

DEPARTMENT OF COMMUNITY AND CULTURE

AMENDMENTS

2012 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

Senate Sponsor: Stuart C. Reid

LONG TITLE

General Description:

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

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ changes the name of the Department of Community and Culture to the Department of Heritage and Arts;
- ▶ provides that the Department of Heritage and Arts is managed by the executive director and describes certain powers of the executive director;
- ▶ clarifies the responsibilities of the director of the Department of Heritage and Arts' Division of Arts and Museums and of certain boards that are part of the division;
- ▶ moves the Division of Housing and Community Development from the Department of Community and Culture to the Department of Workforce Services;
- ▶ changes the name of the Division of Housing and Community Development to the Housing and Community Development Division;
- ▶ modifies the powers and duties of the Housing and Community Development



28 Division; and
29 ▶ makes technical changes.

30 **Money Appropriated in this Bill:**

31 None

32 **Other Special Clauses:**

33 None

34 **Utah Code Sections Affected:**

35 **AMENDS:**

- 36 **9-1-102**, as last amended by Laws of Utah 2005, Chapter 148
- 37 **9-1-201**, as last amended by Laws of Utah 2005, Chapter 148
- 38 **9-1-810**, as last amended by Laws of Utah 2004, Chapter 18
- 39 **9-6-102**, as last amended by Laws of Utah 2010, Chapter 111
- 40 **9-6-202**, as renumbered and amended by Laws of Utah 1992, Chapter 241
- 41 **9-6-204**, as last amended by Laws of Utah 2010, Chapter 286
- 42 **9-6-205**, as last amended by Laws of Utah 2010, Chapter 111
- 43 **9-6-305**, as last amended by Laws of Utah 2010, Chapters 286 and 324
- 44 **9-6-604**, as last amended by Laws of Utah 2010, Chapter 286
- 45 **9-6-605**, as last amended by Laws of Utah 2010, Chapter 111
- 46 **9-9-104.6**, as last amended by Laws of Utah 2011, Chapter 192
- 47 **10-9a-403**, as last amended by Laws of Utah 2010, Chapter 378
- 48 **10-9a-408**, as last amended by Laws of Utah 2005, Chapter 148 and renumbered and
- 49 amended by Laws of Utah 2005, Chapter 254
- 50 **11-13-103**, as last amended by Laws of Utah 2008, Chapter 250
- 51 **11-37-101**, as last amended by Laws of Utah 2008, Chapter 382
- 52 **17-27a-403**, as last amended by Laws of Utah 2008, Chapter 168
- 53 **17-27a-408**, as last amended by Laws of Utah 2005, Chapter 148 and renumbered and
- 54 amended by Laws of Utah 2005, Chapter 254
- 55 **17C-1-102**, as last amended by Laws of Utah 2011, Chapter 43
- 56 **17C-1-204**, as last amended by Laws of Utah 2011, Chapter 43
- 57 **17C-1-412**, as last amended by Laws of Utah 2010, Chapter 279
- 58 **19-3-301**, as last amended by Laws of Utah 2008, Chapter 360

59 **19-3-320**, as enacted by Laws of Utah 2001, Chapter 269
60 **35A-1-202**, as last amended by Laws of Utah 2011, Chapter 188
61 **35A-3-103**, as last amended by Laws of Utah 2005, Chapter 148
62 **35A-3-116**, as last amended by Laws of Utah 2011, Chapter 342
63 **35A-3-203**, as last amended by Laws of Utah 2005, Chapter 148
64 **35A-3-205**, as last amended by Laws of Utah 2011, Chapter 342
65 **35A-3-309**, as last amended by Laws of Utah 2005, Chapter 148
66 **51-9-504**, as last amended by Laws of Utah 2011, Chapter 342
67 **53B-18-1002**, as last amended by Laws of Utah 2005, Chapter 148
68 **53C-3-203**, as last amended by Laws of Utah 2011, Chapters 247, 252, 303 and last
69 amended by Coordination Clause, Laws of Utah 2011, Chapter 252
70 **54-7-13.6**, as last amended by Laws of Utah 2010, Chapter 324
71 **59-5-116**, as last amended by Laws of Utah 2010, Chapter 28
72 **59-5-119**, as last amended by Laws of Utah 2007, Chapter 104
73 **59-10-1306**, as last amended by Laws of Utah 2010, Chapter 278
74 **59-10-1314**, as last amended by Laws of Utah 2011, Chapter 303
75 **59-12-103**, as last amended by Laws of Utah 2011, Chapters 285, 303, 342, and 441
76 **59-12-204**, as last amended by Laws of Utah 2011, Chapter 198
77 **59-12-1102**, as last amended by Laws of Utah 2011, Chapter 309
78 **59-21-1**, as last amended by Laws of Utah 2011, Chapter 342
79 **59-21-2**, as last amended by Laws of Utah 2011, Chapter 342
80 **61-2c-105**, as last amended by Laws of Utah 2011, Chapter 398
81 **62A-1-111**, as last amended by Laws of Utah 2008, Chapters 3 and 382
82 **63A-2-401**, as last amended by Laws of Utah 2011, Chapters 131, 270 and renumbered
83 and amended by Laws of Utah 2011, Chapter 207
84 **63A-3-205**, as last amended by Laws of Utah 2010, Chapter 72
85 **63B-1b-102**, as renumbered and amended by Laws of Utah 2008, Chapter 382
86 **63B-1b-202**, as renumbered and amended by Laws of Utah 2008, Chapter 382
87 **63E-1-102**, as last amended by Laws of Utah 2011, Chapter 370
88 **63E-1-203**, as last amended by Laws of Utah 2002, Chapter 159
89 **63G-13-201**, as enacted by Laws of Utah 2011, Chapter 19

- 90 **63H-3-103**, as renumbered and amended by Laws of Utah 2011, Chapter 370
- 91 **63I-1-209**, as last amended by Laws of Utah 2011, Chapter 370
- 92 **63I-1-235**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 93 **63I-4-102**, as last amended by Laws of Utah 2011, Chapter 370
- 94 **63I-5-201**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 95 **63J-1-219**, as enacted by Laws of Utah 2011, Chapter 365
- 96 **63J-4-502**, as last amended by Laws of Utah 2011, Chapter 55
- 97 **63J-7-102**, as last amended by Laws of Utah 2011, Chapter 370
- 98 **63K-1-102**, as last amended by Laws of Utah 2011, Chapter 55
- 99 **63M-1-604**, as last amended by Laws of Utah 2010, Chapter 286
- 100 **63M-1-1503**, as last amended by Laws of Utah 2010, Chapter 286
- 101 **63M-7-301**, as last amended by Laws of Utah 2011, Chapter 370
- 102 **67-4-18**, as enacted by Laws of Utah 2009, Chapter 15
- 103 **67-19-6.7**, as last amended by Laws of Utah 2011, Chapter 340
- 104 **67-19c-101**, as last amended by Laws of Utah 2006, Chapter 139
- 105 **67-22-2**, as last amended by Laws of Utah 2009, Chapter 369
- 106 **72-4-302**, as last amended by Laws of Utah 2010, Chapter 286
- 107 **73-10c-3**, as last amended by Laws of Utah 2010, Chapter 286

108 ENACTS:

- 109 **9-1-201.1**, Utah Code Annotated 1953
- 110 **9-1-201.2**, Utah Code Annotated 1953

111 RENUMBERS AND AMENDS:

- 112 **35A-8-101**, (Renumbered from 9-4-102, as last amended by Laws of Utah 2011,
- 113 Chapter 14)
- 114 **35A-8-201**, (Renumbered from 9-4-201, as last amended by Laws of Utah 2004,
- 115 Chapter 18)
- 116 **35A-8-202**, (Renumbered from 9-4-202, as last amended by Laws of Utah 2010,
- 117 Chapter 324)
- 118 **35A-8-301**, (Renumbered from 9-4-301, as last amended by Laws of Utah 2010,
- 119 Chapter 378)
- 120 **35A-8-302**, (Renumbered from 9-4-302, as last amended by Laws of Utah 2007,

121 Chapter 303)
122 **35A-8-303**, (Renumbered from 9-4-303, as last amended by Laws of Utah 2007,
123 Chapter 303)
124 **35A-8-304**, (Renumbered from 9-4-304, as last amended by Laws of Utah 2010,
125 Chapter 286)
126 **35A-8-305**, (Renumbered from 9-4-305, as last amended by Laws of Utah 2002,
127 Chapter 286)
128 **35A-8-306**, (Renumbered from 9-4-306, as last amended by Laws of Utah 2008,
129 Chapter 382)
130 **35A-8-307**, (Renumbered from 9-4-307, as last amended by Laws of Utah 2011,
131 Chapter 247)
132 **35A-8-401**, (Renumbered from 9-4-602, as last amended by Laws of Utah 2010,
133 Chapter 378)
134 **35A-8-402**, (Renumbered from 9-4-603, as last amended by Laws of Utah 1997,
135 Chapter 52)
136 **35A-8-403**, (Renumbered from 9-4-604, as renumbered and amended by Laws of Utah
137 1992, Chapter 241)
138 **35A-8-404**, (Renumbered from 9-4-606, as last amended by Laws of Utah 2011,
139 Chapter 216)
140 **35A-8-405**, (Renumbered from 9-4-607, as renumbered and amended by Laws of Utah
141 1992, Chapter 241)
142 **35A-8-406**, (Renumbered from 9-4-608, as renumbered and amended by Laws of Utah
143 1992, Chapter 241)
144 **35A-8-407**, (Renumbered from 9-4-609, as last amended by Laws of Utah 2011,
145 Chapter 121)
146 **35A-8-408**, (Renumbered from 9-4-610, as last amended by Laws of Utah 1993,
147 Chapter 224)
148 **35A-8-409**, (Renumbered from 9-4-611, as renumbered and amended by Laws of Utah
149 1992, Chapter 241)
150 **35A-8-410**, (Renumbered from 9-4-612, as last amended by Laws of Utah 2010,
151 Chapter 193)

