

2992 subsidies;

2993 (c) high local government project contributions in the form of infrastructure

2994 improvements, or other assistance;

2995 (d) projects that encourage ownership, management, and other project-related

2996 responsibility opportunities;

2997 (e) projects that demonstrate a strong probability of serving the original target group or

2998 income level for a period of at least 15 years;

2999 (f) projects where the applicant has demonstrated the ability, stability, and resources to
3000 complete the project;

3001 (g) projects that appear to serve the greatest need;

3002 (h) projects that provide housing for persons and families with the lowest income;

3003 (i) projects that promote economic development benefits;

3004 (j) projects that allow integration into a local government housing plan; and

3005 (k) projects that would mitigate or correct existing health, safety, or welfare problems.

3006 (4) [~~Consideration may be given~~] The executive director may give consideration to
3007 projects that increase the supply of accessible housing.

3008 Section 78. Section **35A-8-508**, which is renumbered from Section 9-4-708 is
3009 renumbered and amended to read:

3010 [~~9-4-708~~]. **35A-8-508. Annual accounting.**

3011 (1) The executive director shall monitor the activities of recipients of grants and loans
3012 issued under this part on a yearly basis to ensure compliance with the terms and conditions
3013 imposed on the recipient by the executive director with the approval of the board or by this
3014 part.

3015 (2) [~~The entities receiving grants or loans~~] An entity that receives a grant or loan under
3016 this part shall provide the executive director with an annual accounting of how the money
3017 [~~they~~] the entity received from the fund has been spent.

3018 (3) The executive director shall make an annual report to the board accounting for the
3019 expenditures authorized by the board.

3020 (4) The board shall submit an annual written report to the Workforce Services and
3021 Community and Economic Development Interim Committee before December 1 of each year:

3022 (a) accounting for expenditures authorized by the board; and

3023 (b) evaluating the effectiveness of the program.

3024 Section 79. Section **35A-8-601**, which is renumbered from Section 9-4-801 is
3025 renumbered and amended to read:

3026 **Part 6. Homeless Coordinating Committee**

3027 **[~~9-4-801~~]. 35A-8-601. Creation.**

3028 (1) There is created the Homeless Coordinating Committee.

3029 (2) (a) The committee shall consist of:

3030 (i) the lieutenant governor or the lieutenant governor's designee;

3031 (ii) the state planning coordinator or the coordinator's designee;

3032 (iii) the state superintendent of public instruction or the superintendent's designee;

3033 (iv) the chair of the board of trustees of the Utah Housing Corporation or the chair's
3034 designee; and

3035 (v) the executive directors of the Department of Human Services, the Department of
3036 Corrections, [~~the Department of Community and Culture,~~] the Department of Workforce
3037 Services, and the Department of Health, or their designees.

3038 (b) (i) The lieutenant governor shall serve as the chair of the committee.

3039 (ii) The lieutenant governor may appoint a vice chair from among committee members,
3040 who shall conduct committee meetings in the absence of the lieutenant governor.

3041 (3) The governor may appoint as members of the committee representatives of local
3042 governments, local housing authorities, local law enforcement agencies, and of federal and
3043 private agencies and organizations concerned with the homeless, persons with a mental illness,
3044 the elderly, single-parent families, substance abusers, and persons with a disability.

3045 (4) (a) Except as required by Subsection (4)(b), as terms of current committee members
3046 expire, the governor shall appoint each new member or reappointed member to a four-year
3047 term.

3048 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the
3049 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
3050 committee members are staggered so that approximately half of the committee is appointed
3051 every two years.

3052 (c) A person appointed under this Subsection (4) may not be appointed to serve more
3053 than three consecutive terms.

3054 (5) When a vacancy occurs in the membership for any reason, the replacement is
3055 appointed for the unexpired term.

3056 (6) A member may not receive compensation or benefits for the member's service, but
3057 may receive per diem and travel expenses in accordance with:

3058 (a) Section 63A-3-106;

3059 (b) Section 63A-3-107; and

3060 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
3061 63A-3-107.

3062 Section 80. Section **35A-8-602**, which is renumbered from Section 9-4-802 is
3063 renumbered and amended to read:

3064 ~~[9-4-802]~~. **35A-8-602. Purposes of Homeless Coordinating Committee -- Uses**
3065 **of Pamela Atkinson Homeless Account.**

3066 (1) (a) The Homeless Coordinating Committee shall work to ensure that services
3067 provided to the homeless by state agencies, local governments, and private organizations are
3068 provided in a cost-effective manner.

3069 (b) Programs funded by the committee shall emphasize emergency housing and
3070 self-sufficiency, including placement in meaningful employment or occupational training
3071 activities and, where needed, special services to meet the unique needs of the homeless who:

3072 (i) have families with children;

3073 (ii) have a disability or a mental illness; or

3074 (iii) suffer from other serious challenges to employment and self-sufficiency.

3075 (c) The committee may also fund treatment programs to ameliorate the effects of
3076 substance abuse or a disability.

3077 (2) The committee members designated in Subsection ~~[9-4-801(2)]~~ 35A-8-601(2)
3078 shall:

3079 (a) award contracts funded by the Pamela Atkinson Homeless Account with the advice
3080 and input of those designated in Subsection ~~[9-4-801(3)]~~ 35A-8-601(3);

3081 (b) consider need, diversity of geographic location, coordination with or enhancement

3082 of existing services, and the extensive use of volunteers; and

3083 (c) give priority for funding to programs that serve the homeless who have a mental
3084 illness and who are in families with children.

3085 (3) (a) In any fiscal year, no more than 80% of the funds in the Pamela Atkinson
3086 Homeless Account may be allocated to organizations that provide services only in Salt Lake,
3087 Davis, Weber, and Utah Counties.

3088 (b) The committee may:

3089 (i) expend up to 3% of its annual appropriation for administrative costs associated with
3090 the allocation of funds from the Pamela Atkinson Homeless Account, and up to 2% of its
3091 annual appropriation for marketing the account and soliciting donations to the account; and

3092 (ii) pay for the initial costs of the State Tax Commission in implementing Section
3093 59-10-1306 from the account.

3094 (4) (a) The committee may not expend, except as provided in Subsection (4)(b), an
3095 amount equal to the greater of \$50,000 or 20% of the amount donated to the Pamela Atkinson
3096 Homeless Account during fiscal year 1988-89.

3097 (b) If there are decreases in contributions to the account, the committee may expend
3098 [~~funds~~] money held in the account to provide program stability, but the committee shall
3099 reimburse the [~~amounts~~] amount of those expenditures to the account.

3100 (5) The committee shall make an annual report to the Economic Development and
3101 Human Resources Appropriations Subcommittee regarding the programs and services funded
3102 by contributions to the Pamela Atkinson Homeless Account.

3103 (6) The state treasurer shall invest the money in the Pamela Atkinson Homeless
3104 Account [~~shall be invested by the state treasurer~~] according to the procedures and requirements
3105 of Title 51, Chapter 7, State Money Management Act, except that [~~all~~] interest [~~or~~] and other
3106 earnings derived from the restricted account shall be deposited in the restricted account.

3107 Section 81. Section **35A-8-603**, which is renumbered from Section 9-4-803 is
3108 renumbered and amended to read:

3109 [~~9-4-803~~]. **35A-8-603. Creation of Pamela Atkinson Homeless Account.**

3110 (1) There is created a restricted account within the General Fund known as the "Pamela
3111 Atkinson Homeless Account."

3112 (2) Private contributions received under this section and Section 59-10-1306 shall be
3113 deposited into the restricted account to be used only for programs described in Section
3114 ~~[9-4-802]~~ 35A-8-602.

3115 (3) Money shall be appropriated from the restricted account to the State Homeless
3116 Coordinating Committee in accordance with ~~[the Utah]~~ Title 63J, Chapter 1, Budgetary
3117 Procedures Act.

3118 (4) The State Homeless Coordinating Committee may accept transfers, grants, gifts,
3119 bequests, or ~~[any]~~ money made available from any source to implement this part.

3120 Section 82. Section **35A-8-701**, which is renumbered from Section 9-4-901 is
3121 renumbered and amended to read:

3122 **Part 7. Utah Housing Corporation Act**

3123 ~~[9-4-901].~~ **35A-8-701. Title.**

3124 This part is known as the "Utah Housing Corporation Act."

3125 Section 83. Section **35A-8-702**, which is renumbered from Section 9-4-902 is
3126 renumbered and amended to read:

3127 ~~[9-4-902].~~ **35A-8-702. Policy -- Finding and declaration.**

3128 (1) ~~[It is declared]~~ The Legislature declares that the policy of the state ~~[of Utah]~~ is to
3129 assure the health, safety, and welfare of its citizens, that an adequate supply of decent, safe, and
3130 sanitary housing is essential to the well-being of the citizens of the state, and that an adequate
3131 supply of mortgage funds for housing at reasonable interest rates is in the public interest.

3132 (2) ~~[It is found and declared]~~ The Legislature finds and declares that:

3133 (a) there continues to exist throughout the state a seriously inadequate supply of safe
3134 and sanitary dwelling accommodations within the financial means of persons and families of
3135 low or moderate income who wish to purchase or rent residential housing; ~~[and]~~

3136 (b) from time to time the high rates of interest charged by mortgage lenders seriously
3137 restrict the transfer of existing housing and new housing starts[-];

3138 [~~(3)~~] (c) [~~It is found and declared that~~] the reduction in residential construction starts
3139 associated with the high rates causes a condition of substantial unemployment and
3140 underemployment in the construction industry which impedes the economy of the state and
3141 affects the welfare and prosperity of all the people of the state[-];

3142 [~~(4)~~] ~~It is found and declared that:~~

3143 [~~(a)~~] (d) these conditions associated with the recurrent shortages of residential
3144 mortgage funds contribute to slums and blight in the cities and rural areas of the state and
3145 ultimately to the deterioration of the quality of living conditions within the state; [~~and~~]

3146 [~~(b)~~] (e) in accordance with the purpose of this part to assist in providing housing for
3147 low and moderate income persons who otherwise could not achieve decent, safe, and sanitary
3148 housing, the agency shall make every effort to make housing available in rural, inner city, and
3149 other areas experiencing difficulty in securing construction and mortgage loans, and to make
3150 decent, safe, and sanitary housing available to low income persons and families[-];

3151 [~~(5)~~] (f) [~~It is found and declared that~~] in order to assure an adequate fund of private
3152 capital into this housing, the cooperation between private enterprise and state government is
3153 essential and is in the public interest[-];

3154 [~~(6)~~] (g) [~~It is found and declared that~~] low and moderate income persons in Utah have
3155 a wide range of housing needs, which necessitates the development of many different kinds of
3156 programs to address those needs, including programs providing mortgage loans, nontraditional
3157 loans, grants, and other forms of financial assistance, and combinations of these forms[-];

3158 [~~(7)~~] (h) [~~It is found and declared that~~] there are private organizations and
3159 governmental entities throughout Utah that are endeavoring to improve the availability of
3160 housing for low and moderate income, but many of these organizations and entities lack
3161 expertise and financial resources to act efficiently and expeditiously in these efforts[-];

3162 [~~(8)~~] (i) [~~It is found and declared that~~] innovative programs that bring together
3163 resources from the public, nonprofit, and private sector are necessary in order to increase the
3164 supply of housing for low and moderate individuals, but these programs usually need advice
3165 and financial assistance to become established[-];

3166 ~~[(9)]~~ (j) ~~[It is declared that]~~ all of the foregoing are public purposes and uses for which
3167 money may be borrowed, expended, advanced, loaned, or granted, and that these activities
3168 serve a public purpose in improving or otherwise benefiting the people of this state, and that
3169 the necessity of enacting the provisions in this part is in the public interest and is so declared as
3170 a matter of express legislative determination~~[-]; and~~

3171 ~~[(10)]~~ (k) ~~[It is found and declared that]~~ the compelling need within the state for the
3172 creation of an adequate supply of mortgage funds at reasonable interest rates and for other
3173 kinds of financial assistance to help provide affordable housing for low and moderate income
3174 individuals can be best met by the establishment of an independent body corporate and politic,
3175 constituting a public corporation, vested with the powers and duties specified in this part.

3176 ~~[(11)]~~ (3) ~~[It is declared]~~ The Legislature declares that the corporation is intended to
3177 operate:

3178 (a) with the power to issue tax exempt bonds to finance the purchase of mortgage loans
3179 to qualified buyers;

3180 (b) as a financially independent body; and

3181 (c) so that its debts shall be payable solely from payments received by the corporation
3182 from mortgage borrowers and other revenues generated internally by the corporation.

3183 Section 84. Section **35A-8-703**, which is renumbered from Section 9-4-903 is
3184 renumbered and amended to read:

3185 ~~[9-4-903].~~ **35A-8-703. Definitions.**

3186 As used in this part the following words and terms have the following meanings, unless
3187 a different meaning clearly appears from the context:

3188 (1) "Bonds," "notes," and "other obligations" mean any bonds, notes, debentures,
3189 interim certificates, or other evidences of financial indebtedness of the corporation authorized
3190 to be issued under the provisions of this part.

3191 (2) "Construction loan" means a short-term advance of money for the purpose of
3192 constructing residential housing for low and moderate income persons.

3193 (3) "Corporation" means the Utah Housing Corporation created by Section ~~[9-4-904]~~

3194 35A-8-704, which, prior to July 1, 2001, was named the Utah Housing Finance Agency.

3195 (4) "Employee of the corporation" means [~~any~~] an individual who is employed by the
3196 corporation but who is not a trustee of the corporation.

3197 (5) "Financial assistance" includes:

3198 (a) a loan, whether interest or noninterest bearing, secured or unsecured;

3199 (b) a loan that converts to a grant upon the occurrence of specified conditions;

3200 (c) a development loan;

3201 (d) a grant;

3202 (e) an award;

3203 (f) a subsidy;

3204 (g) a guarantee;

3205 (h) a warranty;

3206 (i) a lease;

3207 (j) a payment on behalf of a borrower of an amount usually paid by a borrower,

3208 including a down payment;

3209 (k) any other form of financial assistance that helps provide affordable housing for low
3210 and moderate income persons; or

3211 (l) any combination of [~~the foregoing~~] Subsections (5)(a) through (k).

3212 (6) "Housing development" means a residential housing project, which includes
3213 residential housing for low and moderate income persons.

3214 (7) "Housing sponsor" includes a person who constructs, develops, rehabilitates,

3215 purchases, or owns a housing development that is or will be subject to legally enforceable

3216 restrictive covenants that require the housing development to provide, at least in part,

3217 residential housing to low and moderate income persons, including a local public body, a

3218 nonprofit, limited profit, or for profit corporation, a limited partnership, a limited liability

3219 company, a joint venture, a subsidiary of the corporation, or any subsidiary of the subsidiary, a

3220 cooperative, a mutual housing organization, or any other type of entity or arrangement that

3221 helps provide affordable housing for low and moderate income persons.

3222 (8) "Interest rate contract" means interest rate exchange contracts, interest rate floor
3223 contracts, interest rate ceiling contracts, and other similar contracts authorized in a resolution
3224 or policy adopted or approved by the trustees.

3225 (9) "Local public body" means the state, [~~any~~] a municipality, county, district, or other
3226 subdivision or instrumentality of the state, including a redevelopment [~~agencies and housing~~
3227 ~~authorities~~] agency and a housing authority created under Part [6] 4, Housing Authorities.

3228 (10) "Low and moderate income persons" means persons, irrespective of race, religion,
3229 creed, national origin, or sex, as determined by the corporation to require such assistance as is
3230 made available by this part on account of insufficient personal or family income taking into
3231 consideration factors, including:

3232 (a) the amount of income that persons and families have available for housing needs;

3233 (b) the size of family;

3234 (c) whether [~~or not~~] a person is a single head of household;

3235 (d) the cost and condition of available residential housing [~~available~~]; and

3236 (e) the ability of persons and families to compete successfully in the normal private
3237 housing market and to pay the amounts at which private enterprise is providing decent, safe,
3238 and sanitary housing.

3239 (11) "Mortgage" means a mortgage, deed of trust, or other instrument securing a
3240 mortgage loan and constituting a lien on real property (the property being held in fee simple or
3241 on a leasehold under a lease having a remaining term, at the time the mortgage is acquired, of
3242 not less than the term for repayment of the mortgage loan secured by the mortgage) improved
3243 or to be improved by residential housing, creating a lien which may be first priority or
3244 subordinate.

3245 (12) "Mortgage lender" means [~~any~~] a bank, trust company, savings and loan
3246 association, credit union, mortgage banker, or other financial institution authorized to transact
3247 business in the state, [~~any~~] a local public body, or any other entity, profit or nonprofit, that
3248 makes mortgage loans.

3249 (13) "Mortgage loan" means a loan secured by a mortgage, which loan may bear

3250 interest at either a fixed or variable rate or which may be noninterest bearing, the proceeds of
3251 which are used for the purpose of financing the construction, development, rehabilitation, or
3252 purchase of residential housing for low and moderate income persons, including low and
3253 moderate income persons who:

- 3254 (a) are first-time homebuyers;
- 3255 (b) are single heads of household;
- 3256 (c) are elderly;
- 3257 (d) are homeless; or
- 3258 (e) have a disability.

3259 (14) "Rehabilitation" includes the reconstruction, rehabilitation, improvement, and
3260 repair of residential housing.

3261 (15) "Residential housing" means a specific work or improvement within ~~[this]~~ the
3262 state undertaken primarily to provide dwelling accommodations, including land, buildings, and
3263 improvements to land and buildings, whether in one to four family units or multifamily units,
3264 and other incidental or appurtenant nonhousing facilities, or as otherwise specified by the
3265 agency.

3266 (16) "State" means the state of Utah.

3267 (17) "State housing credit ceiling" means the amount specified in Subsection
3268 42(h)(3)(C) of the Internal Revenue Code for each calendar year.

3269 Section 85. Section **35A-8-704**, which is renumbered from Section 9-4-904 is
3270 renumbered and amended to read:

3271 ~~[9-4-904].~~ **35A-8-704. Creation -- Trustees -- Terms -- Vacancies -- Chair --**
3272 **Powers -- Quorum -- Per diem and expenses.**

3273 (1) (a) There is created an independent body politic and corporate, constituting a public
3274 corporation, known as the "Utah Housing Corporation."

3275 (b) The corporation may also be known and do business as the:

- 3276 (i) Utah Housing Finance Association; and
- 3277 (ii) Utah Housing Finance Agency in connection with any contract entered into when

3278 that was the corporation's legal name.

3279 (c) Any other entity may not use the names described in Subsections (1)(a) and (b)
3280 without the express approval of the corporation.

3281 (2) The corporation [~~shall be~~] is governed by a board of trustees composed of the
3282 following nine trustees:

3283 (a) three ex officio trustees who [~~shall be~~] are:

3284 (i) the executive director of the Department of [~~Community and Culture~~] Workforce
3285 Services or the executive director's designee;

3286 (ii) the commissioner of the Department of Financial Institutions or the commissioner's
3287 designee; and

3288 (iii) the state treasurer or the treasurer's designee; and

3289 (b) six public trustees, [~~being~~] who are private citizens of the state, as follows:

3290 (i) two people [~~representing~~] who represent the mortgage lending industry;

3291 (ii) two people [~~representing~~] who represent the home building and real estate industry;

3292 and

3293 (iii) two people [~~representing~~] who represent the public at large.

3294 (3) The governor shall:

3295 (a) appoint the six public trustees of the corporation with the consent of the Senate; and

3296 (b) ensure that:

3297 (i) the six public trustees are from different counties and are residents of Utah; and

3298 (ii) not more than three of the public trustees belong to the same political party.

3299 (4) (a) Except as required by Subsection (4)(b), the governor shall appoint the six
3300 public trustees [~~shall be appointed~~] to terms of office of four years each.

3301 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the
3302 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
3303 corporation trustees are staggered so that approximately half of the board is appointed every
3304 two years.

3305 (5) (a) Any of the six public trustees of the corporation may be removed from office for

3306 cause either by the governor or by an affirmative vote of [~~any~~] six trustees of the corporation.

3307 (b) When a vacancy occurs in the board of trustees for any reason, the replacement
3308 shall be appointed for the unexpired term.

3309 (c) [~~Each~~] A public trustee shall hold office for the term of appointment and until the
3310 trustee's successor has been appointed and qualified.

3311 (d) [~~Any~~] A public trustee is eligible for reappointment but may not serve more than
3312 two full consecutive terms.

3313 (6) (a) The governor shall select the chair of the corporation.

3314 (b) The trustees shall elect from among their number a vice chair and other officers
3315 they may determine.

3316 (7) (a) Five trustees of the corporation constitute a quorum for transaction of business.

3317 (b) An affirmative vote of at least five trustees is necessary for any action to be taken
3318 by the corporation.

3319 (c) A vacancy in the board of trustees may not impair the right of a quorum to exercise
3320 all rights and perform all duties of the corporation.

3321 (8) A trustee may not receive compensation or benefits for the trustee's service, but
3322 may receive per diem and travel expenses in accordance with:

3323 (a) Section 63A-3-106;

3324 (b) Section 63A-3-107; and

3325 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
3326 63A-3-107.

3327 Section 86. Section ~~35A-8-705~~, which is renumbered from Section 9-4-904.5 is
3328 renumbered and amended to read:

3329 ~~[9-4-904.5].~~ **35A-8-705. Corporation as continuation of agency.**

3330 [~~(1) Beginning July 1, 2001, the Utah Housing Finance Agency shall become known as~~
3331 ~~the Utah Housing Corporation.]~~

3332 [~~(2)~~] The corporation is a continuation of the Utah Housing Finance Agency and shall:

3333 [~~(a)~~] (1) possess all rights, title, privileges, powers, immunities, property, and claims of

3334 the agency; and

3335 ~~[(b)]~~ (2) fulfill and perform all obligations of the agency, including all agency
3336 obligations relating to outstanding bonds and notes.

3337 Section 87. Section **35A-8-706**, which is renumbered from Section 9-4-905 is
3338 renumbered and amended to read:

3339 ~~[9-4-905].~~ **35A-8-706. President and chief executive officer --**

3340 **Secretary-treasurer -- Powers and duties -- Power to employ experts -- Power to employ**
3341 **independent legal counsel.**

3342 (1) (a) The trustees shall appoint a president who ~~[shall be]~~ is the chief executive
3343 officer of the corporation, but who may not be a trustee of the corporation, and who ~~[shall~~
3344 ~~serve]~~ serve at the pleasure of the trustees and receive compensation as set by the trustees.

3345 (b) The president, who shall also be the secretary-treasurer, shall administer, manage,
3346 and direct the affairs and activities of the corporation in accordance with the policies, control,
3347 and direction of the trustees.

3348 (c) The president shall approve all accounts for salaries, allowable expenses of the
3349 corporation, or of any corporation employee or consultant, and expenses incidental to the
3350 operation of the corporation.

3351 (d) The president shall perform any other duties as may be directed by the trustees in
3352 carrying out the purposes of this part.

3353 (2) (a) The president shall:

3354 (i) attend the meetings of the corporation;

3355 (ii) keep a record of the proceedings of the corporation; and

3356 (iii) maintain and be custodian of ~~[aH]~~:

3357 (A) books, documents, and papers filed with the corporation;

3358 (B) the minute book or journal of the corporation; and

3359 (C) ~~[its]~~ the corporation's official seal.

3360 (b) The president may cause copies to be made of ~~[aH]~~ minutes and other records and
3361 documents of the corporation and may give certificates under seal of the corporation to the

3362 effect that those copies are true copies, and [~~all persons~~] a person dealing with the corporation
3363 may rely upon those certificates.

3364 (3) (a) The corporation may employ or engage technical experts, independent
3365 professionals and consultants, and any other officers, agents, or employees, permanent or
3366 temporary, as it considers necessary to carry out the efficient operation of the corporation, and
3367 shall determine their qualifications, duties, and compensation.

3368 (b) The trustees may delegate to one or more of the corporation's agents,
3369 representatives, or employees any administrative duties as they consider proper.

3370 (4) The corporation may employ and retain independent legal counsel.

3371 Section 88. Section **35A-8-707**, which is renumbered from Section 9-4-906 is
3372 renumbered and amended to read:

3373 ~~[9-4-906].~~ **35A-8-707. Relation to certain acts.**

3374 (1) The corporation is exempt from:

3375 (a) Title 51, Chapter 5, Funds Consolidation Act;

3376 (b) Title 51, Chapter 7, State Money Management Act;

3377 (c) Title 63A, Utah Administrative Services Code; [~~and~~]

3378 (d) Title 63G, Chapter 6, Utah Procurement Code;

3379 (e) Title 63J, Chapter 1, Budgetary Procedures Act;

3380 (f) Title 63J, Chapter 2, Revenue Procedures and Control Act; and

3381 (g) Title 67, Chapter 19, Utah State Personnel Management Act.

3382 (2) The corporation shall comply with:

3383 (a) Title 52, Chapter 4, Open and Public Meetings Act; and

3384 (b) Title 63G, Chapter 2, Government Records Access and Management Act.

3385 Section 89. Section **35A-8-708**, which is renumbered from Section 9-4-907 is
3386 renumbered and amended to read:

3387 ~~[9-4-907].~~ **35A-8-708. Disclosure of interest.**

3388 (1) [~~Any~~] A trustee, officer, or employee of the corporation who has, will have, or later
3389 acquires an interest, direct or indirect, in [~~any~~] a transaction with the corporation shall

3390 immediately disclose the nature and extent of that interest in writing to the corporation as soon
3391 as ~~he~~ the trustee, officer, or employee has knowledge of the actual or prospective interest.

3392 (2) (a) This disclosure shall be entered upon the minutes of the corporation.

3393 (b) Upon the disclosure, that trustee, officer, or employee may participate in any action
3394 by the corporation authorizing the transaction.

3395 Section 90. Section **35A-8-709**, which is renumbered from Section 9-4-908 is
3396 renumbered and amended to read:

3397 ~~[9-4-908].~~ **35A-8-709. Officer or employee -- No forfeiture of office or**
3398 **employment.**

3399 Notwithstanding the provisions of any other law, no officer or employee of this state
3400 ~~[shall be deemed to have forfeited or shall forfeit his]~~ forfeits a state office or state employment
3401 ~~by [reason of his acceptance of]~~ accepting an appointment or by serving as a trustee of the
3402 corporation ~~[or his service thereon].~~

3403 Section 91. Section **35A-8-710**, which is renumbered from Section 9-4-909 is
3404 renumbered and amended to read:

3405 ~~[9-4-909].~~ **35A-8-710. Surety bond required.**

3406 (1) The corporation shall maintain:

3407 (a) for each trustee a surety bond in the penal sum of \$25,000; and

3408 (b) for the president of the corporation a surety bond in the penal sum of \$50,000.

3409 (2) ~~[Each]~~ A surety bond ~~[is to be]~~ shall be conditioned upon the faithful performance
3410 of the duties of the office of the trustee or president, as the case may be, and ~~[is to]~~ shall be
3411 issued by a surety company authorized to transact business in the state as surety.

3412 (3) ~~[Each]~~ A trustee and the president shall maintain these bonds in full force and
3413 effect.

3414 (4) The corporation shall bear all costs of the surety bonds.

3415 Section 92. Section **35A-8-711**, which is renumbered from Section 9-4-910 is
3416 renumbered and amended to read:

3417 ~~[9-4-910].~~ **35A-8-711. Corporation -- Powers.**

3418 The corporation has and may exercise all powers necessary or appropriate to carry out
3419 the purposes of this part, including ~~[the following]~~:

3420 (1) to have perpetual succession as a body politic and corporate, constituting a public
3421 corporation, and to adopt, amend, and repeal rules, policies, and procedures for the regulation
3422 of its affairs and the conduct of its business;

3423 (2) to sue and be sued in its own name;

3424 (3) to have an official seal and power to alter that seal at will;

3425 (4) to maintain an office at ~~[any] a place [or places]~~ within this state ~~[it may designate]~~
3426 the corporation designates;

3427 (5) to adopt, amend, and repeal bylaws and rules~~[, not inconsistent]~~ that are consistent
3428 with this part~~;~~ to carry into effect the powers and purposes of the corporation and the conduct
3429 of its business;

3430 (6) to make and execute contracts and ~~[all]~~ other instruments necessary or convenient
3431 for the performance of its duties and the exercise of its powers and functions under this part,
3432 including contracts or agreements for the servicing and originating of mortgage loans;

3433 (7) to employ advisers, consultants, and agents, including financial experts,
3434 independent legal counsel, and ~~[any] other~~ advisers, consultants, and agents as [may be]
3435 necessary in ~~[its]~~ the corporation's judgment and to fix their compensation;

3436 (8) to procure insurance against any loss in connection with its property and other
3437 assets, including mortgage loans, in amounts and from insurers it considers desirable;

3438 (9) to borrow money and to issue bonds and notes or other evidences of indebtedness
3439 as provided in this part;

3440 (10) to receive and accept aid or contributions from any source of money, property,
3441 labor, or other things of value to be held, used, loaned, granted, and applied to carry out the
3442 purposes of this part subject to the conditions, if any, upon which the grants and contributions
3443 are made, including gifts or grants from ~~[any] a~~ department, agency, or instrumentality of the
3444 United States or of this state for any purpose consistent with this part;

3445 (11) to enter into agreements with ~~[any] a~~ local public body, ~~[any] a~~ housing sponsor,

3446 [any] a department, agency, or instrumentality of the United States or this state, or with
3447 mortgagors and mortgage lenders for the purpose of planning and regulating and providing for
3448 the financing and refinancing, construction, rehabilitation, leasing, management, maintenance,
3449 operation, sale, or other disposition of[;] any residential housing undertaken with the assistance
3450 of the corporation under this part;

3451 (12) to exercise all of its remedies following the default under [any] a mortgage loan,
3452 including:

3453 (a) proceeding with a foreclosure action or private sale to obtain title to the real and
3454 personal property held as collateral and taking assignments of leases and rentals;

3455 (b) to own, lease, clear, reconstruct, rehabilitate, repair, maintain, manage, and operate
3456 this property in preparation for its disposition; and

3457 (c) to assign, encumber, sell, or otherwise dispose of this property;

3458 (13) to invest [~~any funds~~] money not required for immediate disbursement, including
3459 [~~funds~~] money held in reserve, in a manner consistent with applicable provisions of Title 51,
3460 Chapter 7, State Money Management Act;

3461 (14) to provide technical and financial assistance to housing sponsors and advisory
3462 committees in the development or operation of housing for low and moderate income persons;

3463 (15) to gather and distribute data and information concerning the housing needs of low
3464 and moderate income families within the various communities of this state;

3465 (16) to the extent permitted under [any] a contract with the holders of bonds, notes, and
3466 other obligations of the corporation, to consent to [any] a modification with respect to rate of
3467 interest, time and payment of [any] an installment of principal or interest security, or [any]
3468 other term of any contract, mortgage, mortgage loan, mortgage loan commitment, contract, or
3469 agreement of any kind to which the corporation is a party;

3470 (17) to the extent permitted under [any] a contract with the holders of bonds, notes, and
3471 other obligations of the corporation, to enter into contracts with [any] a mortgagor or housing
3472 sponsor containing provisions enabling the mortgagor to reduce the rental or carrying charges
3473 to persons unable to pay the regular schedule of charges where, by reason of other income or

3474 payment by [~~any~~] a department, agency, or instrumentality of the United States or of this state,
3475 the reduction can be made without jeopardizing the economic stability of residential housing
3476 being financed;

3477 (18) to acquire property within this state for the purpose of holding it for subsequent
3478 disposition to a housing sponsor or other entity that can use it for residential housing for low
3479 and moderate income persons, except that if no person can be found to use it in this manner,
3480 the corporation may dispose of the property to any person;

3481 (19) to purchase, own and operate residential housing for the benefit, in whole or in
3482 part, of low and moderate income persons, so long as the corporation makes reasonable efforts
3483 to sell that residential housing to a housing sponsor;

3484 (20) to incorporate or form one or more subsidiaries of the corporation for the purpose
3485 of carrying out any of the powers of the corporation and accomplishing any of the purposes of
3486 the corporation, to invest in and provide financial assistance to these subsidiaries, to borrow
3487 from these subsidiaries, to guarantee the obligations of these subsidiaries, and to enter into
3488 agreements with these subsidiaries to carry out any of the corporation's powers under this part;

3489 (21) to enter into partnership and limited liability company agreements, to purchase
3490 and sell interests in housing sponsors, to serve as general partner of a partnership, and to serve
3491 as a manager of a limited liability company to carry out any of the corporation's powers under
3492 this part;

3493 (22) to require that persons receiving a mortgage loan or financial assistance from the
3494 corporation subject the property involved to restrictive covenants that shall be considered to be
3495 running with the land, regardless of whether or not the corporation enjoys privity of estate or
3496 whether or not the covenant touches and concerns the burdened property;

3497 (23) to enter into management agreements with [~~any~~] a person or entity for the
3498 performance by the person or entity for the corporation of any of its functions or powers, with
3499 terms and conditions as may be mutually agreeable;

3500 (24) to sell, at public or private sale, with or without public bidding, [~~any~~] a mortgage
3501 loan or other obligation held by the corporation;

3502 (25) to sell or convey real property owned by the corporation to low or moderate
3503 income persons and housing sponsors, without consideration if the sale or conveyance will
3504 inure primarily to the benefit of low or moderate income persons living in a housing
3505 development;

3506 (26) upon making a determination that the financial status of a housing development
3507 will jeopardize ~~[any]~~ an economic interest of the corporation in the housing development, to
3508 assume managerial and financial control of the property or the owner and to supervise and
3509 prescribe the activities of the property or the owner in a manner and under terms and conditions
3510 as the corporation may stipulate in ~~[any]~~ a contract;

3511 (27) to supervise housing sponsors of housing developments;

3512 (28) to service mortgage loans;

3513 (29) to give consideration to those activities which promote the availability of
3514 accessible housing; and

3515 (30) to do ~~[any]~~ an act necessary or convenient to the exercise of the powers granted in
3516 or reasonably implied from this part.

3517 Section 93. Section **35A-8-712**, which is renumbered from Section 9-4-911 is
3518 renumbered and amended to read:

3519 ~~[9-4-911]~~. **35A-8-712. Corporation -- Additional powers.**

3520 (1) To accomplish the declared purposes of this part, the corporation has the following
3521 powers ~~[in addition to others granted in this part]~~:

3522 (a) to purchase mortgage loans originated by mortgage lenders or local public bodies
3523 made for the purpose of financing the construction, development, rehabilitation, or purchase of
3524 residential housing for low and moderate income persons;

3525 (b) to make mortgage loans and to provide financial assistance to housing sponsors for
3526 the purpose of financing the construction, development, rehabilitation, or purchase of
3527 residential housing for low and moderate income persons;

3528 (c) to make mortgage loans and provide financial assistance to housing sponsors for the
3529 purpose of financing the operations of a housing development that are necessary or desirable to

3530 enable the housing development to remain available as residential housing for low and
3531 moderate income persons, whether or not the housing development has been financed by the
3532 corporation;

3533 (d) to provide financial assistance to any housing authority created under Part ~~[6]~~ 4,
3534 Housing Authorities, which housing authorities may enter into commitments for and accept
3535 loans for a housing project ~~[or projects]~~ as defined in Section ~~[9-4-602]~~ 35A-8-401; and

3536 (e) to make mortgage loans and to provide financial assistance to low and moderate
3537 income persons for the construction, rehabilitation, or purchase of residential housing.

3538 (2) ~~[Bonds]~~ The corporation may issue bonds to purchase loans ~~[pursuant to]~~ under
3539 Subsection (1)(a) ~~[shall be issued]~~ only after a determination by the corporation that the loans
3540 are not otherwise available upon reasonably equivalent terms and conditions from private
3541 lenders.

3542 (3) Loans for owner-occupied housing made ~~[pursuant to]~~ under Subsection (1)(a) may
3543 not include a penalty for prepayment.