152 **35A-8-411**, (Renumbered from 9-4-613, as renumbered and amended by Laws of Utah
153 1992, Chapter 241)
154 **35A-8-412**, (Renumbered from 9-4-614, as last amended by Laws of Utah 2001,
155 Chapter 73)
156 **35A-8-413**, (Renumbered from 9-4-615, as renumbered and amended by Laws of Utah
157 1992, Chapter 241)
158 **35A-8-414**, (Renumbered from 9-4-616, as renumbered and amended by Laws of Utah
159 1992, Chapter 241)
160 **35A-8-415**, (Renumbered from 9-4-617, as renumbered and amended by Laws of Utah
161 1992, Chapter 241)
162 **35A-8-416**, (Renumbered from 9-4-618, as renumbered and amended by Laws of Utah
163 1992, Chapter 241)
164 **35A-8-417**, (Renumbered from 9-4-619, as renumbered and amended by Laws of Utah
165 1992, Chapter 241)
166 **35A-8-418**, (Renumbered from 9-4-620, as renumbered and amended by Laws of Utah
167 1992, Chapter 241)
168 **35A-8-419**, (Renumbered from 9-4-621, as renumbered and amended by Laws of Utah
169 1992, Chapter 241)
170 **35A-8-420**, (Renumbered from 9-4-622, as renumbered and amended by Laws of Utah
171 1992, Chapter 241)
172 **35A-8-421**, (Renumbered from 9-4-623, as renumbered and amended by Laws of Utah
173 1992, Chapter 241)
174 **35A-8-422**, (Renumbered from 9-4-624, as renumbered and amended by Laws of Utah
175 1992, Chapter 241)
176 **35A-8-423**, (Renumbered from 9-4-625, as renumbered and amended by Laws of Utah
177 1992, Chapter 241)
178 **35A-8-424**, (Renumbered from 9-4-626, as renumbered and amended by Laws of Utah
179 1992, Chapter 241)
180 **35A-8-425**, (Renumbered from 9-4-627, as renumbered and amended by Laws of Utah
181 1992, Chapter 241)
182 **35A-8-426**, (Renumbered from 9-4-628, as renumbered and amended by Laws of Utah

183 1992, Chapter 241)
184 **35A-8-427**, (Renumbered from 9-4-629, as renumbered and amended by Laws of Utah
185 1992, Chapter 241)
186 **35A-8-428**, (Renumbered from 9-4-630, as last amended by Laws of Utah 2011,
187 Chapter 342)
188 **35A-8-429**, (Renumbered from 9-4-631, as last amended by Laws of Utah 2011,
189 Chapter 216)
190 **35A-8-430**, (Renumbered from 9-4-632, as renumbered and amended by Laws of Utah
191 1992, Chapter 241)
192 **35A-8-501**, (Renumbered from 9-4-701, as last amended by Laws of Utah 2001,
193 Chapter 175)
194 **35A-8-502**, (Renumbered from 9-4-702, as last amended by Laws of Utah 2001,
195 Chapter 175)
196 **35A-8-503**, (Renumbered from 9-4-703, as last amended by Laws of Utah 2010,
197 Chapters 286 and 378)
198 **35A-8-504**, (Renumbered from 9-4-704, as last amended by Laws of Utah 2011,
199 Chapter 342)
200 **35A-8-505**, (Renumbered from 9-4-705, as last amended by Laws of Utah 2003,
201 Chapter 95)
202 **35A-8-506**, (Renumbered from 9-4-706, as last amended by Laws of Utah 2002,
203 Chapter 159)
204 **35A-8-507**, (Renumbered from 9-4-707, as last amended by Laws of Utah 2011,
205 Chapter 342)
206 **35A-8-508**, (Renumbered from 9-4-708, as last amended by Laws of Utah 2011,
207 Chapter 342)
208 **35A-8-601**, (Renumbered from 9-4-801, as last amended by Laws of Utah 2011,
209 Chapters 178 and 366)
210 **35A-8-602**, (Renumbered from 9-4-802, as last amended by Laws of Utah 2011,
211 Chapter 366)
212 **35A-8-603**, (Renumbered from 9-4-803, as last amended by Laws of Utah 2010,
213 Chapter 278)

214 **35A-8-701**, (Renumbered from 9-4-901, as last amended by Laws of Utah 2001,
215 Chapter 319)
216 **35A-8-702**, (Renumbered from 9-4-902, as last amended by Laws of Utah 2001,
217 Chapter 319)
218 **35A-8-703**, (Renumbered from 9-4-903, as last amended by Laws of Utah 2011,
219 Chapter 366)
220 **35A-8-704**, (Renumbered from 9-4-904, as last amended by Laws of Utah 2010,
221 Chapter 286)
222 **35A-8-705**, (Renumbered from 9-4-904.5, as enacted by Laws of Utah 2001, Chapter
223 319)
224 **35A-8-706**, (Renumbered from 9-4-905, as last amended by Laws of Utah 2001,
225 Chapter 319)
226 **35A-8-707**, (Renumbered from 9-4-906, as last amended by Laws of Utah 2008,
227 Chapter 382)
228 **35A-8-708**, (Renumbered from 9-4-907, as last amended by Laws of Utah 2001,
229 Chapter 319)
230 **35A-8-709**, (Renumbered from 9-4-908, as last amended by Laws of Utah 2001,
231 Chapter 319)
232 **35A-8-710**, (Renumbered from 9-4-909, as last amended by Laws of Utah 2001,
233 Chapter 319)
234 **35A-8-711**, (Renumbered from 9-4-910, as last amended by Laws of Utah 2003,
235 Chapter 95)
236 **35A-8-712**, (Renumbered from 9-4-911, as last amended by Laws of Utah 2001,
237 Chapter 319)
238 **35A-8-713**, (Renumbered from 9-4-912, as last amended by Laws of Utah 2001,
239 Chapter 319)
240 **35A-8-714**, (Renumbered from 9-4-913, as last amended by Laws of Utah 2001,
241 Chapter 319)
242 **35A-8-715**, (Renumbered from 9-4-914, as last amended by Laws of Utah 2011,
243 Chapter 342)
244 **35A-8-716**, (Renumbered from 9-4-915, as last amended by Laws of Utah 2001,

245 Chapter 319)
246 **35A-8-717**, (Renumbered from 9-4-916, as last amended by Laws of Utah 2001,
247 Chapter 319)
248 **35A-8-718**, (Renumbered from 9-4-917, as last amended by Laws of Utah 2008,
249 Chapter 382)
250 **35A-8-719**, (Renumbered from 9-4-918, as last amended by Laws of Utah 2001,
251 Chapter 319)
252 **35A-8-720**, (Renumbered from 9-4-919, as last amended by Laws of Utah 2001,
253 Chapter 319)
254 **35A-8-721**, (Renumbered from 9-4-920, as last amended by Laws of Utah 2001,
255 Chapter 319)
256 **35A-8-722**, (Renumbered from 9-4-922, as last amended by Laws of Utah 2001,
257 Chapter 319)
258 **35A-8-723**, (Renumbered from 9-4-923, as last amended by Laws of Utah 2001,
259 Chapter 319)
260 **35A-8-724**, (Renumbered from 9-4-924, as last amended by Laws of Utah 2010,
261 Chapter 378)
262 **35A-8-725**, (Renumbered from 9-4-925, as last amended by Laws of Utah 2001,
263 Chapter 319)
264 **35A-8-726**, (Renumbered from 9-4-926, as enacted by Laws of Utah 2001, Chapter
265 319)
266 **35A-8-727**, (Renumbered from 9-4-927, as enacted by Laws of Utah 2009, Chapter 15)
267 **35A-8-801**, (Renumbered from 9-4-1201, as enacted by Laws of Utah 1997, Chapter
268 30)
269 **35A-8-802**, (Renumbered from 9-4-1202, as last amended by Laws of Utah 2009,
270 Chapter 72)
271 **35A-8-803**, (Renumbered from 9-4-1203, as last amended by Laws of Utah 2002,
272 Chapter 159)
273 **35A-8-804**, (Renumbered from 9-4-1204, as last amended by Laws of Utah 2005,
274 Chapter 254)
275 **35A-8-901**, (Renumbered from 9-4-1301, as last amended by Laws of Utah 2008,

276 Chapter 382)
277 **35A-8-1001**, (Renumbered from 9-4-1401, as enacted by Laws of Utah 2000, Chapter
278 286)
279 **35A-8-1002**, (Renumbered from 9-4-1402, as enacted by Laws of Utah 2000, Chapter
280 286)
281 **35A-8-1003**, (Renumbered from 9-4-1403, as last amended by Laws of Utah 2004,
282 Chapter 18)
283 **35A-8-1004**, (Renumbered from 9-4-1404, as last amended by Laws of Utah 2008,
284 Chapters 192 and 382)
285 **35A-8-1005**, (Renumbered from 9-4-1405, as last amended by Laws of Utah 2006,
286 Chapter 23)
287 **35A-8-1006**, (Renumbered from 9-4-1406, as last amended by Laws of Utah 2008,
288 Chapter 382)
289 **35A-8-1007**, (Renumbered from 9-4-1407, as enacted by Laws of Utah 2000, Chapter
290 286)
291 **35A-8-1008**, (Renumbered from 9-4-1408, as enacted by Laws of Utah 2000, Chapter
292 286)
293 **35A-8-1009**, (Renumbered from 9-4-1409, as last amended by Laws of Utah 2011,
294 Chapters 194 and 342)
295 **35A-8-1101**, (Renumbered from 9-4-1501, as last amended by Laws of Utah 2011,
296 Chapter 303)
297 **35A-8-1102**, (Renumbered from 9-4-1502, as last amended by Laws of Utah 2011,
298 Chapter 303)
299 **35A-8-1103**, (Renumbered from 9-4-1503, as last amended by Laws of Utah 2011,
300 Chapter 303)
301 **35A-8-1201**, (Renumbered from 9-4-1601, as enacted by Laws of Utah 2011, Chapter
302 217)
303 **35A-8-1202**, (Renumbered from 9-4-1602, as enacted by Laws of Utah 2011, Chapter
304 217)
305 **35A-8-1203**, (Renumbered from 9-4-1603, as enacted by Laws of Utah 2011, Chapter
306 217)

- 307 **35A-8-1301**, (Renumbered from 9-4-1701, as enacted by Laws of Utah 2011, Chapter
308 222)
- 309 **35A-8-1401**, (Renumbered from 9-12-101, as enacted by Laws of Utah 1998, Chapter
310 336)
- 311 **35A-8-1402**, (Renumbered from 9-12-102, as renumbered and amended by Laws of
312 Utah 1998, Chapter 336)
- 313 **35A-8-1403**, (Renumbered from 9-12-103, as last amended by Laws of Utah 2010,
314 Chapter 378)
- 315 **35A-8-1404**, (Renumbered from 9-12-104, as renumbered and amended by Laws of
316 Utah 1998, Chapter 336)
- 317 **35A-8-1405**, (Renumbered from 9-12-105, as last amended by Laws of Utah 2008,
318 Chapter 382)
- 319 **35A-8-1501**, (Renumbered from 9-12-201, as last amended by Laws of Utah 2010,
320 Chapter 378)
- 321 **35A-8-1502**, (Renumbered from 9-12-202, as renumbered and amended by Laws of
322 Utah 1998, Chapter 336)
- 323 **35A-8-1503**, (Renumbered from 9-12-203, as renumbered and amended by Laws of
324 Utah 1998, Chapter 336)
- 325 **35A-8-1504**, (Renumbered from 9-12-204, as renumbered and amended by Laws of
326 Utah 1998, Chapter 336)
- 327 **35A-8-1601**, (Renumbered from 9-10-101, as last amended by Laws of Utah 2007,
328 Chapter 104)
- 329 **35A-8-1602**, (Renumbered from 9-10-102, as last amended by Laws of Utah 2002,
330 Chapter 256)
- 331 **35A-8-1603**, (Renumbered from 9-10-103, as last amended by Laws of Utah 2010,
332 Chapter 286)
- 333 **35A-8-1604**, (Renumbered from 9-10-104, as last amended by Laws of Utah 2007,
334 Chapter 104)
- 335 **35A-8-1605**, (Renumbered from 9-10-105, as last amended by Laws of Utah 2008,
336 Chapter 382)
- 337 **35A-8-1606**, (Renumbered from 9-10-106, as last amended by Laws of Utah 2007,

338 Chapter 104)

339 **35A-8-1607**, (Renumbered from 9-10-107, as last amended by Laws of Utah 1997,
340 Chapters 35 and 135)

341 **35A-8-1608**, (Renumbered from 9-10-108, as last amended by Laws of Utah 2011,
342 Chapter 303)

343 **35A-8-1701**, (Renumbered from 9-11-101, as enacted by Laws of Utah 1996, Chapter
344 135)

345 **35A-8-1702**, (Renumbered from 9-11-102, as last amended by Laws of Utah 2008,
346 Chapters 202 and 382)

347 **35A-8-1703**, (Renumbered from 9-11-103, as last amended by Laws of Utah 2001,
348 Chapter 150)

349 **35A-8-1704**, (Renumbered from 9-11-104, as last amended by Laws of Utah 2011,
350 Chapter 303)

351 **35A-8-1705**, (Renumbered from 9-11-105, as last amended by Laws of Utah 2010,
352 Chapter 286)

353 **35A-8-1706**, (Renumbered from 9-11-106, as last amended by Laws of Utah 2008,
354 Chapter 382)

355 **35A-8-1707**, (Renumbered from 9-11-107, as last amended by Laws of Utah 2008,
356 Chapters 202 and 382)

357 **35A-8-1708**, (Renumbered from 9-11-108, as enacted by Laws of Utah 1996, Chapter
358 135)

359 REPEALS:

360 **9-6-601**, as last amended by Laws of Utah 2010, Chapter 111

361 **9-6-607**, as renumbered and amended by Laws of Utah 2006, Chapter 24



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

364 Section 1. Section **9-1-102** is amended to read:

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

366 **9-1-102. Definitions.**

367 As used in this title:

368 [~~2~~] (1) "Executive director" means the executive director of the Department of

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

370 [(+)] (2) "Department" means the Department of [~~Community and Culture~~] Heritage
371 and Arts.

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

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

374 **9-1-201. Department of Heritage and Arts -- Creation -- Powers and duties.**

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

376 (2) The department shall:

377 (a) be responsible for [~~community~~] preserving and promoting the heritage of the state,
378 the arts in the state, and cultural development within the state;

379 (b) perform [~~community and~~] heritage, arts, and cultural development planning for the
380 state;

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

382 (d) administer and coordinate all state or federal grant programs which are, or become,
383 available for [~~community~~] heritage, arts, and cultural development;

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

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

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

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

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

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

394 **9-1-201.1. Executive director of department -- Appointment -- Removal --**
395 **Compensation.**

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

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

399 (3) The salary of the executive director shall be established by the governor within the

400 salary range fixed by the Legislature in Title 67, Chapter 22, State Officer Compensation.

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

402 **9-1-201.2. Organization of department -- Jurisdiction of executive director.**

403 The executive director:

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

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

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

409 **9-1-810. Administration, reporting, and expenses.**

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

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

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

414 **9-6-102. Definitions.**

415 As used in this chapter:

416 (1) "Advisory board" means the Museum Services Advisory Board created in Section
417 9-6-604.

418 [~~(1)~~] (2) "Board" means the Board of Directors of the Utah Arts Council created in
419 Section 9-6-204.

420 [~~(2)~~] (3) "Council" means the Utah Arts Council created in Section 9-6-301.

421 [~~(3)~~] (4) "Director" means the director of the Division of Arts and Museums.

422 [~~(4)~~] (5) "Division" means the Division of Arts and Museums.

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

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

426 (b) has an educational or aesthetic purpose;

427 (c) owns or curates a tangible collection;

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

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

430 [~~(5)~~] (8) (a) "Pass-through funding" means funds appropriated by the Legislature to a

431 state agency that are intended to be passed through the state agency to:

- 432 (i) local governments;
- 433 (ii) other government agencies;
- 434 (iii) private organizations, including not-for-profits; or
- 435 (iv) persons in the form of a loan or grant.

436 (b) The funding may be:

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

439 (ii) ongoing or one-time.

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

441 **9-6-202. Division director.**

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

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

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

- 447 (a) the Board of Directors of the Utah Arts Council created in Section 9-6-204;
- 448 (b) the Utah Arts Council created in Section 9-6-301;
- 449 (c) the Office of Museum Services created in Section 9-6-602; and
- 450 (d) the Museum Services Advisory Board created in Section 9-6-604.

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

452 **9-6-204. Utah Arts Council Board of Directors.**

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

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

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

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

- 462 (i) visual arts;
- 463 (ii) architecture or design;
- 464 (iii) literature;
- 465 (iv) music;
- 466 (v) sculpture;
- 467 (vi) folklore or folk arts;
- 468 (vii) theatre;
- 469 (viii) dance; and
- 470 (ix) media arts.
- 471 (d) Four board members shall be citizens knowledgeable in the arts.
- 472 (3) The members shall be appointed from the state at large with due consideration for
- 473 geographical representation.
- 474 (4) When a vacancy occurs in the membership for any reason, the replacement shall be
- 475 appointed for the unexpired term by the governor within one month from the time of vacancy.
- 476 (5) Seven members of the board constitute a quorum for the transaction of business.
- 477 (6) The governor shall annually select one of the board members as chair.
- 478 (7) A member may not receive compensation or benefits for the member's service, but
- 479 may receive per diem and travel expenses in accordance with:
- 480 (a) Section 63A-3-106;
- 481 (b) Section 63A-3-107; and
- 482 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
- 483 63A-3-107.
- 484 (8) A member may not receive gifts, prizes, or awards of money from the purchasing
- 485 fund of the division during the member's term of office.
- 486 Section 9. Section **9-6-205** is amended to read:
- 487 **9-6-205. Board powers and duties.**
- 488 (1) The board may:
- 489 (a) make, amend, or repeal rules for the conduct of its business in governing the
- 490 ~~[institute and the division]~~ council in accordance with Title 63G, Chapter 3, Utah
- 491 Administrative Rulemaking Act;
- 492 (b) receive gifts, bequests, and property; and

493 (c) issue certificates and offer and confer prizes, certificates, and awards for works of
494 art and achievement in the arts.

495 (2) The board shall make policy for the [~~institute and for the division~~] council.

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

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

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

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

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

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

507 **9-6-305. Art collection committee.**

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

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

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

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

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

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

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

524 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
525 63A-3-107.

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

527 **9-6-604. Museum Services Advisory Board -- Membership.**

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

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

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

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

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

535 (c) representation from throughout Utah.

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

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

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

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

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

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

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

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

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

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

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

552 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
553 63A-3-107.

554 (10) The department shall pay those expenses on warrant to the Division of Finance

555 from money in the budget appropriated for that purpose.

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

557 **9-6-605. Advisory board -- Duties.**

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

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

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

562 (i) the office grants program; and

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

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

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

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

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

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

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

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

576 **9-9-104.6. Participation of state agencies in meetings with tribal leaders --**

577 **Contact information.**

578 (1) For at least three of the joint meetings described in Subsection 9-9-104.5(2)(a), the
579 division shall coordinate with representatives of tribal governments and the entities listed in
580 Subsection (2) to provide for the broadest participation possible in the joint meetings.

581 (2) The following may participate in all meetings described in Subsection (1):

582 (a) the chairs of the Native American Legislative Liaison Committee created in Section
583 36-22-1;

584 (b) the governor or the governor's designee;

585 (c) (i) the American Indian-Alaskan Native Health Liaison appointed in accordance

586 with Section 26-7-2.5; or

587 (ii) if the American Indian-Alaskan Native Health Liaison is not appointed, a
588 representative of the Department of Health appointed by the executive director of the
589 Department of Health; and

590 (d) a representative appointed by the chief administrative officer of the following:

- 591 (i) the Department of Human Services;
- 592 (ii) the Department of Natural Resources;
- 593 (iii) the Department of Workforce Services;
- 594 (iv) the Governor's Office of Economic Development;
- 595 (v) the State Office of Education; and
- 596 (vi) the State Board of Regents.

597 (3) (a) The chief administrative officer of the agencies listed in Subsection (3)(b) shall:

598 (i) designate the name of a contact person for that agency that can assist in coordinating
599 the efforts of state and tribal governments in meeting the needs of the Native Americans
600 residing in the state; and

601 (ii) notify the division:

- 602 (A) who is the designated contact person described in Subsection (3)(a)(i); and
- 603 (B) of any change in who is the designated contact person described in Subsection
604 (3)(a)(i).

605 (b) This Subsection (3) applies to:

- 606 (i) the Department of Agriculture and Food;
- 607 (ii) the Department of [~~Community and Culture~~] Heritage and Arts;
- 608 (iii) the Department of Corrections;
- 609 (iv) the Department of Environmental Quality;
- 610 (v) the Department of Public Safety;
- 611 (vi) the Department of Transportation;
- 612 (vii) the Office of the Attorney General;
- 613 (viii) the State Tax Commission; and
- 614 (ix) any agency described in Subsection (2)(c) or (d).

615 (c) At the request of the division, a contact person listed in Subsection (3)(b) may
616 participate in a meeting described in Subsection (1).

617 (4) A participant under this section who is not a legislator may not receive
618 compensation or benefits for the participant's service, but may receive per diem and travel
619 expenses in accordance with:

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

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

622 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
623 63A-3-107.

624 Section 14. Section **10-9a-403** is amended to read:

625 **10-9a-403. Plan preparation.**

626 (1) (a) The planning commission shall provide notice, as provided in Section
627 10-9a-203, of its intent to make a recommendation to the municipal legislative body for a
628 general plan or a comprehensive general plan amendment when the planning commission
629 initiates the process of preparing its recommendation.

630 (b) The planning commission shall make and recommend to the legislative body a
631 proposed general plan for the area within the municipality.

632 (c) The plan may include areas outside the boundaries of the municipality if, in the
633 planning commission's judgment, those areas are related to the planning of the municipality's
634 territory.

635 (d) Except as otherwise provided by law or with respect to a municipality's power of
636 eminent domain, when the plan of a municipality involves territory outside the boundaries of
637 the municipality, the municipality may not take action affecting that territory without the
638 concurrence of the county or other municipalities affected.