3544 (4) The corporation shall make rules or adopt policies and procedures to govern the
3545 activities authorized under this section, including ~~[rules, policies, and procedures as to any or~~
3546 ~~all of the following]~~:

3547 (a) procedures for the submission of requests or the invitation of proposals for the
3548 purchase and sale of mortgage loans and the making of mortgage loans;

3549 (b) rates, fees, charges, and other terms and conditions of originating or servicing
3550 mortgage loans in order to protect against a realization of an excessive financial return or
3551 benefit by the originator or servicer;

3552 (c) the type and amount of collateral, payment bonds, performance bonds, or other
3553 security to be provided for construction loans made by the corporation;

3554 (d) the nature and amounts of fees to be charged by the corporation to provide for
3555 expenses and reserves of the corporation;

3556 (e) procedures allowing the corporation to prohibit persons who fail to comply with the
3557 rules of the corporation with respect to the operations of ~~[any]~~ a program of the corporation

3558 from participating, either directly or indirectly, in the programs of the corporation;

3559 (f) the terms and conditions under which the corporation may purchase and make
3560 mortgage loans under each program of the corporation;

3561 (g) the terms and conditions under which the corporation may provide financial
3562 assistance under each program of the corporation;

3563 (h) the terms and conditions under which the corporation may guarantee mortgage
3564 loans under each program of the corporation; and

3565 (i) any other matters related to the duties or exercise of powers under this section.

3566 (5) (a) (i) The trustees of the corporation shall elect the directors, trustees, and
3567 members, if any, of each subsidiary.

3568 (ii) Service by a trustee of the corporation in any [~~such capacity~~] of these capacities
3569 does not constitute a conflict of interest for any purpose.

3570 (iii) The corporation may delegate any of its powers and duties under this part to any
3571 subsidiary.

3572 (iv) Subsidiaries shall constitute legal entities separate and distinct from each other, the
3573 corporation, and the state.

3574 (b) [~~Each~~] A note, bond, and other obligation of a subsidiary shall contain on its face a
3575 statement to the effect that:

3576 (i) the subsidiary is obligated to pay the [~~same~~] note, bond, or other obligation solely
3577 from the revenues or other funds of the subsidiary;

3578 (ii) neither the corporation nor the state nor any of its political subdivisions is obligated
3579 to pay the [~~same~~] note, bond, or other obligation; and

3580 (iii) neither the faith and credit nor the taxing power of the state or [~~any of~~] its political
3581 subdivisions is pledged to the payment of principal, or redemption price of, or the interest on
3582 the note, bond, or other obligation.

3583 (c) Upon dissolution of [~~any~~] a subsidiary of the corporation, any assets shall revert to
3584 the corporation or to [~~any~~] a successor to the corporation or, failing this succession, to the state.

3585 (6) (a) The corporation may:

3586 (i) enter into interest rate contracts that its trustees determine are necessary, convenient,
3587 or appropriate for the control or management of debt or for the cost of servicing debt; and

3588 (ii) use corporation funds to satisfy its payment obligations under those contracts.

3589 (b) ~~[Interest rate contracts]~~ An interest rate contract may contain payment, security,
3590 default, termination, remedy, and other terms and conditions that the trustees consider
3591 appropriate.

3592 (c) ~~[Neither interest rate contracts nor]~~ An interest rate contract and funds used in
3593 connection with an interest rate ~~[contracts]~~ contract may not be considered a deposit or
3594 investment.

3595 Section 94. Section **35A-8-713**, which is renumbered from Section 9-4-912 is
3596 renumbered and amended to read:

3597 **[9-4-912]. 35A-8-713. Power to issue mortgage credit certificates -- Impact of**
3598 **federal legislation on tax exempt status of corporation bond.**

3599 (1) In order to accomplish the purposes of this part the corporation may issue mortgage
3600 credit certificates ~~[pursuant to]~~ under 26 U.S.C.~~[Section]~~ Sec. 143, as amended, and the
3601 regulations issued under the code and has the sole responsibility for issuing or approving the
3602 issuance of mortgage credit certificates allowable to the state.

3603 (2) ~~[None of the powers]~~ A power granted to the corporation by this part ~~[shall in any~~
3604 ~~way]~~ may not be diminished by the enactment of ~~[any]~~ federal legislation ~~[which]~~ that would
3605 cause the interest on ~~[any]~~ bonds, notes, or other obligations of the corporation to be subject to
3606 taxation under federal law~~[, nor shall the]~~.

3607 (3) An exemption from state taxation granted in this part ~~[be]~~ is not affected by ~~[any~~
3608 ~~such]~~ federal legislation described under Subsection (2).

3609 Section 95. Section **35A-8-714**, which is renumbered from Section 9-4-913 is
3610 renumbered and amended to read:

3611 **[9-4-913]. 35A-8-714. Power to borrow money and make loans -- Issuance of**
3612 **notes and bonds.**

3613 (1) The corporation has the power ~~[and is authorized]~~ to borrow money and to issue

3614 [~~from time to time~~] its notes, bonds, and other obligations in such principal amounts as the
3615 corporation determines is necessary to provide sufficient [~~funds~~] money for:

- 3616 (a) the purchase of mortgage loans from mortgage lenders;
- 3617 (b) the making of construction loans;
- 3618 (c) the making of loans to housing authorities;
- 3619 (d) the payment of interest on bonds, notes, and other obligations of the corporation;
- 3620 (e) the establishment of reserves to secure the bonds, notes, and other obligations;
- 3621 (f) the making of mortgage loans;
- 3622 (g) the making of loans to mortgage lenders or other lending institutions with respect to
3623 multifamily residential rental housing under terms and conditions requiring the proceeds of
3624 these loans to be used by these mortgage lenders or other lending institutions for the making of
3625 loans for new multifamily residential rental housing or the acquisition or rehabilitation of
3626 existing multifamily residential rental housing;
- 3627 (h) the making of loans for the rehabilitation of residential housing; and
- 3628 (i) all other expenditures of the corporation incident to and necessary or convenient to
3629 carry out its purposes and powers.

3630 (2) (a) The corporation [~~shall have the power to~~] may issue notes to renew notes and
3631 bonds to pay notes, including [~~the~~] interest [~~thereon~~], and whenever it considers refunding
3632 expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded
3633 have or have not matured, and to issue bonds partly to refund bonds then outstanding and partly
3634 for any of its corporate purposes.

- 3635 (b) The refunding bonds may be:
 - 3636 (i) sold and the proceeds applied to the purchase, redemption, or payment of the bonds
3637 to be refunded; or
 - 3638 (ii) exchanged for the bonds to be refunded.

3639 (3) (a) Except as [~~may~~] otherwise [~~be~~] expressly provided by the corporation, every
3640 issue of [~~its~~] the corporation's notes or bonds [~~shall be~~] are general obligations of the
3641 corporation payable solely [~~out of any revenues or~~] by money of the corporation, subject only

3642 to any agreements with the holders of particular notes or bonds pledging any particular money
3643 [~~or revenues~~].

3644 (b) These bonds or notes may be additionally secured by a pledge of [~~any~~]:

3645 (i) a grant or contribution from the federal government or [~~any~~] a corporation,
3646 association, institution, or person; or [~~a pledge of any~~]

3647 (ii) money, income, or revenues of the corporation from any source.

3648 (4) (a) The notes and bonds shall be authorized by resolution or resolutions of the
3649 corporation, shall bear the date or dates, and shall mature at the time or times as the resolution
3650 or resolutions may provide, except that no note, including any renewals thereof, shall mature
3651 more than five years from the date of its original issue, and no bond shall mature more than 50
3652 years from the date of its issue, as provided by the resolution [~~may provide~~].

3653 (b) The notes and bonds shall bear interest at the rate or rates, including variations in
3654 the rates, be in denominations, be in a form, either coupon or registered, carry the registration
3655 privileges, be executed in the manner, be payable in a medium of payment, at the place or
3656 places, and be subject to the terms of redemption, including redemption prior to maturity, as
3657 provided by the resolution [~~or resolutions may provide~~].

3658 (c) The notes and bonds of the corporation may be sold by the corporation at public or
3659 private sale, and at the price or prices [~~as~~] determined by the corporation [~~shall determine~~].

3660 (d) (i) The notes and bonds may bear interest at a variable interest rate as provided by
3661 the resolution [~~may provide~~].

3662 (ii) The resolution may establish a method, formula, or index [~~pursuant to~~] by which
3663 the interest rate on the notes and bonds [~~may be~~] is determined [~~from time to time~~].

3664 (e) In connection with the notes and bonds, the corporation may authorize and enter
3665 into agreements or other arrangements with financial, banking, and other institutions for letters
3666 of credit, standby letters of credit, surety bonds, reimbursement agreements, remarketing
3667 agreements, indexing agreements, tender agent agreements, and other agreements with respect
3668 to:

3669 (i) securing the notes and bonds [~~, with respect to~~];

3670 (ii) enhancing the marketability and credit worthiness of the notes and bonds~~[-with~~
3671 respect to];

3672 (iii) determining a variable interest rate on the notes and bonds~~[-and with respect to the~~
3673 payment]; and

3674 (iv) paying from any legally available source [~~€~~], which may include the proceeds of
3675 the notes and bonds~~[-]~~, [~~of~~] fees, charges, and other amounts coming due with respect to [~~any~~
3676 ~~such~~] these agreements.

3677 (5) [~~Any~~] A resolution [~~or resolutions~~] authorizing any notes or bonds or their issue
3678 may contain provisions, which [~~shall be~~] are a part of the contract or contracts with their
3679 holders, as to:

3680 (a) pledging all or any part of the revenues to secure the payment of the notes or bonds
3681 or of any issue [~~thereof~~] of the notes or bonds, subject to the agreements with noteholders or
3682 bondholders as may then exist;

3683 (b) pledging all or any part of the assets of the corporation, including mortgages and
3684 obligations securing the [~~same~~] assets, to secure the payment of the notes or bonds or of any
3685 issue of notes or bonds, subject to the agreements with noteholders or bondholders as may then
3686 exist;

3687 (c) the use and disposition of the gross income from mortgages owned by the
3688 corporation and payment of principal of mortgages owned by the corporation;

3689 (d) the setting aside of reserves or sinking funds and their regulation and disposition;

3690 (e) limitations on the purpose to which the proceeds of sale of notes or bonds may be
3691 applied and pledging the proceeds to secure the payment of the notes or bonds or of their issue;

3692 (f) limitations on the issuance of additional notes or bonds, including:

3693 (i) the terms upon which additional notes or bonds may be issued and secured; and

3694 (ii) the refunding of outstanding or other notes or bonds;

3695 (g) the procedure, if any, by which the terms of [~~any~~] a contract with noteholders or
3696 bondholders may be amended or abrogated, the amount of notes or bonds to which the holders
3697 must consent, and the manner in which the consent may be given;

3698 (h) limitations on the amount of money to be expended by the corporation for operating
3699 expenses of the corporation;

3700 (i) vesting in a trustee or trustees the property, rights, powers, and duties in trust as
3701 determined by the corporation [~~may determine~~], which may include any or all of the rights,
3702 powers, and duties of the trustee appointed by the noteholders or bondholders [~~pursuant to~~]
3703 under this act and limiting or abrogating the right of noteholders or bondholders to appoint a
3704 trustee under this act or limiting the rights, powers, and duties of the trustee;

3705 (j) (i) defining the acts or omissions to act [~~which shall~~] that constitute a default in the
3706 obligations and duties of the corporation to the holders of the notes or bonds and providing for
3707 the rights and remedies of the holders of the notes or bonds in the event of default, including as
3708 a matter of right the appointment of a receiver;

3709 (ii) but the rights and remedies may not be inconsistent with the general laws of the
3710 state and other provisions of this part; or

3711 (k) any other matters, of like or different character, which in any way affect the security
3712 or protection of the holders of the notes or bonds.

3713 (6) (a) [~~Any~~] A pledge made by the corporation [~~shall be~~] is valid, enforceable, and
3714 binding from the time when the pledge is made and [~~shall have~~] has a lien priority based on the
3715 time of grant or, if more than one lien is granted at a given time, as set forth in the resolution or
3716 instrument [~~pursuant to~~] under which the pledge is made.

3717 (b) (i) The revenues, money, or property [~~so~~] pledged and [~~thereafter~~] then received by
3718 the corporation [~~shall~~] are immediately [~~be~~] subject to the lien of the pledge and [~~shall~~]
3719 constitute a perfected lien without any physical delivery [~~thereof~~] or further act[~~, and the~~].

3720 (ii) The lien of [~~any such~~] the pledge [~~shall be~~] is valid and binding [~~as~~] against all
3721 parties having claims of any kind in tort, contract, or otherwise against the corporation,
3722 irrespective of whether the parties have notice [~~thereof~~] of the lien.

3723 (c) Neither the resolution nor any other instrument by which a pledge is created need
3724 be recorded.

3725 (7) The corporation, subject to the agreements with noteholders or bondholders as may

3726 then exist, [~~shall have~~] has power [~~out of any funds available for it~~] to use available money to
3727 purchase notes or bonds of the corporation, which shall immediately be cancelled, at a price not
3728 exceeding:

3729 (a) if the notes or bonds are [~~then~~] redeemable at the time of the purchase, the
3730 applicable redemption price [~~then applicable~~] plus accrued interest to the next interest payment
3731 [~~thereon~~] on the notes or bonds; or

3732 (b) if the notes or bonds are not [~~then~~] redeemable at the time of the purchase, the
3733 redemption price applicable on the first date after the purchase [~~upon which~~] that the notes or
3734 bonds [~~become~~] are subject to redemption plus accrued interest to [~~the~~] that date.

3735 (8) (a) The notes and bonds shall be secured by a trust indenture by and between the
3736 corporation and a corporate trustee, which may be [~~any~~] a bank having the power of a trust
3737 company or [~~any~~] a trust company within or without the state.

3738 (b) The trust indenture may contain provisions for protecting and enforcing the rights
3739 and remedies of the noteholders or bondholders as may be reasonable and proper and not in
3740 violation of law, including covenants setting forth the duties of the corporation in relation to
3741 the exercise of its corporate powers and the custody, safeguarding, and application of all
3742 money.

3743 (c) The corporation may provide by the trust indenture for the payment of the proceeds
3744 of the notes or bonds and the revenues to the trustee under the trust indenture or other
3745 depository, and for the method of their disbursement, with any safeguards and restrictions as it
3746 may determine.

3747 (d) All expenses incurred in carrying out the trust indenture may be treated as a part of
3748 the operating expenses of the corporation.

3749 (e) If the notes or bonds [~~shall be~~] are secured by a trust indenture, the noteholders or
3750 bondholders may not have authority to appoint a separate trustee to represent them.

3751 (9) Whether or not the notes and bonds are of the form and character as to be
3752 negotiable instruments under the terms of the Uniform Commercial Code, the notes and bonds
3753 are negotiable instruments within the meaning of and for all the purposes of the Uniform

3754 Commercial Code, subject only to the provisions of the notes and bonds relating to registration.

3755 (10) In the event that any of the trustees or officers of the corporation [~~shall~~] cease to
3756 be trustees or officers of the corporation prior to the delivery of any notes or bonds or coupons
3757 signed by them, their signatures or facsimiles of their signatures [~~shall nevertheless be~~] are
3758 valid and sufficient for all purposes, the same as if the trustees or officers had remained in
3759 office until the delivery.

3760 (11) [~~Neither the trustees~~] A trustee of the corporation [~~nor any other~~] or a person
3761 executing the notes or bonds issued under this chapter [~~are~~] is not subject to personal liability
3762 or accountability by reason of the issuance [~~thereof~~] of the notes or bonds.

3763 (12) The corporation [~~shall have the power to~~] may provide for the replacement of lost,
3764 destroyed, or mutilated bonds or notes.

3765 Section 96. Section ~~35A-8-715~~, which is renumbered from Section 9-4-914 is
3766 renumbered and amended to read:

3767 ~~[9-4-914].~~ 35A-8-715. Capital reserve funds -- Capital reserve fund
3768 requirement -- Establishment of other funds.

3769 (1) (a) (i) The corporation may create [~~and establish~~] one or more reserve funds,
3770 [~~herein~~] hereafter referred to as "capital reserve funds," from:

3771 (A) [~~any~~] proceeds [~~of~~] from the sale of notes or bonds, to the extent provided in the
3772 resolution [~~or resolutions~~] of the corporation authorizing the issuance [~~thereof~~] of the notes or
3773 bonds;

3774 (B) [~~any~~] money appropriated and made available by the state for the purpose of the
3775 funds;

3776 (C) [~~any~~] money directed by the corporation to be transferred to the funds; and

3777 (D) [~~any~~] other money [~~which may be~~] made available to the corporation for the
3778 purpose of the funds from any other source [~~or sources~~].

3779 (ii) [~~All money~~] Money held in [~~any~~] a capital reserve fund shall be used[~~, as required,~~]
3780 solely for the payment of the principal of bonds or of the sinking fund payments with respect to
3781 the bonds, the purchase or redemption of bonds, the payment of interest on bonds, or the

3782 payment of any redemption premium required to be paid when the bonds are redeemed prior to
3783 maturity.

3784 (b) (i) Money in ~~[any]~~ a capital reserve fund may not be withdrawn from the fund at
3785 any time in an amount ~~[as]~~ that would reduce the level of money in the fund to less than the
3786 capital reserve fund requirement, except for the purpose of paying principal and redemption
3787 price of and interest on bonds and the sinking fund payments, as the payments become due and
3788 for the payment of which other money of the corporation is not available.

3789 (ii) ~~[Any income]~~ Income or interest earned by the investment of money held in ~~[any]~~ a
3790 fund may be transferred by the corporation to other funds or accounts of the corporation to the
3791 extent that the transfer does not reduce the amount of the fund to below the capital reserve fund
3792 requirement.

3793 (c) The corporation may provide by resolution ~~[or resolutions]~~ that it may not issue
3794 bonds under a resolution ~~[or resolutions]~~ at any time if upon issuance the amount in the capital
3795 reserve fund which will secure the bonds shall be less than the capital reserve fund
3796 requirement, unless the corporation at the time of issuance of the bonds ~~[shall deposit]~~ deposits
3797 in the fund from the proceeds of ~~[the]~~ those bonds ~~[to be so issued]~~, or other sources, an
3798 amount which, together with the amount then in the fund, may not be less than the capital
3799 reserve fund requirement.

3800 (d) In computing the amount of the capital reserve funds for the purpose of this part,
3801 securities in which all or a portion of the funds shall be invested shall be valued at par, cost, or
3802 by other method of valuation as the corporation may provide by resolution.

3803 (e) (i) "Capital reserve fund requirement" means, as of any particular date of
3804 computation, and with respect to any particular issue of bonds, an amount as the corporation
3805 may provide, or may have previously provided, by resolution, which amount may be in the
3806 form of a sum certain or a formula.

3807 (ii) In establishing reserves and setting capital reserve fund requirements, the
3808 corporation shall consider the following:

3809 (A) the qualifications for obtaining an investment grade rating from one or more

3810 nationally recognized bond rating agencies;

3811 (B) the economic feasibility and marketability of the bonds being issued, taking into
3812 account all security for the bonds, including the capital reserve fund; and

3813 (C) applicable requirements pertaining to reserve funds under federal and state income
3814 tax laws and regulations.

3815 (f) (i) To assure the continued operation and solvency of the corporation for carrying
3816 out of its corporate purposes, provision is made in Subsection (1)(b) for the accumulation in
3817 the capital reserve funds of an amount equal to the maximum capital reserve fund requirement.

3818 (ii) The president of the corporation shall annually, on or before December first, certify
3819 to the governor and to the director of finance the amount, if any, required to restore the capital
3820 reserve funds to the capital reserve fund requirement.

3821 (iii) The governor may request from the Legislature an appropriation of the certified
3822 amount to restore the capital reserve funds to the capital reserve fund requirement.

3823 (g) Amounts appropriated~~[, if any,]~~ shall be repaid to the General Fund of the state,
3824 from any money in excess of the amounts which the corporation determines will keep it
3825 self-supporting.

3826 (2) The corporation may create ~~[and establish any]~~ other funds as may be necessary or
3827 desirable for its corporate purposes.

3828 Section 97. Section **35A-8-716**, which is renumbered from Section 9-4-915 is
3829 renumbered and amended to read:

3830 ~~[9-4-915].~~ **35A-8-716. Corporation money -- Depositing and paying out --**
3831 **Power to contract with holders of notes and bonds -- Money held in trust.**

3832 (1) (a) All money of the corporation, except as otherwise authorized or provided in this
3833 part, shall be deposited as soon as practicable in a separate account or accounts in banks or
3834 trust companies organized under the laws of the state or national banking association.

3835 (b) The money in these accounts shall be paid out on checks signed by the president or
3836 other officers or employees of the corporation as authorized by the corporation ~~[shall~~
3837 ~~authorize]~~.

3838 (c) All deposits of money shall, if required by the corporation, be secured in a manner
3839 as the corporation determines to be prudent, and ~~[aH]~~ banks and trust companies are authorized
3840 to give security for the deposits.

3841 (2) (a) Notwithstanding the provisions of this section, the corporation ~~[shall have~~
3842 ~~power to]~~ may contract with the holders of any of its notes or bonds as to the custody,
3843 collection, securing, investment, and payment of any money of the corporation and of any
3844 money held in trust or otherwise for the payment of notes or bonds, and to carry out that
3845 contract.

3846 (b) Money held in trust or otherwise for the payment of notes or bonds or in any way to
3847 secure notes or bonds and deposits of money may be secured in the same manner as money of
3848 the corporation, and ~~[aH]~~ banks and trust companies ~~[are authorized to]~~ may give security for
3849 the deposits.

3850 Section 98. Section **35A-8-717**, which is renumbered from Section 9-4-916 is
3851 renumbered and amended to read:

3852 ~~[9-4-916]~~. **35A-8-717. State pledge to holders of notes or bonds.**

3853 (1) The state ~~[does hereby pledge to and agree]~~ pledges and agrees with the holders of
3854 any notes or bonds issued under this act that the state will not limit or alter the rights hereby
3855 vested in the corporation to fulfill the terms of any agreements made with the holders ~~[thereof]~~
3856 of the notes or bonds or in any way impair the rights and remedies of the holders until the notes
3857 and bonds, together with their interest, with interest on any unpaid installments of interest, and
3858 all costs and expenses in connection with any action or proceeding by or on behalf of the
3859 holders, are fully met and discharged.

3860 (2) The corporation ~~[is authorized to]~~ may include this pledge and agreement of the
3861 state in any agreement with the holders of the notes or bonds.

3862 Section 99. Section **35A-8-718**, which is renumbered from Section 9-4-917 is
3863 renumbered and amended to read:

3864 ~~[9-4-917]~~. **35A-8-718. Notes, bonds, other obligations -- Not a debt liability --**
3865 **Expenses payable from funds provided -- Corporation without authority to incur liability**

3866 **on behalf of state -- Relationship to Governmental Immunity Act of Utah.**

3867 (1) (a) (i) Notes, bonds, and other obligations issued under this part ~~[do]~~ are not
3868 ~~[constitute]~~ a debt or liability of this state or of ~~[any]~~ a county, city, town, ~~[village,]~~ school
3869 district, or ~~[any]~~ other political subdivision of the state~~[, nor shall the]~~.

3870 (ii) The notes, bonds, or other obligations do not constitute the loaning of credit of the
3871 state or of ~~[any]~~ a county, city, town, ~~[township,]~~ school district, or ~~[any]~~ other political
3872 subdivision of the state~~[, nor may the]~~.

3873 (iii) The notes, bonds, or other obligations ~~[be]~~ are not payable from ~~[funds]~~ money
3874 other than ~~[those]~~ that of the corporation.

3875 (b) All notes, bonds, or other obligations shall contain on their face a statement to the
3876 effect that:

3877 (i) the corporation ~~[is obligated to]~~ shall pay the note, bond, or obligation solely from
3878 the revenues or other ~~[funds]~~ money of the corporation;

3879 (ii) neither this state nor any of its political ~~[subdivision of it is]~~ subdivisions are
3880 obligated to pay the note, bond, or obligation; and

3881 (iii) neither the faith and credit nor the taxing power of this state or any of its political
3882 ~~[subdivision of it is]~~ subdivisions are pledged to the payment of principal, or redemption price
3883 of, or the interest on the notes, bonds, or other obligations.

3884 (2) All expenses incurred in carrying out this ~~[act shall be]~~ part are payable solely from
3885 funds provided under this part, and nothing in this part ~~[shall be construed to authorize]~~
3886 authorizes the corporation to incur indebtedness or liability on behalf of or payable by this state
3887 or any of its political ~~[subdivision of it]~~ subdivisions.

3888 (3) (a) Title 63G, Chapter 7, Governmental Immunity Act of Utah, ~~[shall apply]~~ applies
3889 to the corporation.

3890 (b) Notwithstanding Subsection (3)(a), ~~[no]~~ a claim may not be brought against the
3891 state, any public official or employee of the state, another public entity, or any public official or
3892 employee of another public entity, based on or arising from:

3893 (i) ~~[any]~~ a failure ~~[or alleged failure]~~ to fulfill a contractual obligation of the

3894 corporation;

3895 (ii) ~~[any]~~ an act or failure to act ~~[of]~~ by the corporation or ~~[any of]~~ its trustees, officers,
3896 employees, agents, or representatives; or

3897 (iii) ~~[any]~~ failure of the corporation to comply with the requirements of any law or
3898 regulation.

3899 (c) The provisions of Subsection (3)(b) do not apply to a claim of a current or former
3900 officer or employee of the corporation for ~~[the]~~ retirement or insurance benefits.

3901 Section 100. Section **35A-8-719**, which is renumbered from Section 9-4-918 is
3902 renumbered and amended to read:

3903 ~~[9-4-918]~~. **35A-8-719. Corporation property, notes, and bonds -- Tax**
3904 **exemption except corporate franchise tax.**

3905 ~~[All property]~~ (1) Property acquired or held by the corporation under this part is
3906 declared to be public property used for essential public and governmental purposes~~[, and all~~
3907 ~~the]~~.

3908 (2) The property, its income, and notes and bonds issued under this part, the interest
3909 payable on the notes and bonds, and income derived from the notes and bonds~~[, shall at all~~
3910 ~~times be]~~ are exempt from ~~[all]~~ taxation of every kind ~~[and nature whatsoever imposed]~~ by the
3911 state, ~~[any]~~ a county, ~~[any]~~ a municipality, ~~[or]~~ and any other political subdivision of the state,
3912 except for the corporate franchise tax.

3913 Section 101. Section **35A-8-720**, which is renumbered from Section 9-4-919 is
3914 renumbered and amended to read:

3915 ~~[9-4-919]~~. **35A-8-720. Corporation notes, bonds, obligations -- Legal**
3916 **investments.**

3917 (1) The notes, bonds, and other obligations issued under the authority of this part are
3918 ~~[declared to be]~~ securities in which all public officers and public bodies of the state and its
3919 political subdivisions, all banks, bankers, savings banks, trust companies, credit unions,
3920 savings and loan associations, building and loan associations, investment companies, and other
3921 persons carrying on a banking business, all insurance companies and insurance associations,

3922 and others carrying on an insurance business, and all administrators, executors, guardians,
3923 trustees, and other fiduciaries, pension, profit-sharing and retirement funds, and all other
3924 persons who may now or may later be authorized to invest in notes, bonds, or other obligations
3925 of the state, may properly and legally invest any funds, including capital belonging to them or
3926 within their control.

3927 (2) These notes, bonds, and other obligations are [~~declared~~] securities [~~which~~] that may
3928 properly and legally be deposited with and received by any state, county, or municipal officer,
3929 or agency of the state for any purpose for which the deposit of notes, bonds, or other
3930 obligations of the state is now or may later be authorized by law.

3931 Section 102. Section **35A-8-721**, which is renumbered from Section 9-4-920 is
3932 renumbered and amended to read:

3933 **[9-4-920]. 35A-8-721. Annual report to governor and Legislature -- Contents**
3934 **-- Audits.**

3935 (1) (a) The corporation shall, following the close of each fiscal year, submit an annual
3936 report of its activities for the preceding year to the governor and the Legislature.

3937 (b) Each report shall set forth a complete operating and financial statement of the
3938 corporation during the fiscal year it covers.

3939 (c) At least once each year, an independent certified public accountant shall audit the
3940 books and accounts of the corporation.

3941 (d) A complete copy of each annual audit report shall be:

3942 (i) included in the report to the governor and the Legislature under Subsection (2); and
3943 (ii) available for public inspection at the corporation's office.

3944 (2) The corporation shall, each fiscal year, submit a budget of its operations to the
3945 Legislature and the governor.

3946 (3) (a) The corporation shall form an audit committee consisting of no less than three
3947 trustees.

3948 (b) The audit committee [~~shall have~~] has exclusive authority to:

3949 (i) select and engage the independent certified public accountant to audit the

3950 corporation; and [to]

3951 (ii) supervise the audit.

3952 (4) The corporation shall provide additional information [~~when requested by~~] upon
3953 request by the governor, the Legislature, a legislative committee, the legislative auditor general,
3954 or the state auditor.

3955 Section 103. Section **35A-8-722**, which is renumbered from Section 9-4-922 is
3956 renumbered and amended to read:

3957 ~~[9-4-922].~~ **35A-8-722. Act not restriction on powers of corporation --**
3958 **Construed as alternative -- Bonds, notes, obligations issued need not comply with other**
3959 **laws.**

3960 (1) (a) This part and its contents [~~is not or may not be construed as~~] are not a restriction
3961 or limitation upon [~~any~~] other powers [~~which~~] that the corporation [~~might otherwise have~~] has
3962 under [~~any~~] other [~~law~~] laws of this state[~~, and this~~].

3963 (b) This part is cumulative to [~~those~~] the powers referenced in Subsection (1)(a).

3964 (2) This part [~~does and shall be construed to provide~~] provides a complete, additional,
3965 and alternative method for [~~the~~] doing [~~of~~] the things authorized in this part and [~~shall be~~
3966 ~~regarded as~~] is supplemental and additional to powers conferred by other laws.

3967 (3) The issuance of bonds, notes, and other obligations under [~~the provisions of~~] this
3968 part need not comply with the requirements of any other state law applicable to the issuance of
3969 bonds, notes, and other obligations.

3970 (4) Proceedings, notice, or approval are not required for the issuance of any bonds,
3971 notes, and other obligations or any instrument as security [~~therefor~~] for them, except as
3972 provided in this part.

3973 Section 104. Section **35A-8-723**, which is renumbered from Section 9-4-923 is
3974 renumbered and amended to read:

3975 ~~[9-4-923].~~ **35A-8-723. Allocation to corporation of mortgage bonds qualified**
3976 **under Internal Revenue Code.**

3977 (1) The entire amount of qualified mortgage bonds allowable to Utah [~~pursuant to~~]

3978 under 26 U.S.C.[, ~~Section~~] Sec. 143, and the regulations issued under the code, is allocated to
3979 the Utah Housing Corporation which, for purposes of 26 U.S.C.[, ~~Section~~] Sec. 143 and the
3980 regulations under that section, has sole responsibility for issuing or approving the issuance of
3981 qualified mortgage bonds allowable to Utah.

3982 (2) The corporation is not required to issue or approve the issuance of qualified
3983 mortgage bonds equal in amount to the amount allowed Utah.

3984 (3) Housing authorities in counties, cities, and towns in Utah may apply under 26
3985 U.S.C.[, ~~Section~~] Sec. 143 to the corporation for funding of housing programs within their
3986 respective jurisdictions.

3987 Section 105. Section **35A-8-724**, which is renumbered from Section 9-4-924 is
3988 renumbered and amended to read:

3989 **[9-4-924]. 35A-8-724. Allocation of qualified mortgage bonds to counties,**
3990 **cities, and towns.**

3991 (1) (a) The corporation [~~is authorized to~~] may allocate all or part of the amount to one
3992 or more counties, cities, and towns within the state or to any authority or agency of any [~~such~~
3993 ~~entities~~] entity that is authorized to issue qualified mortgage bonds.

3994 (b) An allocation may not be made under this section unless:

3995 (i) the entity applies to the corporation for an allocation; and

3996 (ii) the corporation finds that the proposed allocation would be in the best interest of
3997 the state.

3998 (c) The corporation shall take the following factors into consideration before making
3999 its finding:

4000 (i) the number of "low and moderate income persons," within the meaning of the Utah
4001 Housing Corporation Act, within a given area;

4002 (ii) the likelihood that the proposed issuing entity would use the allocation to issue
4003 qualified mortgage bonds in a timely manner;

4004 (iii) the cost to the proposed issuing entity to issue the bonds relative to the cost to the
4005 corporation to issue the bonds;

4006 (iv) any special costs or benefits which would result from the issuance of [~~such~~] the
4007 bonds by the proposed issuing entity;

4008 (v) the capability of the proposed issuing entity to administer an issuance of qualified
4009 mortgage bonds;

4010 (vi) the needs of the proposed issuing entity relative to the needs of other counties,
4011 cities, and towns;

4012 (vii) the effects of the proposed allocation on counties, cities, and towns which are not
4013 served by the proposed issuing entity; and

4014 (viii) any other factors the corporation considers relevant to a determination of what is
4015 in the best interest of Utah with regard to single family housing.

4016 (2) (a) The corporation shall specify the time within which an issuing entity shall use
4017 the allocation.

4018 (b) Any part of the allocation which is not used within the time prescribed
4019 automatically terminates.

4020 (c) The corporation may extend the time initially prescribed for use of the allocation.

4021 Section 106. Section **35A-8-725**, which is renumbered from Section 9-4-925 is
4022 renumbered and amended to read:

4023 ~~[9-4-925]~~. **35A-8-725. Low-income housing tax credits.**

4024 (1) The corporation is designated the "Housing Credit Agency" for the state within the
4025 meaning of 26 U.S.C. Sec. 42(h) and for the purposes of carrying out 26 U.S.C. Sec. 42 and
4026 any regulations promulgated under that section.

4027 (2) The entire state housing credit ceiling for each calendar year is allocated to the
4028 corporation.

4029 (3) The allocation of the state housing credit ceiling shall be made under the state's
4030 qualified allocation plan within the meaning of 26 U.S.C. Sec. 42(m), as amended, and as
4031 provided in Subsection (4).

4032 (4) The corporation may amend the state's qualified allocation plan as necessary to
4033 comply with revisions to the low-income housing tax credit program under 26 U.S.C. Sec. 42,

4034 or as may be necessary to further the goals and purposes of the low-income housing tax credit
4035 program for the state.

4036 (5) The corporation, or a subsidiary of the corporation, may have a direct or indirect
4037 ownership interest in, and may materially participate in the operation and management of, a
4038 housing development or program that has received an allocation of the state housing credit
4039 ceiling.

4040 Section 107. Section **35A-8-726**, which is renumbered from Section 9-4-926 is
4041 renumbered and amended to read:

4042 ~~[9-4-926]~~. **35A-8-726. Asset disposition upon dissolution of corporation.**

4043 Upon dissolution of the corporation:

4044 (1) all liabilities and obligations of the corporation, including obligations to
4045 bondholders, shall be paid, satisfied, discharged, or adequately provided for; and

4046 (2) all remaining ~~[funds]~~ money, property, rights, claims, and interests of the
4047 corporation shall revert or be conveyed to the state.

4048 Section 108. Section **35A-8-727**, which is renumbered from Section 9-4-927 is
4049 renumbered and amended to read:

4050 ~~[9-4-927]~~. **35A-8-727. New housing grants -- Reimbursement from Housing
4051 Relief Restricted Special Revenue Fund.**

4052 (1) Subject to the availability of funds in the Housing Relief Restricted Special
4053 Revenue Fund created in Section 67-4-18, the corporation shall approve on behalf of the state a
4054 grant of \$6,000 to a person who:

4055 (a) purchases a newly constructed, never-occupied residence in Utah using a 30-year
4056 fixed interest rate note and mortgage; and

4057 (b) meets the requirements established in Subsections (2) and (3).

4058 (2) A person may not receive a grant under this section if the person's income, as
4059 determined by the corporation, exceeds:

4060 (a) \$75,000 for a single person; or

4061 (b) \$150,000 for a married couple.

4062 (3) The corporation shall establish procedures for determining a person's eligibility for
4063 a grant under this section, including establishing a limit on the time ~~[for which the funds]~~ that
4064 money for a grant may remain in escrow, which may not exceed 90 days.

4065 Section 109. Section **35A-8-801**, which is renumbered from Section 9-4-1201 is
4066 renumbered and amended to read:

4067 **Part 8. Housing Coordination and Planning Act**

4068 ~~[9-4-1201].~~ **35A-8-801. Title.**

4069 This part ~~[shall be]~~ is known as the "Housing Coordination and Planning Act."

4070 Section 110. Section **35A-8-802**, which is renumbered from Section 9-4-1202 is
4071 renumbered and amended to read:

4072 ~~[9-4-1202].~~ **35A-8-802. Legislative policy and purpose.**

4073 (1) ~~[It]~~ The Legislature declares that it is the policy of the state that to promote the
4074 general welfare of its citizens it is necessary to remedy the unsafe and unsanitary housing
4075 conditions and the acute shortage of decent, safe, and sanitary dwellings for families of
4076 medium and low income, in urban and rural areas. ~~[These]~~

4077 (b) The conditions described in Subsection (1)(a) cause an increase and spread of
4078 disease and crime, and constitute a menace to the health, safety, morals, and welfare of the
4079 state.