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

642 (i) a land use element that:

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

647 (B) may include a statement of the projections for and standards of population density

648 and building intensity recommended for the various land use categories covered by the plan;

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

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

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

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

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

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

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

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

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

672 (C) encourage the rehabilitation of existing uninhabitable housing stock into moderate
673 income housing;

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

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

678 (F) consider utilization of programs offered by the Utah Housing Corporation within

679 that agency's funding capacity; and

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

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

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

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

686 (3) The proposed general plan may include:

687 (a) an environmental element that addresses:

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

691 (ii) the reclamation of land, flood control, prevention and control of the pollution of
692 streams and other waters, regulation of the use of land on hillsides, stream channels and other
693 environmentally sensitive areas, the prevention, control, and correction of the erosion of soils,
694 protection of watersheds and wetlands, and the mapping of known geologic hazards;

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

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

700 (i) historic preservation;

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

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

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

708 (e) recommendations for implementing all or any portion of the general plan, including
709 the use of land use ordinances, capital improvement plans, community development and

710 promotion, and any other appropriate action;

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

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

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

714 **10-9a-408. Biennial review of moderate income housing element of general plan.**

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

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

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

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

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

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

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

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

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

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

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

735 **11-13-103. Definitions.**

736 As used in this chapter:

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

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

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

745 (2) "Board" means the Permanent Community Impact Fund Board created by Section
746 ~~[9-4-304]~~ 35A-8-304, and its successors.

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

748 (a) the state;

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

751 (c) a prosecution district.

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

754 (a) has no taxing authority; and

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

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

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

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

763 (6) "Electric interlocal entity" means an interlocal entity described in Subsection
764 11-13-203(3).

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

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

770 (i) generation capacity;

771 (ii) generation output; or

772 (iii) an electric energy production facility.

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

776 (9) "Interlocal entity" means:

777 (a) a Utah interlocal entity, an electric interlocal entity, or an energy services interlocal
778 entity; or

779 (b) a separate legal or administrative entity created under Section 11-13-205.

780 (10) "Out-of-state public agency" means a public agency as defined in Subsection
781 (13)(c), (d), or (e).

782 (11) (a) "Project":

783 (i) means an electric generation and transmission facility owned by a Utah interlocal
784 entity or an electric interlocal entity; and

785 (ii) includes fuel or fuel transportation facilities and water facilities owned by that Utah
786 interlocal entity or electric interlocal entity and required for the generation and transmission
787 facility.

788 (b) "Project" includes a project entity's ownership interest in:

789 (i) facilities that provide additional project capacity; and

790 (ii) additional generating, transmission, fuel, fuel transportation, water, or other
791 facilities added to a project.

792 (12) "Project entity" means a Utah interlocal entity or an electric interlocal entity that
793 owns a project.

794 (13) "Public agency" means:

795 (a) a city, town, county, school district, local district, special service district, or other
796 political subdivision of the state;

797 (b) the state or any department, division, or agency of the state;

798 (c) any agency of the United States;

799 (d) any political subdivision or agency of another state or the District of Columbia
800 including any interlocal cooperation or joint powers agency formed under the authority of the
801 law of the other state or the District of Columbia; and

802 (e) any Indian tribe, band, nation, or other organized group or community which is

803 recognized as eligible for the special programs and services provided by the United States to
804 Indians because of their status as Indians.

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

808 (15) "Utah interlocal entity":

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

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

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

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

814 **11-37-101. Definition -- Procurement -- Use of recycled goods.**

815 (1) "Local government entity" means:

816 (a) municipalities, cities, and counties;

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

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

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

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

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

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

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

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

827 **17-27a-403. Plan preparation.**

828 (1) (a) The planning commission shall provide notice, as provided in Section
829 17-27a-203, of its intent to make a recommendation to the county legislative body for a general
830 plan or a comprehensive general plan amendment when the planning commission initiates the
831 process of preparing its recommendation.

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

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

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

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

843 (i) a land use element that:

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

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

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

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

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

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

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

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

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

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

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

873 (C) encourage the rehabilitation of existing uninhabitable housing stock into moderate
874 income housing;

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

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

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

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

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

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

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

888 (3) The proposed general plan may include:

889 (a) an environmental element that addresses:

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

893 (ii) the reclamation of land, flood control, prevention and control of the pollution of
894 streams and other waters, regulation of the use of land on hillsides, stream channels and other
895 environmentally sensitive areas, the prevention, control, and correction of the erosion of soils,

896 protection of watersheds and wetlands, and the mapping of known geologic hazards;

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

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

902 (i) historic preservation;

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

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

906 (d) an economic element composed of appropriate studies and forecasts, as well as an
907 economic development plan, which may include review of existing and projected county
908 revenue and expenditures, revenue sources, identification of basic and secondary industry,
909 primary and secondary market areas, employment, and retail sales activity;

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

913 (f) provisions addressing any of the matters listed in Subsection 17-27a-401(2); and

914 (g) any other element the county considers appropriate.

915 Section 19. Section **17-27a-408** is amended to read:

916 **17-27a-408. Biennial review of moderate income housing element of general plan.**

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

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

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

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

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

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

926 (c) progress made within the county to provide moderate income housing, as measured

927 by permits issued for new units of moderate income housing; and

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

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

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

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

937 **17C-1-102. Definitions.**

938 As used in this title:

939 (1) "Adjusted tax increment" means:

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

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

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

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

951 (a) for an agency created by a county, the unincorporated area of the county; and

952 (b) for an agency created by a city or town, the boundaries of the city or town.

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

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

957 (6) "Base taxable value" means:

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

961 (i) for a pre-July 1, 1993, project area plan, the effective date of the project area plan;

962 (ii) for a post-June 30, 1993, project area plan:

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

964 or

965 (B) if no taxing entity committee approval is required for the project area budget, the

966 later of:

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

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

969 (iii) for a project on an inactive industrial site, a year after the date on which the

970 inactive industrial site is sold for remediation and development; or

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

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

973 and

974 (B) the date on which the airport that had been operated on the inactive airport site

975 ceased operations; and

976 (b) for a community development project area, the agreed value specified in a

977 resolution or interlocal agreement under Subsection 17C-4-201(2).

978 (7) "Basic levy" means the portion of a school district's tax levy constituting the

979 minimum basic levy under Section 59-2-902.

980 (8) "Blight" or "blighted" means the condition of an area that meets the requirements of

981 Subsection 17C-2-303(1).

982 (9) "Blight hearing" means a public hearing under Subsection 17C-2-102(1)(a)(i)(C)

983 and Section 17C-2-302 regarding the existence or nonexistence of blight within the proposed

984 urban renewal project area.

985 (10) "Blight study" means a study to determine the existence or nonexistence of blight

986 within a survey area as provided in Section 17C-2-301.

987 (11) "Board" means the governing body of an agency, as provided in Section

988 17C-1-203.

989 (12) "Budget hearing" means the public hearing on a draft project area budget required
990 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget or Subsection
991 17C-3-201(2)(d) for an economic development project area budget.

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

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

1000 (15) "Community" means a county, city, or town.

1001 (16) "Community development" means development activities within a community,
1002 including the encouragement, promotion, or provision of development.

1003 (17) "Economic development" means to promote the creation or retention of public or
1004 private jobs within the state through:

1005 (a) planning, design, development, construction, rehabilitation, business relocation, or
1006 any combination of these, within a community; and

1007 (b) the provision of office, industrial, manufacturing, warehousing, distribution,
1008 parking, public, or other facilities, or other improvements that benefit the state or a community.

1009 (18) "Fair share ratio" means the ratio derived by:

1010 (a) for a city or town, comparing the percentage of all housing units within the city or
1011 town that are publicly subsidized income targeted housing units to the percentage of all
1012 housing units within the whole county that are publicly subsidized income targeted housing
1013 units; or

1014 (b) for the unincorporated part of a county, comparing the percentage of all housing
1015 units within the unincorporated county that are publicly subsidized income targeted housing
1016 units to the percentage of all housing units within the whole county that are publicly subsidized
1017 income targeted housing units.

1018 (19) "Family" has the meaning as defined under regulations of the [~~U.S.~~] United States
1019 Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as

1020 superseded by replacement regulations.

1021 (20) "Greenfield" means land not developed beyond agricultural or forestry use.

1022 (21) "Hazardous waste" means any substance defined, regulated, or listed as a
1023 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,
1024 or toxic substance, or identified as hazardous to human health or the environment, under state
1025 or federal law or regulation.

1026 (22) "Housing funds" means the funds allocated in an urban renewal project area
1027 budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).

1028 (23) (a) "Inactive airport site" means land that:

1029 (i) consists of at least 100 acres;

1030 (ii) is occupied by an airport:

1031 (A) (I) that is no longer in operation as an airport; or

1032 (II) (Aa) that is scheduled to be decommissioned; and

1033 (Bb) for which a replacement commercial service airport is under construction; and

1034 (B) that is owned or was formerly owned and operated by a public entity; and

1035 (iii) requires remediation because:

1036 (A) of the presence of hazardous waste or solid waste; or

1037 (B) the site lacks sufficient public infrastructure and facilities, including public roads,
1038 electric service, water system, and sewer system, needed to support development of the site.

1039 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land
1040 described in Subsection (23)(a).

1041 (24) (a) "Inactive industrial site" means land that:

1042 (i) consists of at least 1,000 acres;

1043 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial
1044 facility; and

1045 (iii) requires remediation because of the presence of hazardous waste or solid waste.

1046 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land
1047 described in Subsection (24)(a).

1048 (25) "Income targeted housing" means housing to be owned or occupied by a family
1049 whose annual income is at or below 80% of the median annual income for the county in which
1050 the housing is located.

1051 (26) "Incremental value" means a figure derived by multiplying the marginal value of
1052 the property located within an urban renewal project area on which tax increment is collected
1053 by a number that represents the percentage of adjusted tax increment from that project area that
1054 is paid to the agency.

1055 (27) "Loan fund board" means the Olene Walker Housing Loan Fund Board,
1056 established under Title [9] 35A, Chapter [4] 8, Part [7] 5, Olene Walker Housing Loan Fund.

1057 (28) "Marginal value" means the difference between actual taxable value and base
1058 taxable value.

1059 (29) "Military installation project area" means a project area or a portion of a project
1060 area located within a federal military installation ordered closed by the federal Defense Base
1061 Realignment and Closure Commission.

1062 (30) (a) "Municipal building" means a building owned and operated by a municipality
1063 for the purpose of providing one or more primary municipal functions, including:

- 1064 (i) a fire station;
- 1065 (ii) a police station;
- 1066 (iii) a city hall; or
- 1067 (iv) a court or other judicial building.

1068 (b) "Municipal building" does not include a building the primary purpose of which is
1069 cultural or recreational in nature.

1070 (31) "Plan hearing" means the public hearing on a draft project area plan required
1071 under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection
1072 17C-3-102(1)(d) for an economic development project area plan, and Subsection
1073 17C-4-102(1)(d) for a community development project area plan.

1074 (32) "Post-June 30, 1993, project area plan" means a project area plan adopted on or
1075 after July 1, 1993, whether or not amended subsequent to its adoption.

1076 (33) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July
1077 1, 1993, whether or not amended subsequent to its adoption.

1078 (34) "Private," with respect to real property, means:

1079 (a) not owned by the United States or any agency of the federal government, a public
1080 entity, or any other governmental entity; and

1081 (b) not dedicated to public use.

1082 (35) "Project area" means the geographic area described in a project area plan or draft
1083 project area plan where the urban renewal, economic development, or community
1084 development, as the case may be, set forth in the project area plan or draft project area plan
1085 takes place or is proposed to take place.

1086 (36) "Project area budget" means a multiyear projection of annual or cumulative
1087 revenues and expenses and other fiscal matters pertaining to a urban renewal or economic
1088 development project area that includes:

1089 (a) the base taxable value of property in the project area;

1090 (b) the projected tax increment expected to be generated within the project area;

1091 (c) the amount of tax increment expected to be shared with other taxing entities;

1092 (d) the amount of tax increment expected to be used to implement the project area plan,
1093 including the estimated amount of tax increment to be used for land acquisition, public
1094 improvements, infrastructure improvements, and loans, grants, or other incentives to private
1095 and public entities;

1096 (e) the tax increment expected to be used to cover the cost of administering the project
1097 area plan;

1098 (f) if the area from which tax increment is to be collected is less than the entire project
1099 area:

1100 (i) the tax identification numbers of the parcels from which tax increment will be
1101 collected; or

1102 (ii) a legal description of the portion of the project area from which tax increment will
1103 be collected;

1104 (g) for property that the agency owns and expects to sell, the expected total cost of the
1105 property to the agency and the expected selling price; and

1106 (h) (i) for an urban renewal project area, the information required under Subsection
1107 17C-2-201(1)(b); and

1108 (ii) for an economic development project area, the information required under
1109 Subsection 17C-3-201(1)(b).

1110 (37) "Project area plan" means a written plan under Chapter 2, Part 1, Urban Renewal
1111 Project Area Plan, Chapter 3, Part 1, Economic Development Project Area Plan, or Chapter 4,
1112 Part 1, Community Development Project Area Plan, as the case may be, that, after its effective

1113 date, guides and controls the urban renewal, economic development, or community
1114 development activities within a project area.

1115 (38) "Property tax" includes privilege tax and each levy on an ad valorem basis on
1116 tangible or intangible personal or real property.

1117 (39) "Public entity" means:

1118 (a) the state, including any of its departments or agencies; or

1119 (b) a political subdivision of the state, including a county, city, town, school district,
1120 local district, special service district, or interlocal cooperation entity.

1121 (40) "Publicly owned infrastructure and improvements" means water, sewer, storm
1122 drainage, electrical, and other similar systems and lines, streets, roads, curb, gutter, sidewalk,
1123 walkways, parking facilities, public transportation facilities, and other facilities, infrastructure,
1124 and improvements benefitting the public and to be publicly owned or publicly maintained or
1125 operated.

1126 (41) "Record property owner" or "record owner of property" means the owner of real
1127 property as shown on the records of the recorder of the county in which the property is located
1128 and includes a purchaser under a real estate contract if the contract is recorded in the office of
1129 the recorder of the county in which the property is located or the purchaser gives written notice
1130 of the real estate contract to the agency.

1131 (42) "Superfund site":

1132 (a) means an area included in the National Priorities List under the Comprehensive
1133 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

1134 (b) includes an area formerly included in the National Priorities List, as described in
1135 Subsection (42)(a), but removed from the list following remediation that leaves on site the
1136 waste that caused the area to be included in the National Priorities List.

1137 (43) "Survey area" means an area designated by a survey area resolution for study to
1138 determine whether one or more urban renewal projects within the area are feasible.

1139 (44) "Survey area resolution" means a resolution adopted by the agency board under
1140 Subsection 17C-2-101(1)(a) designating a survey area.

1141 (45) "Taxable value" means the value of property as shown on the last equalized
1142 assessment roll as certified by the county assessor.

1143 (46) (a) "Tax increment" means, except as provided in Subsection (46)(b), the

1144 difference between:

1145 (i) the amount of property tax revenues generated each tax year by all taxing entities
1146 from the area within a project area designated in the project area plan as the area from which
1147 tax increment is to be collected, using the current assessed value of the property; and

1148 (ii) the amount of property tax revenues that would be generated from that same area
1149 using the base taxable value of the property.

1150 (b) "Tax increment" does not include taxes levied and collected under Section
1151 59-2-1602 on or after January 1, 1994, upon the taxable property in the project area unless:

1152 (i) the project area plan was adopted before May 4, 1993, whether or not the project
1153 area plan was subsequently amended; and

1154 (ii) the taxes were pledged to support bond indebtedness or other contractual
1155 obligations of the agency.

1156 (47) "Taxing entity" means a public entity that levies a tax on a parcel or parcels of
1157 property located within a community.

1158 (48) "Taxing entity committee" means a committee representing the interests of taxing
1159 entities, created as provided in Section 17C-1-402.

1160 (49) "Unincorporated" means not within a city or town.

1161 (50) (a) "Urban renewal" means the development activities under a project area plan
1162 within an urban renewal project area, including:

1163 (i) planning, design, development, demolition, clearance, construction, rehabilitation,
1164 environmental remediation, or any combination of these, of part or all of a project area;

1165 (ii) the provision of residential, commercial, industrial, public, or other structures or
1166 spaces, including recreational and other facilities incidental or appurtenant to them;

1167 (iii) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating, or
1168 any combination of these, existing structures in a project area;

1169 (iv) providing open space, including streets and other public grounds and space around
1170 buildings;

1171 (v) providing public or private buildings, infrastructure, structures, and improvements;
1172 and

1173 (vi) providing improvements of public or private recreation areas and other public
1174 grounds.

1175 (b) "Urban renewal" means "redevelopment," as defined under the law in effect before
1176 May 1, 2006, if the context requires.

1177 Section 21. Section **17C-1-204** is amended to read:

1178 **17C-1-204. Urban renewal, economic development, and community development**
1179 **by an adjoining agency -- Requirements.**

1180 (1) An agency or community may, by resolution of its board or legislative body,
1181 respectively, authorize an agency to conduct urban renewal, economic development, or
1182 community development activities in a project area that includes an area within the authorizing
1183 agency's boundaries or within the boundaries of the authorizing community if the project area
1184 or community is contiguous to the boundaries of the other agency.

1185 (2) If an agency board or community legislative body adopts a resolution under
1186 Subsection (1) authorizing another agency to undertake urban renewal, economic development,
1187 or community development activities in the authorizing agency's project area or within the
1188 boundaries of the authorizing community:

1189 (a) the other agency may act in all respects as if the project area were within its own
1190 boundaries;

1191 (b) the board of the other agency has all the rights, powers, and privileges with respect
1192 to the project area as if it were within its own boundaries; and

1193 (c) the other agency may be paid tax increment funds to the same extent as if the
1194 project area were within its own boundaries.

1195 (3) Each project area plan approved by the other agency for the project area that is the
1196 subject of a resolution under Subsection (1) shall be adopted by ordinance of the legislative
1197 body of the community in which the project area is located.

1198 (4) (a) As used in this Subsection (4):

1199 (i) "County agency" means an agency that was created by a county.

1200 (ii) "Industrial property" means private real property:

1201 (A) over half of which is located within the boundary of a town, as defined in Section
1202 10-1-104; and

1203 (B) comprises some or all of an inactive industrial site.

1204 (iii) "Perimeter portion" means the portion of an inactive industrial site that is:

1205 (A) part of the inactive industrial site because it lies within the perimeter described in

1206 Subsection 17C-1-102[~~(25)~~](24)(b); and

1207 (B) located within the boundary of a city, as defined in Section 10-1-104.

1208 (b) (i) Subject to Subsection (4)(b)(ii), a county agency may undertake urban renewal,
1209 economic development, or community development on industrial property if the record
1210 property owner of the industrial property submits a written request to the county agency to do
1211 so.

1212 (ii) A county agency may not include a perimeter portion within a project area without
1213 the approval of the city in which the perimeter portion is located.

1214 (c) If a county agency undertakes urban renewal, economic development, or
1215 community development on industrial property:

1216 (i) the county agency may act in all respects as if the project area that includes the
1217 industrial property were within the county agency's boundary;

1218 (ii) the board of the county agency has each right, power, and privilege with respect to
1219 the project area as if the project area were within the county agency's boundary; and

1220 (iii) the county agency may be paid tax increment to the same extent as if the project
1221 area were within the county agency's boundary.

1222 (d) A project area plan for a project on industrial property that is approved by the
1223 county agency shall be adopted by ordinance of the legislative body of the county in which the
1224 project area is located.

1225 Section 22. Section **17C-1-412** is amended to read:

1226 **17C-1-412. Use of funds allocated for housing -- Separate accounting required --**
1227 **Issuance of bonds for housing -- Action to compel agency to provide housing funds.**

1228 (1) (a) Each agency shall use all funds allocated for housing under Section 17C-2-203
1229 or 17C-3-202 to:

1230 (i) pay part or all of the cost of land or construction of income targeted housing within
1231 the boundary of the agency, if practicable in a mixed income development or area;

1232 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
1233 boundary of the agency;

1234 (iii) lend, grant, or contribute money to a person, public entity, housing authority,
1235 private entity or business, or nonprofit corporation for income targeted housing within the
1236 boundary of the agency;

- 1237 (iv) plan or otherwise promote income targeted housing within the boundary of the
1238 agency;
- 1239 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of
1240 any building, facility, structure, or other housing improvement, including infrastructure
1241 improvements, related to housing located in a project area where blight has been found to exist;
- 1242 (vi) replace housing units lost as a result of the urban renewal, economic development,
1243 or community development;
- 1244 (vii) make payments on or establish a reserve fund for bonds:
- 1245 (A) issued by the agency, the community, or the housing authority that provides
1246 income targeted housing within the community; and
- 1247 (B) all or part of the proceeds of which are used within the community for the purposes
1248 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);
- 1249 (viii) if the community's fair share ratio at the time of the first adoption of the project
1250 area budget is at least 1.1 to 1.0, make payments on bonds:
- 1251 (A) that were previously issued by the agency, the community, or the housing authority
1252 that provides income targeted housing within the community; and
- 1253 (B) all or part of the proceeds of which were used within the community for the
1254 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi); or
- 1255 (ix) relocate mobile home park residents displaced by an urban renewal, economic
1256 development, or community development project.
- 1257 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or
1258 any portion of housing funds to:
- 1259 (i) the community for use as provided under Subsection (1)(a);
- 1260 (ii) the housing authority that provides income targeted housing within the community
1261 for use in providing income targeted housing within the community; or
- 1262 (iii) the Olene Walker Housing Loan Fund, established under Title [9] 35A, Chapter
1263 [4] 8, Part [7] 5, Olene Walker Housing Loan Fund, for use in providing income targeted
1264 housing within the community.
- 1265 (2) The agency or community shall separately account for the housing funds, together
1266 with all interest earned by the housing funds and all payments or repayments for loans,
1267 advances, or grants from the housing funds.