4080 (2) ~~[It]~~ The Legislature declares that it is the policy of the state:

4081 (a) to make adequate provision of affordable housing for:

4082 (i) persons of medium or low income who are unable to provide themselves with
4083 decent housing including:

4084 (A) elderly persons;

4085 (B) persons with disabilities;

4086 (C) veterans;

4087 (D) special needs populations;

4088 (E) low income persons living on tribal trust lands;

4089 (F) persons receiving public assistance under self-sufficiency programs; or

4090 (G) low income persons living in mobile homes, as defined in Section 70D-2-102; and
4091 (ii) during limited periods, for disaster victims; and

4092 (b) that the provision of safe and sanitary dwelling accommodations at rents or prices
4093 that persons of medium and low income can afford will materially assist in developing more
4094 desirable neighborhoods and alleviating the effects of poverty in this state.

4095 (3) The purposes of this part and Part ~~[6]~~ 4, Housing Authorities, are to meet these
4096 problems by:

4097 (a) providing low-cost housing for medium and low income persons; and

4098 (b) encouraging cooperation between political subdivisions and the nonprofit sector to
4099 make available low-cost housing in all areas of the state.

4100 (4) It is in the public interest to use the broad financial resources and technical services
4101 available to government in cooperation with the ingenuity and expertise of private enterprise to
4102 alleviate this lack of safe and sanitary dwellings while stimulating local industry, according to
4103 the following principles:

4104 (a) The private sector, including nonprofit entities, shall be the primary source of
4105 developing and providing affordable housing with state and local incentives to encourage
4106 housing development.

4107 (b) State money used in the development of housing shall:

4108 (i) be heavily leveraged when possible;

4109 (ii) be primarily invested as loans;

4110 (iii) be primarily spent on housing production; and

4111 (iv) give priority to needs of persons of medium or low income who are unable to
4112 provide themselves with decent housing including:

4113 (A) elderly persons;

4114 (B) persons with disabilities;

4115 (C) veterans;

4116 (D) special needs populations;

4117 (E) low income persons living on tribal trust lands;

- 4118 (F) persons receiving public assistance under self-sufficiency programs; and
4119 (G) low income persons living in mobile homes, as defined in Section 70D-2-102.
4120 (c) When possible based on economic feasibility and effectiveness, state housing
4121 programs shall encourage:
- 4122 (i) mixed income developments;
 - 4123 (ii) socio-economic diversity in neighborhoods; and
 - 4124 (iii) new, multifamily construction.
- 4125 (d) State resources may be used in partnership with political subdivisions or the private
4126 sector to promote affordable housing.
- 4127 (e) Within appropriations from the Legislature, the state may provide training and
4128 technical assistance to Utah’s political subdivision, quasi-governmental, and nonprofit housing
4129 providers.
- 4130 Section 111. Section **35A-8-803**, which is renumbered from Section 9-4-1203 is
4131 renumbered and amended to read:
- 4132 **~~[9-4-1203]~~. 35A-8-803. Division -- Functions.**
- 4133 (1) In addition to any other functions the governor or Legislature may assign:
- 4134 (a) the division shall:
 - 4135 (i) provide a clearinghouse of information for federal, state, and local housing
4136 assistance programs;
 - 4137 (ii) establish, in cooperation with political subdivisions, model plans and management
4138 methods to encourage or provide for the development of affordable housing that may be
4139 adopted by political subdivisions by reference;
 - 4140 (iii) undertake, in cooperation with political subdivisions, a realistic assessment of
4141 problems relating to housing needs, such as:
 - 4142 (A) inadequate supply of dwellings;
 - 4143 (B) substandard dwellings; and
 - 4144 (C) inability of medium and low income families to obtain adequate housing;
 - 4145 (iv) provide the information obtained under Subsection (1)(a)(iii) to:

- 4146 (A) political subdivisions;
- 4147 (B) real estate developers;
- 4148 (C) builders;
- 4149 (D) lending institutions;
- 4150 (E) affordable housing advocates; and
- 4151 (F) others having use for the information;
- 4152 (v) advise political subdivisions of serious housing problems existing within their
- 4153 jurisdiction that require concerted public action for solution; and
- 4154 (vi) assist political subdivisions in defining housing objectives and in preparing for
- 4155 adoption a plan of action covering a five-year period designed to accomplish housing
- 4156 objectives within their jurisdiction; and
- 4157 (b) within legislative appropriations, the division may accept for and on behalf of, and
- 4158 bind the state to, any federal housing or homeless program in which the state is invited,
- 4159 permitted, or authorized to participate in the distribution, disbursement, or administration of
- 4160 any funds or service advanced, offered, or contributed in whole or in part by the federal
- 4161 government.
- 4162 (2) The administration of any federal housing program in which the state is invited,
- 4163 permitted, or authorized to participate in distribution, disbursement, or administration of funds
- 4164 or services, except those administered by the Utah Housing Corporation, is governed by
- 4165 Sections ~~[9-4-701]~~ 35A-8-501 through ~~[9-4-708]~~ 35A-8-508.
- 4166 Section 112. Section **35A-8-804**, which is renumbered from Section 9-4-1204 is
- 4167 renumbered and amended to read:
- 4168 ~~[9-4-1204]~~. **35A-8-804**. **Technical assistance to political subdivisions for housing**
- 4169 **plan.**
- 4170 (1) Within appropriations from the Legislature, the division shall establish a program
- 4171 to assist municipalities to meet the requirements of Section 10-9a-408 and counties to meet the
- 4172 requirements of Section 17-27a-408.
- 4173 (2) Assistance under this section may include:

4174 (a) financial assistance for the cost of developing a plan for low and moderate income
4175 housing;

4176 (b) information on how to meet present and prospective needs for low and moderate
4177 income housing; and

4178 (c) technical advice and consultation on how to facilitate the creation of low and
4179 moderate income housing.

4180 ~~[(2)]~~ (3) The division shall annually report to the Workforce Services and Community
4181 and Economic Development Interim Committee, and to the Health and Human Services
4182 Interim Committee regarding the scope, amount, and type of assistance provided to
4183 municipalities and counties under this section, including the number of low and moderate
4184 income housing units constructed or rehabilitated within the state.

4185 Section 113. Section **35A-8-901**, which is renumbered from Section 9-4-1301 is
4186 renumbered and amended to read:

4187 **Part 9. Domestic Violence Shelters**

4188 ~~[9-4-1301].~~ **35A-8-901. Assistance to domestic violence shelters -- Rulemaking**
4189 **authority.**

4190 (1) (a) The Division of Child and Family Services within the Department of Human
4191 Services has statutory responsibility to provide violence services, including temporary shelter,
4192 to victims of domestic violence [~~pursuant to~~] under the provisions of Sections 62A-4a-101 and
4193 62A-4a-105.

4194 (b) The division may assist the Division of Child and Family Services by providing for
4195 the development, construction, and improvement of shelters for victims of domestic violence,
4196 as described in Section 77-36-1, through loans and grants to nonprofit and governmental
4197 entities.

4198 (2) [~~No later than July 1, 2001, the~~] The division shall, in accordance with Title 63G,
4199 Chapter 3, Utah Administrative Rulemaking Act, make rules establishing:

4200 (a) procedures for applying for loans and grants;

4201 (b) criteria for awarding loans and grants; and

- 4202 (c) requirements for the repayment of loans.
- 4203 (3) The division may appoint an advisory panel to:
- 4204 (a) assist the division in developing rules under Subsection (2); and
- 4205 (b) recommend how available funds should be disbursed.
- 4206 (4) The division shall make loans and grants with money specifically appropriated for
- 4207 that purpose.
- 4208 (5) The division shall coordinate with the Division of Child and Family Services in
- 4209 complying with the provisions of this section.

4210 Section 114. Section **35A-8-1001**, which is renumbered from Section 9-4-1401 is

4211 renumbered and amended to read:

4212 **Part 10. State Community Services Act**

4213 ~~[9-4-1401].~~ **35A-8-1001. Title.**

4214 This part is known as the "State Community Services Act."

4215 Section 115. Section **35A-8-1002**, which is renumbered from Section 9-4-1402 is

4216 renumbered and amended to read:

4217 ~~[9-4-1402].~~ **35A-8-1002. Definitions.**

4218 As used in this part:

- 4219 (1) "Community action agency" means a local subdivision of the state, a combination
- 4220 of political subdivisions, a separate public agency, or a private nonprofit agency, which:
- 4221 (a) has the authority under its applicable charter or laws to receive funds to support
- 4222 community action activities and other appropriate measures designed to identify and deal with
- 4223 the causes of poverty in the state[-]; and [which]
- 4224 (b) is designated as a community action agency by federal law, federal regulations, or
- 4225 the governor.
- 4226 (2) "Community action program budget" means state funds, federal block grants, and
- 4227 federal categorical grants that are received by the state for community action activities.
- 4228 (3) "Community action statewide organization" means community action programs,
- 4229 organized on a statewide basis, to enhance the capability of community action agencies.

4230 (4) "Community Services Block Grant" means the Federal Community Services Block
4231 Grant Act, 42 U.S.C. Sec. 9901 et seq., and any corresponding federal regulations.

4232 (5) "Local share" means cash or in-kind goods and services donated to a community
4233 action agency to carry out its responsibilities.

4234 (6) "Low-income person" means a person who is a member of a household with a gross
4235 annual income equal to or less than 125% of the poverty standard accepted by the federal
4236 agency designated to establish poverty guidelines.

4237 (7) "Office" means the State Community Services Office created in Section [~~9-4-1403~~]
4238 35A-8-1003.

4239 (8) "Service area" means the geographical area within the jurisdiction of a community
4240 action agency or a community action statewide organization.

4241 Section 116. Section **35A-8-1003**, which is renumbered from Section 9-4-1403 is
4242 renumbered and amended to read:

4243 ~~[9-4-1403]~~. **35A-8-1003. State Community Services Office created -- Purpose.**

4244 (1) There is created within the [~~Division of~~] Housing and Community Development
4245 Division the State Community Services Office.

4246 (2) The office shall strengthen communities by reducing poverty and improving the
4247 quality of life for low-income persons in this state.

4248 Section 117. Section **35A-8-1004**, which is renumbered from Section 9-4-1404 is
4249 renumbered and amended to read:

4250 ~~[9-4-1404]~~. **35A-8-1004. Duties of office.**

4251 The office shall:

4252 (1) coordinate state activities designed to reduce poverty;

4253 (2) encourage entities in the private sector to participate in efforts to ameliorate poverty
4254 in the community;

4255 (3) cooperate with agencies of local, state, and the federal government in reducing
4256 poverty and implementing community, social, and economic programs;

4257 (4) receive and expend funds for the purposes outlined in this part;

- 4258 (5) enter into contracts with and award grants to public and private nonprofit agencies
4259 and organizations;
- 4260 (6) develop a state plan based on needs identified by community action agencies and
4261 community action statewide organizations;
- 4262 (7) designate community action agencies to receive funds through the Community
4263 Services Block Grant program;
- 4264 (8) fund community action agencies and community action statewide organizations;
- 4265 (9) make rules in conjunction with the division [~~pursuant to~~] in accordance with Title
4266 63G, Chapter 3, Utah Administrative Rulemaking Act, to carry out the purposes of this part;
- 4267 (10) provide assistance to local governments or private organizations for the purpose of
4268 establishing and operating a community action agency;
- 4269 (11) provide technical assistance to community action agencies to improve program
4270 planning, program development, administration, and the mobilization of public and private
4271 resources;
- 4272 (12) convene public meetings [~~which~~] that provide citizens the opportunity to comment
4273 on public policies and programs to reduce poverty;
- 4274 (13) advise the governor and Legislature of the nature and extent of poverty in the state
4275 and make recommendations concerning changes in state and federal policies and programs;
- 4276 (14) encourage Utah's nonprofit humanitarian assistance agencies serving low-income
4277 persons by facilitating, coordinating, training, [~~partnerships,~~] and providing technical assistance
4278 [~~in addressing~~] to address the needs of Utah's low-income persons by enhancing management,
4279 improving service and program delivery, facilitating partnerships, and preserving flexibility
4280 and local initiative;
- 4281 (15) develop and implement management goals [~~which~~] that fulfill the Community
4282 Services Block Grant mission, state requirements, and the mandates of federal legislation;
- 4283 (16) prepare a Community Services Block Grant plan [~~which~~] that contains provisions
4284 describing how the state will carry out the assurances of the Community Services Block Grant
4285 Act;

4286 (17) act as the state agency responsible for the evaluation and improvement of
4287 emergency food assistance services in the state;

4288 (18) monitor the impact of social policies on the emergency food network;

4289 (19) provide training and technical assistance to ~~[all]~~ grantees to assist ~~[them in]~~ their:

4290 (a) program development and implementation[;];

4291 (b) compliance with state and federal regulations[;]; and

4292 (c) reporting and management information systems;

4293 (20) make the distributions required by Section ~~[9-4-1409]~~ 35A-8-1009; and

4294 (21) administer other programs to alleviate poverty that are assigned to the office.

4295 Section 118. Section **35A-8-1005**, which is renumbered from Section 9-4-1405 is
4296 renumbered and amended to read:

4297 ~~[9-4-1405]~~. **35A-8-1005. Distribution of Community Services Block Grant**
4298 **funds.**

4299 Community Services Block Grant funds received by the office shall be distributed as
4300 follows:

4301 (1) 90% to community action agencies;

4302 (2) 5% to:

4303 (a) organizations with a statewide focus to accomplish specific objectives that
4304 complement the Community Services Block Grant poverty programs;

4305 (b) provide training and technical assistance for grantees of Community Services Block
4306 Grant funds; or

4307 (c) supplement anti-poverty projects; and

4308 (3) 5% to reimburse costs incurred by the office in administration of this part.

4309 Section 119. Section **35A-8-1006**, which is renumbered from Section 9-4-1406 is
4310 renumbered and amended to read:

4311 ~~[9-4-1406]~~. **35A-8-1006. Evaluations -- Reports.**

4312 (1) The office shall periodically evaluate grantees of Community Services Block Grant
4313 funds as established by rule by the division in accordance with Title 63G, Chapter 3, Utah

4314 Administrative Rulemaking Act.

4315 (2) [~~Grantees~~] A grantee of Community Services Block Grant funds shall submit to the
4316 office a year-end report, covering a reporting period consistent with the federal fiscal year,
4317 which provides an account of [~~all~~] the grantee's programs operated with or supported by
4318 Community Services Block Grant funds, including:

- 4319 (a) the types of programs operated by [~~that~~] the grantee;
- 4320 (b) the [~~program outcomes~~] outcome of each program;
- 4321 (c) the number of persons served by each program;
- 4322 (d) the number of times service was given by each program; and
- 4323 (e) an accounting of [~~all~~] the Community Services Block Grant funds expended by the
4324 grantee.

4325 (3) The office shall report annually to the appropriate legislative appropriations
4326 subcommittee on the distribution and expenditure of Community Services Block Grant funds.

4327 Section 120. Section **35A-8-1007**, which is renumbered from Section 9-4-1407 is
4328 renumbered and amended to read:

4329 ~~[9-4-1407]~~. **35A-8-1007. Program development by grantees.**

4330 Grantees of Community Services Block Grant funds shall develop specific programs
4331 and goals, consistent with the Community Services Block Grant Act, designed to provide the
4332 most effective solutions to the problems of poverty identified in their communities within the
4333 constraints of available funding, including projects related to:

- 4334 (1) employment;
- 4335 (2) education;
- 4336 (3) income management;
- 4337 (4) housing;
- 4338 (5) emergency assistance;
- 4339 (6) nutrition;
- 4340 (7) linkages and coordination with other programs;
- 4341 (8) health; and

4342 (9) self-sufficiency.

4343 Section 121. Section **35A-8-1008**, which is renumbered from Section 9-4-1408 is
4344 renumbered and amended to read:

4345 ~~[9-4-1408]~~. **35A-8-1008**. **Recognition of community action agencies.**

4346 The office ~~[shall have the power to]~~ may:

4347 (1) recognize eligible organizations as community action agencies;

4348 (2) withdraw the recognition or terminate funding of a designated community action
4349 agency for cause, as established by rule made by the division in accordance with Title 63G,
4350 Chapter 3, Utah Administrative Rulemaking Act; [or] and

4351 (3) change the boundaries and the number of recognized community action agencies,
4352 provided that the governing board of each affected community action agency concurs in the
4353 action.

4354 Section 122. Section **35A-8-1009**, which is renumbered from Section 9-4-1409 is
4355 renumbered and amended to read:

4356 ~~[9-4-1409]~~. **35A-8-1009**. **Qualified Emergency Food Agencies Fund --**
4357 **Expenditure of revenues.**

4358 (1) As used in this section:

4359 (a) "Association of governments" means the following created under the authority of
4360 Title 11, Chapter 13, Interlocal Cooperation Act:

4361 (i) an association of governments; or

4362 (ii) a regional council that acts as an association of governments.

4363 (b) "Food and food ingredients" is as defined in Section 59-12-102.

4364 (c) "Pounds of food donated" means the aggregate number of pounds of food and food
4365 ingredients that are donated:

4366 (i) to a qualified emergency food agency; and

4367 (ii) by a person, other than an organization that as part of its activities operates a
4368 program that has as the program's primary purpose to:

4369 (A) warehouse and distribute food to other agencies and organizations providing food

4370 and food ingredients to low-income persons; or

4371 (B) provide food and food ingredients directly to low-income persons.

4372 (d) "Qualified emergency food agency" means an organization that:

4373 (i) is:

4374 (A) exempt from federal income taxation under Section 501(c)(3), Internal Revenue

4375 Code;

4376 (B) an association of governments; or

4377 (C) a food pantry operated by a municipality located within the state;

4378 (ii) as part of its activities operates a program that has as the program's primary purpose

4379 to:

4380 (A) warehouse and distribute food to other agencies and organizations providing food

4381 and food ingredients to low-income persons; or

4382 (B) provide food and food ingredients directly to low-income persons; and

4383 (iii) the office determines to be a qualified emergency food agency.

4384 (2) There is created a restricted special revenue fund known as the Qualified

4385 Emergency Food Agencies Fund.

4386 (3) (a) The Qualified Emergency Food Agencies Fund shall be funded by the sales and

4387 use tax revenues described in:

4388 (i) Section 59-12-103;

4389 (ii) Section 59-12-204; and

4390 (iii) Section 59-12-1102.

4391 (b) Any interest earned on the Qualified Emergency Food Agencies Fund shall be

4392 deposited into the General Fund.

4393 (4) The office shall for a fiscal year distribute money deposited into the Qualified

4394 Emergency Food Agencies Fund to qualified emergency food agencies within the state as

4395 provided in this section.

4396 (5) A qualified emergency food agency shall file an application with the office before

4397 the qualified emergency food agency may receive a distribution under this section.

4398 (6) Except as provided in Subsection (7), the office shall for a fiscal year distribute to a
4399 qualified emergency food agency an amount equal to the product of:

4400 (a) the pounds of food donated to the qualified emergency food agency during that
4401 fiscal year; and

4402 (b) [~~\$.12~~] 12 cents.

4403 (7) If the money deposited into the Qualified Emergency Food Agencies Fund is
4404 insufficient to make the distributions required by Subsection (6), the office shall make
4405 distributions to qualified emergency food agencies in the order that the office receives
4406 applications from the qualified emergency food agencies until all of the money deposited into
4407 the Qualified Emergency Food Agencies Fund for the fiscal year is expended.

4408 (8) A qualified emergency food agency may expend a distribution received in
4409 accordance with this section only for a purpose related to:

4410 (a) warehousing and distributing food and food ingredients to other agencies and
4411 organizations providing food and food ingredients to low-income persons; or

4412 (b) providing food and food ingredients directly to low-income persons.

4413 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
4414 [~~Division of~~] Housing and Community Development Division may make rules providing
4415 procedures for implementing the distributions required by this section, including:

4416 (a) standards for determining and verifying the amount of a distribution that a qualified
4417 emergency food agency may receive;

4418 (b) procedures for a qualified emergency food agency to apply for a distribution,
4419 including the frequency with which a qualified emergency food agency may apply for a
4420 distribution; and

4421 (c) consistent with Subsection (1)(d), determining whether an entity is a qualified
4422 emergency food agency.

4423 Section 123. Section **35A-8-1101**, which is renumbered from Section 9-4-1501 is
4424 renumbered and amended to read:

4425 **Part 11. Methamphetamine Housing Reconstruction and Rehabilitation Account Act**

4426 ~~[9-4-1501]~~. 35A-8-1101. **Title.**

4427 This part is known as the "Methamphetamine Housing Reconstruction and
4428 Rehabilitation Account Act."

4429 Section 124. Section **35A-8-1102**, which is renumbered from Section 9-4-1502 is
4430 renumbered and amended to read:

4431 ~~[9-4-1502]~~. 35A-8-1102. **Definitions.**

4432 As used in this part:

4433 (1) "Account" means the Methamphetamine Housing Reconstruction and
4434 Rehabilitation Account created in Section ~~[9-4-1503]~~ 35A-8-1103.

4435 (2) "Contaminated by methamphetamine" means that a residence is:

4436 (a) polluted by hazardous materials as a result of the use, production, or presence of
4437 methamphetamine in excess of decontamination standards adopted by the Department of
4438 Health under Section 26-51-201; and

4439 (b) placed on a contamination list by a local health department in accordance with
4440 Section 19-6-903.

4441 (3) "Qualified housing organization" means an affiliate located in this state of an
4442 organization if that organization:

4443 (a) is exempt from federal income taxation under Section 501(c)(3), Internal Revenue
4444 Code;

4445 (b) operates on a worldwide basis;

4446 (c) has the primary purposes of:

4447 (i) constructing, reconstructing, and rehabilitating residences that are:

4448 (A) sold to low-income persons selected by the organization in accordance with any
4449 rules the division makes as authorized by Section ~~[9-4-1503]~~ 35A-8-1103; and

4450 (B) financed with loans that are not subject to interest as determined by the
4451 organization in accordance with any rules the division makes as authorized by Section
4452 ~~[9-4-1503]~~ 35A-8-1103; and

4453 (ii) purchasing property upon which residences described in Subsection (3)(c)(i) are

4454 constructed, reconstructed, or rehabilitated;

4455 (d) expends a portion of the repayment on the loans described in Subsection

4456 (3)(c)(i)(B) to finance:

4457 (i) the construction, reconstruction, and rehabilitation of residences described in

4458 Subsection (3)(c)(i); and

4459 (ii) the purchase of property upon which residences described in Subsection (3)(c)(i)

4460 are constructed, reconstructed, or rehabilitated; and

4461 (e) has built more than 250,000 residences in total.

4462 (4) (a) "Residence" means a single-family residence.

4463 (b) "Residence" includes:

4464 (i) a condominium;

4465 (ii) a garage;

4466 (iii) real property appurtenant to a residence:

4467 (A) as determined by the division in accordance with any rules the division makes as

4468 authorized by Section ~~[9-4-1503]~~ 35A-8-1103; and

4469 (B) if that real property is contaminated by methamphetamine;

4470 (iv) a shed; or

4471 (v) a town home.

4472 (c) "Residence" does not include:

4473 (i) an apartment or other rental unit as determined by the division in accordance with

4474 any rules the division makes as authorized by Section ~~[9-4-1503]~~ 35A-8-1103; or

4475 (ii) an outbuilding except for a garage or shed.

4476 Section 125. Section **35A-8-1103**, which is renumbered from Section 9-4-1503 is

4477 renumbered and amended to read:

4478 ~~[9-4-1503]~~. **35A-8-1103**. **Methamphetamine Housing Reconstruction and**

4479 **Rehabilitation Account -- Creation -- Interest -- Use of contributions and interest.**

4480 (1) There is created within the General Fund a restricted account known as the

4481 Methamphetamine Housing Reconstruction and Rehabilitation Account.

4482 (2) The account shall be funded by:
4483 (a) contributions deposited into the account in accordance with Section 59-10-1314;
4484 and
4485 (b) interest described in Subsection (3).
4486 (3) (a) The account shall earn interest.
4487 (b) Interest earned on the account shall be deposited into the account.
4488 (4) (a) The division shall distribute contributions and interest deposited into the
4489 account to one or more qualified housing organizations.
4490 (b) (i) Subject to Subsection (4)(b)(ii), a qualified housing organization that receives a
4491 distribution from the division in accordance with Subsection (4)(a) shall expend the
4492 distribution to:
4493 (A) reconstruct or rehabilitate one or more residences that are:
4494 (I) sold to low-income persons selected by the qualified housing organization in
4495 accordance with any rules the division makes as authorized by this section; and
4496 (II) financed with loans that are not subject to interest as determined by the qualified
4497 housing organization in accordance with any rules the division makes as authorized by this
4498 section; or
4499 (B) purchase property upon which a residence described in Subsection (4)(b)(i)(A) is
4500 reconstructed or rehabilitated.
4501 (ii) A qualified housing organization may not expend a distribution the qualified
4502 housing organization receives in accordance with this Subsection (4) for any administrative
4503 cost relating to an expenditure authorized by Subsection (4)(b)(i).
4504 (5) (a) In accordance with any rules the division makes as authorized under Subsection
4505 (6)(c), a qualified housing organization may apply to the division to receive a distribution
4506 under Subsection (4).
4507 (b) A qualified housing organization may apply to the division to receive a distribution
4508 under Subsection (4) by filing an application with the division:
4509 (i) on or before November 1; and

4510 (ii) on a form provided by the division.

4511 (c) The application:

4512 (i) shall include information required by the division establishing that the qualified
4513 housing organization owns each residence with respect to which the qualified housing
4514 organization plans to expend a distribution under Subsection (4);

4515 (ii) shall include information required by the division establishing the qualified housing
4516 organization's plan to expend the distribution for a purpose described in Subsection (4)(b)(i);

4517 (iii) shall include information required by the division establishing that the qualified
4518 housing organization's plan to expend the distribution meets conditions established in
4519 accordance with Title 19, Chapter 6, Part 9, Illegal Drug Operations Site Reporting and
4520 Decontamination Act, for a local health department to remove the residence from the local
4521 health department's decontamination list; and

4522 (iv) may include other information the division requires by rule.

4523 (d) The division shall determine on or before the November 30 immediately following
4524 the November 1 described in Subsection (5)(b)(i) whether a qualified housing organization's
4525 application to the division meets the requirements of Subsection (5)(c).

4526 (e) (i) The division shall distribute money credited to the account to each qualified
4527 housing organization that meets the requirements of Subsection (5)(c) as determined by the
4528 division:

4529 (A) on or before the December 31 immediately following the November 1 described in
4530 Subsection (5)(b)(i); and

4531 (B) in accordance with this Subsection (5)(e).

4532 (ii) The division shall determine:

4533 (A) the population of the county in which a qualified housing organization that meets
4534 the requirements of Subsection (5)(c) is headquartered; and

4535 (B) the total population of all of the counties in which the qualified housing
4536 organizations that meet the requirements of Subsection (5)(c) are headquartered.

4537 (iii) Except as provided in Subsection (5)(e)(iv), the division shall determine a

4538 qualified housing organization's distribution by making the following calculation:

4539 (A) calculating a percentage determined by dividing the population of the county in
4540 which the qualified housing organization that meets the requirements of Subsection (5)(c) is
4541 headquartered by the population calculated under Subsection (5)(e)(ii)(B); and

4542 (B) multiplying the percentage determined under Subsection (5)(e)(iii)(A) by the
4543 account balance.

4544 (iv) If two or more qualified housing organizations that meet the requirements of
4545 Subsection (5)(c) as determined by the division are headquartered within one county, the
4546 division shall determine each qualified housing organization's distribution by:

4547 (A) making the calculation required by Subsection (5)(e)(iii); and

4548 (B) dividing the amount calculated under Subsection (5)(e)(iii) by the number of
4549 qualified housing organizations that meet the requirements of Subsection (5)(c) as determined
4550 by the division that are headquartered within the county.

4551 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
4552 division may make rules:

4553 (a) to define what constitutes:

4554 (i) a low-income person;

4555 (ii) a loan that is not subject to interest; ~~[or]~~ and

4556 (iii) an apartment or other rental unit;

4557 (b) for determining the circumstances under which real property is appurtenant to a
4558 residence;

4559 (c) prescribing information a qualified housing organization is required to include with
4560 an application under Subsection (5);

4561 (d) for purposes of Subsection (5)(e), for determining the population of a county; ~~[or]~~
4562 and

4563 (e) for determining the county in which a qualified housing organization is
4564 headquartered.

4565 Section 126. Section **35A-8-1201**, which is renumbered from Section 9-4-1601 is

4566 renumbered and amended to read:

4567 **Part 12. State Small Business Credit Initiative Program Fund**

4568 **~~[9-4-1601].~~ 35A-8-1201. Creation and administration.**

4569 (1) There is created an enterprise fund known as the "State Small Business Credit
4570 Initiative Program Fund" administered by the director of the division or the director's designee.

4571 (2) The division is the administrator of the fund.

4572 (3) Revenues deposited into the fund shall consist of:

4573 (a) grants, pay backs, bonuses, entitlements, and other money received from the federal
4574 government to implement the State Small Business Credit Initiative; and

4575 (b) transfers, grants, gifts, bequests, ~~[or any]~~ and other money made available from any
4576 source to implement this part.

4577 (4) (a) The state treasurer shall invest the money in the fund according to the
4578 procedures and requirements of Title 51, Chapter 7, State Money Management Act.

4579 (b) ~~[All interest or other]~~ Interest and other earnings derived from the fund money shall
4580 be deposited in the fund.

4581 (5) The division may use fund money for administration of the fund, but not to exceed
4582 4% of the annual receipts to the fund.

4583 Section 127. Section **35A-8-1202**, which is renumbered from Section 9-4-1602 is
4584 renumbered and amended to read:

4585 **~~[9-4-1602].~~ 35A-8-1202. Distribution of fund money.**

4586 (1) (a) The director shall make loans and loan guarantees from the fund for the Small
4587 Business Credit Initiative created under the federal government's Small Business Jobs Act of
4588 2010, to use federal money for programs that leverage private lending to help finance small
4589 businesses and manufacturers that are creditworthy but not receiving the loans needed to
4590 expand and create jobs.

4591 (b) In making loans and loan guarantees under this part, the director shall give due
4592 consideration to small businesses in underserved communities throughout the state that have
4593 been deeply impacted by recession and not seen a comparable resurgence in their economies.

4594 (2) The director shall distribute ~~any~~ federal money in the fund according to the
4595 procedures, conditions, and restrictions placed upon the use of the money by the federal
4596 government.

4597 (3) The director may, with the approval of the executive director of the department:

4598 (a) enact rules to establish procedures for the loan and loan guarantee process by
4599 following the procedures and requirements of Title 63G, Chapter 3, Utah Administrative
4600 Rulemaking Act; and

4601 (b) service or contract, under Title 63G, Chapter 6, Utah Procurement Code, for the
4602 servicing of loans made by the fund.

4603 Section 128. Section **35A-8-1203**, which is renumbered from Section 9-4-1603 is
4604 renumbered and amended to read:

4605 ~~[9-4-1603]~~. **35A-8-1203. Annual accounting.**

4606 (1) The director shall monitor the activities of recipients of the loans and loan
4607 guarantees issued under this part on a yearly basis to ensure compliance with the terms and
4608 conditions imposed on the recipient by the director under this part.

4609 (2) An entity receiving a loan or loan guarantee under this part shall provide the
4610 director with an annual accounting of how the money it received from the fund was spent.

4611 (3) The director shall submit an annual report to the Workforce Services and
4612 Community and Economic Development Interim Committee before December 1 of each year:

4613 (a) accounting for expenditures made from the fund; and

4614 (b) evaluating the effectiveness of the loan and loan guarantee program.

4615 Section 129. Section **35A-8-1301**, which is renumbered from Section 9-4-1701 is
4616 renumbered and amended to read:

4617 **Part 13. Intermountain Weatherization Training Fund**

4618 ~~[9-4-1701]~~. **35A-8-1301. Creation and administration.**

4619 (1) There is created a restricted special revenue fund known as the "Intermountain
4620 Weatherization Training Fund."

4621 (2) The Intermountain Weatherization Training Fund shall consist of:

- 4622 (a) private contributions;
- 4623 (b) donations or grants from public or private entities;
- 4624 (c) fees;
- 4625 (d) any money appropriated by the Legislature; and
- 4626 (e) interest and earnings on fund money.

4627 (3) The division shall authorize the expenditure of fund money to the Weatherization
4628 Training Center for the administration, operation, maintenance, and support of the center
4629 subject to:

- 4630 (a) money available in the fund; and
- 4631 (b) rules established under Subsection (5).
- 4632 (4) Administrative costs of the Intermountain Weatherization Fund shall be paid from
4633 the fund.

4634 (5) The division shall:

4635 (a) administer the money deposited in the Intermountain Weatherization Training
4636 Fund;

4637 (b) distribute the money in the Intermountain Weatherization Training Fund in
4638 accordance with Subsection (5)(c); and

4639 (c) make rules in accordance with Title 63G, Chapter 3, Utah Administrative
4640 Rulemaking Act, establishing:

- 4641 (i) the procedures for awarding fund money; and
- 4642 (ii) the procedure for the Weatherization Training Center to apply for money from the
4643 Intermountain Weatherization Training Fund.

4644 Section 130. Section **35A-8-1401**, which is renumbered from Section 9-12-101 is
4645 renumbered and amended to read:

Part 14. Home Energy Assistance Target (HEAT) Program Act

[9-12-101]. 35A-8-1401. Title.

4648 This ~~chapter~~ part is known as the "Home Energy Assistance Target (HEAT) Program
4649 Act."

4650 Section 131. Section **35A-8-1402**, which is renumbered from Section 9-12-102 is
4651 renumbered and amended to read:

4652 ~~[9-12-102]~~. **35A-8-1402**. **Assistance to low-income persons -- Contracts --**
4653 **Administration.**

4654 (1) (a) The department may assist certain low-income families and individuals in the
4655 payment of home energy costs.

4656 (b) Assistance given under this part shall be made available to households throughout
4657 the state, irrespective of the source of household energy supply.

4658 (2) The department may contract with one or more public or private agencies to
4659 distribute and administer these funds subject to the criteria established by the department.

4660 Section 132. Section **35A-8-1403**, which is renumbered from Section 9-12-103 is
4661 renumbered and amended to read:

4662 ~~[9-12-103]~~. **35A-8-1403**. **Eligibility criteria.**

4663 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
4664 department may make rules establishing eligibility criteria for recipients of assistance under
4665 this ~~[chapter]~~ part.

4666 (2) A recipient of assistance under this ~~[chapter]~~ part shall demonstrate:

4667 ~~[(1)]~~ (a) that the recipient's family, household, or individual income is 150% of the
4668 federal poverty level or less;

4669 ~~[(2)]~~ (b) that the recipient is responsible for paying the recipient's home energy costs;
4670 and

4671 ~~[(3)]~~ (c) compliance with any rules established by the department under this section.

4672 Section 133. Section **35A-8-1404**, which is renumbered from Section 9-12-104 is
4673 renumbered and amended to read:

4674 ~~[9-12-104]~~. **35A-8-1404**. **Guidelines for private contributions -- Assuring**
4675 **equitable distribution.**

4676 The department shall coordinate with private contributors to home energy assistance
4677 programs, such as REACH and Lend-a-Hand, to help assure equitable statewide distribution of

4678 assistance to eligible customers of all vendors of energy services.

4679 Section 134. Section **35A-8-1405**, which is renumbered from Section 9-12-105 is
4680 renumbered and amended to read:

4681 **[9-12-105]. 35A-8-1405. Payment method.**

4682 Direct payments for home energy costs shall be made jointly to the responsible
4683 householder and to the vendor of energy services to whom the family or individual served owes
4684 a payment except in certain cases, as established by rule by the department in accordance with
4685 Title 63G, Chapter 3, Utah Administrative Rulemaking Act, where payments may be made
4686 directly to the responsible householder.

4687 Section 135. Section **35A-8-1501**, which is renumbered from Section 9-12-201 is
4688 renumbered and amended to read:

4689 **Part 15. Moratorium on Involuntary Termination of Utility Services**

4690 **[9-12-201]. 35A-8-1501. Moratorium on involuntary termination for**
4691 **nonpayment of utility bills -- Eligibility criteria -- Department to establish and certify.**

4692 (1) (a) The department shall establish a program for a seasonal moratorium for
4693 involuntary termination for nonpayment by residential customers of essential utility bills.