1268 (3) An agency may:
1269 (a) issue bonds from time to time to finance a housing undertaking under this section,
1270 including the payment of principal and interest upon advances for surveys and plans or
1271 preliminary loans; and

1272 (b) issue refunding bonds for the payment or retirement of bonds under Subsection
1273 (3)(a) previously issued by the agency.

1274 (4) An agency:
1275 (a) shall allocate housing funds each year in which the agency receives sufficient tax
1276 increment to make a housing allocation required by the project area budget; and

1277 (b) is relieved, to the extent tax increment is insufficient in a year, of an obligation to
1278 allocate housing funds for the year tax increment is insufficient.

1279 (5) (a) Except as provided in Subsection (4), if an agency fails to provide housing
1280 funds in accordance with the project area budget and, if applicable, the housing plan adopted
1281 under Subsection 17C-2-204(2), the loan fund board may bring legal action to compel the
1282 agency to provide the housing funds.

1283 (b) In an action under Subsection (5)(a), the court:

1284 (i) shall award the loan fund board reasonable attorney fees, unless the court finds that
1285 the action was frivolous; and

1286 (ii) may not award the agency its attorney fees, unless the court finds that the action
1287 was frivolous.

1288 Section 23. Section **19-3-301** is amended to read:

1289 **19-3-301. Restrictions on nuclear waste placement in state.**

1290 (1) The placement, including transfer, storage, decay in storage, treatment, or disposal,
1291 within the exterior boundaries of Utah of high-level nuclear waste or greater than class C
1292 radioactive waste is prohibited.

1293 (2) Notwithstanding Subsection (1) the governor, after consultation with the county
1294 executive and county legislative body of the affected county and with concurrence of the
1295 Legislature, may specifically approve the placement as provided in this part, but only if:

1296 (a) (i) the federal Nuclear Regulatory Commission issues a license, pursuant to the
1297 Nuclear Waste Policy Act, 42 U.S.C.A. 10101 et seq., or the Atomic Energy Act, 42 U.S.C.A.
1298 2011 et seq., for the placement within the exterior boundaries of Utah of high-level nuclear

1299 waste or greater than class C radioactive waste; and

1300 (ii) the authority of the federal Nuclear Regulatory Commission to grant a license
1301 under Subsection (2)(a)(i) is clearly upheld by a final judgment of a court of competent
1302 jurisdiction; or

1303 (b) an agency of the federal government is transporting the waste, and all state and
1304 federal requirements to proceed with the transportation have been met.

1305 (3) The requirement for the approval of a final court of competent jurisdiction shall be
1306 met in all of the following categories, in order for a state license proceeding regarding waste to
1307 begin:

1308 (a) transfer or transportation, by rail, truck, or other mechanisms;

1309 (b) storage, including any temporary storage at a site away from the generating reactor;

1310 (c) decay in storage;

1311 (d) treatment; and

1312 (e) disposal.

1313 (4) (a) Upon satisfaction of the requirements of Subsection (2)(a), for each category
1314 listed in Subsection (3), or satisfaction of the requirements under Subsection (2)(b), the
1315 governor, with the concurrence of the attorney general, shall certify in writing to the executive
1316 director of the Department of Environmental Quality that all of the requirements have been
1317 met, and that any necessary state licensing processes may begin.

1318 (b) Separate certification under this Subsection (4) shall be given for each category in
1319 Subsection (3).

1320 (5) (a) The department shall make, by rule, a determination of the dollar amount of the
1321 health and economic costs expected to result from a reasonably foreseeable accidental release
1322 of waste involving a transfer facility or storage facility, or during transportation of waste,
1323 within the exterior boundaries of the state. The department may initiate rulemaking under this
1324 Subsection (5)(a) on or after March 15, 2001.

1325 (b) (i) The department shall also determine the dollar amount currently available to
1326 cover the costs as determined in Subsection (5)(a):

1327 (A) under nuclear industry self-insurance;

1328 (B) under federal insurance requirements; and

1329 (C) in federal money.

1330 (ii) The department may not include any calculations of federal money that may be
1331 appropriated in the future in determining the amount under Subsection (5)(b)(i).

1332 (c) The department shall use the information compiled under Subsections (5)(a) and (b)
1333 to determine the amount of unfunded potential liability in the event of a release of waste from a
1334 storage or transfer facility, or a release during the transportation of waste.

1335 (6) (a) State agencies may not, for the purpose of providing any goods, services, or
1336 municipal-type services to a storage facility or transfer facility, or to any organization engaged
1337 in the transportation of waste, enter into any contracts or any other agreements prior to:

1338 (i) the satisfaction of the conditions in Subsection (4); and

1339 (ii) the executive director of the department having certified that the requirements of
1340 Sections 19-3-304 through 19-3-308 have been met for the purposes of a license application
1341 proceeding for a storage facility or transfer facility.

1342 (b) Political subdivisions of the state may not enter into any contracts or any other
1343 agreements for the purpose of providing any goods, services, or municipal-type services to a
1344 storage facility or transfer facility, or to any organization engaged in the transportation of
1345 waste.

1346 (c) This Subsection (6) does not prohibit a state agency from exercising the regulatory
1347 authority granted to it by law.

1348 (7) (a) Notwithstanding any other provision of law, any political subdivision may not
1349 be formed pursuant to the laws of Utah for the purpose of providing any goods, services, or
1350 municipal-type services to a storage facility or transfer facility prior to the satisfaction of the
1351 conditions in Subsection (4). These political subdivisions include:

1352 (i) a cooperative;

1353 (ii) a local district authorized by Title 17B, Limited Purpose Local Government
1354 Entities - Local Districts;

1355 (iii) a special service district under Title 17D, Chapter 1, Special Service District Act;

1356 (iv) a limited purpose local governmental entities authorized by Title 17, Counties;

1357 (v) any joint power agreement authorized by Title 11, Cities, Counties, and Local
1358 Taxing Units; and

1359 (vi) the formation of a municipality, or any authority of a municipality authorized by
1360 Title 10, Utah Municipal Code.

1361 (b) (i) Subsection (7)(a) shall be strictly interpreted. Any political subdivision
1362 authorized and formed under the laws of the state on or after March 15, 2001, which
1363 subsequently contracts to, or in any manner agrees to provide, or does provide goods, services,
1364 or municipal-type services to a storage facility or transfer facility is formed in violation of
1365 Subsection (7)(a).

1366 (ii) If the conditions of Subsection (7)(b)(i) apply, the persons who formed the political
1367 subdivision are considered to have knowingly violated a provision of this part, and the
1368 penalties of Section 19-3-312 apply.

1369 (8) (a) An organization may not be formed for the purpose of providing any goods,
1370 services, or municipal-type services to a storage facility or transfer facility prior to:

1371 (i) the satisfaction of the conditions in Subsection (4); and

1372 (ii) the executive director of the department having certified that the requirements of
1373 Sections 19-3-304 through 19-3-308 have been met.

1374 (b) A foreign organization may not be registered to do business in the state for the
1375 purpose of providing any goods, services, or municipal-type services to a storage facility or
1376 transfer facility prior to:

1377 (i) the satisfaction of the conditions in Subsection (4); and

1378 (ii) the executive director of the department having certified that the requirements of
1379 Sections 19-3-304 through 19-3-308 have been met.

1380 (c) The prohibitions of Subsections (8)(a) and (b) shall be strictly applied, and:

1381 (i) the formation of a new organization or registration of a foreign organization within
1382 the state, any of whose purposes are to provide goods, services, or municipal-type services to a
1383 storage facility or transfer facility may not be licensed or registered in the state, and the local or
1384 foreign organization is void and does not have authority to operate within the state;

1385 (ii) any organization which is formed or registered on or after March 15, 2001, and
1386 which subsequently contracts to, or in any manner agrees to provide, or does provide goods,
1387 services, or municipal-type services to a storage facility or transfer facility has been formed or
1388 registered in violation of Subsection (8)(a) or (b) respectively; and

1389 (iii) if the conditions of Subsection (8)(c)(ii) apply, the persons who formed the
1390 organization or the principals of the foreign organization, are considered to have knowingly
1391 violated a provision of this part, and are subject to the penalties in Section 19-3-312.

1392 (9) (a) (i) Any contract or agreement to provide any goods, services, or municipal-type
1393 services to any organization engaging in, or attempting to engage in the placement of high-level
1394 nuclear waste or greater than class C radioactive waste at a storage facility or transfer facility
1395 within the state are declared to be against the greater public interest, health, and welfare of the
1396 state, by promoting an activity which has the great potential to cause extreme public harm.

1397 (ii) These contracts or agreements under Subsection (9)(a)(i), whether formal or
1398 informal, are declared to be void from inception, agreement, or execution as against public
1399 policy.

1400 (b) (i) Any contract or other agreement to provide goods, services, or municipal-type
1401 services to storage or transfer facilities may not be executed within the state.

1402 (ii) Any contract or other agreement, existing or executed on or after March 15, 2001,
1403 is considered void from the time of agreement or execution.

1404 (10) (a) All contracts and agreements under Subsection (10)(b) are assessed an annual
1405 transaction fee of 75% of the gross value of the contract to the party providing the goods,
1406 services, or municipal-type services to the storage facility or transfer facility or transportation
1407 entity. The fee shall be assessed per calendar year, and is payable on a prorated basis on or
1408 before the last day of each month in accordance with rules established under Subsection
1409 (10)(d), and as follows:

1410 (i) 25% of the gross value of the contract to the department; and

1411 (ii) 50% of the gross value of the contract to the Department of [~~Community and~~
1412 ~~Culture~~] Heritage and Arts, to be used by the Utah Division of Indian Affairs as provided in
1413 Subsection (11).

1414 (b) Contracts and agreements subject to the fee under Subsection (10)(a) are those
1415 contracts and agreements to provide goods, services, or municipal-type services to a storage or
1416 transfer facility, or to any organization engaged in the transportation of high-level nuclear
1417 waste or greater than class C radioactive waste to a transfer facility or storage facility, and
1418 which:

1419 (i) are in existence on March 15, 2001; or

1420 (ii) become effective notwithstanding Subsection (9)(a).

1421 (c) Any governmental agency which regulates the charges to consumers for services
1422 provided by utilities or other organizations shall require the regulated utility or organization to

1423 include the fees under Subsection (10)(a) in the rates charged to the purchaser of the goods,
1424 services, or municipal-type services affected by Subsection (10)(b).

1425 (d) (i) The department, in consultation with the State Tax Commission, shall establish
1426 rules for the valuation of the contracts and assessment and collection of the fees, and other
1427 rules as necessary to determine the amount of and collection of the fee under Subsection
1428 (10)(a). The department may initiate rulemaking under this Subsection (10)(d)(i) on or after
1429 March 15, 2001.

1430 (ii) Persons and organizations holding contracts affected by Subsection (10)(b) shall
1431 make a good faith estimate of the fee under Subsection (10)(a) for calendar year 2001, and
1432 remit that amount to the department on or before July 31, 2001.

1433 (11) (a) The portion of the fees imposed under Subsection (10) which is to be paid to
1434 the Department of [~~Community and Culture~~] Heritage and Arts for use by the Utah Division of
1435 Indian Affairs shall be used for establishment of a statewide community and economic
1436 development program for the tribes of Native American people within the exterior boundaries
1437 of the state who have by tribal procedure established a position rejecting siting of any nuclear
1438 waste facility on their reservation lands.

1439 (b) The program under Subsection (11)(a) shall include:

- 1440 (i) educational services and facilities;
1441 (ii) health care services and facilities;
1442 (iii) programs of economic development;
1443 (iv) utilities;
1444 (v) sewer;
1445 (vi) street lighting;
1446 (vii) roads and other infrastructure; and
1447 (viii) oversight and staff support for the program.

1448 (12) It is the intent of the Legislature that this part does not prohibit or interfere with a
1449 person's exercise of the rights under the First Amendment to the Constitution of the United
1450 States or under Utah Constitution Article I, Sec. 15, by an organization attempting to site a
1451 storage facility or transfer facility within the borders of the state for the placement of high-level
1452 nuclear waste or greater than class C radioactive waste.

1453 Section 24. Section **19-3-320** is amended to read:

1454 **19-3-320. Efforts to prevent siting of any nuclear waste facility to include**
1455 **economic development study regarding Native American reservation lands within the**
1456 **state.**

1457 (1) It is the intent of the Legislature that the department, in its efforts to prevent the
1458 siting of a nuclear waste facility within the exterior borders of the state, include in its work the
1459 study under Subsection (2) and the report under Subsection (3).

1460 (2) It is the intent of the Legislature that the Department of Environmental Quality, in
1461 coordination with the office of the governor, and in cooperation with the Departments of
1462 [~~Community and Culture~~] Heritage and Arts, Human Services, Health, Workforce Services,
1463 Agriculture and Food, Natural Resources, and Transportation, the state Office of Education,
1464 and the Board of Regents:

1465 (a) study the needs and requirements for economic development on the Native
1466 American reservations within the state; and

1467 (b) prepare, on or before November 30, 2001, a long-term strategic plan for economic
1468 development on the reservations.

1469 (3) It is the intent of the Legislature that this plan, prepared under Subsection (2)(b),
1470 shall be distributed to the governor and the members of the Legislature on or before December
1471 31, 2001.

1472 Section 25. Section **35A-1-202** is amended to read:

1473 **35A-1-202. Divisions -- Creation -- Duties -- Workforce Appeals Board, councils,**
1474 **Child Care Advisory Committee, and economic service areas.**

1475 (1) There is created within the department the following divisions:

1476 (a) the Employment Development Division to administer the development and
1477 implementation of employment assistance programs that are:

1478 (i) related to the operations of the department; and

1479 (ii) consistent with federal and state law;

1480 (b) to administer those services that are not delivered through the economic service
1481 areas:

1482 (i) the Workforce Development and Information Division; and

1483 (ii) the Unemployment Insurance Division; [~~and~~]

1484 (c) the Division of Adjudication to adjudicate claims or actions in accordance with this

1485 title[-]; and

1486 (d) the Housing and Community Development Division, which is described in Sections
1487 35A-8-201 and 35A-8-202.

1488 (2) In addition to the divisions created under [~~this section~~] Subsection (1), within the
1489 department are the following:

1490 (a) the Workforce Appeals Board created in Section 35A-1-205;

1491 (b) the State Council on Workforce Services created in Section 35A-1-206;

1492 (c) the Employment Advisory Council created in Section 35A-4-502;

1493 (d) the Child Care Advisory Committee created in Section 35A-3-205; and

1494 (e) the economic service areas created in accordance with Chapter 2, Economic Service
1495 Areas.

1496 Section 26. Section **35A-3-103** is amended to read:

1497 **35A-3-103. Division responsibilities.**

1498 The division shall:

1499 (1) administer public assistance programs assigned by the Legislature and the
1500 governor;

1501 (2) determine eligibility in accordance with the requirements of this chapter for public
1502 assistance programs assigned to it by the Legislature or the governor;

1503 (3) cooperate with the federal government in the administration of public assistance
1504 programs;

1505 (4) administer the Utah state employment service in accordance with Section
1506 35A-3-115;

1507 (5) provide for the compilation of necessary or desirable information, statistics, and
1508 reports;

1509 (6) perform other duties and functions required by law;

1510 (7) monitor the application of eligibility policy;

1511 (8) develop personnel training programs for more effective and efficient operation of
1512 all programs under the administration of the division;

1513 (9) provide refugee resettlement services;

1514 (10) provide child care assistance for children; and

1515 (11) provide services and support that enable clients to qualify for affordable housing

1516 in cooperation with:

1517 (a) the Utah Housing Corporation;

1518 (b) the [~~Division of~~] Housing and Community Development Division [~~within the~~
1519 ~~Department of Community and Culture~~]; and

1520 (c) local housing authorities.

1521 Section 27. Section **35A-3-116** is amended to read:

1522 **35A-3-116. Restricted special revenue fund -- Use of money -- Committee and**
1523 **director duties -- Restrictions.**

1524 (1) There is created a restricted special revenue fund, known as the "Refugee Services
1525 Fund," hereafter referred to in this section as "the fund."

1526 (2) The director or the director's designee, hereafter referred to in this section as the
1527 director, shall administer the fund with input from the Department of [~~Community and Culture~~]
1528 Heritage and Arts, including any advisory committees within the Department of [~~Community~~
1529 ~~and Culture~~] Heritage and Arts that deal with refugee services issues.

1530 (3) (a) Money shall be deposited into the fund from numerous sources, including
1531 federal grants, private foundations, and individual donors.

1532 (b) The director shall encourage a refugee who receives services from activities funded
1533 under Subsection (8) to become a donor to the fund once the refugee's financial situation
1534 improves to the point where the refugee is capable of making a donation.

1535 (4) The director may not expend money in the fund that is not restricted to a specific
1536 use under federal law or by donors without input from the Department of [~~Community and~~
1537 ~~Culture~~] Heritage and Arts, either directly or through an advisory committee identified in
1538 Subsection (2).

1539 (5) The state treasurer shall invest the money in the fund under Title 51, Chapter 7,
1540 State Money Management Act, and all interest or other earnings derived from the fund money
1541 shall be deposited in the fund.

1542 (6) The money in the fund may not be used by the director for administrative expenses.

1543 (7) If the Department of [~~Community and Culture~~] Heritage and Arts establishes a
1544 refugee services advisory committee referred to in Subsection (2), that committee may:

1545 (a) advise the director on refugee services needs in the state and on relevant operational
1546 aspects of any grant or revenue collection program established under this part;

- 1547 (b) recommend specific refugee projects to the director;
- 1548 (c) recommend policies and procedures for administering the fund;
- 1549 (d) make recommendations on grants made from the fund for any of the refugee
1550 services activities authorized under this section;
- 1551 (e) advise the director on the criteria by which grants shall be made from the fund;
- 1552 (f) recommend the order in which approved projects would be funded;
- 1553 (g) make recommendations regarding the distribution of money from the fund in
1554 accordance with the procedures, conditions, and restrictions placed upon money in the fund by
1555 donors; and
- 1556 (h) have joint responsibility to solicit public and private funding for the fund.
- 1557 (8) The director may use fund money to:
- 1558 (a) train an existing refugee organization to develop its capacity to operate
1559 professionally and effectively and to become an independent, viable organization; or
- 1560 (b) provide grants to an existing refugee organization and other entities identified in
1561 Subsection (9) to assist them:
- 1562 (i) with case management;
- 1563 (ii) in meeting emergency housing needs for refugees;
- 1564 (iii) in providing English language services;
- 1565 (iv) in providing interpretive services;
- 1566 (v) in finding and maintaining employment for refugees;
- 1567 (vi) in collaborating with the state's public education system to improve the
1568 involvement of refugee parents in assimilating their children into public schools;
- 1569 (vii) in meeting the health and mental health needs of refugees;
- 1570 (viii) in providing or arranging for child care services; or
- 1571 (ix) in administering refugee services.
- 1572 (9) In addition to Subsection (8), the director with advice from the Department of
1573 [~~Community and Culture~~] Heritage and Arts or its refugee services advisory committee, if one
1574 is created, may grant fund money for refugee services outlined in Subsection (8) through a
1575 request for proposal process to:
- 1576 (a) local governments;
- 1577 (b) nonprofit community, charitable, or neighborhood-based organizations or private

1578 for profit organizations that deal solely or in part with providing or arranging for the provision
1579 of refugee services; or

1580 (c) regional or statewide nonprofit organizations.

1581 (10) The director shall enter into a written agreement with each successful grant
1582 applicant that has specific terms for each grant consistent with the provisions of this section
1583 that includes the structure, amount, and nature of the grant.

1584 (11) The director shall monitor the activities of the recipients of grants issued from the
1585 fund on an annual basis to ensure compliance with the terms and conditions imposed on the
1586 recipient by the fund.

1587 (12) An entity receiving a grant shall provide the director with periodic accounting of
1588 how the money it received from the fund was spent.

1589 (13) By November 1 of each year the director shall make an annual report to the
1590 Workforce Services and Community and Economic Development Interim Committee regarding
1591 the status of the fund and the programs and services funded by the fund.