4694 (b) An essential utility is a utility regulated by the Public Service Commission under
4695 Title 54, Public Utilities, which is in the business of the retail distribution of electricity or
4696 natural gas.

4697 (c) A residential customer is a customer defined as in a residential class by the Public
4698 Service Commission.

4699 (2) A residential customer shall meet the following criteria to qualify for the program:

4700 (a) gross household income is less than 125% of the federal poverty level or the
4701 household has suffered a medical or other emergency, loss of employment, or is experiencing
4702 other circumstances which have resulted in a substantial loss of income;

4703 (b) the customer has made application to public and private energy assistance
4704 programs;

4705 (c) the customer is willing to make a good faith effort to pay these utility bills on a

4706 consistent basis; and

4707 (d) any additional information required by the department.

4708 (3) (a) A residential customer may file with a local department office an affidavit
4709 attesting eligibility under the criteria in Subsection (2).

4710 (b) The department shall certify that the customer has met the eligibility requirements
4711 and forward a copy of the affidavit to the effected utility.

4712 Section 136. Section **35A-8-1502**, which is renumbered from Section 9-12-202 is
4713 renumbered and amended to read:

4714 **[9-12-202]. 35A-8-1502. Contesting a customer's eligibility -- Department to**
4715 **determine case.**

4716 When a utility contests the eligibility of any residential customer to participate in the
4717 program, the executive director or [his] the executive director's designee shall act as an
4718 administrative law judge to make a determination on the case.

4719 Section 137. Section **35A-8-1503**, which is renumbered from Section 9-12-203 is
4720 renumbered and amended to read:

4721 **[9-12-203]. 35A-8-1503. Premoratorium customers' eligibility for moratorium**
4722 **-- Criteria.**

4723 A residential customer that has had service of an essential utility discontinued for
4724 nonpayment prior to the time the moratorium takes effect shall have service restored and
4725 continued during the period of the moratorium if the customer meets the requirements of
4726 Section [~~9-12-201~~] 35A-8-1501 and the customer has entered into a deferred payment
4727 agreement with the utility as to arrearages.

4728 Section 138. Section **35A-8-1504**, which is renumbered from Section 9-12-204 is
4729 renumbered and amended to read:

4730 **[9-12-204]. 35A-8-1504. Effective period of moratorium -- Extension by rule.**

4731 (1) The moratorium shall be in effect from November 15 to March 15 of each year.

4732 (2) The department may, by rule, begin the moratorium at an earlier date or extend it to
4733 a later date when severe weather conditions warrant that action.

4734 Section 139. Section **35A-8-1601**, which is renumbered from Section 9-10-101 is
4735 renumbered and amended to read:

4736 **Part 16. Uintah Basin Revitalization Fund and Board**

4737 **~~[9-10-101].~~ 35A-8-1601. Definitions.**

4738 As used in this chapter:

4739 (1) "Board" means the Uintah Basin Revitalization Fund Board.

4740 (2) "Capital projects" means expenditures for land, improvements on the land, and
4741 equipment intended to have long-term beneficial use.

4742 (3) "County" means:

4743 (a) Duchesne County; or

4744 (b) Uintah County.

4745 (4) "Division" means the ~~[Division of]~~ Housing and Community Development
4746 Division.

4747 (5) "Revitalization Fund" means the Uintah Basin Revitalization Fund.

4748 (6) "Tribe" means the Ute Indian Tribe of the Uintah and Ouray Reservation.

4749 Section 140. Section **35A-8-1602**, which is renumbered from Section 9-10-102 is
4750 renumbered and amended to read:

4751 **~~[9-10-102].~~ 35A-8-1602. Legislative intent -- Uintah Basin Revitalization Fund**
4752 **-- Deposits and contents.**

4753 (1) In order to maximize the long-term benefit of severance taxes derived from lands
4754 held in trust by the United States for the Tribe and its members by fostering funding
4755 mechanisms that will, consistent with sound financial practices, result in the greatest use of
4756 financial resources for the greatest number of citizens of the Uintah Basin, and in order to
4757 promote cooperation and coordination between the state, its political subdivisions, Indian
4758 tribes, and individuals, firms, and business organizations engaged in the development of oil and
4759 gas interests held in trust for the Tribe and its members, there is created a restricted special
4760 revenue fund entitled the "Uintah Basin Revitalization Fund."

4761 (2) The fund consists of all money deposited to the Revitalization Fund under this part

4762 and Section 59-5-116.

4763 (3) (a) The Revitalization Fund shall earn interest.

4764 (b) All interest earned on fund money shall be deposited into the fund.

4765 Section 141. Section **35A-8-1603**, which is renumbered from Section 9-10-103 is
4766 renumbered and amended to read:

4767 **[9-10-103]. 35A-8-1603. Uintah Basin Revitalization Fund Board created --**
4768 **Members -- Terms -- Chair -- Quorum -- Expenses.**

4769 (1) There is created within the division the Revitalization Board composed of five
4770 members as follows:

4771 (a) the governor or his designee;

4772 (b) a Uintah County commissioner;

4773 (c) a Duchesne County commissioner; and

4774 (d) two representatives of the Business Committee of the Tribe.

4775 (2) The terms of office for the members of the board shall run concurrently with the
4776 terms of office for the governor, commissioners, and Business Committee of the Tribe.

4777 (3) The governor, or his designee, shall be the chair of the board.

4778 (4) Four board members are a quorum.

4779 (5) All decisions of the board require four affirmative votes.

4780 (6) A member may not receive compensation or benefits for the member's service, but
4781 may receive per diem and travel expenses in accordance with:

4782 (a) Section 63A-3-106;

4783 (b) Section 63A-3-107; and

4784 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
4785 63A-3-107.

4786 Section 142. Section **35A-8-1604**, which is renumbered from Section 9-10-104 is
4787 renumbered and amended to read:

4788 **[9-10-104]. 35A-8-1604. Duties -- Loans -- Interest.**

4789 (1) The board shall:

4790 (a) subject to the other provisions of this chapter and an agreement entered into under
4791 Title 11, Chapter 13, Interlocal Cooperation Act, among the state, the counties, and the Tribe,
4792 make recommendations to the division for grants and loans from the revitalization fund to
4793 county agencies and the Tribe that are or may be socially or economically impacted, directly or
4794 indirectly, by mineral resource development;

4795 (b) establish procedures for application for and award of grants and loans including:

4796 (i) eligibility criteria;

4797 (ii) subject to Subsection [~~9-10-106(2)(b)~~] 35A-8-1606(2)(b), a preference that capital
4798 projects, including subsidized and low-income housing, and other one-time need projects and
4799 programs have priority over other projects;

4800 (iii) a preference for projects and programs that are associated with the geographic area
4801 where the oil and gas were produced; and

4802 (iv) coordination of projects and programs with other projects and programs funded by
4803 federal, state, and local governmental entities;

4804 (c) determine the order in which projects will be funded;

4805 (d) allocate the amount to be distributed from the revitalization fund for grants or loans
4806 to each county and the Tribe during a fiscal year as follows:

4807 (i) up to and including the first \$3,000,000 that is approved for distribution by the
4808 board during a fiscal year, the board may allocate the amount in accordance with the interlocal
4809 agreement described by Subsection (1)(a), except that the board may not allocate less than 75%
4810 of the amount under the interlocal agreement to the Tribe unless the interlocal agreement is
4811 further modified by statute; and

4812 (ii) beginning with fiscal year 2007-08, any amount approved for distribution by the
4813 board during that fiscal year in excess of \$3,000,000 shall be allocated equally amongst each
4814 county and the Tribe so that each receives 1/3 of the amount approved for distribution by the
4815 board in excess of \$3,000,000;

4816 (e) qualify for, accept, and administer grants, gifts, loans, or other funds from the
4817 federal government and from other sources, public or private; and

4818 (f) perform other duties assigned to it under the interlocal agreement described in
4819 Subsection (1)(a) that are not prohibited by law or otherwise modified by this chapter.

4820 (2) The board shall ensure that loan repayments and interest are deposited into the
4821 revitalization fund.

4822 (3) The interlocal agreement described in Subsection (1)(a) shall be consistent with the
4823 following statutes, including any subsequent amendments to those statutes:

4824 (a) this chapter;

4825 (b) Title 11, Chapter 13, Interlocal Cooperation Act;

4826 (c) Section 59-5-116; and

4827 (d) any other applicable provision of this Utah Code.

4828 Section 143. Section **35A-8-1605**, which is renumbered from Section 9-10-105 is
4829 renumbered and amended to read:

4830 **[9-10-105]. 35A-8-1605. Powers.**

4831 (1) The board may:

4832 (a) appoint a hearing examiner or administrative law judge with authority to conduct
4833 any hearings, make determinations, and enter appropriate findings of facts, conclusions of law,
4834 and orders under authority of the Interlocal Cooperation Act; and

4835 (b) make rules under Title 63G, Chapter 3, Utah Administrative Rulemaking Act, if
4836 necessary to perform its responsibilities.

4837 (2) The board shall:

4838 (a) be subject to the procedures and requirements under Title 52, Chapter 4, Open and
4839 Public Meetings Act; and

4840 (b) be subject to the procedures and requirements under Title 51, Chapter 7, State
4841 Money Management Act.

4842 Section 144. Section **35A-8-1606**, which is renumbered from Section 9-10-106 is
4843 renumbered and amended to read:

4844 **[9-10-106]. 35A-8-1606. Eligibility for assistance -- Applications -- Review by**
4845 **board -- Terms -- Security.**

4846 (1) Counties or the Tribe that wish to receive loans or grants from the board shall
4847 submit formal applications to the board containing the information required by the board.

4848 (2) The board may not fund:

4849 (a) start-up or operational costs of private business ventures; and

4850 (b) general operating budgets of the counties or the Tribe, except that the Tribe may
4851 use a grant or loan to fund costs associated with the management and administration of energy
4852 or mineral development on:

4853 (i) lands held in trust by the United States for the Tribe and its members; or

4854 (ii) lands owned by the Tribe.

4855 (3) (a) The board shall review each application for a loan or grant before approving it.

4856 (b) The board may approve loan or grant applications subject to the applicant's
4857 compliance with certain conditions established by the board.

4858 (c) The board shall:

4859 (i) ensure that each loan specifies the terms for repayment; and

4860 (ii) secure the loans by proceeds from any general obligation, special assessment, or
4861 revenue bonds, notes, or other obligations of the appropriate subdivision.

4862 Section 145. Section **35A-8-1607**, which is renumbered from Section 9-10-107 is
4863 renumbered and amended to read:

4864 **~~[9-10-107]~~. 35A-8-1607. Division to distribute money -- Annual report --**
4865 **Administration costs.**

4866 (1) The division shall distribute loan and grant money if the loan or grant is approved
4867 by the board.

4868 (2) The division shall make an annual report concerning the number and type of loans
4869 and grants made as well as a list of recipients of this assistance to:

4870 (a) the Native American Legislative Liaison Committee, created in Section 36-22-1;

4871 and

4872 (b) the governor.

4873 (3) The division, with board approval, may use fund money for the administration of

4874 the fund, but this amount may not exceed 2% of the annual receipts to the fund.

4875 Section 146. Section **35A-8-1608**, which is renumbered from Section 9-10-108 is
4876 renumbered and amended to read:

4877 **[9-10-108]. 35A-8-1608. Deposits into fund.**

4878 (1) All money received under Section 59-5-116 shall be deposited in the Revitalization
4879 Fund provided that no business or activity fee or tax based on gross receipts has been imposed
4880 by a county or the Tribe on oil and gas activities.

4881 (2) (a) Nothing in this section prohibits a county from imposing a charge described in
4882 Subsection (1) with respect to any gathering, transmission, or local distribution pipeline in
4883 which the county owns an interest.

4884 (b) Nothing in this section prohibits the Tribe from imposing a charge described in
4885 Subsection (1) with respect to any gathering, transmission, or local distribution pipeline in
4886 which the Tribe owns an interest.

4887 Section 147. Section **35A-8-1701**, which is renumbered from Section 9-11-101 is
4888 renumbered and amended to read:

4889 **Part 17. Navajo Revitalization Fund Act**

4890 **[9-11-101]. 35A-8-1701. Title.**

4891 This chapter is known as the "Navajo Revitalization Fund Act."

4892 Section 148. Section **35A-8-1702**, which is renumbered from Section 9-11-102 is
4893 renumbered and amended to read:

4894 **[9-11-102]. 35A-8-1702. Definitions.**

4895 As used in this chapter:

4896 (1) "Board" means the Navajo Revitalization Fund Board.

4897 (2) "Capital project" means an expenditure for land, improvements on the land, or
4898 equipment intended to have long-term beneficial use.

4899 (3) "Division" means the ~~[Division of]~~ Housing and Community Development
4900 Division.

4901 (4) "Eligible entity" means:

- 4902 (a) the Navajo Nation;
- 4903 (b) a department or division of the Navajo Nation;
- 4904 (c) a Utah Navajo Chapter;
- 4905 (d) the Navajo Utah Commission;
- 4906 (e) an agency of the state or a political subdivision of the state; or
- 4907 (f) a nonprofit corporation.
- 4908 (5) "Navajo Utah Commission" means the commission created by Resolution
- 4909 IGRJN-134-92 of the Intergovernmental Relations Committee of the Navajo Nation Council.
- 4910 (6) "Revitalization fund" means the Navajo Revitalization Fund.
- 4911 (7) "Utah Navajo Chapter" means any of the following chapters of the Navajo Nation:
- 4912 (a) Aneth Chapter;
- 4913 (b) Dennehotso Chapter;
- 4914 (c) Mexican Water Chapter;
- 4915 (d) Navajo Mountain Chapter;
- 4916 (e) Oljato Chapter;
- 4917 (f) Red Mesa Chapter; and
- 4918 (g) Teec Nos Pos Chapter.

4919 Section 149. Section **35A-8-1703**, which is renumbered from Section 9-11-103 is
4920 renumbered and amended to read:

4921 **[9-11-103]. 35A-8-1703. Legislative intent.**

4922 (1) The purpose of this chapter is to:

4923 (a) maximize the long-term benefit of state severance taxes derived from lands in Utah
4924 held in trust by the United States for the Navajo Nation and its members by fostering funding
4925 mechanisms that will, consistent with sound financial practices, result in the greatest use of
4926 financial resources for the greatest number of citizens of San Juan County; and

4927 (b) promote cooperation and coordination between the state, its political subdivisions,
4928 Indian tribes, and individuals, firms, and business organizations engaged in the development of
4929 oil and gas interests in Utah held in trust by the United States for the Navajo Nation and its

4930 members.

4931 (2) Notwithstanding Subsection (1), the fund:

4932 (a) consists of state severance tax money to be spent at the discretion of the state; and

4933 (b) does not constitute a trust fund.

4934 Section 150. Section **35A-8-1704**, which is renumbered from Section 9-11-104 is

4935 renumbered and amended to read:

4936 **[9-11-104]. 35A-8-1704. Navajo Revitalization Fund.**

4937 (1) (a) There is created a restricted special revenue fund called the "Navajo

4938 Revitalization Fund."

4939 (b) The revitalization fund shall consist of:

4940 (i) money deposited to the revitalization fund under this chapter;

4941 (ii) money deposited to the revitalization fund under Section 59-5-119; and

4942 (iii) any loan repayment or interest on a loan issued under this chapter.

4943 (2) (a) The revitalization fund shall earn interest.

4944 (b) The interest earned on revitalization fund money shall be deposited into the fund.

4945 (3) Beginning for fiscal year 2010-11, the division may use revitalization fund money

4946 for the administration of the revitalization fund, but this amount may not exceed 4% of the

4947 annual receipts to the revitalization fund.

4948 Section 151. Section **35A-8-1705**, which is renumbered from Section 9-11-105 is

4949 renumbered and amended to read:

4950 **[9-11-105]. 35A-8-1705. Navajo Revitalization Fund Board.**

4951 (1) There is created within the division the Navajo Revitalization Board composed of

4952 five members as follows:

4953 (a) the governor or the governor's designee;

4954 (b) the two members of the San Juan County commission whose districts include

4955 portions of the Navajo Reservation;

4956 (c) the chair of the Navajo Utah Commission or a member of the commission

4957 designated by the chair of the Navajo Utah Commission; and

4958 [~~(d)~~] (i) ending June 30, 2008, the chair of the Utah Dineh Committee, as created in
4959 Section ~~63-88-107~~, or a member of the committee designated by the chair; and]

4960 [~~(i)~~] (d) beginning July 1, 2008, a president of a Utah Navajo Chapter or an individual
4961 designated by the president under an annual rotation system of Utah Navajo Chapters as
4962 follows:

4963 [~~(A)~~] (i) the president of a Utah Navajo Chapter shall serve for one year;

4964 [~~(B)~~] (ii) the Utah Navajo Chapter is rotated in alphabetical order as provided in
4965 Subsection [~~9-11-102~~] 35A-8-1702(7), except that the rotation will begin on July 1, 2008, with
4966 the Dennehotso Chapter;

4967 [~~(C)~~] (iii) if the president of a Utah Navajo Chapter under Subsection (1)(d)(ii)[~~(B)~~] is
4968 the same individual as the individual listed in Subsection (1)(c):

4969 [~~(i)~~] (A) that Utah Navajo Chapter is skipped as part of that rotation; and

4970 [~~(ii)~~] (B) the president of the next Utah Navajo Chapter in the alphabetical rotation
4971 shall serve on the board.

4972 (2) The term of office for a member of the board described in Subsections (1)(a)
4973 through (c) runs concurrently with the term of office for the governor, county commissioner, or
4974 member of the Navajo Utah Commission.

4975 (3) (a) The governor, or the governor's designee, is the chair of the board.

4976 (b) The chair shall call necessary meetings.

4977 (4) A member may not receive compensation or benefits for the member's service, but
4978 may receive per diem and travel expenses in accordance with:

4979 (a) Section 63A-3-106;

4980 (b) Section 63A-3-107; and

4981 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
4982 63A-3-107.

4983 (5) The per diem and travel expenses permitted under Subsection (4) may be included
4984 as costs of administration of the revitalization fund.

4985 (6) Four board members are a quorum.

4986 (7) An affirmative vote of each member of the board present at a meeting when a
4987 quorum is present is required for a board decision related to money in or disbursed from the
4988 revitalization fund.

4989 Section 152. Section **35A-8-1706**, which is renumbered from Section 9-11-106 is
4990 renumbered and amended to read:

4991 **[9-11-106]. 35A-8-1706. Powers -- Duties.**

4992 (1) The board shall:

4993 (a) direct the division regarding grants and loans from the revitalization fund to eligible
4994 entities to serve persons that are or may be socially or economically impacted, directly or
4995 indirectly, by mineral resource development;

4996 (b) establish procedures for application for an award of grants and loans including
4997 eligibility criteria;

4998 (c) coordinate projects and programs with other projects and programs funded by
4999 federal, state, and local government entities;

5000 (d) determine the order in which projects will be funded; and

5001 (e) be subject to the procedures and requirements under Title 52, Chapter 4, Open and
5002 Public Meetings Act.

5003 (2) The board may:

5004 (a) qualify for, accept, and administer grants, gifts, loans, or other funds from the
5005 federal government and from other sources, public or private; and

5006 (b) make rules under Title 63G, Chapter 3, Utah Administrative Rulemaking Act, if
5007 necessary to perform its responsibilities.

5008 Section 153. Section **35A-8-1707**, which is renumbered from Section 9-11-107 is
5009 renumbered and amended to read:

5010 **[9-11-107]. 35A-8-1707. Revitalization fund administered by board -- Eligibility**
5011 **for assistance -- Review by board -- Restrictions on loans and grants -- Division to**
5012 **distribute money.**

5013 (1) (a) If an eligible entity wishes to receive a loan or grant from the board, the eligible

5014 entity shall file an application with the board that contains the information required by the
5015 board.

5016 (b) The board shall review an application for a loan or grant filed under Subsection
5017 (1)(a) before approving the loan or grant.

5018 (c) The board may approve a loan or grant application subject to the applicant's
5019 compliance with the one or more conditions established by the board.

5020 (2) In determining whether an eligible entity may receive a loan or grant, the board
5021 shall give priority to:

5022 (a) a capital project or infrastructure, including:

5023 (i) electrical power;

5024 (ii) water; and

5025 (iii) a one time need project;

5026 (b) a housing project that consists of:

5027 (i) the purchase of new housing;

5028 (ii) the construction of new housing; or

5029 (iii) a significant remodeling of existing housing; or

5030 (c) a matching educational endowment that:

5031 (i) promotes economic development within the Utah portion of the Navajo Reservation;

5032 (ii) promotes the preservation of Navajo culture, history, and language; or

5033 (iii) supports a postsecondary educational opportunity for a Navajo student enrolled in a
5034 course or program taught within the Utah portion of the Navajo Reservation.

5035 (3) A loan or grant issued under this chapter may not fund:

5036 (a) a start-up or operational cost of a private business venture;

5037 (b) a general operating budget of an eligible entity; or

5038 (c) a project that will operate or be located outside of the Navajo Reservation in San
5039 Juan County, Utah, except for an educational endowment approved by the board under
5040 Subsection (2)(c).

5041 (4) (a) The board may not approve a loan unless the loan:

5042 (i) specifies the terms for repayment; and
5043 (ii) is secured by proceeds from a general obligation, special assessment, or revenue
5044 bond, note, or other obligation.

5045 (b) The division shall deposit a loan repayment or interest on a loan issued under this
5046 chapter into the revitalization fund.

5047 (5) The board shall give a priority to a loan or grant if the loan or grant includes
5048 matching money or in-kind services from:

- 5049 (a) the Navajo Nation;
- 5050 (b) San Juan County;
- 5051 (c) the state;
- 5052 (d) the federal government;
- 5053 (e) a Utah Navajo Chapter; or
- 5054 (f) other private or public organization.

5055 (6) The division shall distribute loan and grant money:

- 5056 (a) if the loan or grant is approved by the board;
- 5057 (b) in accordance with the instructions of the board, except that the board may not
5058 instruct that money be distributed in a manner:
 - 5059 (i) inconsistent with this chapter; or
 - 5060 (ii) in violation of a rule or procedure of the department; and
 - 5061 (c) in the case of a loan, in accordance with Section 63A-3-205.

5062 Section 154. Section **35A-8-1708**, which is renumbered from Section 9-11-108 is
5063 renumbered and amended to read:

5064 **[9-11-108]. 35A-8-1708. Annual report.**

5065 The division shall report annually to the Native American Legislative Liaison
5066 Committee and the governor concerning the number and type of loans and grants made as well
5067 as a list of recipients of this assistance.

5068 Section 155. Section **35A-8-1801** is enacted to read:

5069 **Part 18. Transitional Housing and Community Development Advisory Council**

5070 **35A-8-1801. Transitional Housing and Community Development Advisory**
5071 **Council -- Membership -- Duties.**

5072 (1) There is created the Transitional Housing and Community Development Advisory
5073 Council within the Department of Workforce Services consisting of the following members:

5074 (a) the executive director of the Department of Workforce Services or the executive
5075 director's designee, who shall serve as chair of the advisory council;

5076 (b) the director of the Housing and Community Development Division of the
5077 Department of Workforce Services;

5078 (c) a representative from the governor's office designated and appointed by the
5079 governor;

5080 (d) two representatives of entities that use or allocate funds distributed by the Housing
5081 and Community Development Division, designated and appointed by the director of the
5082 Housing and Community Development Division; and

5083 (e) the executive director, or the executive director's designee, of the:

5084 (i) Bear River Association of Governments;
5085 (ii) Five County Association of Governments;
5086 (iii) Mountainland Association of Governments;
5087 (iv) Six County Association of Governments;
5088 (v) Southeastern Utah Association of Governments;
5089 (vi) Uintah Basin Association of Governments;
5090 (vii) Wasatch Front Regional Council;
5091 (viii) Community Action Partnership of Utah;
5092 (ix) Salt Lake Community Action Program; and
5093 (x) Utah Housing Coalition.

5094 (2) (a) Except as provided in Subsection (2)(b), the advisory council shall meet at least
5095 once every three months and may meet more frequently as needed.

5096 (b) The advisory council may meet less than once every three months if the chair, after
5097 polling the members, determines that a meeting is not needed.

5098 (c) The chair, or a majority of the advisory council, may call a meeting of the advisory
5099 council.

5100 (d) A majority of the membership is a quorum for conducting advisory council
5101 business and a majority vote of the quorum present is required for an action to be taken by the
5102 advisory council.

5103 (e) A member may not receive compensation or benefits for the member's service, but
5104 may receive per diem and travel expenses in accordance with:

5105 (i) Section 63A-3-106;

5106 (ii) Section 63A-3-107; and

5107 (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
5108 63A-3-107.

5109 (f) The Housing and Community Development Division shall provide necessary
5110 administrative and staff support services to the advisory council.

5111 (3) The advisory council shall advise and counsel the Department of Workforce
5112 Services and the department's Housing and Community Development Division in formulating
5113 rules, protocols, and policies to:

5114 (a) successfully transition the division from the Department of Community and
5115 Culture;

5116 (b) maintain consistency in providing services to, and cooperating with, qualifying
5117 interested parties, including individuals, groups, political subdivisions, and community action
5118 agencies, which properly participated in division services under the Department of Community
5119 and Culture; and

5120 (c) inform and advise interested parties, including individuals, groups, political
5121 subdivisions, and community action agencies regarding:

5122 (i) the division's transition to the Department of Workforce Services; and

5123 (ii) each significant change, or contemplated change, in the delivery of division
5124 services.

5125 (4) The Housing and Community Development Division shall present to the advisory

5126 council for its advice and counsel, each significant proposed change to the delivery of services
5127 by the division.

5128 Section 156. Section **35A-8-1802** is enacted to read:

5129 **35A-8-1802. Interim study.**

5130 During the 2012 interim, the Economic Development and Workforce Services Interim
5131 Committee shall study and make recommendations to the Legislature regarding:

5132 (1) the effectiveness and progress of the Housing and Community Development's
5133 transition to the Department of Workforce Services;

5134 (2) housing needs in the state of Utah; and

5135 (3) opportunities for further consolidation of state programs and policies regarding
5136 housing.

5137 Section 157. Section **51-9-504** is amended to read:

5138 **51-9-504. Utah Navajo royalties and related issues.**

5139 (1) (a) Notwithstanding Title 63, Chapter 88, Navajo Trust Fund, repealed July 1,
5140 2008, and except as provided in Subsection (7), the following are subject to this Subsection (1):

5141 (i) the repealed board of trustees;

5142 (ii) the repealed trust administrator;

5143 (iii) an employee or agent of the repealed Navajo Trust Fund; or

5144 (iv) the repealed Dineh Committee.

5145 (b) The repealed board of trustees may not:

5146 (i) beginning on March 17, 2008, take an action that imposes or may impose a liability
5147 or obligation described in Subsection (1)(d) that is:

5148 (A) anticipated to be completed on or after January 1, 2010; or

5149 (B) equal to or greater than \$100,000; or

5150 (ii) on or after May 5, 2008, take an action that imposes or may impose a liability or
5151 obligation described in Subsection (1)(d).

5152 (c) On or after March 17, 2008 a person described in Subsections (1)(a)(ii) through (iv)
5153 may not take an action that imposes or may impose a liability or obligation described in

- 5154 Subsection (1)(d).
- 5155 (d) Subsection (1)(b) applies to a liability or obligation on:
- 5156 (i) the repealed Navajo Trust Fund;
- 5157 (ii) the Navajo Revitalization Fund created under Title [~~9~~] 35A, Chapter [~~H~~] 8, Part
- 5158 17, Navajo Revitalization Fund Act;
- 5159 (iii) the state; or
- 5160 (iv) any of the following related to an entity described in this Subsection (1)(d):
- 5161 (A) a department;
- 5162 (B) a division;
- 5163 (C) an office;
- 5164 (D) a committee;
- 5165 (E) a board;
- 5166 (F) an officer;
- 5167 (G) an employee; or
- 5168 (H) a similar agency or individual.
- 5169 (2) The Division of Finance shall:
- 5170 (a) establish a fund by no later than July 1, 2008:
- 5171 (i) to hold:
- 5172 (A) the money in the repealed Navajo Trust Fund as of June 30, 2008;
- 5173 (B) Utah Navajo royalties received by the state on or after July 1, 2008;
- 5174 (C) revenues from investments made by the state treasurer of the money in the fund
- 5175 established under this Subsection (2)(a);
- 5176 (D) money owed to the repealed Navajo Trust Fund, including money received by the
- 5177 repealed trust administrator or repealed Dineh Committee from an agreement executed by:
- 5178 (I) the repealed board of trustees;
- 5179 (II) the repealed trust administrator; or
- 5180 (III) the repealed Dineh Committee; and
- 5181 (E) money related to litigation, including settlement of litigation related to Utah Navajo

5182 royalties; and

5183 (ii) from which money may not be transferred or expended, except:

5184 (A) as provided in Subsection (7); or

5185 (B) as authorized by congressional action to designate a new recipient of the Utah

5186 Navajo royalties; and

5187 (b) by no later than July 1, 2008, transfer to the fund created under Subsection (2)(a) in

5188 a manner consistent with this section the related assets and liabilities of the repealed Navajo

5189 Trust Fund, including the transfer of money in the repealed Navajo Trust Fund.

5190 (3) The state treasurer shall invest money in the fund created in Subsection (2)(a) in

5191 accordance with Title 51, Chapter 7, State Money Management Act.

5192 (4) (a) By no later than May 5, 2008, the repealed board of trustees shall:

5193 (i) adopt a list of all related assets and liabilities of the repealed trust fund that are not

5194 satisfied by May 5, 2008, which may include assets and liabilities that are contingent in nature

5195 or amount;

5196 (ii) adopt a list of all individuals who at the time of adoption meet the requirements of

5197 Subsection (7)(b); and

5198 (iii) provide a copy of the lists described in Subsections (4)(a)(i) and (ii) to:

5199 (A) the state auditor; and

5200 (B) the Department of Administrative Services.

5201 (b) The state auditor, in addition to completing its Fiscal Year 2007-2008 audit of the

5202 repealed Navajo Trust Fund, shall:

5203 (i) verify the list of the related assets and liabilities of the repealed Navajo Trust Fund

5204 adopted by the repealed board of trustees under Subsection (4)(a) by no later than June 30,

5205 2008; and

5206 (ii) provide a written copy of the verification to the governor and the Legislature by no

5207 later than July 30, 2008.

5208 (5) The governor shall ensure that the reporting requirements under P.L. 90-306, 82

5209 Stat. 121, are met.

5210 (6) The Department of Administrative Services, in cooperation with the Department of
5211 Human Resources, may assist employees of the repealed Navajo Trust Fund as of June 30,
5212 2008, in accordance with Title 67, Chapter 19, Utah State Personnel Management Act.

5213 (7) With the fund created under Subsection (2) and the fixed assets of the repealed
5214 Navajo Trust Fund, the Department of Administrative Services shall:

5215 (a) subject to Subsection (8), fulfill the liabilities and obligations of the repealed
5216 Navajo Trust Fund as of June 30, 2008;

5217 (b) provide money to an individual enrolled member of the Navajo Nation who:

5218 (i) resides in San Juan County;

5219 (ii) as of June 30, 2012, has received money under this Subsection (7)(b) for
5220 postsecondary education;

5221 (iii) beginning the later of June 30 or the day on which the individual first receives
5222 money under this Subsection (7)(b), is enrolled in postsecondary education for the equivalent
5223 of at least two semesters each year; and

5224 (iv) meets the eligibility requirements adopted by the repealed board of trustees as of
5225 March 17, 2008;

5226 (c) through the Division of Facilities Construction and Management, reasonably
5227 maintain the fixed assets of the repealed Navajo Trust Fund, to the extent that a lessee of a
5228 fixed asset is not required by a lease to maintain a fixed asset;

5229 (d) through the Division of Facilities Construction and Management, take those steps
5230 necessary to secure the purchase:

5231 (i) of the following that is owned by the repealed Navajo Trust Fund as of May 5,
5232 2008:

5233 (A) the government service building; or

5234 (B) another fixed asset of the repealed Navajo Trust Fund, if the sale of the fixed asset
5235 is consistent with the obligations of the state with regard to the Utah Navajo royalties; and

5236 (ii) (A) in an arms length manner; and

5237 (B) so that fair market compensation is paid to the repealed Navajo Trust Fund; and

5238 (e) charge the fund established under Subsection (2)(a) for the expenses that are
5239 necessary and reasonable to comply with the requirements of this Subsection (7).

5240 (8) To fulfill the liabilities and obligations of the repealed Navajo Trust Fund as of
5241 June 30, 2008, the Division of Finance may expend money from the fund:

5242 (a) for a liability or obligation incurred before March 17, 2008, to the extent that the
5243 expenditure was expressly a liability or obligation of the repealed Navajo Trust Fund as of
5244 March 17, 2008; and

5245 (b) on and after March 11, 2010, for a project approved under Subsection (1)(b)(i) by
5246 the repealed board of trustees, except that the Division of Finance may not expend money from
5247 the fund for a project approved under Subsection (1)(b)(i):

5248 (i) in excess of \$100,000 in the aggregate for the project; or

5249 (ii) to fulfill a liability or obligation related to the project if the expenditure would be
5250 on or after the earlier of:

5251 (A) the day on which money from the fund is transferred as authorized by
5252 congressional action to designate a new recipient of the Utah Navajo royalties; or

5253 (B) January 1, 2012.

5254 (9) Unless expressly prohibited by this part, the state may take any action with regard
5255 to the assets held by the state under this part that is consistent with the obligations of the state
5256 related to the Utah Navajo royalties.

5257 Section 158. Section **53B-18-1002** is amended to read:

5258 **53B-18-1002. Establishment of the center -- Purpose -- Duties and**
5259 **responsibilities.**

5260 (1) There is established the Mormon Pioneer Heritage Center in connection with Utah
5261 State University.

5262 (2) The purpose of the center is to coordinate interdepartmental research and extension
5263 efforts in recreation, heritage tourism, and agricultural extension service and to enter into
5264 cooperative contracts with the United States Departments of Agriculture and the Interior, state,
5265 county, and city officers, public and private organizations, and individuals to enhance Mormon

5266 pioneer heritage.

5267 (3) The center has the following duties and responsibilities:

5268 (a) to support [~~U.S.~~] United States Congressional findings that the landscape,
5269 architecture, traditions, products, and events in the counties convey the heritage of pioneer
5270 settlements and their role in agricultural development;

5271 (b) to coordinate with extension agents in the counties to assist in the enhancement of
5272 heritage businesses and the creation of heritage products;

5273 (c) to foster a close working relationship with all levels of government, the private
5274 sector, residents, business interests, and local communities;

5275 (d) to support [~~U.S.~~] United States Congressional findings that the historical, cultural,
5276 and natural heritage legacies of Mormon colonization and settlement are nationally significant;

5277 (e) to encourage research and studies relative to the variety of heritage resources along
5278 the 250-mile Highway 89 corridor from Fairview to Kanab, Utah, and Highways 12 and 24, the
5279 All American Road, to the extent those resources demonstrate:

5280 (i) the colonization of the western United States; and

5281 (ii) the expansion of the United States as a major world power;

5282 (f) to demonstrate that the great relocation to the western United States was facilitated
5283 by:

5284 (i) the 1,400 mile trek from Illinois to the Great Salt Lake by the Mormon Pioneers;

5285 and

5286 (ii) the subsequent colonization effort in Nevada, Utah, the southeast corner of Idaho,
5287 the southwest corner of Wyoming, large areas of southeastern Oregon, much of southern
5288 California, and areas along the eastern border of California; and

5289 (g) to assist in interpretive efforts that demonstrate how the Boulder Loop, Capitol
5290 Reef National Park, Zion National Park, Bryce Canyon National Park, and the Highway 89 area
5291 convey the compelling story of how early settlers:

5292 (i) interacted with Native Americans; and

5293 (ii) established towns and cities in a harsh, yet spectacular, natural environment.

5294 (4) The center, in collaboration with the [U.S.] United States Department of the
5295 Interior, the National Park Service, the [U.S.] United States Department of Agriculture, the
5296 [U.S.] United States Forest Service, the Utah Department of [~~Community and Culture~~]
5297 Heritage and Arts, the Utah Division of State History, and the alliance and its
5298 intergovernmental local partners, shall:

5299 (a) assist in empowering communities in the counties to conserve, preserve, and
5300 enhance the heritage of the communities while strengthening future economic opportunities;

5301 (b) help conserve, interpret, and develop the historical, cultural, natural, and
5302 recreational resources within the counties; and

5303 (c) expand, foster, and develop heritage businesses and products relating to the cultural
5304 heritage of the counties.

5305 (5) The center, in collaboration with the [U.S.] United States Department of the
5306 Interior, the National Park Service, and with funding from the alliance, shall develop a heritage
5307 management plan.

5308 Section 159. Section **53C-3-203** is amended to read:

5309 **53C-3-203. Land Exchange Distribution Account.**

5310 (1) As used in this section, "account" means the Land Exchange Distribution Account
5311 created in Subsection (2)(a).

5312 (2) (a) There is created within the General Fund a restricted account known as the Land
5313 Exchange Distribution Account.

5314 (b) The account shall consist of revenue deposited in the account as required by
5315 Section 53C-3-202.

5316 (3) (a) The state treasurer shall invest money in the account according to Title 51,
5317 Chapter 7, State Money Management Act.

5318 (b) The Division of Finance shall deposit interest or other earnings derived from
5319 investment of account money into the General Fund.

5320 (4) The Legislature shall annually appropriate from the account in the following order:

5321 (a) \$1,000,000 to the Constitutional Defense Restricted Account created in Section

5322 63C-4-103; and

5323 (b) from the deposits to the account remaining after the appropriation in Subsection
5324 (4)(a), the following amounts:

5325 (i) 55% of the deposits to counties in amounts proportionate to the amounts of mineral
5326 revenue generated from the acquired land, exchanged land, acquired mineral interests, or
5327 exchanged mineral interests located in each county, to be used to mitigate the impacts caused
5328 by mineral development;

5329 (ii) 25% of the deposits to counties in amounts proportionate to the total surface and
5330 mineral acreage within each county that was conveyed to the United States under the agreement
5331 or an exchange, to be used to mitigate the loss of mineral development opportunities resulting
5332 from the agreement or exchange;

5333 (iii) 1.68% of the deposits to the State Board of Education, to be used for education
5334 research and experimentation in the use of staff and facilities designed to improve the quality
5335 of education in Utah;

5336 (iv) 1.66% of the deposits to the Geological Survey, to be used for natural resources
5337 development in the state;

5338 (v) 1.66% of the deposits to the Water Research Laboratory at Utah State University, to
5339 be used for water development in the state;

5340 (vi) 11% of the deposits to the Constitutional Defense Restricted Account created in
5341 Section 63C-4-103;

5342 (vii) 1% of the deposits to the Geological Survey, to be used for test wells, other
5343 hydrologic studies, and air quality monitoring in the West Desert; and

5344 (viii) 3% of the deposits to the Permanent Community Impact Fund created in Section
5345 [~~9-4-303~~] 35A-8-303, to be used for grants to political subdivisions of the state to mitigate the
5346 impacts resulting from the development or use of school and institutional trust lands.

5347 (5) The administration shall make recommendations to the Permanent Community
5348 Impact Fund Board for its consideration when awarding the grants described in Subsection
5349 (4)(b)(viii).

5350 Section 160. Section **54-7-13.6** is amended to read:

5351 **54-7-13.6. Low-income assistance program.**

5352 (1) As used in this section, "eligible customer" means an electrical corporation or a gas
5353 corporation customer:

5354 (a) that earns no more than:

5355 (i) 125% of the federal poverty level; or

5356 (ii) another percentage of the federal poverty level as determined by the commission by
5357 order; and

5358 (b) whose eligibility is certified by the Utah Department of [~~Community and Culture~~]
5359 Workforce Services.

5360 (2) A customer's income eligibility for the program described in this section shall be
5361 renewed annually.

5362 (3) An eligible customer may not receive assistance at more than one residential
5363 location at any one time.

5364 (4) Notwithstanding Section 54-3-8, the commission may approve a low-income
5365 assistance program to provide bill payment assistance to low-income residential customers of:

5366 (a) an electrical corporation with more than 50,000 customers; or

5367 (b) a gas corporation with more than 50,000 customers.

5368 (5) (a) (i) Subject to Subsection (5)(a)(ii), low-income assistance program funding
5369 from each rate class may be in an amount determined by the commission.

5370 (ii) Low-income assistance program funding described in Subsection (5)(a)(i) may not
5371 exceed 0.5% of the rate class's retail revenues.

5372 (b) (i) Low-income assistance program funding for bill payment assistance shall be
5373 provided through a surcharge on the monthly bill of each Utah retail customer of the electrical
5374 corporation or gas corporation providing the program.

5375 (ii) The surcharge described in Subsection (5)(b)(i) may not be collected from
5376 customers currently participating in the low-income assistance program.

5377 (c) (i) Subject to Subsection (5)(c)(ii), the monthly surcharge described in Subsection

5378 (5)(b)(i) shall be calculated as an equal percentage of revenues from all rate schedules.

5379 (ii) The monthly surcharge described in Subsection (5)(b)(i) may not exceed \$50 per
5380 month for any customer, adjusted periodically as the commission determines appropriate for
5381 inflation.

5382 (6) (a) An eligible customer shall receive a billing credit on the monthly electric or gas
5383 bill for the customer's residence.

5384 (b) The amount of the billing credit described in Subsection (6)(a) shall be determined
5385 by the commission based on:

5386 (i) the projected funding of the low-income assistance program;

5387 (ii) the projected customer participation in the low-income assistance program; and

5388 (iii) other factors that the commission determines relevant.

5389 (c) The monthly billing credit and the monthly surcharge shall be adjusted concurrently
5390 with the final order in a general rate increase or decrease case under Section 54-7-12 for the
5391 electrical corporation or gas corporation providing the program or as determined by the
5392 commission.

5393 Section 161. Section **59-5-116** is amended to read:

5394 **59-5-116. Disposition of certain taxes collected on Ute Indian land.**

5395 (1) Except as provided in Subsection (2), there shall be deposited into the Uintah Basin
5396 Revitalization Fund established in Section ~~[9-10-102]~~ 35A-8-1602:

5397 (a) for taxes imposed under this part, 33% of the taxes collected on oil, gas, or other
5398 hydrocarbon substances produced from a well:

5399 (i) for which production began on or before June 30, 1995; and

5400 (ii) attributable to interests:

5401 (A) held in trust by the United States for the Tribe and its members; or

5402 (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948);

5403 (b) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other
5404 hydrocarbon substances produced from a well:

5405 (i) for which production began on or after July 1, 1995; and

5406 (ii) attributable to interests:
5407 (A) held in trust by the United States for the Tribe and its members; or
5408 (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948); and
5409 (c) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other
5410 hydrocarbon substances produced from a well:
5411 (i) for which production began on or after January 1, 2001; and
5412 (ii) attributable to interests on lands conveyed to the tribe under the Ute-Moab Land
5413 Restoration Act, Pub. L. No. 106-398, Sec. 3303.
5414 (2) (a) The maximum amount deposited in the Uintah Basin Revitalization Fund may
5415 not exceed:
5416 (i) \$3,000,000 in fiscal year 2005-06;
5417 (ii) \$5,000,000 in fiscal year 2006-07;
5418 (iii) \$6,000,000 in fiscal years 2007-08 and 2008-09; and
5419 (iv) for fiscal years beginning with fiscal year 2009-10, the amount determined by the
5420 commission as described in Subsection (2)(b).
5421 (b) (i) The commission shall increase or decrease the dollar amount described in
5422 Subsection (2)(a)(iii) by a percentage equal to the percentage difference between the consumer
5423 price index for the preceding calendar year and the consumer price index for calendar year
5424 2008; and
5425 (ii) after making an increase or decrease under Subsection (2)(b)(i), round the dollar
5426 amount to the nearest whole dollar.
5427 (c) For purposes of this Subsection (2), "consumer price index" is as described in
5428 Section 1(f)(4), Internal Revenue Code, and defined in Section (1)(f)(5), Internal Revenue
5429 Code.
5430 (d) Any amounts in excess of the maximum described in Subsection (2)(a) shall be
5431 deposited into the General Fund.
5432 Section 162. Section **59-5-119** is amended to read:
5433 **59-5-119. Disposition of certain taxes collected on Navajo Nation Land located in**

5434 **Utah.**

5435 (1) Except as provided in Subsection (2), there shall be deposited into the Navajo
5436 Revitalization Fund established in Section [~~9-11-104~~] 35A-8-1704 for taxes imposed under this
5437 part beginning on July 1, 1997:

5438 (a) 33% of the taxes collected on oil, gas, or other hydrocarbon substances produced
5439 from a well:

5440 (i) for which production began on or before June 30, 1996; and

5441 (ii) attributable to interests in Utah held in trust by the United States for the Navajo
5442 Nation and its members; and

5443 (b) 80% of the taxes collected on oil, gas, or other hydrocarbon substances produced
5444 from a well:

5445 (i) for which production began on or after July 1, 1996; and

5446 (ii) attributable to interests in Utah held in trust by the United States for the Navajo
5447 Nation and its members.

5448 (2) (a) The maximum amount deposited in the Navajo Revitalization Fund may not
5449 exceed:

5450 (i) \$2,000,000 in fiscal year 2006-07; and

5451 (ii) \$3,000,000 for fiscal years beginning with fiscal year 2007-08.

5452 (b) Any amounts in excess of the maximum described in Subsection (2)(a) shall be
5453 deposited into the General Fund.

5454 Section 163. Section **59-10-1306** is amended to read:

5455 **59-10-1306. Homeless contribution -- Credit to Pamela Atkinson Homeless**
5456 **Account.**

5457 (1) Except as provided in Section 59-10-1304, a resident or nonresident individual that
5458 files an individual income tax return under this chapter may designate on the resident or
5459 nonresident individual's individual income tax return a contribution to the Pamela Atkinson
5460 Homeless Account as provided in this part.

5461 (2) The commission shall:

5462 (a) determine annually the total amount of contributions designated in accordance with
5463 this section; and

5464 (b) credit the amount described in Subsection (2)(a) to the Pamela Atkinson Homeless
5465 Account created by Section [~~9-4-803~~] 35A-8-603.

5466 Section 164. Section **59-10-1314** is amended to read:

5467 **59-10-1314. Contribution to Methamphetamine Housing Reconstruction and**
5468 **Rehabilitation Account.**

5469 (1) For a taxable year beginning on or after January 1, 2010, but beginning on or before
5470 December 31, 2012, only, a resident or nonresident individual that files an individual income
5471 tax return under this chapter may designate on the resident or nonresident individual's
5472 individual income tax return a contribution as provided in this section to be:

5473 (a) deposited into the Methamphetamine Housing Reconstruction and Rehabilitation
5474 Account created in Section [~~9-4-1503~~] 35A-8-1103; and

5475 (b) expended for the purposes described in Section [~~9-4-1503~~] 35A-8-1103.

5476 (2) The commission shall:

5477 (a) determine the total amount of contributions designated in accordance with this
5478 section for the taxable year described in Subsection (1); and

5479 (b) credit the amount described in Subsection (2)(a) to the Methamphetamine Housing
5480 Reconstruction and Rehabilitation Account created in Section [~~9-4-1503~~] 35A-8-1103.

5481 Section 165. Section **59-12-103** is amended to read:

5482 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**
5483 **tax revenues.**

5484 (1) A tax is imposed on the purchaser as provided in this part for amounts paid or
5485 charged for the following transactions:

5486 (a) retail sales of tangible personal property made within the state;

5487 (b) amounts paid for:

5488 (i) telecommunications service, other than mobile telecommunications service, that
5489 originates and terminates within the boundaries of this state;

5490 (ii) mobile telecommunications service that originates and terminates within the
5491 boundaries of one state only to the extent permitted by the Mobile Telecommunications
5492 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
5493 (iii) an ancillary service associated with a:
5494 (A) telecommunications service described in Subsection (1)(b)(i); or
5495 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
5496 (c) sales of the following for commercial use:
5497 (i) gas;
5498 (ii) electricity;
5499 (iii) heat;
5500 (iv) coal;
5501 (v) fuel oil; or
5502 (vi) other fuels;
5503 (d) sales of the following for residential use:
5504 (i) gas;
5505 (ii) electricity;
5506 (iii) heat;
5507 (iv) coal;
5508 (v) fuel oil; or
5509 (vi) other fuels;
5510 (e) sales of prepared food;
5511 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
5512 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
5513 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
5514 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
5515 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
5516 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
5517 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,

5518 horseback rides, sports activities, or any other amusement, entertainment, recreation,
5519 exhibition, cultural, or athletic activity;

5520 (g) amounts paid or charged for services for repairs or renovations of tangible personal
5521 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:

5522 (i) the tangible personal property; and

5523 (ii) parts used in the repairs or renovations of the tangible personal property described
5524 in Subsection (1)(g)(i), whether or not any parts are actually used in the repairs or renovations
5525 of that tangible personal property;

5526 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
5527 assisted cleaning or washing of tangible personal property;

5528 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
5529 accommodations and services that are regularly rented for less than 30 consecutive days;

5530 (j) amounts paid or charged for laundry or dry cleaning services;

5531 (k) amounts paid or charged for leases or rentals of tangible personal property if within
5532 this state the tangible personal property is:

5533 (i) stored;

5534 (ii) used; or

5535 (iii) otherwise consumed;

5536 (l) amounts paid or charged for tangible personal property if within this state the
5537 tangible personal property is:

5538 (i) stored;

5539 (ii) used; or

5540 (iii) consumed; and

5541 (m) amounts paid or charged for a sale:

5542 (i) (A) of a product transferred electronically; or

5543 (B) of a repair or renovation of a product transferred electronically; and

5544 (ii) regardless of whether the sale provides:

5545 (A) a right of permanent use of the product; or

5546 (B) a right to use the product that is less than a permanent use, including a right:
5547 (I) for a definite or specified length of time; and
5548 (II) that terminates upon the occurrence of a condition.

5549 (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax
5550 is imposed on a transaction described in Subsection (1) equal to the sum of:

5551 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
5552 (A) 4.70%; and
5553 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales
5554 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
5555 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
5556 State Sales and Use Tax Act; and
5557 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
5558 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
5559 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
5560 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and
5561 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
5562 transaction under this chapter other than this part.

5563 (b) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed
5564 on a transaction described in Subsection (1)(d) equal to the sum of:
5565 (i) a state tax imposed on the transaction at a tax rate of 2%; and
5566 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
5567 transaction under this chapter other than this part.

5568 (c) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed
5569 on amounts paid or charged for food and food ingredients equal to the sum of:
5570 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at
5571 a tax rate of 1.75%; and
5572 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
5573 amounts paid or charged for food and food ingredients under this chapter other than this part.

5574 (d) (i) For a bundled transaction that is attributable to food and food ingredients and
5575 tangible personal property other than food and food ingredients, a state tax and a local tax is
5576 imposed on the entire bundled transaction equal to the sum of:

5577 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

5578 (I) the tax rate described in Subsection (2)(a)(i)(A); and

5579 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
5580 Sales and Use Tax Act, if the location of the transaction as determined under Sections
5581 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
5582 Additional State Sales and Use Tax Act; and

5583 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
5584 Sales and Use Tax Act, if the location of the transaction as determined under Sections
5585 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
5586 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

5587 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
5588 described in Subsection (2)(a)(ii).

5589 (ii) Subject to Subsection (2)(d)(iii), for a bundled transaction other than a bundled
5590 transaction described in Subsection (2)(d)(i):

5591 (A) if the sales price of the bundled transaction is attributable to tangible personal
5592 property, a product, or a service that is subject to taxation under this chapter and tangible
5593 personal property, a product, or service that is not subject to taxation under this chapter, the
5594 entire bundled transaction is subject to taxation under this chapter unless:

5595 (I) the seller is able to identify by reasonable and verifiable standards the tangible
5596 personal property, product, or service that is not subject to taxation under this chapter from the
5597 books and records the seller keeps in the seller's regular course of business; or

5598 (II) state or federal law provides otherwise; or

5599 (B) if the sales price of a bundled transaction is attributable to two or more items of
5600 tangible personal property, products, or services that are subject to taxation under this chapter
5601 at different rates, the entire bundled transaction is subject to taxation under this chapter at the

5602 higher tax rate unless:

5603 (I) the seller is able to identify by reasonable and verifiable standards the tangible
5604 personal property, product, or service that is subject to taxation under this chapter at the lower
5605 tax rate from the books and records the seller keeps in the seller's regular course of business; or

5606 (II) state or federal law provides otherwise.

5607 (iii) For purposes of Subsection (2)(d)(ii), books and records that a seller keeps in the
5608 seller's regular course of business includes books and records the seller keeps in the regular
5609 course of business for nontax purposes.

5610 (e) Subject to Subsections (2)(f) and (g), a tax rate repeal or tax rate change for a tax
5611 rate imposed under the following shall take effect on the first day of a calendar quarter:

5612 (i) Subsection (2)(a)(i)(A);

5613 (ii) Subsection (2)(b)(i);

5614 (iii) Subsection (2)(c)(i); or

5615 (iv) Subsection (2)(d)(i)(A)(I).

5616 (f) (i) A tax rate increase shall take effect on the first day of the first billing period that
5617 begins after the effective date of the tax rate increase if the billing period for the transaction
5618 begins before the effective date of a tax rate increase imposed under:

5619 (A) Subsection (2)(a)(i)(A);

5620 (B) Subsection (2)(b)(i);

5621 (C) Subsection (2)(c)(i); or

5622 (D) Subsection (2)(d)(i)(A)(I).

5623 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
5624 billing period that began before the effective date of the repeal of the tax or the tax rate
5625 decrease if the billing period for the transaction begins before the effective date of the repeal of
5626 the tax or the tax rate decrease imposed under:

5627 (A) Subsection (2)(a)(i)(A);

5628 (B) Subsection (2)(b)(i);

5629 (C) Subsection (2)(c)(i); or

- 5630 (D) Subsection (2)(d)(i)(A)(I).
- 5631 (g) (i) For a tax rate described in Subsection (2)(g)(ii), if a tax due on a catalogue sale
5632 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal
5633 or change in a tax rate takes effect:
- 5634 (A) on the first day of a calendar quarter; and
- 5635 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.
- 5636 (ii) Subsection (2)(g)(i) applies to the tax rates described in the following:
- 5637 (A) Subsection (2)(a)(i)(A);
- 5638 (B) Subsection (2)(b)(i);
- 5639 (C) Subsection (2)(c)(i); or
- 5640 (D) Subsection (2)(d)(i)(A)(I).
- 5641 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
5642 the commission may by rule define the term "catalogue sale."
- 5643 (3) (a) The following state taxes shall be deposited into the General Fund:
- 5644 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 5645 (ii) the tax imposed by Subsection (2)(b)(i);
- 5646 (iii) the tax imposed by Subsection (2)(c)(i); or
- 5647 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).
- 5648 (b) The following local taxes shall be distributed to a county, city, or town as provided
5649 in this chapter:
- 5650 (i) the tax imposed by Subsection (2)(a)(ii);
- 5651 (ii) the tax imposed by Subsection (2)(b)(ii);
- 5652 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 5653 (iv) the tax imposed by Subsection (2)(d)(i)(B).
- 5654 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
5655 2003, the lesser of the following amounts shall be used as provided in Subsections (4)(b)
5656 through (g):
- 5657 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:

5658 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
5659 (B) for the fiscal year; or
5660 (ii) \$17,500,000.

5661 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
5662 described in Subsection (4)(a) shall be transferred each year as dedicated credits to the
5663 Department of Natural Resources to:

5664 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to
5665 protect sensitive plant and animal species; or
5666 (B) award grants, up to the amount authorized by the Legislature in an appropriations
5667 act, to political subdivisions of the state to implement the measures described in Subsections
5668 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.

5669 (ii) Money transferred to the Department of Natural Resources under Subsection
5670 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other
5671 person to list or attempt to have listed a species as threatened or endangered under the
5672 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.

5673 (iii) At the end of each fiscal year:

5674 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
5675 Conservation and Development Fund created in Section 73-10-24;

5676 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
5677 Program Subaccount created in Section 73-10c-5; and

5678 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
5679 Program Subaccount created in Section 73-10c-5.

5680 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
5681 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund
5682 created in Section 4-18-6.

5683 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described
5684 in Subsection (4)(a) shall be transferred each year as dedicated credits to the Division of Water
5685 Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of

5686 water rights.

5687 (ii) At the end of each fiscal year:

5688 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
5689 Conservation and Development Fund created in Section 73-10-24;

5690 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
5691 Program Subaccount created in Section 73-10c-5; and

5692 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
5693 Program Subaccount created in Section 73-10c-5.

5694 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described
5695 in Subsection (4)(a) shall be deposited in the Water Resources Conservation and Development
5696 Fund created in Section 73-10-24 for use by the Division of Water Resources.

5697 (ii) In addition to the uses allowed of the Water Resources Conservation and
5698 Development Fund under Section 73-10-24, the Water Resources Conservation and
5699 Development Fund may also be used to:

5700 (A) conduct hydrologic and geotechnical investigations by the Division of Water
5701 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
5702 quantifying surface and ground water resources and describing the hydrologic systems of an
5703 area in sufficient detail so as to enable local and state resource managers to plan for and
5704 accommodate growth in water use without jeopardizing the resource;

5705 (B) fund state required dam safety improvements; and

5706 (C) protect the state's interest in interstate water compact allocations, including the
5707 hiring of technical and legal staff.

5708 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
5709 in Subsection (4)(a) shall be deposited in the Utah Wastewater Loan Program Subaccount
5710 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

5711 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
5712 in Subsection (4)(a) shall be deposited in the Drinking Water Loan Program Subaccount
5713 created in Section 73-10c-5 for use by the Division of Drinking Water to:

5714 (i) provide for the installation and repair of collection, treatment, storage, and
5715 distribution facilities for any public water system, as defined in Section 19-4-102;

5716 (ii) develop underground sources of water, including springs and wells; and
5717 (iii) develop surface water sources.

5718 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
5719 2006, the difference between the following amounts shall be expended as provided in this
5720 Subsection (5), if that difference is greater than \$1:

5721 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
5722 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and
5723 (ii) \$17,500,000.

5724 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
5725 (A) transferred each fiscal year to the Department of Natural Resources as dedicated
5726 credits; and
5727 (B) expended by the Department of Natural Resources for watershed rehabilitation or
5728 restoration.

5729 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
5730 in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund
5731 created in Section 73-10-24.

5732 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
5733 remaining difference described in Subsection (5)(a) shall be:
5734 (A) transferred each fiscal year to the Division of Water Resources as dedicated
5735 credits; and
5736 (B) expended by the Division of Water Resources for cloud-seeding projects
5737 authorized by Title 73, Chapter 15, Modification of Weather.

5738 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
5739 in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund
5740 created in Section 73-10-24.

5741 (d) After making the transfers required by Subsections (5)(b) and (c), 94% of the

5742 remaining difference described in Subsection (5)(a) shall be deposited into the Water
5743 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
5744 Division of Water Resources for:

5745 (i) preconstruction costs:

5746 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
5747 26, Bear River Development Act; and

5748 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
5749 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

5750 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
5751 Chapter 26, Bear River Development Act;

5752 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
5753 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

5754 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, 73-10-30, and
5755 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

5756 (e) After making the transfers required by Subsections (5)(b) and (c) and subject to
5757 Subsection (5)(f), 6% of the remaining difference described in Subsection (5)(a) shall be
5758 transferred each year as dedicated credits to the Division of Water Rights to cover the costs
5759 incurred for employing additional technical staff for the administration of water rights.

5760 (f) At the end of each fiscal year, any unexpended dedicated credits described in
5761 Subsection (5)(e) over \$150,000 lapse to the Water Resources Conservation and Development
5762 Fund created in Section 73-10-24.

5763 (6) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
5764 2003, and for taxes listed under Subsection (3)(a), the amount of revenue generated by a 1/16%
5765 tax rate on the transactions described in Subsection (1) for the fiscal year shall be deposited in
5766 the Transportation Fund created by Section 72-2-102.

5767 (7) (a) Notwithstanding Subsection (3)(a) and until Subsection (7)(b) applies,
5768 beginning on January 1, 2000, the Division of Finance shall deposit into the Centennial
5769 Highway Fund Restricted Account created in Section 72-2-118 a portion of the taxes listed

5770 under Subsection (3)(a) equal to the revenues generated by a 1/64% tax rate on the taxable
5771 transactions under Subsection (1).

5772 (b) Notwithstanding Subsection (3)(a), when the highway general obligation bonds
5773 have been paid off and the highway projects completed that are intended to be paid from
5774 revenues deposited in the Centennial Highway Fund Restricted Account as determined by the
5775 Executive Appropriations Committee under Subsection 72-2-118(6)(d), the Division of
5776 Finance shall deposit into the Transportation Investment Fund of 2005 created by Section
5777 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to the revenues generated
5778 by a 1/64% tax rate on the taxable transactions under Subsection (1).

5779 (8) (a) Notwithstanding Subsection (3)(a) and in addition to the amount deposited in
5780 Subsection (7)(a), for the 2010-11 fiscal year only, the Division of Finance shall deposit into
5781 the Centennial Highway Fund Restricted Account created by Section 72-2-118 a portion of the
5782 taxes listed under Subsection (3)(a) equal to 1.93% of the revenues collected from the
5783 following taxes, which represents a portion of the approximately 17% of sales and use tax
5784 revenues generated annually by the sales and use tax on vehicles and vehicle-related products:

- 5785 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 5786 (ii) the tax imposed by Subsection (2)(b)(i);
- 5787 (iii) the tax imposed by Subsection (2)(c)(i); and
- 5788 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

5789 (b) Notwithstanding Subsection (3)(a), in addition to the amount deposited in
5790 Subsection (7)(a), and until Subsection (8)(c) applies, for the 2011-12 fiscal year only, the
5791 Division of Finance shall deposit into the Centennial Highway Fund Restricted Account
5792 created by Section 72-2-118 a portion of the taxes listed under Subsection (3)(a) equal to 8.3%
5793 of the revenues collected from the following taxes, which represents a portion of the
5794 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
5795 on vehicles and vehicle-related products:

- 5796 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 5797 (ii) the tax imposed by Subsection (2)(b)(I);

5798 (iii) the tax imposed by Subsection (2)(c)(i); and
5799 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).
5800 (c) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
5801 Subsection (7)(b), and until Subsection (8)(d) or (e) applies, when the highway general
5802 obligation bonds have been paid off and the highway projects completed that are intended to be
5803 paid from revenues deposited in the Centennial Highway Fund Restricted Account as
5804 determined by the Executive Appropriations Committee under Subsection 72-2-118(6)(d), the
5805 Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by
5806 Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to 8.3% of the
5807 revenues collected from the following taxes, which represents a portion of the approximately
5808 17% of sales and use tax revenues generated annually by the sales and use tax on vehicles and
5809 vehicle-related products:
5810 (i) the tax imposed by Subsection (2)(a)(i)(A);
5811 (ii) the tax imposed by Subsection (2)(b)(i);
5812 (iii) the tax imposed by Subsection (2)(c)(i); and
5813 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).
5814 (d) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in
5815 Subsection (7)(a), until Subsection (8)(e) applies, and subject to Subsection (8)(f), for a fiscal
5816 year beginning on or after July 1, 2012, the Division of Finance shall deposit into the
5817 Centennial Highway Fund Restricted Account created by Section 72-2-118:
5818 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of
5819 the revenues collected from the following taxes, which represents a portion of the
5820 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
5821 on vehicles and vehicle-related products:
5822 (A) the tax imposed by Subsection (2)(a)(i)(A);
5823 (B) the tax imposed by Subsection (2)(b)(i);
5824 (C) the tax imposed by Subsection (2)(c)(i); and
5825 (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

5826 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
5827 current fiscal year from the sales and use taxes described in Subsections (8)(d)(i)(A) through
5828 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
5829 (8)(d)(i)(A) through (D) in the 2010-11 fiscal year.

5830 (e) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
5831 Subsection (7)(b), and subject to Subsection (8)(f), when the highway general obligation bonds
5832 have been paid off and the highway projects completed that are intended to be paid from
5833 revenues deposited in the Centennial Highway Fund Restricted Account as determined by the
5834 Executive Appropriations Committee under Subsection 72-2-118(6)(d), for a fiscal year
5835 beginning on or after July 1, 2012, the Division of Finance shall deposit into the Transportation
5836 Investment Fund of 2005 created by Section 72-2-124:

5837 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of
5838 the revenues collected from the following taxes, which represents a portion of the
5839 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
5840 on vehicles and vehicle-related products:

- 5841 (A) the tax imposed by Subsection (2)(a)(i)(A);
- 5842 (B) the tax imposed by Subsection (2)(b)(i);
- 5843 (C) the tax imposed by Subsection (2)(c)(i); and
- 5844 (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

5845 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
5846 current fiscal year from the sales and use taxes described in Subsections (8)(e)(i)(A) through
5847 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
5848 (8)(e)(i)(A) through (D) in the 2010-11 fiscal year.

5849 (f) (i) Subject to Subsections (8)(f)(ii) and (iii), in any fiscal year that the portion of the
5850 sales and use taxes deposited under Subsection (8)(d) or (e) represents an amount that is a total
5851 lower percentage of the sales and use taxes described in Subsections (8)(e)(i)(A) through (D)
5852 generated in the current fiscal year than the total percentage of sales and use taxes deposited in
5853 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection

5854 (8)(d) or (e) equal to the product of:

5855 (A) the total percentage of sales and use taxes deposited under Subsection (8)(d) or (e)
5856 in the previous fiscal year; and

5857 (B) the total sales and use tax revenue generated by the taxes described in Subsections
5858 (8)(e)(i)(A) through (D) in the current fiscal year.

5859 (ii) In any fiscal year in which the portion of the sales and use taxes deposited under
5860 Subsection (8)(d) or (e) would exceed 17% of the revenues collected from the sales and use
5861 taxes described in Subsections (8)(e)(i)(A) through (D) in the current fiscal year, the Division
5862 of Finance shall deposit 17% of the revenues collected from the sales and use taxes described
5863 in Subsections (8)(e)(i)(A) through (D) for the current fiscal year under Subsection (8)(d) or
5864 (e).

5865 (iii) In all subsequent fiscal years after a year in which 17% of the revenues collected
5866 from the sales and use taxes described in Subsections (8)(e)(i)(A) through (D) was deposited
5867 under Subsection (8)(d) or (e), the Division of Finance shall annually deposit 17% of the
5868 revenues collected from the sales and use taxes described in Subsections (8)(e)(i)(A) through
5869 (D) in the current fiscal year under Subsection (8)(d) or (e).

5870 (9) (a) Notwithstanding Subsection (3)(a) and for the fiscal year 2008-09 only, the
5871 Division of Finance shall deposit \$55,000,000 of the revenues generated by the taxes listed
5872 under Subsection (3)(a) into the Critical Highway Needs Fund created by Section 72-2-125.

5873 (b) Notwithstanding Subsection (3)(a) and until Subsection (9)(c) applies, for a fiscal
5874 year beginning on or after July 1, 2009, the Division of Finance shall annually deposit
5875 \$90,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the
5876 Critical Highway Needs Fund created by Section 72-2-125.

5877 (c) Notwithstanding Subsection (3)(a) and in addition to any amounts deposited under
5878 Subsections (7) and (8), when the general obligation bonds authorized by Section 63B-16-101
5879 have been paid off and the highway projects completed that are included in the prioritized
5880 project list under Subsection 72-2-125(4) as determined in accordance with Subsection
5881 72-2-125(6), the Division of Finance shall annually deposit \$90,000,000 of the revenues

5882 generated by the taxes listed under Subsection (3)(a) into the Transportation Investment Fund
5883 of 2005 created by Section 72-2-124.

5884 (10) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
5885 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
5886 created by Section [~~9-4-1409~~] 35A-8-1009 and expended as provided in Section [~~9-4-1409~~]
5887 35A-8-1009.

5888 (11) (a) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection
5889 (11)(a)(ii), and until Subsection (11)(b) applies, beginning on January 1, 2009, the Division of
5890 Finance shall deposit into the Critical Highway Needs Fund created by Section 72-2-125 the
5891 amount of tax revenue generated by a .025% tax rate on the transactions described in
5892 Subsection (1).

5893 (ii) For purposes of Subsection (11)(a)(i), the Division of Finance may not deposit into
5894 the Critical Highway Needs Fund any tax revenue generated by amounts paid or charged for
5895 food and food ingredients, except for tax revenue generated by a bundled transaction
5896 attributable to food and food ingredients and tangible personal property other than food and
5897 food ingredients described in Subsection (2)[~~(e)~~](d).

5898 (b) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection (11)(b)(ii),
5899 and in addition to any amounts deposited under Subsections (7), (9), and (10), when the general
5900 obligation bonds authorized by Section 63B-16-101 have been paid off and the highway
5901 projects completed that are included in the prioritized project list under Subsection 72-2-125(4)
5902 as determined in accordance with Subsection 72-2-125(6), the Division of Finance shall
5903 deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 the
5904 amount of tax revenue generated by a .025% tax rate on the transactions described in
5905 Subsection (1).

5906 (ii) For purposes of Subsection (11)(b)(i), the Division of Finance may not deposit into
5907 the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or
5908 charged for food and food ingredients, except for tax revenue generated by a bundled
5909 transaction attributable to food and food ingredients and tangible personal property other than

5910 food and food ingredients described in Subsection (2)~~(c)~~(d).

5911 (12) (a) Notwithstanding Subsection (3)(a), and except as provided in Subsection
5912 (12)(b), beginning on January 1, 2009, the Division of Finance shall deposit into the
5913 Transportation Fund created by Section 72-2-102 the amount of tax revenue generated by a
5914 .025% tax rate on the transactions described in Subsection (1) to be expended to address
5915 chokepoints in construction management.

5916 (b) For purposes of Subsection (12)(a), the Division of Finance may not deposit into
5917 the Transportation Fund any tax revenue generated by amounts paid or charged for food and
5918 food ingredients, except for tax revenue generated by a bundled transaction attributable to food
5919 and food ingredients and tangible personal property other than food and food ingredients
5920 described in Subsection (2)~~(c)~~(d).

5921 Section 166. Section **59-12-204** is amended to read:

5922 **59-12-204. Sales and use tax ordinance provisions -- Tax rate -- Distribution of**
5923 **tax revenues -- Commission requirement to retain an amount to be deposited into the**
5924 **Qualified Emergency Food Agencies Fund.**

5925 (1) The tax ordinance adopted pursuant to this part shall impose a tax upon those
5926 transactions listed in Subsection 59-12-103(1).

5927 (2) (a) The tax ordinance under Subsection (1) shall include a provision imposing a tax
5928 upon every transaction listed in Subsection 59-12-103(1) made within a county, including areas
5929 contained within the cities and towns located in the county:

5930 (i) at the rate of 1% of the purchase price paid or charged; and

5931 (ii) if the location of the transaction is within the county as determined under Sections
5932 59-12-211 through 59-12-215.

5933 (b) Notwithstanding Subsection (2)(a), a tax ordinance under this Subsection (2) shall
5934 include a provision prohibiting a county, city, or town from imposing a tax under this section
5935 on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
5936 exempt from taxation under Section 59-12-104.

5937 (3) Such tax ordinance shall include provisions substantially the same as those

5938 contained in Part 1, Tax Collection, insofar as they relate to sales or use tax, except that the
5939 name of the county as the taxing agency shall be substituted for that of the state where
5940 necessary for the purpose of this part and that an additional license is not required if one has
5941 been or is issued under Section 59-12-106.

5942 (4) Such tax ordinance shall include a provision that the county shall contract, prior to
5943 the effective date of the ordinance, with the commission to perform all functions incident to the
5944 administration or operation of the ordinance.

5945 (5) Such tax ordinance shall include a provision that the sale, storage, use, or other
5946 consumption of tangible personal property, the purchase price or the cost of which has been
5947 subject to sales or use tax under a sales and use tax ordinance enacted in accordance with this
5948 part by any county, city, or town in any other county in this state, shall be exempt from the tax
5949 due under this ordinance.

5950 (6) Such tax ordinance shall include a provision that any person subject to the
5951 provisions of a city or town sales and use tax shall be exempt from the county sales and use tax
5952 if the city or town sales and use tax is levied under an ordinance including provisions in
5953 substance as follows:

5954 (a) a provision imposing a tax upon every transaction listed in Subsection 59-12-103(1)
5955 made within the city or town at the rate imposed by the county in which it is situated pursuant
5956 to Subsection (2);

5957 (b) notwithstanding Subsection (2)(a), a provision prohibiting the city or town from
5958 imposing a tax under this section on the sales and uses described in Section 59-12-104 to the
5959 extent the sales and uses are exempt from taxation under Section 59-12-104;

5960 (c) provisions substantially the same as those contained in Part 1, Tax Collection,
5961 insofar as they relate to sales and use taxes, except that the name of the city or town as the
5962 taxing agency shall be substituted for that of the state where necessary for the purposes of this
5963 part;

5964 (d) a provision that the city or town shall contract prior to the effective date of the city
5965 or town sales and use tax ordinance with the commission to perform all functions incident to

5966 the administration or operation of the sales and use tax ordinance of the city or town;

5967 (e) a provision that the sale, storage, use, or other consumption of tangible personal
5968 property, the gross receipts from the sale of or the cost of which has been subject to sales or use
5969 tax under a sales and use tax ordinance enacted in accordance with this part by any county
5970 other than the county in which the city or town is located, or city or town in this state, shall be
5971 exempt from the tax; and

5972 (f) a provision that the amount of any tax paid under Part 1, Tax Collection, shall not
5973 be included as a part of the purchase price paid or charged for a taxable item.

5974 (7) Notwithstanding any other provision of this section, beginning July 1, 2000, the
5975 commission shall:

5976 (a) determine and retain the portion of sales and use tax imposed under this section:

5977 (i) by each county and by each city and town within that county whose legislative body
5978 consents by resolution to the commission's retaining and depositing sales and use tax revenues
5979 as provided in this Subsection (7); and

5980 (ii) that is equal to the revenues generated by a 1/64% tax rate;

5981 (b) deposit the revenues described in Subsection (7)(a) into a special fund of the
5982 county, or a city, town, or other political subdivision of the state located within that county, that
5983 has issued bonds to finance sports or recreational facilities or that is leasing sports or
5984 recreational facilities, in order to repay those bonds or to pay the lease payments; and

5985 (c) continue to deposit those revenues into the special fund only as long as the bonds or
5986 leases are outstanding.

5987 (8) (a) Notwithstanding any other provision of this section, beginning on July 1, 2009,
5988 the commission shall calculate and retain a portion of the sales and use tax collected under this
5989 part as provided in this Subsection (8).

5990 (b) For a city, town, or unincorporated area of a county that imposes a tax under this
5991 part, the commission shall calculate a percentage each month by dividing the sales and use tax
5992 collected under this part for that month within the boundaries of that city, town, or
5993 unincorporated area of a county by the total sales and use tax collected under this part for that

5994 month within the boundaries of all of the cities, towns, and unincorporated areas of the
5995 counties that impose a tax under this part.

5996 (c) For a city, town, or unincorporated area of a county that imposes a tax under this
5997 part, the commission shall retain each month an amount equal to the product of:

5998 (i) the percentage the commission determines for the month under Subsection (8)(b)
5999 for the city, town, or unincorporated area of a county; and

6000 (ii) \$25,417.

6001 (d) The commission shall deposit an amount the commission retains in accordance
6002 with this Subsection (8) into the Qualified Emergency Food Agencies Fund created by Section
6003 ~~[9-4-1409]~~ 35A-8-1009.

6004 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
6005 Fund shall be expended as provided in Section ~~[9-4-1409]~~ 35A-8-1009.

6006 Section 167. Section **59-12-1102** is amended to read:

6007 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**
6008 **Administration -- Administrative charge -- Commission requirement to retain an amount**
6009 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**
6010 **of tax -- Effective date -- Notice requirements.**

6011 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax
6012 authorized by this chapter, a county may impose by ordinance a county option sales and use tax
6013 of .25% upon the transactions described in Subsection 59-12-103(1).

6014 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this
6015 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
6016 exempt from taxation under Section 59-12-104.

6017 (b) For purposes of this Subsection (1), the location of a transaction shall be
6018 determined in accordance with Sections 59-12-211 through 59-12-215.

6019 (c) The county option sales and use tax under this section shall be imposed:

6020 (i) upon transactions that are located within the county, including transactions that are
6021 located within municipalities in the county; and

6022 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of
6023 January:

6024 (A) of the next calendar year after adoption of the ordinance imposing the tax if the
6025 ordinance is adopted on or before May 25; or

6026 (B) of the second calendar year after adoption of the ordinance imposing the tax if the
6027 ordinance is adopted after May 25.

6028 (d) Notwithstanding Subsection (1)(c)(ii), the county option sales and use tax under
6029 this section shall be imposed:

6030 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before
6031 September 4, 1997; or

6032 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997
6033 but after September 4, 1997.

6034 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a
6035 county shall hold two public hearings on separate days in geographically diverse locations in
6036 the county.

6037 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting
6038 time of no earlier than 6 p.m.

6039 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven
6040 days after the day the first advertisement required by Subsection (2)(c) is published.

6041 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county
6042 shall advertise:

6043 (A) its intent to adopt a county option sales and use tax;

6044 (B) the date, time, and location of each public hearing; and

6045 (C) a statement that the purpose of each public hearing is to obtain public comments
6046 regarding the proposed tax.

6047 (ii) The advertisement shall be published:

6048 (A) in a newspaper of general circulation in the county once each week for the two
6049 weeks preceding the earlier of the two public hearings; and

6050 (B) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks
6051 preceding the earlier of the two public hearings.

6052 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8
6053 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch
6054 border.

6055 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that
6056 portion of the newspaper where legal notices and classified advertisements appear.

6057 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

6058 (A) the advertisement shall appear in a newspaper that is published at least five days a
6059 week, unless the only newspaper in the county is published less than five days a week; and

6060 (B) the newspaper selected shall be one of general interest and readership in the
6061 community, and not one of limited subject matter.

6062 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
6063 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
6064 6, Local Referenda - Procedures.

6065 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a
6066 county option sales and use tax under Subsection (1) is less than 75% of the state population,
6067 the tax levied under Subsection (1) shall be distributed to the county in which the tax was
6068 collected.

6069 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a
6070 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state
6071 population:

6072 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to
6073 the county in which the tax was collected; and

6074 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection
6075 (1) in each county shall be distributed proportionately among all counties imposing the tax,
6076 based on the total population of each county.

6077 (c) Except as provided in Subsection (5), the amount to be distributed annually to a

6078 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county
6079 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

6080 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall
6081 be increased so that, when combined with the amount distributed to the county under
6082 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

6083 (ii) the amount to be distributed annually to all other counties under Subsection
6084 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under
6085 Subsection (3)(c)(i).

6086 (d) The commission shall establish rules to implement the distribution of the tax under
6087 Subsections (3)(a), (b), and (c).

6088 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part
6089 shall be administered, collected, and enforced in accordance with:

6090 (i) the same procedures used to administer, collect, and enforce the tax under:

6091 (A) Part 1, Tax Collection; or

6092 (B) Part 2, Local Sales and Use Tax Act; and

6093 (ii) Chapter 1, General Taxation Policies.

6094 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to
6095 Subsections 59-12-205(2) through (6).

6096 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an
6097 administrative charge in accordance with Section 59-1-306 from the revenues the commission
6098 collects from a tax under this part.

6099 (ii) Notwithstanding Section 59-1-306, the administrative charge described in
6100 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of
6101 the distribution amounts resulting after:

6102 (A) the applicable distribution calculations under Subsection (3) have been made; and

6103 (B) the commission retains the amount required by Subsection (5).

6104 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion
6105 of the sales and use tax collected under this part as provided in this Subsection (5).

6106 (b) For a county that imposes a tax under this part, the commission shall calculate a
6107 percentage each month by dividing the sales and use tax collected under this part for that
6108 month within the boundaries of that county by the total sales and use tax collected under this
6109 part for that month within the boundaries of all of the counties that impose a tax under this part.

6110 (c) For a county that imposes a tax under this part, the commission shall retain each
6111 month an amount equal to the product of:

6112 (i) the percentage the commission determines for the month under Subsection (5)(b)
6113 for the county; and

6114 (ii) \$6,354.

6115 (d) The commission shall deposit an amount the commission retains in accordance
6116 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
6117 ~~[9-4-1409]~~ 35A-8-1009.

6118 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
6119 Fund shall be expended as provided in Section ~~[9-4-1409]~~ 35A-8-1009.

6120 (6) (a) For purposes of this Subsection (6):

6121 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County
6122 Consolidations and Annexations.

6123 (ii) "Annexing area" means an area that is annexed into a county.

6124 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a
6125 county enacts or repeals a tax under this part:

6126 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

6127 (II) the repeal shall take effect on the first day of a calendar quarter; and

6128 (B) after a 90-day period beginning on the date the commission receives notice meeting
6129 the requirements of Subsection (6)(b)(ii) from the county.

6130 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

6131 (A) that the county will enact or repeal a tax under this part;

6132 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

6133 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

6134 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the
6135 tax.

6136 (c) (i) The enactment of a tax shall take effect on the first day of the first billing period:

6137 (A) that begins after the effective date of the enactment of the tax; and

6138 (B) if the billing period for the transaction begins before the effective date of the
6139 enactment of the tax under Subsection (1).

6140 (ii) The repeal of a tax shall take effect on the first day of the last billing period:

6141 (A) that began before the effective date of the repeal of the tax; and

6142 (B) if the billing period for the transaction begins before the effective date of the repeal
6143 of the tax imposed under Subsection (1).

6144 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
6145 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
6146 Subsection (6)(b)(i) takes effect:

6147 (A) on the first day of a calendar quarter; and

6148 (B) beginning 60 days after the effective date of the enactment or repeal under
6149 Subsection (6)(b)(i).

6150 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
6151 commission may by rule define the term "catalogue sale."

6152 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs
6153 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
6154 part for an annexing area, the enactment or repeal shall take effect:

6155 (A) on the first day of a calendar quarter; and

6156 (B) after a 90-day period beginning on the date the commission receives notice meeting
6157 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

6158 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

6159 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or
6160 repeal of a tax under this part for the annexing area;

6161 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

- 6162 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and
- 6163 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).
- 6164 (f) (i) The enactment of a tax shall take effect on the first day of the first billing period:
- 6165 (A) that begins after the effective date of the enactment of the tax; and
- 6166 (B) if the billing period for the transaction begins before the effective date of the
- 6167 enactment of the tax under Subsection (1).
- 6168 (ii) The repeal of a tax shall take effect on the first day of the last billing period:
- 6169 (A) that began before the effective date of the repeal of the tax; and
- 6170 (B) if the billing period for the transaction begins before the effective date of the repeal
- 6171 of the tax imposed under Subsection (1).
- 6172 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
- 6173 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
- 6174 Subsection (6)(e)(i) takes effect:
- 6175 (A) on the first day of a calendar quarter; and
- 6176 (B) beginning 60 days after the effective date of the enactment or repeal under
- 6177 Subsection (6)(e)(i).
- 6178 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
- 6179 commission may by rule define the term "catalogue sale."
- 6180 Section 168. Section **59-21-1** is amended to read:
- 6181 **59-21-1. Disposition of federal mineral lease money -- Priority to political**
- 6182 **subdivisions impacted by mineral development -- Disposition of mineral bonus payments**
- 6183 **-- Appropriation of money attributable to royalties from extraction of minerals on federal**
- 6184 **land located within boundaries of Grand Staircase-Escalante National Monument.**
- 6185 (1) Except as provided in Subsections (2) through (4), all money received from the
- 6186 United States under the provisions of the Mineral Lands Leasing Act, 30 U.S.C. Sec. 181 et
- 6187 seq., shall:
- 6188 (a) be deposited in the Mineral Lease Account of the General Fund; and
- 6189 (b) be appropriated by the Legislature giving priority to those subdivisions of the state

6190 socially or economically impacted by development of minerals leased under the Mineral Lands
6191 Leasing Act, for:

- 6192 (i) planning;
- 6193 (ii) construction and maintenance of public facilities; and
- 6194 (iii) provision of public services.

6195 (2) Seventy percent of money received from federal mineral lease bonus payments
6196 shall be deposited into the Permanent Community Impact Fund and shall be used as provided
6197 in Title [9] 35A, Chapter [4] 8, Part 3, Community Impact Alleviation.

6198 (3) Thirty percent of money received from federal mineral lease bonus payments shall
6199 be deposited in the Mineral Bonus Account created by Subsection 59-21-2(1) and appropriated
6200 as provided in that subsection.

6201 (4) (a) For purposes of this Subsection (4):

6202 (i) the "boundaries of the Grand Staircase-Escalante National Monument" means the
6203 boundaries:

6204 (A) established by Presidential Proclamation No. 6920, 61 Fed. Reg. 50,223 (1996);

6205 and

6206 (B) modified by:

6207 (I) Pub. L. No. 105-335, 112 Stat. 3139; and

6208 (II) Pub. L. No. 105-355, 112 Stat. 3247; and

6209 (ii) a special service district, school district, or federal land is considered to be located
6210 within the boundaries of the Grand Staircase-Escalante National Monument if a portion of the
6211 special service district, school district, or federal land is located within the boundaries
6212 described in Subsection (4)(a)(i).

6213 (b) Beginning on July 1, 1999, the Legislature shall appropriate, as provided in
6214 Subsections (4)(c) through (g), money received from the United States that is attributable to
6215 royalties from the extraction of minerals on federal land that, on September 18, 1996, was
6216 located within the boundaries of the Grand Staircase-Escalante National Monument.

6217 (c) The Legislature shall annually appropriate 40% of the money described in

6218 Subsection (4)(b) to the Department of Transportation to be distributed by the Department of
6219 Transportation to special service districts that are:

6220 (i) established by counties under Title 17D, Chapter 1, Special Service District Act;

6221 (ii) socially or economically impacted by the development of minerals under the
6222 Mineral Lands Leasing Act; and

6223 (iii) located within the boundaries of the Grand Staircase-Escalante National
6224 Monument.

6225 (d) The Department of Transportation shall distribute the money described in
6226 Subsection (4)(c) in amounts proportionate to the amount of federal mineral lease money
6227 generated by the county in which a special service district is located.

6228 (e) The Legislature shall annually appropriate 40% of the money described in
6229 Subsection (4)(b) to the State Board of Education to be distributed equally to school districts
6230 that are:

6231 (i) socially or economically impacted by the development of minerals under the
6232 Mineral Lands Leasing Act; and

6233 (ii) located within the boundaries of the Grand Staircase-Escalante National
6234 Monument.

6235 (f) The Legislature shall annually appropriate 2.25% of the money described in
6236 Subsection (4)(b) to the Utah Geological Survey to facilitate the development of energy and
6237 mineral resources in counties that are:

6238 (i) socially or economically impacted by the development of minerals under the
6239 Mineral Lands Leasing Act; and

6240 (ii) located within the boundaries of the Grand Staircase-Escalante National
6241 Monument.

6242 (g) Seventeen and three-fourths percent of the money described in Subsection (4)(b)
6243 shall be deposited annually into the State School Fund established by Utah Constitution Article
6244 X, Section 5.

6245 Section 169. Section **59-21-2** is amended to read:

6246 **59-21-2. Mineral Bonus Account created -- Contents -- Use of Mineral Bonus**
6247 **Account money -- Mineral Lease Account created -- Contents -- Appropriation of money**
6248 **from Mineral Lease Account.**

6249 (1) (a) There is created a restricted account within the General Fund known as the
6250 "Mineral Bonus Account."

6251 (b) The Mineral Bonus Account consists of federal mineral lease bonus payments
6252 deposited pursuant to Subsection 59-21-1(3).

6253 (c) The Legislature shall make appropriations from the Mineral Bonus Account in
6254 accordance with Section 35 of the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 191.

6255 (d) The state treasurer shall:

6256 (i) invest the money in the Mineral Bonus Account by following the procedures and
6257 requirements of Title 51, Chapter 7, State Money Management Act; and

6258 (ii) deposit all interest or other earnings derived from the account into the Mineral
6259 Bonus Account.

6260 (2) (a) There is created a restricted account within the General Fund known as the
6261 "Mineral Lease Account."

6262 (b) The Mineral Lease Account consists of federal mineral lease money deposited
6263 pursuant to Subsection 59-21-1(1).

6264 (c) The Legislature shall make appropriations from the Mineral Lease Account as
6265 provided in Subsection 59-21-1(1) and this Subsection (2).

6266 (d) The Legislature shall annually appropriate 32.5% of all deposits made to the
6267 Mineral Lease Account to the Permanent Community Impact Fund established by Section
6268 [~~9-4-303~~] 35A-8-303.

6269 (e) The Legislature shall annually appropriate 2.25% of all deposits made to the
6270 Mineral Lease Account to the State Board of Education, to be used for education research and
6271 experimentation in the use of staff and facilities designed to improve the quality of education in
6272 Utah.

6273 (f) The Legislature shall annually appropriate 2.25% of all deposits made to the

6274 Mineral Lease Account to the Utah Geological Survey, to be used for activities carried on by
6275 the survey having as a purpose the development and exploitation of natural resources in the
6276 state.

6277 (g) The Legislature shall annually appropriate 2.25% of all deposits made to the
6278 Mineral Lease Account to the Water Research Laboratory at Utah State University, to be used
6279 for activities carried on by the laboratory having as a purpose the development and exploitation
6280 of water resources in the state.

6281 (h) (i) The Legislature shall annually appropriate to the Department of Transportation
6282 40% of all deposits made to the Mineral Lease Account to be distributed as provided in
6283 Subsection (2)(h)(ii) to:

6284 (A) counties;

6285 (B) special service districts established:

6286 (I) by counties;

6287 (II) under Title 17D, Chapter 1, Special Service District Act; and

6288 (III) for the purpose of constructing, repairing, or maintaining roads; or

6289 (C) special service districts established:

6290 (I) by counties;

6291 (II) under Title 17D, Chapter 1, Special Service District Act; and

6292 (III) for other purposes authorized by statute.

6293 (ii) The Department of Transportation shall allocate the funds specified in Subsection
6294 (2)(h)(i):

6295 (A) in amounts proportionate to the amount of mineral lease money generated by each
6296 county; and

6297 (B) to a county or special service district established by a county under Title 17D,
6298 Chapter 1, Special Service District Act, as determined by the county legislative body.

6299 (i) (i) The Legislature shall annually appropriate 5% of all deposits made to the
6300 Mineral Lease Account to the Department of [~~Community and Culture~~] Workforce Services to
6301 be distributed to:

6302 (A) special service districts established:
6303 (I) by counties;
6304 (II) under Title 17D, Chapter 1, Special Service District Act; and
6305 (III) for the purpose of constructing, repairing, or maintaining roads; or
6306 (B) special service districts established:
6307 (I) by counties;
6308 (II) under Title 17D, Chapter 1, Special Service District Act; and
6309 (III) for other purposes authorized by statute.
6310 (ii) The Department of [~~Community and Culture~~] Workforce Services may distribute
6311 the amounts described in Subsection (2)(i)(i) only to special service districts established under
6312 Title 17D, Chapter 1, Special Service District Act, by counties:
6313 (A) of the third, fourth, fifth, or sixth class;
6314 (B) in which 4.5% or less of the mineral lease money within the state is generated; and
6315 (C) that are significantly socially or economically impacted as provided in Subsection
6316 (2)(i)(iii) by the development of minerals under the Mineral Lands Leasing Act, 30 U.S.C. Sec.
6317 181 et seq.
6318 (iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C)
6319 shall be as a result of:
6320 (A) the transportation within the county of hydrocarbons, including solid hydrocarbons
6321 as defined in Section 59-5-101;
6322 (B) the employment of persons residing within the county in hydrocarbon extraction,
6323 including the extraction of solid hydrocarbons as defined in Section 59-5-101; or
6324 (C) a combination of Subsections (2)(i)(iii)(A) and (B).
6325 (iv) For purposes of distributing the appropriations under this Subsection (2)(i) to
6326 special service districts established by counties under Title 17D, Chapter 1, Special Service
6327 District Act, the Department of [~~Community and Culture~~] Workforce Services shall:
6328 (A) (I) allocate 50% of the appropriations equally among the counties meeting the
6329 requirements of Subsections (2)(i)(ii) and (iii); and

6330 (II) allocate 50% of the appropriations based on the ratio that the population of each
6331 county meeting the requirements of Subsections (2)(i)(ii) and (iii) bears to the total population
6332 of all of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and

6333 (B) after making the allocations described in Subsection (2)(i)(iv)(A), distribute the
6334 allocated revenues to special service districts established by the counties under Title 17D,
6335 Chapter 1, Special Service District Act, as determined by the executive director of the
6336 Department of [~~Community and Culture~~] Workforce Services after consulting with the county
6337 legislative bodies of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii).

6338 (v) The executive director of the Department of [~~Community and Culture~~] Workforce
6339 Services:

6340 (A) shall determine whether a county meets the requirements of Subsections (2)(i)(ii)
6341 and (iii);

6342 (B) shall distribute the appropriations under Subsection (2)(i)(i) to special service
6343 districts established by counties under Title 17D, Chapter 1, Special Service District Act, that
6344 meet the requirements of Subsections (2)(i)(ii) and (iii); and

6345 (C) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
6346 may make rules:

6347 (I) providing a procedure for making the distributions under this Subsection (2)(i) to
6348 special service districts; and

6349 (II) defining the term "population" for purposes of Subsection (2)(i)(iv).

6350 (j) (i) The Legislature shall annually make the following appropriations from the
6351 Mineral Lease Account:

6352 (A) an amount equal to 52 cents multiplied by the number of acres of school or
6353 institutional trust lands, lands owned by the Division of Parks and Recreation, and lands owned
6354 by the Division of Wildlife Resources that are not under an in lieu of taxes contract, to each
6355 county in which those lands are located;

6356 (B) to each county in which school or institutional trust lands are transferred to the
6357 federal government after December 31, 1992, an amount equal to the number of transferred

6358 acres in the county multiplied by a payment per acre equal to the difference between 52 cents
6359 per acre and the per acre payment made to that county in the most recent payment under the
6360 federal payment in lieu of taxes program, 31 U.S.C. Sec. 6901 et seq., unless the federal
6361 payment was equal to or exceeded the 52 cents per acre, in which case a payment under this
6362 Subsection (2)(j)(i)(B) may not be made for the transferred lands;

6363 (C) to each county in which federal lands, which are entitlement lands under the federal
6364 in lieu of taxes program, are transferred to the school or institutional trust, an amount equal to
6365 the number of transferred acres in the county multiplied by a payment per acre equal to the
6366 difference between the most recent per acre payment made under the federal payment in lieu of
6367 taxes program and 52 cents per acre, unless the federal payment was equal to or less than 52
6368 cents per acre, in which case a payment under this Subsection (2)(j)(i)(C) may not be made for
6369 the transferred land; and

6370 (D) to a county of the fifth or sixth class, an amount equal to the product of:

6371 (I) \$1,000; and

6372 (II) the number of residences described in Subsection (2)(j)(iv) that are located within
6373 the county.

6374 (ii) A county receiving money under Subsection (2)(j)(i) may, as determined by the
6375 county legislative body, distribute the money or a portion of the money to:

6376 (A) special service districts established by the county under Title 17D, Chapter 1,
6377 Special Service District Act;

6378 (B) school districts; or

6379 (C) public institutions of higher education.

6380 (iii) (A) Beginning in fiscal year 1994-95 and in each year after fiscal year 1994-95, the
6381 Division of Finance shall increase or decrease the amounts per acre provided for in Subsections
6382 (2)(j)(i)(A) through (C) by the average annual change in the Consumer Price Index for all urban
6383 consumers published by the Department of Labor.

6384 (B) For fiscal years beginning on or after fiscal year 2001-02, the Division of Finance
6385 shall increase or decrease the amount described in Subsection (2)(j)(i)(D)(I) by the average

6386 annual change in the Consumer Price Index for all urban consumers published by the
6387 Department of Labor.

6388 (iv) Residences for purposes of Subsection (2)(j)(i)(D)(II) are residences that are:

6389 (A) owned by:

6390 (I) the Division of Parks and Recreation; or

6391 (II) the Division of Wildlife Resources;

6392 (B) located on lands that are owned by:

6393 (I) the Division of Parks and Recreation; or

6394 (II) the Division of Wildlife Resources; and

6395 (C) are not subject to taxation under:

6396 (I) Chapter 2, Property Tax Act; or

6397 (II) Chapter 4, Privilege Tax.

6398 (k) The Legislature shall annually appropriate to the Permanent Community Impact
6399 Fund all deposits remaining in the Mineral Lease Account after making the appropriations
6400 provided for in Subsections (2)(d) through (j).

6401 (3) (a) Each agency, board, institution of higher education, and political subdivision
6402 receiving money under this chapter shall provide the Legislature, through the Office of the
6403 Legislative Fiscal Analyst, with a complete accounting of the use of that money on an annual
6404 basis.

6405 (b) The accounting required under Subsection (3)(a) shall:

6406 (i) include actual expenditures for the prior fiscal year, budgeted expenditures for the
6407 current fiscal year, and planned expenditures for the following fiscal year; and

6408 (ii) be reviewed by the Economic Development and Human Resources Appropriation
6409 Subcommittee as part of its normal budgetary process under Title 63J, Chapter 1, Budgetary
6410 Procedures Act.

6411 Section 170. Section **61-2c-105** is amended to read:

6412 **61-2c-105. Scope of chapter -- Exemptions.**

6413 (1) (a) Except as to an individual who will engage in an activity as a mortgage loan

6414 originator, this chapter applies to a closed-end residential mortgage loan secured by a first lien
6415 or equivalent security interest on a dwelling.

6416 (b) This chapter does not apply to a transaction covered by Title 70C, Utah Consumer
6417 Credit Code.

6418 (2) The following are exempt from this chapter:

6419 (a) the federal government;

6420 (b) a state;

6421 (c) a political subdivision of a state;

6422 (d) an agency of or entity created by a governmental entity described in Subsections
6423 (2)(a) through (c) including:

6424 (i) the Utah Housing Corporation created in Title [9] 35A, Chapter [4] 8, Part [9] 7,
6425 Utah Housing Corporation Act;

6426 (ii) the Federal National Mortgage Corporation;

6427 (iii) the Federal Home Loan Mortgage Corporation;

6428 (iv) the Federal Deposit Insurance Corporation;

6429 (v) the Resolution Trust Corporation;

6430 (vi) the Government National Mortgage Association;

6431 (vii) the Federal Housing Administration;

6432 (viii) the National Credit Union Administration;

6433 (ix) the Farmers Home Administration; and

6434 (x) the United States Department of Veterans Affairs;

6435 (e) a depository institution;

6436 (f) an entity that controls, is controlled by, or is under common control with a
6437 depository institution;

6438 (g) an employee or agent of an entity described in Subsections (2)(a) through (f):

6439 (i) when that person acts on behalf of the entity described in Subsections (2)(a) through
6440 (f); and

6441 (ii) including an employee of:

- 6442 (A) a depository institution;
- 6443 (B) a subsidiary of a depository institution that is:
 - 6444 (I) owned and controlled by the depository institution; and
 - 6445 (II) regulated by a federal banking agency, as defined in 12 U.S.C. Sec. 5102; or
- 6446 (C) an institution regulated by the Farm Credit Administration;
- 6447 (h) except as provided in Subsection (3), a person who:
 - 6448 (i) makes a loan:
 - 6449 (A) secured by an interest in real property;
 - 6450 (B) with the person's own money; and
 - 6451 (C) for the person's own investment; and
 - 6452 (ii) that does not engage in the business of making loans secured by an interest in real
 - 6453 property;
 - 6454 (i) except as provided in Subsection (3), a person who receives a mortgage, deed of
 - 6455 trust, or consensual security interest on real property if the individual or entity:
 - 6456 (i) is the seller of real property; and
 - 6457 (ii) receives the mortgage, deed of trust, or consensual security interest on real property
 - 6458 as security for a separate money obligation;
 - 6459 (j) a person who receives a mortgage, deed of trust, or consensual security interest on
 - 6460 real property if:
 - 6461 (i) the person receives the mortgage, deed of trust, or consensual security interest as
 - 6462 security for an obligation payable on an installment or deferred payment basis;
 - 6463 (ii) the obligation described in Subsection (2)(j)(i) arises from a person providing
 - 6464 materials or services used in the improvement of the real property that is the subject of the
 - 6465 mortgage, deed of trust, or consensual security interest; and
 - 6466 (iii) the mortgage, deed of trust, or consensual security interest is created without the
 - 6467 consent of the owner of the real property that is the subject of the mortgage, deed of trust, or
 - 6468 consensual security interest;
 - 6469 (k) a nonprofit corporation that:

- 6470 (i) is exempt from paying federal income taxes;
- 6471 (ii) is certified by the United States Small Business Administration as a small business
- 6472 investment company;
- 6473 (iii) is organized to promote economic development in this state; and
- 6474 (iv) has as its primary activity providing financing for business expansion;
- 6475 (l) except as provided in Subsection (3), a court appointed fiduciary; or
- 6476 (m) an attorney admitted to practice law in this state:
- 6477 (i) if the attorney is not principally engaged in the business of negotiating residential
- 6478 mortgage loans when considering the attorney's ordinary practice as a whole for all the
- 6479 attorney's clients; and
- 6480 (ii) when the attorney engages in loan modification assistance in the course of the
- 6481 attorney's practice as an attorney.
- 6482 (3) An individual who will engage in an activity as a mortgage loan originator is
- 6483 exempt from this chapter only if the individual is an employee or agent exempt under
- 6484 Subsection (2)(g).
- 6485 (4) (a) Notwithstanding Subsection (2)(m), an attorney exempt from this chapter may
- 6486 not engage in conduct described in Section 61-2c-301 when transacting business of residential
- 6487 mortgage loans.
- 6488 (b) If an attorney exempt from this chapter violates Subsection (4)(a), the attorney:
- 6489 (i) is not subject to enforcement by the division under Part 4, Enforcement; and
- 6490 (ii) may be subject to disciplinary action generally applicable to an attorney admitted to
- 6491 practice law in this state.
- 6492 (c) If the division receives a complaint alleging an attorney exempt from this chapter is
- 6493 in violation of Subsection (4)(a) or that an attorney subject to this chapter has violated this
- 6494 chapter, the division shall forward the complaint to the Utah State Bar for disciplinary action.
- 6495 (5) (a) An individual who is exempt under Subsection (2) or (3) may voluntarily obtain
- 6496 a license under this chapter by complying with Part 2, Licensure.
- 6497 (b) An individual who voluntarily obtains a license pursuant to this Subsection (5)

6498 shall comply with all the provisions of this chapter.

6499 Section 171. Section **62A-1-111** is amended to read:

6500 **62A-1-111. Department authority.**

6501 The department may, in addition to all other authority and responsibility granted to it by
6502 law:

6503 (1) adopt rules, not inconsistent with law, as the department may consider necessary or
6504 desirable for providing social services to the people of this state;

6505 (2) establish and manage client trust accounts in the department's institutions and
6506 community programs, at the request of the client or the client's legal guardian or representative,
6507 or in accordance with federal law;

6508 (3) purchase, as authorized or required by law, services that the department is
6509 responsible to provide for legally eligible persons;

6510 (4) conduct adjudicative proceedings for clients and providers in accordance with the
6511 procedures of Title 63G, Chapter 4, Administrative Procedures Act;

6512 (5) establish eligibility standards for its programs, not inconsistent with state or federal
6513 law or regulations;

6514 (6) take necessary steps, including legal action, to recover money or the monetary value
6515 of services provided to a recipient who was not eligible;

6516 (7) set and collect fees for its services;

6517 (8) license agencies, facilities, and programs, except as otherwise allowed, prohibited,
6518 or limited by law;

6519 (9) acquire, manage, and dispose of any real or personal property needed or owned by
6520 the department, not inconsistent with state law;

6521 (10) receive gifts, grants, devises, and donations; gifts, grants, devises, donations, or
6522 the proceeds thereof, may be credited to the program designated by the donor, and may be used
6523 for the purposes requested by the donor, as long as the request conforms to state and federal
6524 policy; all donated funds shall be considered private, nonlapsing funds and may be invested
6525 under guidelines established by the state treasurer;

- 6526 (11) accept and employ volunteer labor or services; the department is authorized to
6527 reimburse volunteers for necessary expenses, when the department considers that
6528 reimbursement to be appropriate;
- 6529 (12) carry out the responsibility assigned in the Workforce Services Plan by the State
6530 Council on Workforce Services;
- 6531 (13) carry out the responsibility assigned by Section [~~9-4-802~~] 35A-8-602 with respect
6532 to coordination of services for the homeless;
- 6533 (14) carry out the responsibility assigned by Section 62A-5a-105 with respect to
6534 coordination of services for students with a disability;
- 6535 (15) provide training and educational opportunities for its staff;
- 6536 (16) collect child support payments and any other money due to the department;
- 6537 (17) apply the provisions of Title 78B, Chapter 12, Utah Child Support Act, to parents
6538 whose child lives out of the home in a department licensed or certified setting;
- 6539 (18) establish policy and procedures in cases where the department is given custody of
6540 a minor by the juvenile court pursuant to Section 78A-6-117; any policy and procedures shall
6541 include:
- 6542 (a) designation of interagency teams for each juvenile court district in the state;
- 6543 (b) delineation of assessment criteria and procedures;
- 6544 (c) minimum requirements, and timeframes, for the development and implementation
6545 of a collaborative service plan for each minor placed in department custody; and
- 6546 (d) provisions for submittal of the plan and periodic progress reports to the court;
- 6547 (19) carry out the responsibilities assigned to it by statute;
- 6548 (20) examine and audit the expenditures of any public funds provided to local
6549 substance abuse authorities, local mental health authorities, local area agencies on aging, and
6550 any person, agency, or organization that contracts with or receives funds from those authorities
6551 or agencies. Those local authorities, area agencies, and any person or entity that contracts with
6552 or receives funds from those authorities or area agencies, shall provide the department with any
6553 information the department considers necessary. The department is further authorized to issue

6554 directives resulting from any examination or audit to local authorities, area agencies, and
6555 persons or entities that contract with or receive funds from those authorities with regard to any
6556 public funds. If the department determines that it is necessary to withhold funds from a local
6557 mental health authority or local substance abuse authority based on failure to comply with state
6558 or federal law, policy, or contract provisions, it may take steps necessary to ensure continuity of
6559 services. For purposes of this Subsection (20) "public funds" means the same as that term is
6560 defined in Section 62A-15-102; and

6561 (21) pursuant to Subsection 62A-2-106(1)(d), accredit one or more agencies and
6562 persons to provide intercountry adoption services.

6563 Section 172. Section **63A-2-401** is amended to read:

6564 **63A-2-401. State surplus property program -- Definitions -- Administration.**

6565 (1) As used in this part, "agency" means:

6566 (a) the Utah Departments of Administrative Services, Agriculture and Food, Alcoholic
6567 Beverage Control, Commerce, [~~Community and Culture~~] Heritage and Arts, Corrections,
6568 Workforce Services, Health, Human Resource Management, Human Services, Insurance,
6569 Natural Resources, Public Safety, Technology Services, and Transportation and the Labor
6570 Commission;

6571 (b) the Utah Offices of the Auditor, Attorney General, Court Administrator, Utah
6572 Office for Victims of Crime, Rehabilitation, and Treasurer;

6573 (c) the Public Service Commission and State Tax Commission;

6574 (d) the State Boards of Education, Pardons and Parole, and Regents;

6575 (e) the Career Service Review Office;

6576 (f) other state agencies designated by the governor;

6577 (g) the legislative branch, the judicial branch, and the State Board of Regents; and

6578 (h) an institution of higher education, its president, and its board of trustees for

6579 purposes of Section 63A-2-402.

6580 (2) (a) The division shall make rules establishing a state surplus property program that
6581 meets the requirements of this chapter by following the procedures and requirements of Title

6582 63G, Chapter 3, Utah Administrative Rulemaking Act.

6583 (b) The rules shall include:

6584 (i) a requirement prohibiting the transfer of surplus property from one agency to
6585 another agency without written approval from the division;

6586 (ii) procedures and requirements governing division administration requirements that
6587 an agency must follow;

6588 (iii) requirements governing purchase priorities;

6589 (iv) requirements governing accounting, reimbursement, and payment procedures;

6590 (v) procedures for collecting bad debts;

6591 (vi) requirements and procedures for disposing of firearms;

6592 (vii) the elements of the rates or other charges assessed by the division for services and
6593 handling;

6594 (viii) procedures governing the timing and location of public sales of inventory
6595 property; and

6596 (ix) procedures governing the transfer of information technology equipment by state
6597 agencies directly to public schools.

6598 (c) The division shall report all transfers of information technology equipment by state
6599 agencies to public schools to the Legislative Interim Education Committee at the end of each
6600 fiscal year.

6601 (3) In creating and administering the program, the division shall:

6602 (a) when conditions, inventory, and demand permit:

6603 (i) establish facilities to store inventory property at geographically dispersed locations
6604 throughout the state; and

6605 (ii) hold public sales of property at geographically dispersed locations throughout the
6606 state;

6607 (b) establish, after consultation with the agency requesting the sale of surplus property,
6608 the price at which the surplus property shall be sold; and

6609 (c) transfer proceeds arising from the sale of state surplus property to the agency

6610 requesting the sale in accordance with Title 63J, Chapter 1, Budgetary Procedures Act, less a
6611 fee approved in accordance with Sections 63A-1-114 and 63J-1-410, to pay the costs of
6612 administering the surplus property program.

6613 (4) Unless specifically exempted from this part by explicit reference to this part, each
6614 state agency shall dispose of and acquire surplus property only by participating in the division's
6615 program.

6616 Section 173. Section **63A-3-205** is amended to read:

6617 **63A-3-205. Revolving loan funds -- Standards and procedures -- Annual report.**

6618 (1) As used in this section, "revolving loan fund" means:

6619 (a) the Water Resources Conservation and Development Fund, created in Section
6620 73-10-24;

6621 (b) the Water Resources Construction Fund, created in Section 73-10-8;

6622 (c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;

6623 (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean
6624 Fuels and Vehicle Technology Program Act;

6625 (e) the Water Development Security Fund and its subaccounts created in Section
6626 73-10c-5;

6627 (f) the Agriculture Resource Development Fund, created in Section 4-18-6;

6628 (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-4;

6629 (h) the Permanent Community Impact Fund, created in Section [~~9-4-303~~] 35A-8-603;

6630 (i) the Petroleum Storage Tank Loan Fund, created in Section 19-6-405.3;

6631 (j) the Uintah Basin Revitalization Fund, created in Section [~~9-10-102~~] 35A-8-1602;

6632 (k) the Navajo Revitalization Fund, created in Section [~~9-11-104~~] 35A-8-1704; and

6633 (l) the Energy Efficiency Fund, created in Section 11-45-201.

6634 (2) The division shall for each revolving loan fund:

6635 (a) make rules establishing standards and procedures governing:

6636 (i) payment schedules and due dates;

6637 (ii) interest rate effective dates;

- 6638 (iii) loan documentation requirements; and
- 6639 (iv) interest rate calculation requirements; and
- 6640 (b) make an annual report to the Legislature containing:
- 6641 (i) the total dollars loaned by that fund during the last fiscal year;
- 6642 (ii) a listing of each loan currently more than 90 days delinquent, in default, or that was
- 6643 restructured during the last fiscal year;
- 6644 (iii) a description of each project that received money from that revolving loan fund;
- 6645 (iv) the amount of each loan made to that project;
- 6646 (v) the specific purpose for which the proceeds of the loan were to be used, if any;
- 6647 (vi) any restrictions on the use of the loan proceeds;
- 6648 (vii) the present value of each loan at the end of the fiscal year calculated using the
- 6649 interest rate paid by the state on the bonds providing the revenue on which the loan is based or,
- 6650 if that is unknown, on the average interest rate paid by the state on general obligation bonds
- 6651 issued during the most recent fiscal year in which bonds were sold; and
- 6652 (viii) the financial position of each revolving loan fund, including the fund's cash
- 6653 investments, cash forecasts, and equity position.

6654 Section 174. Section **63B-1b-102** is amended to read:

6655 **63B-1b-102. Definitions.**

6656 As used in this chapter:

- 6657 (1) "Agency bonds" means any bond, note, contract, or other evidence of indebtedness
- 6658 representing loans or grants made by an authorizing agency.
- 6659 (2) "Authorized official" means the state treasurer or other person authorized by a bond
- 6660 document to perform the required action.
- 6661 (3) "Authorizing agency" means the board, person, or unit with legal responsibility for
- 6662 administering and managing revolving loan funds.
- 6663 (4) "Bond document" means:
- 6664 (a) a resolution of the commission; or
- 6665 (b) an indenture or other similar document authorized by the commission that

6666 authorizes and secures outstanding revenue bonds from time to time.

6667 (5) "Commission" means the State Bonding Commission created in Section
 6668 63B-1-201.

6669 (6) "Revenue bonds" means any special fund revenue bonds issued under this chapter.

6670 (7) "Revolving Loan Funds" means:

6671 (a) the Water Resources Conservation and Development Fund, created in Section
 6672 73-10-24;

6673 (b) the Water Resources Construction Fund, created in Section 73-10-8;

6674 (c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;

6675 (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean
 6676 Fuels and Vehicle Technology Program Act;

6677 (e) the Water Development Security Fund and its subaccounts created in Section
 6678 73-10c-5;

6679 (f) the Agriculture Resource Development Fund, created in Section 4-18-6;

6680 (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-4;

6681 (h) the Permanent Community Impact Fund, created in Section [~~9-4-303~~] 35A-8-303;

6682 (i) the Petroleum Storage Tank Loan Fund, created in Section 19-6-405.3; and

6683 (j) the Transportation Infrastructure Loan Fund, created in Section 72-2-202.

6684 Section 175. Section **63B-1b-202** is amended to read:

6685 **63B-1b-202. Custodial officer -- Powers and duties.**

6686 (1) (a) There is created within the Division of Finance an officer responsible for the
 6687 care, custody, safekeeping, collection, and accounting of all bonds, notes, contracts, trust
 6688 documents, and other evidences of indebtedness:

6689 (i) owned or administered by the state or any of its agencies; and

6690 (ii) except as provided in Subsection (1)(b), relating to revolving loan funds.

6691 (b) Notwithstanding Subsection (1)(a), the officer described in Subsection (1)(a) is not
 6692 responsible for the care, custody, safekeeping, collection, and accounting of a bond, note,
 6693 contract, trust document, or other evidence of indebtedness relating to the:

- 6694 (i) Agriculture Resource Development Fund, created in Section 4-18-6;
- 6695 (ii) Utah Rural Rehabilitation Fund, created in Section 4-19-4;
- 6696 (iii) Petroleum Storage Tank Loan Fund, created in Section 19-6-405.3;
- 6697 (iv) Olene Walker Housing Loan Fund, created in Section [~~9-4-702~~] 35A-8-502;
- 6698 (v) Business Development for Disadvantaged Rural Communities Restricted Account,
- 6699 created in Section 63M-1-2003; and
- 6700 (vi) Brownfields Fund, created in Section 19-8-120.

6701 (2) (a) Each authorizing agency shall deliver to this officer for the officer's care,
6702 custody, safekeeping, collection, and accounting all bonds, notes, contracts, trust documents,
6703 and other evidences of indebtedness:

- 6704 (i) owned or administered by the state or any of its agencies; and
- 6705 (ii) except as provided in Subsection (1)(b), relating to revolving loan funds.

6706 (b) This officer shall:

6707 (i) establish systems, programs, and facilities for the care, custody, safekeeping,
6708 collection, and accounting for the bonds, notes, contracts, trust documents, and other evidences
6709 of indebtedness submitted to the officer under this Subsection (2); and

6710 (ii) shall make available updated reports to each authorizing agency as to the status of
6711 loans under their authority.

6712 (3) The officer described in Section 63B-1b-201 shall deliver to the officer described in
6713 Subsection (1)(a) for the care, custody, safekeeping, collection, and accounting by the officer
6714 described in Subsection (1)(a) of all bonds, notes, contracts, trust documents, and other
6715 evidences of indebtedness closed as provided in Subsection 63B-1b-201(2)(b).

6716 Section 176. Section **63E-1-102** is amended to read:

6717 **63E-1-102. Definitions.**

6718 As used in this title:

6719 (1) "Authorizing statute" means the statute creating an entity as an independent entity.

6720 (2) "Committee" means the Retirement and Independent Entities Committee created in
6721 Section 63E-1-201.

- 6722 (3) "Independent corporation" means a corporation incorporated in accordance with
6723 Chapter 2, Independent Corporations Act.
- 6724 (4) (a) "Independent entity" means an entity having a public purpose relating to the
6725 state or its citizens that is individually created by the state or is given by the state the right to
6726 exist and conduct its affairs as an:
- 6727 (i) independent state agency; or
- 6728 (ii) independent corporation.
- 6729 (b) "Independent entity" includes the:
- 6730 (i) Dairy Commission created in Title 4, Chapter 22, Dairy Promotion Act;
- 6731 (ii) Heber Valley Railroad Authority created in Title 63H, Chapter 4, Heber Valley
6732 Historic Railroad Authority;
- 6733 (iii) Utah State Railroad Museum Authority created in Title 63H, Chapter 5, Utah State
6734 Railroad Museum Authority;
- 6735 (iv) Utah Science Center Authority created in Title 63H, Chapter 3, Utah Science
6736 Center Authority;
- 6737 (v) Utah Housing Corporation created in Title [9] 35A, Chapter [4] 8, Part [9] 7, Utah
6738 Housing Corporation Act;
- 6739 (vi) Utah State Fair Corporation created in Title 63H, Chapter 6, Utah State Fair
6740 Corporation Act;
- 6741 (vii) Workers' Compensation Fund created in Title 31A, Chapter 33, Workers'
6742 Compensation Fund;
- 6743 (viii) Utah State Retirement Office created in Title 49, Chapter 11, Utah State
6744 Retirement Systems Administration;
- 6745 (ix) School and Institutional Trust Lands Administration created in Title 53C, Chapter
6746 1, Part 2, School and Institutional Trust Lands Administration;
- 6747 (x) Utah Communications Agency Network created in Title 63C, Chapter 7, Utah
6748 Communications Agency Network Act;
- 6749 (xi) Utah Generated Renewable Energy Electricity Network Authority created in Title

6750 63H, Chapter 2, Utah Generated Renewable Energy Electricity Network Authority Act; and
6751 (xii) Utah Capital Investment Corporation created in Title 63M, Chapter 1, Part 12,
6752 Utah Venture Capital Enhancement Act.

6753 (c) Notwithstanding this Subsection (4), "independent entity" does not include:

6754 (i) the Public Service Commission of Utah created in Section 54-1-1;

6755 (ii) an institution within the state system of higher education;

6756 (iii) a city, county, or town;

6757 (iv) a local school district;

6758 (v) a local district under Title 17B, Limited Purpose Local Government Entities - Local
6759 Districts; or

6760 (vi) a special service district under Title 17D, Chapter 1, Special Service District Act.

6761 (5) "Independent state agency" means an entity that is created by the state, but is
6762 independent of the governor's direct supervisory control.

6763 (6) "Money held in trust" means money maintained for the benefit of:

6764 (a) one or more private individuals, including public employees;

6765 (b) one or more public or private entities; or

6766 (c) the owners of a quasi-public corporation.

6767 (7) "Public corporation" means an artificial person, public in ownership, individually
6768 created by the state as a body politic and corporate for the administration of a public purpose
6769 relating to the state or its citizens.

6770 (8) "Quasi-public corporation" means an artificial person, private in ownership,
6771 individually created as a corporation by the state which has accepted from the state the grant of
6772 a franchise or contract involving the performance of a public purpose relating to the state or its
6773 citizens.

6774 Section 177. Section **63E-1-203** is amended to read:

6775 **63E-1-203. Exemptions from committee activities.**

6776 Notwithstanding the other provisions of this Part 2 and Subsection 63E-1-102(4), the
6777 following independent entities are exempt from the study by the committee under Section

6778 63E-1-202:

6779 ~~[(1) the Utah Housing Corporation created in Title 9, Chapter 4, Part 9, Utah Housing~~
6780 ~~Corporation Act, and]~~

6781 ~~[(2)]~~ (1) the Workers' Compensation Fund created in Title 31A, Chapter 33, Workers'
6782 Compensation Fund~~[-]; and~~

6783 (2) the Utah Housing Corporation created in Title 35A, Chapter 8, Part 7, Utah
6784 Housing Corporation Act.

6785 Section 178. Section **63G-13-201** is amended to read:

6786 **63G-13-201. Creation of commission.**

6787 (1) There is created an advisory commission known as the "Utah Commission on
6788 Immigration and Migration." The commission is composed of 27 members as follows:

6789 (a) the president of the Senate;

6790 (b) the speaker of the House of Representatives;

6791 (c) the minority leader of the Senate;

6792 (d) the minority leader of the House of Representatives;

6793 (e) the governor or, at the discretion of the governor, the lieutenant governor;

6794 (f) the attorney general or the attorney general's designee;

6795 (g) the commissioner of the Department of Agriculture and Food appointed under
6796 Section 4-2-3, or the commissioner's designee;

6797 (h) the executive director of the Department of Commerce appointed under Section
6798 13-1-3, or the executive director's designee;

6799 (i) the executive director of the Department of ~~[Community and Culture]~~ Heritage and
6800 Arts, or the executive director's designee;

6801 (j) the executive director of the Department of Workforce Services appointed under
6802 Section 35A-1-201, or the executive director's designee;

6803 (k) the director of the Governor's Office of Economic Development appointed under
6804 Section 63M-1-202, or the director's designee;

6805 (l) three members of the House of Representatives appointed by the speaker of the

6806 House of Representatives, not more than two of whom may be from the same political party;

6807 (m) three members of the public appointed by the speaker of the House of

6808 Representatives in accordance with Subsection (2);

6809 (n) three members of the Senate appointed by the president of the Senate, not more

6810 than two of whom may be from the same political party;

6811 (o) three members of the public appointed by the president of the Senate in accordance

6812 with Subsection (2); and

6813 (p) four members of the public appointed by the governor in accordance with

6814 Subsection (2), except that at least one of the four members appointed by the governor shall

6815 represent a migrant education program of the Utah State Board of Education, a school district,

6816 or charter school.

6817 (2) (a) The president of the Senate, speaker of the House of Representatives, and the

6818 governor shall appoint a member of the public:

6819 (i) who is a resident of the state; and

6820 (ii) with due regard for:

6821 (A) geographic representation;

6822 (B) diversity;

6823 (C) education, including academic post-graduate level degrees related to the immigrant

6824 community in Utah; and

6825 (D) knowledge and experience.

6826 (b) An appointment by the president of the Senate, the speaker of the House of

6827 Representatives, or the governor may include a representative from:

6828 (i) an immigrant or immigrant-serving, community-based organization;

6829 (ii) a philanthropic organization;

6830 (iii) an advocacy group;

6831 (iv) a business, including an immigrant entrepreneur;

6832 (v) a union;

6833 (vi) academia; or

- 6834 (vii) a faith-based organization.
- 6835 (c) The president of the Senate, the speaker of the House of Representatives, and the
6836 governor shall appoint a member of the public to a term of three years, except that of the
6837 members of the public first appointed:
- 6838 (i) the following are appointed to a three-year term:
- 6839 (A) one member appointed by the president of the Senate;
- 6840 (B) one member appointed by the speaker of the House of Representatives; and
- 6841 (C) one member appointed by the governor;
- 6842 (ii) the following are appointed to a two-year term:
- 6843 (A) one member appointed by the president of the Senate;
- 6844 (B) one member appointed by the speaker of the House of Representatives; and
- 6845 (C) one member appointed by the governor; and
- 6846 (iii) the following are appointed to a one-year term:
- 6847 (A) one member appointed by the president of the Senate;
- 6848 (B) one member appointed by the speaker of the House of Representatives; and
- 6849 (C) two members appointed by the governor.
- 6850 (d) A member appointed from the public shall serve until a successor is appointed and
6851 qualified.
- 6852 (3) A vacancy in the membership of the commission shall be filled for the unexpired
6853 term in the manner provided for the original appointment.
- 6854 (4) (a) The governor or, at the discretion of the governor, the lieutenant governor shall
6855 chair the commission.
- 6856 (b) A majority of the members of the commission constitute a quorum.
- 6857 (c) A vote of the majority of the commission members present when a quorum is
6858 present is an action of the commission.
- 6859 (5) The commission shall meet at the call of the chair, except that the chair shall call a
6860 meeting at least quarterly.
- 6861 (6) A member of the commission may not receive compensation or benefits for the

6862 member's service, but may receive per diem and travel expenses in accordance with:

6863 (a) Section 63A-3-106;

6864 (b) Section 63A-3-107; and

6865 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and

6866 63A-3-107.

6867 (7) The Office of the Attorney General shall staff the commission.

6868 Section 179. Section **63H-3-103** is amended to read:

6869 **63H-3-103. Creation -- Members -- Chair -- Powers -- Quorum -- Per diem and**
6870 **expenses.**

6871 (1) There is created an independent state agency and a body politic and corporate
6872 known as the "Utah Science Center Authority."

6873 (2) (a) The authority is composed of 13 members.

6874 (b) The governor shall appoint:

6875 (i) three members representing the informal science and arts community that could
6876 include members from the board of directors of the Hansen Planetarium, the Hogle Zoo, the
6877 Children's Museum of Utah, the Utah Museum of Natural History, and other related museums,
6878 centers, and agencies;

6879 (ii) one member of the State Board of Education;

6880 (iii) one member of the [~~Division of Housing and Community Development of the~~
6881 ~~Department of Community and Culture]~~ Department of Heritage and Arts;

6882 (iv) one member of the Board of Tourism Development;

6883 (v) one member of the State Board of Regents; and

6884 (vi) three public members representing Utah industry, the diverse regions of the state,
6885 and the public at large.

6886 (c) The county legislative body of Salt Lake County shall appoint one member to
6887 represent Salt Lake County.

6888 (d) The mayor of Salt Lake City shall appoint one member to represent Salt Lake City
6889 Corporation.

6890 (e) The State Science Advisor or the advisor's designee is also a member of the
6891 authority.

6892 (f) In appointing the three public members, the governor shall ensure that there is
6893 representation from the science, technology, and business communities.

6894 (3) All members shall be residents of Utah.

6895 (4) Each member is appointed for four-year terms beginning July 1 of the year
6896 appointed.

6897 (5) (a) Except as required by Subsection (5)(b), as terms of current authority members
6898 expire, the governor shall appoint each new member or reappointed member to a four-year
6899 term.

6900 (b) Notwithstanding the requirements of Subsection (5)(a), the governor shall, at the
6901 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
6902 authority members are staggered so that approximately half of the authority is appointed every
6903 two years.

6904 (6) A member may be removed from office by the governor or for cause by an
6905 affirmative vote of nine members of the authority.

6906 (7) When a vacancy occurs in the membership for any reason, the replacement is
6907 appointed by the governor for the unexpired term.

6908 (8) Each public member shall hold office for the term of the member's appointment and
6909 until the member's successor has been appointed and qualified.

6910 (9) A public member is eligible for reappointment, but may not serve more than two
6911 full consecutive terms.

6912 (10) The governor shall appoint the chair of the authority from among its members.

6913 (11) The members shall elect from among their number a vice chair and other officers
6914 they may determine.

6915 (12) The chair and vice chair are elected for two-year terms.

6916 (13) The powers of the authority are vested in its members.

6917 (14) Seven members constitute a quorum for transaction of authority business.

6918 (15) A member may not receive compensation or benefits for the member's service, but
6919 may receive per diem and travel expenses in accordance with:

6920 (a) Section 63A-3-106;

6921 (b) Section 63A-3-107; and

6922 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
6923 63A-3-107.

6924 Section 180. Section **63I-1-209** is amended to read:

6925 **63I-1-209. Repeal dates, Title 9.**

6926 ~~[(+)]~~ Title 9, Chapter 1, Part 8, Commission on National and Community Service Act,
6927 is repealed July 1, 2014.

6928 ~~[(2) Title 9, Chapter 4, Part 9, Utah Housing Corporation Act, is repealed July 1,~~
6929 ~~2016.]~~

6930 Section 181. Section **63I-1-235** is amended to read:

6931 **63I-1-235. Repeal dates, Title 35A.**

6932 (1) Title 35A, Utah Workforce Services Code, is repealed July 1, 2015.

6933 (2) Section 35A-3-114, the Displaced Homemaker Program, together with the
6934 provision for funding that program contained in Subsection 17-16-21(2)(b), is repealed July 1,
6935 2012.

6936 (3) Title 35A, Chapter 8, Part 7, Utah Housing Corporation Act, is repealed July 1,
6937 2016.

6938 (4) Title 35A, Chapter 8, Part 18, Transitional Housing and Community Development
6939 Advisory Council, is repealed July 1, 2014.

6940 Section 182. Section **63I-4-102** is amended to read:

6941 **63I-4-102. Definitions.**

6942 (1) (a) "Activity" means to provide a good or service.

6943 (b) "Activity" includes to:

6944 (i) manufacture a good or service;

6945 (ii) process a good or service;

- 6946 (iii) sell a good or service;
- 6947 (iv) offer for sale a good or service;
- 6948 (v) rent a good or service;
- 6949 (vi) lease a good or service;
- 6950 (vii) deliver a good or service;
- 6951 (viii) distribute a good or service; or
- 6952 (ix) advertise a good or service.
- 6953 (2) (a) Except as provided in Subsection (2)(b), "agency" means:
- 6954 (i) the state; or
- 6955 (ii) an entity of the state including a department, office, division, authority,
- 6956 commission, or board.
- 6957 (b) "Agency" does not include:
- 6958 (i) the Legislature;
- 6959 (ii) an entity or agency of the Legislature;
- 6960 (iii) the state auditor;
- 6961 (iv) the state treasurer;
- 6962 (v) the Office of the Attorney General;
- 6963 (vi) the Dairy Commission created in Title 4, Chapter 22, Dairy Promotion Act;
- 6964 (vii) the Utah Science Center Authority created in Title 63H, Chapter 3, Utah Science
- 6965 Center Authority;
- 6966 (viii) the Heber Valley Railroad Authority created in Title 63H, Chapter 4, Heber
- 6967 Valley Historic Railroad Authority;
- 6968 (ix) the Utah State Railroad Museum Authority created in Title 63H, Chapter 5, Utah
- 6969 State Railroad Museum Authority;
- 6970 (x) the Utah Housing Corporation created in Title [9] 35A, Chapter [4] 8, Part [9] 7,
- 6971 Utah Housing Corporation Act;
- 6972 (xi) the Utah State Fair Corporation created in Title 63H, Chapter 6, Utah State Fair
- 6973 Corporation Act;

- 6974 (xii) the Workers' Compensation Fund created in Title 31A, Chapter 33, Workers'
6975 Compensation Fund;
- 6976 (xiii) the Utah State Retirement Office created in Title 49, Chapter 11, Utah State
6977 Retirement Systems Administration;
- 6978 (xiv) a charter school chartered by the State Charter School Board or a board of
6979 trustees of a higher education institution under Title 53A, Chapter 1a, Part 5, The Utah Charter
6980 Schools Act;
- 6981 (xv) the Utah Schools for the Deaf and the Blind created in Title 53A, Chapter 25b,
6982 Utah Schools for the Deaf and the Blind;
- 6983 (xvi) an institution of higher education as defined in Section 53B-3-102;
- 6984 (xvii) the School and Institutional Trust Lands Administration created in Title 53C,
6985 Chapter 1, Part 2, School and Institutional Trust Lands Administration;
- 6986 (xviii) the Utah Communications Agency Network created in Title 63C, Chapter 7,
6987 Utah Communications Agency Network Act; or
- 6988 (xix) the Utah Capital Investment Corporation created in Title 63M, Chapter 1, Part 12,
6989 Utah Venture Capital Enhancement Act.
- 6990 (3) "Agency head" means the chief administrative officer of an agency.
- 6991 (4) "Board" means the Privatization Policy Board created in Section 63I-4-201.
- 6992 (5) "Commercial activity" means to engage in an activity that can be obtained in whole
6993 or in part from a private enterprise.
- 6994 (6) "Local entity" means:
- 6995 (a) a political subdivision of the state, including a:
- 6996 (i) county;
- 6997 (ii) city;
- 6998 (iii) town;
- 6999 (iv) local school district;
- 7000 (v) local district; or
- 7001 (vi) special service district;

7002 (b) an agency of an entity described in this Subsection (6), including a department,
7003 office, division, authority, commission, or board; and

7004 (c) an entity created by an interlocal cooperative agreement under Title 11, Chapter 13,
7005 Interlocal Cooperation Act, between two or more entities described in this Subsection (6).

7006 (7) "Private enterprise" means a person that for profit:

7007 (a) manufactures a good or service;

7008 (b) processes a good or service;

7009 (c) sells a good or service;

7010 (d) offers for sale a good or service;

7011 (e) rents a good or service;

7012 (f) leases a good or service;

7013 (g) delivers a good or service;

7014 (h) distributes a good or service; or

7015 (i) advertises a good or service.

7016 (8) "Privatize" means that an activity engaged in by an agency is transferred so that a
7017 private enterprise engages in the activity including a transfer by:

7018 (a) contract;

7019 (b) transfer of property; or

7020 (c) another arrangement.

7021 Section 183. Section **63I-5-201** is amended to read:

7022 **63I-5-201. Internal auditing programs -- State agencies.**

7023 (1) (a) The Departments of Administrative Services, Agriculture, Commerce,
7024 [~~Community and Culture~~] Heritage and Arts, Corrections, Workforce Services, Environmental
7025 Quality, Health, Human Services, Natural Resources, Public Safety, and Transportation; and
7026 the State Tax Commission shall conduct various types of auditing procedures as determined by
7027 the agency head or governor.

7028 (b) The governor may, by executive order, require other state agencies to establish an
7029 internal audit program.

7030 (c) An agency head may establish an internal audit program for the agency head's
7031 agency if the agency administers programs that:

- 7032 (i) might pose a high liability risk to the state; or
- 7033 (ii) are essential to the health, safety, and welfare of the citizens of Utah.

7034 (2) (a) The Office of the Court Administrator shall conduct various types of auditing
7035 procedures as determined by the Judicial Council, including auditing procedures for courts not
7036 of record.

7037 (b) The Judicial Council may, by rule, require other judicial agencies to establish an
7038 internal audit program.

7039 (c) An agency head within the judicial branch may establish an internal audit program
7040 for the agency head's agency if the agency administers programs that:

- 7041 (i) might pose a high liability risk to the state; or
- 7042 (ii) are essential to the health, safety, and welfare of the citizens of Utah.

7043 (3) (a) The University of Utah, Utah State University, Salt Lake Community College,
7044 Utah Valley University, and Weber State University shall conduct various types of auditing
7045 procedures as determined by the Board of Regents.

7046 (b) The Board of Regents may issue policies requiring other higher education entities
7047 or programs to establish an internal audit program.

7048 (c) An agency head within higher education may establish an internal audit program for
7049 the agency head's agency if the agency administers programs that:

- 7050 (i) might pose a high liability risk to the state; or
- 7051 (ii) are essential to the health, safety, and welfare of the citizens of Utah.

7052 (4) The State Office of Education shall conduct various types of auditing procedures as
7053 determined by the State Board of Education.

7054 Section 184. Section **63J-1-219** is amended to read:

7055 **63J-1-219. Definitions -- Federal receipts reporting requirements.**

7056 (1) As used in this section:

7057 (a) (i) "Designated state agency" means the Department of Administrative Services, the

7058 Department of Agriculture and Food, the Department of Alcoholic Beverage Control, the
7059 Department of Commerce, the Department of [~~Community and Culture~~] Heritage and Arts, the
7060 Department of Corrections, the Department of Environmental Quality, the Department of
7061 Financial Institutions, the Department of Health, the Department of Human Resource
7062 Management, the Department of Human Services, the Department of Insurance, the
7063 Department of Natural Resources, the Department of Public Safety, the Department of
7064 Technology Services, the Department of Transportation, the Department of Veterans' Affairs,
7065 the Department of Workforce Services, the Labor Commission, the Office of Economic
7066 Development, the Public Service Commission, the State Board of Regents, the State Office of
7067 Education, the State Tax Commission, or the Utah National Guard.

7068 (ii) "Designated state agency" does not include the judicial branch, the legislative
7069 branch, or an office or other entity within the judicial branch or the legislative branch.

7070 (b) "Federal receipts" means the federal financial assistance, as defined in 31 U.S.C.
7071 Sec. 7501, that is reported as part of a single audit.

7072 (c) "Single audit" is as defined in 31 U.S.C. Sec. 7501.

7073 (2) Subject to Subsections (3) and (4), a designated state agency shall each year, on or
7074 before October 31, prepare a report that:

7075 (a) reports the aggregate value of federal receipts the designated state agency received
7076 for the preceding fiscal year;

7077 (b) reports the aggregate amount of federal funds appropriated by the Legislature to the
7078 designated state agency for the preceding fiscal year;

7079 (c) calculates the percentage of the designated state agency's total budget for the
7080 preceding fiscal year that constitutes federal receipts that the designated state agency received
7081 for that fiscal year; and

7082 (d) develops plans for operating the designated state agency if there is a reduction of:

7083 (i) 5% or more in the federal receipts that the designated state agency receives; and

7084 (ii) 25% or more in the federal receipts that the designated state agency receives.

7085 (3) (a) The report required by Subsection (2) that the Board of Regents prepares shall

7086 include the information required by Subsections (2)(a) through (c) for each state institution of
7087 higher education listed in Section 53B-2-101.

7088 (b) The report required by Subsection (2) that the State Office of Education prepares
7089 shall include the information required by Subsections (2)(a) through (c) for each school district
7090 and each charter school within the public education system.

7091 (4) A designated state agency that prepares a report in accordance with Subsection (2)
7092 shall submit the report to the Division of Finance on or before November 1 of each year.

7093 (5) (a) The Division of Finance shall, on or before November 30 of each year, prepare a
7094 report that:

7095 (i) compiles and summarizes the reports the Division of Finance receives in accordance
7096 with Subsection (4); and

7097 (ii) compares the aggregate value of federal receipts each designated state agency
7098 received for the previous fiscal year to the aggregate amount of federal funds appropriated by
7099 the Legislature to that designated state agency for that fiscal year.

7100 (b) The Division of Finance shall, as part of the report required by Subsection (5)(a),
7101 compile a list of designated state agencies that do not submit a report as required by this
7102 section.

7103 (6) The Division of Finance shall submit the report required by Subsection (5) to the
7104 Executive Appropriations Committee on or before December 1 of each year.

7105 (7) Upon receipt of the report required by Subsection (5), the chairs of the Executive
7106 Appropriations Committee shall place the report on the agenda for review and consideration at
7107 the next Executive Appropriations Committee meeting.

7108 (8) When considering the report required by Subsection (5), the Executive
7109 Appropriations Committee may elect to:

7110 (a) recommend that the Legislature reduce or eliminate appropriations for a designated
7111 state agency;

7112 (b) take no action; or

7113 (c) take another action that a majority of the committee approves.

7114 Section 185. Section **63J-4-502** is amended to read:

7115 **63J-4-502. Membership -- Terms -- Chair -- Expenses.**

7116 (1) The Resource Development Coordinating Committee shall consist of the following
7117 25 members:

7118 (a) the state science advisor;

7119 (b) a representative from the Department of Agriculture and Food appointed by the
7120 executive director;

7121 (c) a representative from the Department of [~~Community and Culture~~] Heritage and
7122 Arts appointed by the executive director;

7123 (d) a representative from the Department of Environmental Quality appointed by the
7124 executive director;

7125 (e) a representative from the Department of Natural Resources appointed by the
7126 executive director;

7127 (f) a representative from the Department of Transportation appointed by the executive
7128 director;

7129 (g) a representative from the Governor's Office of Economic Development appointed
7130 by the director;

7131 (h) a representative from the [~~Division of~~] Housing and Community Development
7132 Division appointed by the director;

7133 (i) a representative from the Division of State History appointed by the director;

7134 (j) a representative from the Division of Air Quality appointed by the director;

7135 (k) a representative from the Division of Drinking Water appointed by the director;

7136 (l) a representative from the Division of Environmental Response and Remediation
7137 appointed by the director;

7138 (m) a representative from the Division of Radiation appointed by the director;

7139 (n) a representative from the Division of Solid and Hazardous Waste appointed by the
7140 director;

7141 (o) a representative from the Division of Water Quality appointed by the director;

- 7142 (p) a representative from the Division of Oil, Gas, and Mining appointed by the
7143 director;
- 7144 (q) a representative from the Division of Parks and Recreation appointed by the
7145 director;
- 7146 (r) a representative from the Division of Forestry, Fire, and State Lands appointed by
7147 the director;
- 7148 (s) a representative from the Utah Geological Survey appointed by the director;
- 7149 (t) a representative from the Division of Water Resources appointed by the director;
- 7150 (u) a representative from the Division of Water Rights appointed by the director;
- 7151 (v) a representative from the Division of Wildlife Resources appointed by the director;
- 7152 (w) a representative from the School and Institutional Trust Lands Administration
7153 appointed by the director;
- 7154 (x) a representative from the Division of Facilities Construction and Management
7155 appointed by the director; and
- 7156 (y) a representative from the Division of Emergency Management appointed by the
7157 director.
- 7158 (2) (a) As particular issues require, the committee may, by majority vote of the
7159 members present, and with the concurrence of the state planning coordinator, appoint
7160 additional temporary members to serve as ex officio voting members.
- 7161 (b) Those ex officio members may discuss and vote on the issue or issues for which
7162 they were appointed.
- 7163 (3) A chair shall be selected by a majority vote of committee members with the
7164 concurrence of the state planning coordinator.
- 7165 (4) A member may not receive compensation or benefits for the member's service, but
7166 may receive per diem and travel expenses in accordance with:
- 7167 (a) Section 63A-3-106;
- 7168 (b) Section 63A-3-107; and
- 7169 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and

7170 63A-3-107.

7171 Section 186. Section **63J-7-102** is amended to read:

7172 **63J-7-102. Scope and applicability of chapter.**

7173 (1) Except as provided in Subsection (2), and except as otherwise provided by a statute
7174 superseding provisions of this chapter by explicit reference to this chapter, the provisions of
7175 this chapter apply to each agency and govern each grant received on or after May 5, 2008.

7176 (2) This chapter does not govern:

7177 (a) a grant deposited into a General Fund restricted account;

7178 (b) a grant deposited into a Trust and Agency Fund as defined in Section 51-5-4;

7179 (c) a grant deposited into an Enterprise Fund as defined in Section 51-5-4;

7180 (d) a grant made to the state without a restriction or other designated purpose that is
7181 deposited into the General Fund as free revenue;

7182 (e) a grant made to the state that is restricted only to "education" and that is deposited
7183 into the Education Fund or Uniform School Fund as free revenue;

7184 (f) in-kind donations;

7185 (g) a tax, fees, penalty, fine, surcharge, money judgment, or other money due the state
7186 when required by state law or application of state law;

7187 (h) a contribution made under Title 59, Chapter 10, Part 13, Individual Income Tax
7188 Contribution Act;

7189 (i) a grant received by an agency from another agency or political subdivision;

7190 (j) a grant to the Dairy Commission created in Title 4, Chapter 22, Dairy Promotion
7191 Act;

7192 (k) a grant to the Utah Science Center Authority created in Title 63H, Chapter 3, Utah
7193 Science Center Authority;

7194 (l) a grant to the Heber Valley Railroad Authority created in Title 63H, Chapter 4,
7195 Heber Valley Historic Railroad Authority;

7196 (m) a grant to the Utah State Railroad Museum Authority created in Title 63H, Chapter
7197 5, Utah State Railroad Museum Authority;

- 7198 (n) a grant to the Utah Housing Corporation created in Title [9] 35A, Chapter [4] 8,
7199 Part [9] 7, Utah Housing Corporation Act;
- 7200 (o) a grant to the Utah State Fair Corporation created in Title 63H, Chapter 6, Utah
7201 State Fair Corporation Act;
- 7202 (p) a grant to the Workers' Compensation Fund created in Title 31A, Chapter 33,
7203 Workers' Compensation Fund;
- 7204 (q) a grant to the Utah State Retirement Office created in Title 49, Chapter 11, Utah
7205 State Retirement Systems Administration;
- 7206 (r) a grant to the School and Institutional Trust Lands Administration created in Title
7207 53C, Chapter 1, Part 2, School and Institutional Trust Lands Administration;
- 7208 (s) a grant to the Utah Communications Agency Network created in Title 63C, Chapter
7209 7, Utah Communications Agency Network Act;
- 7210 (t) a grant to the Medical Education Program created in Section 63C-8-102;
- 7211 (u) a grant to the Utah Capital Investment Corporation created in Title 63M, Chapter 1,
7212 Part 12, Utah Venture Capital Enhancement Act;
- 7213 (v) a grant to the State Charter School Finance Authority created in Section
7214 53A-20b-103;
- 7215 (w) a grant to the State Building Ownership Authority created in Section 63B-1-304;
- 7216 (x) a grant to the Utah Comprehensive Health Insurance Pool created in Section
7217 31A-29-104; or
- 7218 (y) a grant to the Military Installation Development Authority created in Section
7219 63H-1-201.
- 7220 (3) An agency need not seek legislative review or approval of grants under Part 2,
7221 Grant Approval Requirements, if:
- 7222 (a) the governor has declared a state of emergency; and
7223 (b) the grant is donated to the agency to assist victims of the state of emergency under
7224 Subsection 63K-4-201(1).
- 7225 Section 187. Section **63K-1-102** is amended to read:

7226 **63K-1-102. Definitions.**

7227 (1) (a) "Absent" means:

7228 (i) not physically present or not able to be communicated with for 48 hours; or

7229 (ii) for local government officers, as defined by local ordinances.

7230 (b) "Absent" does not include a person who can be communicated with via telephone,
7231 radio, or telecommunications.

7232 (2) "Attack" means a nuclear, conventional, biological, or chemical warfare action
7233 against the United States of America or this state.

7234 (3) "Department" means the Department of Administrative Services, the Department of
7235 Agriculture and Food, the Alcoholic Beverage Control Commission, the Department of
7236 Commerce, the Department of [~~Community and Culture~~] Heritage and Arts, the Department of
7237 Corrections, the Department of Environmental Quality, the Department of Financial
7238 Institutions, the Department of Health, the Department of Human Resource Management, the
7239 Department of Workforce Services, the Labor Commission, the National Guard, the
7240 Department of Insurance, the Department of Natural Resources, the Department of Public
7241 Safety, the Public Service Commission, the Department of Human Services, the State Tax
7242 Commission, the Department of Technology Services, the Department of Transportation, any
7243 other major administrative subdivisions of state government, the State Board of Education, the
7244 State Board of Regents, the Utah Housing Corporation, the Workers' Compensation Fund, the
7245 State Retirement Board, and each institution of higher education within the system of higher
7246 education.

7247 (4) "Disaster" means a situation causing, or threatening to cause, widespread damage,
7248 social disruption, or injury or loss of life or property resulting from attack, internal disturbance,
7249 natural phenomenon, or technological hazard.

7250 (5) "Division" means the Division of Emergency Management established in Title 53,
7251 Chapter 2, Part 1, Emergency Management Act - Search and Rescue Advisory Board.

7252 (6) "Emergency interim successor" means a person designated by this chapter to
7253 exercise the powers and discharge the duties of an office when the person legally exercising the

7254 powers and duties of the office is unavailable.

7255 (7) "Executive director" means the person with ultimate responsibility for managing
7256 and overseeing the operations of each department, however denominated.

7257 (8) "Internal disturbance" means a riot, prison break, terrorism, or strike.

7258 (9) "Natural phenomenon" means any earthquake, tornado, storm, flood, landslide,
7259 avalanche, forest or range fire, drought, epidemic, or other catastrophic event.

7260 (10) (a) "Office" includes all state and local offices, the powers and duties of which are
7261 defined by constitution, statutes, charters, optional plans, ordinances, articles, or by-laws.

7262 (b) "Office" does not include the office of governor or the legislative or judicial offices.

7263 (11) "Place of governance" means the physical location where the powers of an office
7264 are being exercised.

7265 (12) "Political subdivision" includes counties, cities, towns, townships, districts,
7266 authorities, and other public corporations and entities whether organized and existing under
7267 charter or general law.

7268 (13) "Political subdivision officer" means a person holding an office in a political
7269 subdivision.

7270 (14) "State officer" means the attorney general, the state treasurer, the state auditor, and
7271 the executive director of each department.

7272 (15) "Technological hazard" means any hazardous materials accident, mine accident,
7273 train derailment, air crash, radiation incident, pollution, structural fire, or explosion.

7274 (16) "Unavailable" means:

7275 (a) absent from the place of governance during a disaster that seriously disrupts normal
7276 governmental operations, whether or not that absence or inability would give rise to a vacancy
7277 under existing constitutional or statutory provisions; or

7278 (b) as otherwise defined by local ordinance.

7279 Section 188. Section **63M-1-604** is amended to read:

7280 **63M-1-604. Members -- Appointment -- Terms -- Qualifications -- Vacancies --**
7281 **Chair and vice chair -- Executive secretary -- Executive committee -- Quorum --**

7282 **Expenses.**

7283 (1) The council comprises the following nonvoting members or their designees:

7284 (a) the adviser;

7285 (b) the executive director of the Department of Natural Resources;

7286 (c) the executive director of the Department of [~~Community and Culture~~] Heritage and

7287 Arts;

7288 (d) the executive director of the Department of Health;

7289 (e) the executive director of the Department of Environmental Quality;

7290 (f) the commissioner of agriculture and food;

7291 (g) the commissioner of higher education;

7292 (h) the state planning coordinator; and

7293 (i) the executive director of the Department of Transportation.

7294 (2) The governor may appoint other voting members, not to exceed 12.

7295 (3) (a) Except as required by Subsection (3)(b), as terms of current council members

7296 expire, the governor shall appoint each new member or reappointed member to a four-year

7297 term.

7298 (b) Notwithstanding the requirements of Subsection (3)(a), the governor shall, at the

7299 time of appointment or reappointment, adjust the length of terms to ensure that the terms of

7300 council members are staggered so that approximately half of the council is appointed every two

7301 years.

7302 (4) The governor shall consider all institutions of higher education in the state in the

7303 appointment of council members.

7304 (5) The voting members of the council shall be experienced or knowledgeable in the

7305 application of science and technology to business, industry, or public problems and have

7306 demonstrated their interest in and ability to contribute to the accomplishment of the purposes of

7307 this part.

7308 (6) When a vacancy occurs in the membership for any reason, the replacement shall be

7309 appointed for the unexpired term.

7310 (7) (a) Each year the council shall select from its membership a chair and a vice chair.

7311 (b) The chair and vice chair shall hold office for one year or until a successor is
7312 appointed and qualified.

7313 (8) The adviser serves as executive secretary of the council.

7314 (9) An executive committee shall be established consisting of the chair, vice chair, and
7315 the adviser.

7316 (10) (a) In order to conduct business matters of the council at regularly convened
7317 meetings, a quorum consisting of a simple majority of the total voting membership of the
7318 council is required.

7319 (b) All matters of business affecting public policy require not less than a simple
7320 majority of affirmative votes of the total membership.

7321 (11) A member may not receive compensation or benefits for the member's service, but
7322 may receive per diem and travel expenses in accordance with:

7323 (a) Section 63A-3-106;

7324 (b) Section 63A-3-107; and

7325 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
7326 63A-3-107.

7327 Section 189. Section **63M-1-1503** is amended to read:

7328 **63M-1-1503. Advisory board.**

7329 (1) (a) There is created within the office the Utah Pioneer Communities Advisory
7330 Board.

7331 (b) The Permanent Community Impact Fund Board created in Section [~~9-4-304~~]
7332 35A-8-304 shall act as the advisory board.

7333 (2) The advisory board shall have the powers and duties described in Section
7334 63M-1-1504 and shall operate the Utah Pioneer Communities Program in accordance with
7335 Section 63M-1-1505.

7336 (3) The director shall designate an employee of the office to serve as a nonvoting
7337 secretary for the advisory board.

7338 (4) A member may not receive compensation or benefits for the member's service, but
7339 may receive per diem and travel expenses in accordance with:

7340 (a) Section 63A-3-106;

7341 (b) Section 63A-3-107; and

7342 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
7343 63A-3-107.

7344 Section 190. Section **63M-7-301** is amended to read:

7345 **63M-7-301. Definitions -- Creation of council -- Membership -- Terms.**

7346 (1) (a) As used in this part, "council" means the Utah Substance Abuse Advisory
7347 Council created in this section.

7348 (b) There is created within the governor's office the Utah Substance Abuse Advisory
7349 Council.

7350 (2) The council shall be comprised of the following voting members:

7351 (a) the attorney general or the attorney general's designee;

7352 (b) a county commissioner designated by the Utah Association of Counties;

7353 (c) the commissioner of public safety or the commissioner's designee;

7354 (d) the director of the Division of Substance Abuse and Mental Health or the director's
7355 designee;

7356 (e) the state superintendent of public instruction or the superintendent's designee;

7357 (f) the director of the Department of Health or the director's designee;

7358 (g) the executive director of the Commission on Criminal and Juvenile Justice or the
7359 executive director's designee;

7360 (h) the governor or the governor's designee;

7361 (i) the executive director of the Department of Corrections or the executive director's
7362 designee;

7363 (j) the director of the Division of Juvenile Justice Services or the director's designee;

7364 (k) the executive director of the private nonprofit Utah Domestic Violence Council or
7365 the executive director's designee;

- 7366 (l) the director of the Division of Indian Affairs or the director's designee;
- 7367 (m) the state court administrator or the state court administrator's designee;
- 7368 (n) the following members designated to serve four-year terms:
- 7369 (i) a member of the House of Representatives designated by the speaker of the House
- 7370 of Representatives;
- 7371 (ii) a member of the Senate designated by the president of the Senate; and
- 7372 (iii) a representative designated by the Utah League of Cities and Towns; [~~and~~]
- 7373 [~~(iv) a representative from the Department of Community and Culture designated by~~
- 7374 ~~the director of the office or a designee;]~~
- 7375 (o) the following members appointed by the governor to serve four-year terms:
- 7376 (i) a representative of the Utah National Guard;
- 7377 (ii) one resident of the state who has been personally affected by alcohol or other drug
- 7378 abuse; and
- 7379 (iii) one citizen representative;
- 7380 (p) in addition to the voting members described in Subsections (2)(a) through (o), the
- 7381 following voting members may be appointed by a majority of the members described in
- 7382 Subsections (2)(a) through (o) to serve four-year terms:
- 7383 (i) a person knowledgeable in criminal justice issues;
- 7384 (ii) a person knowledgeable in substance abuse treatment issues;
- 7385 (iii) a person knowledgeable in substance abuse prevention issues; and
- 7386 (iv) a person knowledgeable in judiciary issues; and
- 7387 (q) in addition to the voting members described in Subsections (2)(a) through (p), one
- 7388 or more chairs or co-chairs of a committee established by the council under Subsection
- 7389 63M-7-302(5) may be appointed as a voting member by a majority of the members described in
- 7390 Subsections (2)(a) through (p).
- 7391 (3) A person other than a person described in Subsection (2) may not be appointed as a
- 7392 voting member of the council.
- 7393 Section 191. Section **67-4-18** is amended to read:

7394 **67-4-18. Housing Relief Restricted Special Revenue Fund -- Payments to Utah**
7395 **Housing Corporation.**

7396 (1) As used in this section, "fund" means the Housing Relief Restricted Special
7397 Revenue Fund created by this section.

7398 (2) There is created the Housing Relief Restricted Special Revenue Fund.

7399 (3) The fund shall be comprised of money deposited in the fund from money received
7400 as a result of the federal American Recovery and Reinvestment Act of 2009.

7401 (4) Money in the fund shall be expended to fund grants to be made by the Utah
7402 Housing Corporation in accordance with Section [~~9-4-927~~] 35A-8-727.

7403 (5) The treasurer may place funds in an escrow account, upon which the Utah Housing
7404 Corporation may draw to make grants in accordance with Section [~~9-4-927~~] 35A-8-727.

7405 (6) The treasurer may use money from the fund to pay the costs of escrow and other
7406 expenses of the corporation in connection with its duties under Section [~~9-4-927~~] 35A-8-727.

7407 (7) The treasurer shall administer the fund and make payments from the fund in
7408 accordance with this section and Section [~~9-4-927~~] 35A-8-727.

7409 Section 192. Section **67-19-6.7** is amended to read:

7410 **67-19-6.7. Overtime policies for state employees.**

7411 (1) As used in this section:

7412 (a) "Accrued overtime hours" means:

7413 (i) for nonexempt employees, overtime hours earned during a fiscal year that, at the end
7414 of the fiscal year, have not been paid and have not been taken as time off by the nonexempt
7415 state employee who accrued them; and

7416 (ii) for exempt employees, overtime hours earned during an overtime year.

7417 (b) "Appointed official" means:

7418 (i) each department executive director and deputy director, each division director, and
7419 each member of a board or commission; and

7420 (ii) any other person employed by a department who is appointed by, or whose
7421 appointment is required by law to be approved by, the governor and who:

- 7422 (A) is paid a salary by the state; and
- 7423 (B) who exercises managerial, policy-making, or advisory responsibility.
- 7424 (c) "Department" means the Department of Administrative Services, the Department of
- 7425 Corrections, the Department of Financial Institutions, the Department of Alcoholic Beverage
- 7426 Control, the Insurance Department, the Public Service Commission, the Labor Commission,
- 7427 the Department of Agriculture and Food, the Department of Human Services, the State Board
- 7428 of Education, the Department of Natural Resources, the Department of Technology Services,
- 7429 the Department of Transportation, the Department of Commerce, the Department of Workforce
- 7430 Services, the State Tax Commission, the Department of [~~Community and Culture~~] Heritage
- 7431 and Arts, the Department of Health, the National Guard, the Department of Environmental
- 7432 Quality, the Department of Public Safety, the Department of Human Resource Management,
- 7433 the Commission on Criminal and Juvenile Justice, all merit employees except attorneys in the
- 7434 Office of the Attorney General, merit employees in the Office of the State Treasurer, merit
- 7435 employees in the Office of the State Auditor, Department of Veterans' Affairs, and the Board of
- 7436 Pardons and Parole.
- 7437 (d) "Elected official" means any person who is an employee of the state because the
- 7438 person was elected by the registered voters of Utah to a position in state government.
- 7439 (e) "Exempt employee" means a state employee who is exempt as defined by the Fair
- 7440 Labor Standards Act of 1978, 29 U.S.C. [~~Section~~] Sec. 201 et seq.
- 7441 (f) "FLSA" means the Fair Labor Standards Act of 1978, 29 U.S.C. [~~Section~~] Sec. 201
- 7442 et seq.
- 7443 (g) "FLSA agreement" means the agreement authorized by the Fair Labor Standards
- 7444 Act of 1978, 29 U.S.C. [~~Section~~] Sec. 201 et seq., by which a nonexempt employee elects the
- 7445 form of compensation the nonexempt employee will receive for overtime.
- 7446 (h) "Nonexempt employee" means a state employee who is nonexempt as defined by
- 7447 the Department of Human Resource Management applying FLSA requirements.
- 7448 (i) "Overtime" means actual time worked in excess of the employee's defined work
- 7449 period.

7450 (j) "Overtime year" means the year determined by a department under Subsection
7451 (4)(b) at the end of which an exempt employee's accrued overtime lapses.

7452 (k) "State employee" means every person employed by a department who is not:

7453 (i) an appointed official;

7454 (ii) an elected official;

7455 (iii) a member of a board or commission who is paid only for per diem or travel
7456 expenses; or

7457 (iv) employed on a contractual basis at the State Office of Education.

7458 (l) "Uniform annual date" means the date when an exempt employee's accrued
7459 overtime lapses.

7460 (m) "Work period" means:

7461 (i) for all nonexempt employees, except law enforcement and hospital employees, a
7462 consecutive seven day 24 hour work period of 40 hours;

7463 (ii) for all exempt employees, a 14 day, 80 hour payroll cycle; and

7464 (iii) for nonexempt law enforcement and hospital employees, the period established by
7465 each department by rule for those employees according to the requirements of the Fair Labor
7466 Standards Act of 1978, 29 U.S.C. [~~Section~~] Sec. 201 et seq.

7467 (2) Each department shall compensate each state employee who works overtime by
7468 complying with the requirements of this section.

7469 (3) (a) Each department shall negotiate and obtain a signed FLSA agreement from each
7470 nonexempt employee.

7471 (b) In the FLSA agreement, the nonexempt employee shall elect either to be
7472 compensated for overtime by:

7473 (i) taking time off work at the rate of one and one-half hour off for each overtime hour
7474 worked; or

7475 (ii) being paid for the overtime worked at the rate of one and one-half times the rate per
7476 hour that the state employee receives for nonovertime work.

7477 (c) Any nonexempt employee who elects to take time off under this Subsection (3)

7478 shall be paid for any overtime worked in excess of the cap established by the Department of
7479 Human Resource Management.

7480 (d) Before working any overtime, each nonexempt employee shall obtain authorization
7481 to work overtime from the employee's immediate supervisor.

7482 (e) Each department shall:

7483 (i) for employees who elect to be compensated with time off for overtime, allow
7484 overtime earned during a fiscal year to be accumulated; and

7485 (ii) for employees who elect to be paid for overtime worked, pay them for overtime
7486 worked in the paycheck for the pay period in which the employee worked the overtime.

7487 (f) If the department pays a nonexempt employee for overtime, the department shall
7488 charge that payment to the department's budget.

7489 (g) At the end of each fiscal year, the Division of Finance shall total all the accrued
7490 overtime hours for nonexempt employees and charge that total against the appropriate fund or
7491 subfund.

7492 (4) (a) (i) Except as provided in Subsection (4)(a)(ii), each department shall
7493 compensate exempt employees who work overtime by granting them time off at the rate of one
7494 hour off for each hour of overtime worked.

7495 (ii) The executive director of the Department of Human Resource Management may
7496 grant limited exceptions to this requirement, where work circumstances dictate, by authorizing
7497 a department to pay employees for overtime worked at the rate per hour that the employee
7498 receives for nonovertime work, if the department has funds available.

7499 (b) (i) Each department shall:

7500 (A) establish in its written human resource policies a uniform annual date for each
7501 division that is at the end of any pay period; and

7502 (B) communicate the uniform annual date to its employees.

7503 (ii) If any department fails to establish a uniform annual date as required by this
7504 Subsection (4), the executive director of the Department of Human Resource Management, in
7505 conjunction with the director of the Division of Finance, shall establish the date for that

7506 department.

7507 (c) (i) Any overtime earned under this Subsection (4) is not an entitlement, is not a
7508 benefit, and is not a vested right.

7509 (ii) A court may not construe the overtime for exempt employees authorized by this
7510 Subsection (4) as an entitlement, a benefit, or as a vested right.

7511 (d) At the end of the overtime year, upon transfer to another department at any time,
7512 and upon termination, retirement, or other situations where the employee will not return to
7513 work before the end of the overtime year:

7514 (i) any of an exempt employee's overtime that is more than the maximum established
7515 by the Department of Human Resource Management rule lapses; and

7516 (ii) unless authorized by the executive director of the Department of Human Resource
7517 Management under Subsection (4)(a)(ii), a department may not compensate the exempt
7518 employee for that lapsed overtime by paying the employee for the overtime or by granting the
7519 employee time off for the lapsed overtime.

7520 (e) Before working any overtime, each exempt employee shall obtain authorization to
7521 work overtime from the exempt employee's immediate supervisor.

7522 (f) If the department pays an exempt employee for overtime under authorization from
7523 the executive director of the Department of Human Resource Management, the department
7524 shall charge that payment to the department's budget in the pay period earned.

7525 (5) The Department of Human Resource Management shall:

7526 (a) ensure that the provisions of the FLSA and this section are implemented throughout
7527 state government;

7528 (b) determine, for each state employee, whether that employee is exempt, nonexempt,
7529 law enforcement, or has some other status under the FLSA;

7530 (c) in coordination with modifications to the systems operated by the Division of
7531 Finance, make rules:

7532 (i) establishing procedures for recording overtime worked that comply with FLSA
7533 requirements;

- 7534 (ii) establishing requirements governing overtime worked while traveling and
7535 procedures for recording that overtime that comply with FLSA requirements;
- 7536 (iii) establishing requirements governing overtime worked if the employee is "on call"
7537 and procedures for recording that overtime that comply with FLSA requirements;
- 7538 (iv) establishing requirements governing overtime worked while an employee is being
7539 trained and procedures for recording that overtime that comply with FLSA requirements;
- 7540 (v) subject to the FLSA, establishing the maximum number of hours that a nonexempt
7541 employee may accrue before a department is required to pay the employee for the overtime
7542 worked;
- 7543 (vi) subject to the FLSA, establishing the maximum number of overtime hours for an
7544 exempt employee that do not lapse; and
- 7545 (vii) establishing procedures for adjudicating appeals of any FLSA determinations
7546 made by the Department of Human Resource Management as required by this section;
- 7547 (d) monitor departments for compliance with the FLSA; and
- 7548 (e) recommend to the Legislature and the governor any statutory changes necessary
7549 because of federal government action.
- 7550 (6) In coordination with the procedures for recording overtime worked established in
7551 rule by the Department of Human Resource Management, the Division of Finance shall modify
7552 its payroll and human resource systems to accommodate those procedures.
- 7553 (a) Notwithstanding the procedures and requirements of Title 63G, Chapter 4,
7554 Administrative Procedures Act, Section 67-19-31, and Section 67-19a-301, any employee who
7555 is aggrieved by the FLSA designation made by the Department of Human Resource
7556 Management as required by this section may appeal that determination to the executive director
7557 of the Department of Human Resource Management by following the procedures and
7558 requirements established in Department of Human Resource Management rule.
- 7559 (b) Upon receipt of an appeal under this section, the executive director shall notify the
7560 executive director of the employee's department that the appeal has been filed.
- 7561 (c) If the employee is aggrieved by the decision of the executive director of the

7562 Department of Human Resource Management, the employee shall appeal that determination to
7563 the Department of Labor, Wage and Hour Division, according to the procedures and
7564 requirements of federal law.

7565 Section 193. Section **67-19c-101** is amended to read:

7566 **67-19c-101. Department award program.**

7567 (1) As used in this section:

7568 (a) "Department" means the Department of Administrative Services, the Department of
7569 Agriculture and Food, the Department of Alcoholic Beverage Control, the Department of
7570 Commerce, the Department of [~~Community and Culture~~] Heritage and Arts, the Department of
7571 Corrections, the Department of Workforce Services, the Department of Environmental Quality,
7572 the Department of Financial Institutions, the Department of Health, the Department of Human
7573 Resource Management, the Department of Human Services, the Insurance Department, the
7574 National Guard, the Department of Natural Resources, the Department of Public Safety, the
7575 Public Service Commission, the Labor Commission, the State Board of Education, the State
7576 Board of Regents, the State Tax Commission, the Department of Technology Services, and the
7577 Department of Transportation.

7578 (b) "Department head" means the individual or body of individuals in whom the
7579 ultimate legal authority of the department is vested by law.

7580 (2) There is created a department awards program to award an outstanding employee in
7581 each department of state government.

7582 (3) (a) By April 1 of each year, each department head shall solicit nominations for
7583 outstanding employee of the year for his department from the employees in his department.

7584 (b) By July 1 of each year, the department head shall:

7585 (i) select a person from the department to receive the outstanding employee of the year
7586 award using the criteria established in Subsection (3)(c); and

7587 (ii) announce the recipient of the award to his employees.

7588 (c) Department heads shall make the award to a person who demonstrates:

7589 (i) extraordinary competence in performing his function;

7590 (ii) creativity in identifying problems and devising workable, cost-effective solutions to
7591 them;

7592 (iii) excellent relationships with the public and other employees;

7593 (iv) a commitment to serving the public as the client; and

7594 (v) a commitment to economy and efficiency in government.

7595 (4) (a) The Department of Human Resource Management shall divide any
7596 appropriation for outstanding department employee awards that it receives from the Legislature
7597 equally among the departments.

7598 (b) If the department receives money from the Department of Human Resource
7599 Management or if the department budget allows, the department head shall provide the
7600 employee with a bonus, a plaque, or some other suitable acknowledgement of the award.

7601 (5) (a) The department head may name the award after an exemplary present or former
7602 employee of the department.

7603 (b) A department head may not name the award for himself or for any relative as
7604 defined in Section 52-3-1.

7605 (c) Any awards or award programs existing in any department as of May 3, 1993, shall
7606 be modified to conform to the requirements of this section.

7607 Section 194. Section **67-22-2** is amended to read:

7608 **67-22-2. Compensation -- Other state officers.**

7609 (1) As used in this section:

7610 (a) "Appointed executive" means the:

7611 (i) Commissioner of the Department of Agriculture and Food;

7612 (ii) Commissioner of the Insurance Department;

7613 (iii) Commissioner of the Labor Commission;

7614 (iv) Director, Alcoholic Beverage Control Commission;

7615 (v) Commissioner of the Department of Financial Institutions;

7616 (vi) Executive Director, Department of Commerce;

7617 (vii) Executive Director, Commission on Criminal and Juvenile Justice;

- 7618 (viii) Adjutant General;
- 7619 (ix) Executive Director, Department of [~~Community and Culture~~] Heritage and Arts;
- 7620 (x) Executive Director, Department of Corrections;
- 7621 (xi) Commissioner, Department of Public Safety;
- 7622 (xii) Executive Director, Department of Natural Resources;
- 7623 (xiii) Director, Governor's Office of Planning and Budget;
- 7624 (xiv) Executive Director, Department of Administrative Services;
- 7625 (xv) Executive Director, Department of Human Resource Management;
- 7626 (xvi) Executive Director, Department of Environmental Quality;
- 7627 (xvii) Director, Governor's Office of Economic Development;
- 7628 (xviii) Executive Director, Utah Science Technology and Research Governing
- 7629 Authority;
- 7630 (xix) Executive Director, Department of Workforce Services;
- 7631 (xx) Executive Director, Department of Health, Nonphysician;
- 7632 (xxi) Executive Director, Department of Human Services;
- 7633 (xxii) Executive Director, Department of Transportation;
- 7634 (xxiii) Executive Director, Department of Technology Services; and
- 7635 (xxiv) Executive Director, Department of Veterans Affairs.
- 7636 (b) "Board or commission executive" means:
- 7637 (i) Members, Board of Pardons and Parole;
- 7638 (ii) Chair, State Tax Commission;
- 7639 (iii) Commissioners, State Tax Commission;
- 7640 (iv) Executive Director, State Tax Commission;
- 7641 (v) Chair, Public Service Commission; and
- 7642 (vi) Commissioners, Public Service Commission.
- 7643 (c) "Deputy" means the person who acts as the appointed executive's second in
- 7644 command as determined by the Department of Human Resource Management.
- 7645 (2) (a) The executive director of the Department of Human Resource Management

7646 shall:

7647 (i) before October 31 of each year, recommend to the governor a compensation plan for
7648 the appointed executives and the board or commission executives; and

7649 (ii) base those recommendations on market salary studies conducted by the Department
7650 of Human Resource Management.

7651 (b) (i) The Department of Human Resource Management shall determine the salary
7652 range for the appointed executives by:

7653 (A) identifying the salary range assigned to the appointed executive's deputy;

7654 (B) designating the lowest minimum salary from those deputies' salary ranges as the
7655 minimum salary for the appointed executives' salary range; and

7656 (C) designating 105% of the highest maximum salary range from those deputies' salary
7657 ranges as the maximum salary for the appointed executives' salary range.

7658 (ii) If the deputy is a medical doctor, the Department of Human Resource Management
7659 may not consider that deputy's salary range in designating the salary range for appointed
7660 executives.

7661 (c) In establishing the salary ranges for board or commission executives, the
7662 Department of Human Resource Management shall set the maximum salary in the salary range
7663 for each of those positions at 90% of the salary for district judges as established in the annual
7664 appropriation act under Section 67-8-2.

7665 (3) (a) (i) Except as provided in Subsection (3)(a)(ii), the governor shall establish a
7666 specific salary for each appointed executive within the range established under Subsection
7667 (2)(b).

7668 (ii) If the executive director of the Department of Health is a physician, the governor
7669 shall establish a salary within the highest physician salary range established by the Department
7670 of Human Resource Management.

7671 (iii) The governor may provide salary increases for appointed executives within the
7672 range established by Subsection (2)(b) and identified in Subsection (3)(a)(ii).

7673 (b) The governor shall apply the same overtime regulations applicable to other FLSA

7674 exempt positions.

7675 (c) The governor may develop standards and criteria for reviewing the appointed
7676 executives.

7677 (4) Salaries for other Schedule A employees, as defined in Section 67-19-15, that are
7678 not provided for in this chapter, or in Title 67, Chapter 8, Utah Elected Official and Judicial
7679 Salary Act, shall be established as provided in Section 67-19-15.

7680 (5) (a) The Legislature fixes benefits for the appointed executives and the board or
7681 commission executives as follows:

7682 (i) the option of participating in a state retirement system established by Title 49, Utah
7683 State Retirement and Insurance Benefit Act, or in a deferred compensation plan administered
7684 by the State Retirement Office in accordance with the Internal Revenue Code and its
7685 accompanying rules and regulations;

7686 (ii) health insurance;

7687 (iii) dental insurance;

7688 (iv) basic life insurance;

7689 (v) unemployment compensation;

7690 (vi) workers' compensation;

7691 (vii) required employer contribution to Social Security;

7692 (viii) long-term disability income insurance;

7693 (ix) the same additional state-paid life insurance available to other noncareer service
7694 employees;

7695 (x) the same severance pay available to other noncareer service employees;

7696 (xi) the same leave, holidays, and allowances granted to Schedule B state employees as
7697 follows:

7698 (A) sick leave;

7699 (B) converted sick leave if accrued prior to January 1, 2014;

7700 (C) educational allowances;

7701 (D) holidays; and

7702 (E) annual leave except that annual leave shall be accrued at the maximum rate
7703 provided to Schedule B state employees;

7704 (xii) the option to convert accumulated sick leave to cash or insurance benefits as
7705 provided by law or rule upon resignation or retirement according to the same criteria and
7706 procedures applied to Schedule B state employees;

7707 (xiii) the option to purchase additional life insurance at group insurance rates according
7708 to the same criteria and procedures applied to Schedule B state employees; and

7709 (xiv) professional memberships if being a member of the professional organization is a
7710 requirement of the position.

7711 (b) Each department shall pay the cost of additional state-paid life insurance for its
7712 executive director from its existing budget.

7713 (6) The Legislature fixes the following additional benefits:

7714 (a) for the executive director of the State Tax Commission a vehicle for official and
7715 personal use;

7716 (b) for the executive director of the Department of Transportation a vehicle for official
7717 and personal use;

7718 (c) for the executive director of the Department of Natural Resources a vehicle for
7719 commute and official use;

7720 (d) for the Commissioner of Public Safety:

7721 (i) an accidental death insurance policy if POST certified; and
7722 (ii) a public safety vehicle for official and personal use;

7723 (e) for the executive director of the Department of Corrections:

7724 (i) an accidental death insurance policy if POST certified; and
7725 (ii) a public safety vehicle for official and personal use;

7726 (f) for the Adjutant General a vehicle for official and personal use; and
7727 (g) for each member of the Board of Pardons and Parole a vehicle for commute and
7728 official use.

7729 Section 195. Section **72-4-302** is amended to read:

- 7730 **72-4-302. Utah State Scenic Byway Committee -- Creation -- Membership --**
7731 **Meetings -- Expenses.**
- 7732 (1) There is created the Utah State Scenic Byway Committee.
- 7733 (2) (a) The committee shall consist of the following 15 members:
- 7734 (i) a representative from each of the following entities appointed by the governor:
- 7735 (A) the Governor's Office of Economic Development;
- 7736 (B) the Utah Department of Transportation;
- 7737 (C) the Department of [~~Community and Culture~~] Heritage and Arts;
- 7738 (D) the Division of State Parks and Recreation;
- 7739 (E) the Federal Highway Administration;
- 7740 (F) the National Park Service;
- 7741 (G) the National Forest Service; and
- 7742 (H) the Bureau of Land Management;
- 7743 (ii) one local government tourism representative appointed by the governor;
- 7744 (iii) a representative from the private business sector appointed by the governor;
- 7745 (iv) three local elected officials from a county, city, or town within the state appointed
7746 by the governor;
- 7747 (v) a member from the House of Representatives appointed by the speaker of the
7748 House of Representatives; and
- 7749 (vi) a member from the Senate appointed by the president of the Senate.
- 7750 (b) Except as provided in Subsection (2)(c), the members appointed in this Subsection
7751 (2) shall be appointed for a four-year term of office.
- 7752 (c) The governor shall, at the time of appointment or reappointment for appointments
7753 made under Subsection (2)(a)(i), (ii), (iii), or (iv) adjust the length of terms to ensure that the
7754 terms of committee members are staggered so that approximately half of the committee is
7755 appointed every two years.
- 7756 (d) (i) The appointments made under [~~Subsection~~] Subsections (2)(a)(v) and
7757 [~~(2)(a)~~](vi) by the speaker of the House and the president of the Senate may not be from the

7758 same political party.

7759 (ii) The speaker of the House and the president of the Senate shall alternate the
7760 appointments made under Subsections (2)(a)(v) and ~~[(2)(a)]~~(vi) as follows:

7761 (A) if the speaker appoints a member under Subsection (2)(a)(v), the next appointment
7762 made by the speaker following the expiration of the existing member's four-year term of office
7763 shall be from a different political party; and

7764 (B) if the president appoints a member under Subsection (2)(a)(vi), the next
7765 appointment made by the president following the expiration of the existing member's four-year
7766 term of office shall be from a different political party.

7767 (3) (a) The representative from the Governor's Office of Economic Development shall
7768 chair the committee.

7769 (b) The members appointed under Subsections (2)(a)(i)(E) through (H) serve as
7770 nonvoting, ex officio members of the committee.

7771 (4) The Governor's Office of Economic Development and the department shall provide
7772 staff support to the committee.

7773 (5) (a) The chair may call a meeting of the committee only with the concurrence of the
7774 department.

7775 (b) A majority of the voting members of the committee constitute a quorum.

7776 (c) Action by a majority vote of a quorum of the committee constitutes action by the
7777 committee.

7778 (6) A member may not receive compensation or benefits for the member's service, but
7779 may receive per diem and travel expenses in accordance with:

7780 (a) Section 63A-3-106;

7781 (b) Section 63A-3-107; and

7782 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
7783 63A-3-107.

7784 Section 196. Section **73-10c-3** is amended to read:

7785 **73-10c-3. Water Development Coordinating Council created -- Purpose --**

7786 **Members.**

- 7787 (1) (a) There is created within the Department of Natural Resources a Water
7788 Development Coordinating Council. The council comprises:
- 7789 (i) the director of the Division of Water Resources;
 - 7790 (ii) the executive secretary of the Water Quality Board;
 - 7791 (iii) the executive secretary of the Drinking Water Board;
 - 7792 (iv) the [~~executive~~] director of the [~~Department of Community and Culture~~] Housing
7793 and Community Development Division or the [~~executive~~] director's designee; and
 - 7794 (v) the state treasurer or the treasurer's designee.
- 7795 (b) The council shall choose a chair and vice chair from among its own members.
- 7796 (c) A member may not receive compensation or benefits for the member's service, but
7797 may receive per diem and travel expenses in accordance with:
- 7798 (i) Section 63A-3-106;
 - 7799 (ii) Section 63A-3-107; and
 - 7800 (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
7801 63A-3-107.
- 7802 (2) The purposes of the council are to:
- 7803 (a) coordinate the use and application of the funds available to the state to give
7804 financial assistance to political subdivisions of this state so as to promote the conservation,
7805 development, treatment, restoration, and protection of the waters of this state;
 - 7806 (b) promote the coordination of the financial assistance programs administered by the
7807 state and the use of the financing alternative most economically advantageous to the state and
7808 its political subdivisions;
 - 7809 (c) promote the consideration by the Board of Water Resources, Drinking Water
7810 Board, and Water Quality Board of regional solutions to the water and wastewater needs of
7811 individual political subdivisions of this state; and
 - 7812 (d) assess the adequacy and needs of the state and its political subdivisions with respect
7813 to water-related infrastructures and advise the governor and the Legislature on those funding

7814 needs.

7815 Section 197. **Repealer.**

7816 This bill repeals:

7817 Section **9-6-601, Definitions.**

7818 Section **9-6-607, Office director.**

7819 Section 198. **Effective date.**

7820 This bill takes effect on July 1, 2012.

7821 Section 199. **Coordinating H.B. 139 with H.B. 42 -- Technical renumbering.**

7822 If this H.B. 139 and H.B. 42, Permanent Community Impact Fund Board Grants, both
7823 pass and become law, the Legislature intends that:

7824 (1) the reference in Subsection 9-4-305(2)(a) to "Subsection 9-4-307(3)" be changed to
7825 "Subsection 35A-8-307(3)";

7826 (2) the references in Subsections 9-4-307(2) and (3) to "Subsection 9-4-305(2)" be
7827 changed to "Subsection 35A-8-305(2)"; and

7828 (3) the Office of Legislative Research and General Counsel makes these changes when
7829 preparing the Utah Code database for publication.