1592 Section 28. Section **35A-3-203** is amended to read:

1593 **35A-3-203. Functions and duties of office -- Annual report.**

1594 The office shall:

1595 (1) assess critical child care needs throughout the state on an ongoing basis and focus
1596 its activities on helping to meet the most critical needs;

1597 (2) provide child care subsidy services for income-eligible children through age 12 and
1598 for income-eligible children with disabilities through age 18;

1599 (3) provide information:

1600 (a) to employers for the development of options for child care in the work place; and

1601 (b) for educating the public in obtaining quality child care;

1602 (4) coordinate services for quality child care training and child care resource and
1603 referral core services;

1604 (5) apply for, accept, or expend gifts or donations from public or private sources;

1605 (6) provide administrative support services to the committee;

1606 (7) work collaboratively with the following for the delivery of quality child care and
1607 early childhood programs, and school age programs throughout the state:

1608 (a) the State Board of Education; and

- 1609 [~~(b) the Department of Community and Culture; and~~
1610 [~~(c)~~] (b) the Department of Health;
- 1611 (8) research child care programs and public policy that will improve quality and
1612 accessibility and that will further the purposes of the office and child care, early childhood
1613 programs, and school age programs;
- 1614 (9) provide planning and technical assistance for the development and implementation
1615 of programs in communities that lack child care, early childhood programs, and school age
1616 programs;
- 1617 (10) provide organizational support for the establishment of nonprofit organizations
1618 approved by the Child Care Advisory Committee, created in Section 35A-3-205; and
- 1619 (11) provide a written report on the status of child care in Utah to the Legislature by
1620 November 1 of each year through the Workforce Services and Community and Economic
1621 Development Interim Committee.
- 1622 Section 29. Section **35A-3-205** is amended to read:
- 1623 **35A-3-205. Creation of committee.**
- 1624 (1) There is created a Child Care Advisory Committee.
- 1625 (2) The committee shall counsel and advise the office in fulfilling its statutory
1626 obligations to include:
- 1627 (a) a review of and recommendations on the office's annual budget;
- 1628 (b) recommendations on how the office might best respond to child care needs
1629 throughout the state; and
- 1630 (c) recommendations on the use of new money that comes into the office, including
1631 those for the Child Care Fund.
- 1632 (3) The committee is composed of the following members, with special attention given
1633 to insure diversity and representation from both urban and rural groups:
- 1634 (a) one expert in early childhood development;
- 1635 (b) one child care provider who operates a center;
- 1636 (c) one child care provider who operates a family child care business;
- 1637 (d) one parent who is representative of households receiving a child care subsidy from
1638 the office;
- 1639 (e) one representative from the public at-large;

- 1640 (f) one representative of the State Office of Education;
- 1641 (g) one representative of the Department of Health;
- 1642 (h) one representative of the Department of Human Services;
- 1643 [~~(i) one representative of the Department of Community and Culture;~~]
- 1644 [~~(j)~~] (i) two representatives from the corporate community, one who is a recent "Family
- 1645 Friendly" award winner and who received the award because of efforts in the child care arena;
- 1646 [~~(k)~~] (j) two representatives from the small business community;
- 1647 [~~(l)~~] (k) one representative from child care advocacy groups;
- 1648 [~~(m)~~] (l) one representative of children with disabilities;
- 1649 [~~(n)~~] (m) one representative from the state Head Start Association appointed by the
- 1650 association;
- 1651 [~~(o)~~] (n) one representative from each child care provider association; and
- 1652 [~~(p)~~] (o) one representative of a child care resource and referral center appointed by the
- 1653 organization representing child care resource and referral agencies.
- 1654 (4) (a) The executive director shall appoint the members designated in Subsections
- 1655 (3)(a) through (e) and (j) through (n).
- 1656 (b) The head of the respective departments shall appoint the members referred to in
- 1657 Subsections (3)(f) through (i).
- 1658 (c) Each child care provider association shall appoint its respective member referred to
- 1659 in Subsection (3)(o).
- 1660 (5) (a) Except as required by Subsection (5)(b), as terms of current committee members
- 1661 expire, the appointing authority shall appoint each new member or reappointed member to a
- 1662 four-year term.
- 1663 (b) Notwithstanding the requirements of Subsection (5)(a), the appointing authority
- 1664 shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the
- 1665 terms of committee members are staggered so that approximately half of the committee is
- 1666 appointed every two years.
- 1667 (6) When a vacancy occurs in the membership for any reason, including missing three
- 1668 consecutive meetings where the member has not been excused by the chair prior to or during
- 1669 the meeting, the replacement shall be appointed for the unexpired term.
- 1670 (7) A majority of the members constitutes a quorum for the transaction of business.

1671 (8) (a) The executive director shall select a chair from the committee membership.

1672 (b) A chair may serve no more than two one-year terms as chair.

1673 (9) A member may not receive compensation or benefits for the member's service, but
1674 may receive per diem and travel expenses in accordance with:

1675 (a) Section 63A-3-106;

1676 (b) Section 63A-3-107; and

1677 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
1678 63A-3-107.

1679 Section 30. Section **35A-3-309** is amended to read:

1680 **35A-3-309. Information regarding home ownership.**

1681 (1) The division shall provide information and service coordination to assist a client to
1682 obtain affordable housing.

1683 (2) The information and services may include:

1684 (a) information from the Utah Housing Corporation and the [~~Division of~~] Housing and
1685 Community Development [~~within the Department of Community and Culture~~] Division
1686 regarding special housing programs, including programs for first-time home buyers and
1687 persons with low and moderate incomes and the eligibility requirements for those programs;

1688 (b) referrals to programs operated by volunteers from the real estate industry that assist
1689 clients in obtaining affordable housing, including information on home ownership, down
1690 payments, closing costs, and credit requirements; and

1691 (c) referrals to housing programs operated by municipalities, counties, local housing
1692 authorities, and nonprofit housing organizations that assist individuals to obtain affordable
1693 housing, including first-time home ownership.

1694 Section 31. Section **35A-8-101**, which is renumbered from Section 9-4-102 is
1695 renumbered and amended to read:

1696 **CHAPTER 8. HOUSING AND COMMUNITY DEVELOPMENT DIVISION**

1697 **Part 1. Definitions**

1698 [~~9-4-102~~]. **35A-8-101. Definitions.**

1699 As used in this chapter:

1700 (1) "Accessible housing" means housing which has been constructed or modified to be
1701 accessible, as described in the State Construction Code or an approved code under Title 15A,

1702 State Construction and Fire Codes Act.

1703 (2) "Director" means the director of the division.

1704 (3) "Division" means the ~~[Division of]~~ Housing and Community Development
1705 Division.

1706 Section 32. Section **35A-8-201**, which is renumbered from Section 9-4-201 is
1707 renumbered and amended to read:

1708 **Part 2. Housing and Community Development Division**

1709 ~~[9-4-201].~~ **35A-8-201. Housing and Community Development Division.**

1710 ~~[There is created within the department the Division of]~~ The Housing and Community
1711 Development Division is under the administration and general supervision of the director.

1712 Section 33. Section **35A-8-202**, which is renumbered from Section 9-4-202 is
1713 renumbered and amended to read:

1714 ~~[9-4-202].~~ **35A-8-202. Powers and duties of division.**

1715 (1) The division shall:

1716 (a) assist local governments and citizens in the planning, development, and
1717 maintenance of necessary public infrastructure and services;

1718 (b) cooperate with, and provide technical assistance to, counties, cities, towns, regional
1719 planning commissions, area-wide clearinghouses, zoning commissions, parks or recreation
1720 boards, community development groups, community action agencies, and other agencies
1721 created for the purpose of aiding and encouraging an orderly, productive, and coordinated
1722 development of the state and its political subdivisions;

1723 (c) assist the governor in coordinating the activities of state agencies which have an
1724 impact on the solution of community development problems and the implementation of
1725 community plans;

1726 (d) serve as a clearinghouse for information, data, and other materials which may be
1727 helpful to local governments in discharging their responsibilities and provide information on
1728 available federal and state financial and technical assistance;

1729 (e) carry out continuing studies and analyses of the problems faced by communities
1730 within the state and develop such recommendations for administrative or legislative action as
1731 appear necessary;

1732 (f) assist in funding affordable housing and addressing problems of homelessness;

1733 (g) support economic development activities through grants, loans, and direct programs
1734 financial assistance;

1735 (h) certify project funding at the local level in conformance with federal, state, and
1736 other requirements;

1737 (i) utilize the capabilities and facilities of public and private universities and colleges
1738 within the state in carrying out its functions;

1739 (j) assist and support local governments, community action agencies, and citizens in
1740 the planning, development, and maintenance of home weatherization, energy efficiency, and
1741 antipoverty activities; ~~and~~

1742 (k) assist and support volunteer efforts in the state~~[-]; and~~

1743 (l) provide information and support to aid a qualifying client of the department in
1744 obtaining affordable housing, including the provision of:

1745 (i) information regarding special housing programs, including programs for first-time
1746 home buyers and persons with low and moderate incomes and the eligibility requirements for
1747 those programs;

1748 (ii) referrals to programs operated by volunteers from the real estate industry that assist
1749 clients in obtaining affordable housing, including information on home ownership, down
1750 payments, closing costs, and credit requirements; and

1751 (iii) referrals to housing programs operated by municipalities, counties, local housing
1752 authorities, and nonprofit housing organizations that assist individuals to obtain affordable
1753 housing, including first-time home ownership.

1754 (2) The division may:

1755 (a) by following the procedures and requirements of Title 63J, Chapter 5, Federal
1756 Funds Procedures Act, seek federal grants, loans, or participation in federal programs;

1757 (b) if any federal program requires the expenditure of state funds as a condition to
1758 participation by the state in any fund, property, or service, with the governor's approval, expend
1759 whatever funds are necessary out of the money provided by the Legislature for the use of the
1760 department;

1761 (c) in accordance with Part ~~[13]~~ 9, Domestic Violence Shelters, assist in developing,
1762 constructing, and improving shelters for victims of domestic violence, as described in Section
1763 77-36-1, through loans and grants to nonprofit and governmental entities; and

1764 (d) assist, when requested by a county or municipality, in the development of
1765 accessible housing.

1766 ~~[(3)(a) The division is recognized as an issuing authority as defined in Subsection
1767 63M-1-3002(7), entitled to issue bonds from the Small Issue Bond Account created in
1768 Subsection 63M-1-3006(1)(c) as a part of the state's private activity bond volume cap
1769 authorized by the Internal Revenue Code of 1986 and computed under Section 146 of the
1770 code.]~~

1771 ~~[(b) To promote and encourage the issuance of bonds from the Small Issue Bond
1772 Account for manufacturing projects, the division may:]~~

1773 ~~[(i) develop campaigns and materials that inform qualified small manufacturing
1774 businesses about the existence of the program and the application process;]~~

1775 ~~[(ii) assist small businesses in applying for and qualifying for these bonds; or]~~

1776 ~~[(iii) develop strategies to lower the cost to small businesses of applying for and
1777 qualifying for these bonds, including making arrangements with financial advisors,
1778 underwriters, bond counsel, and other professionals involved in the issuance process to provide
1779 their services at a reduced rate when the division can provide them with a high volume of
1780 applicants or issues.]~~

1781 Section 34. Section **35A-8-301**, which is renumbered from Section 9-4-301 is
1782 renumbered and amended to read:

1783 **Part 3. Community Impact Alleviation**

1784 ~~[9-4-301].~~ **35A-8-301. Legislative intent -- Purpose and policy.**

1785 (1) It is the intent of the Legislature to make available funds received by the state from
1786 federal mineral lease revenues under Section 59-21-2, bonus payments on federal oil shale
1787 lease tracts U-A and U-B, and all other bonus payments on federal mineral leases to be used for
1788 the alleviation of social, economic, and public finance impacts resulting from the development
1789 of natural resources in this state, subject to the limitations provided for in Section 35 of the
1790 Mineral Leasing Act of 1920 (41 Stat. 450, 30 U.S.C. Sec. 191).

1791 (2) The purpose of this part is to maximize the long term benefit of funds derived from
1792 these lease revenues and bonus payments by fostering funding mechanisms which will,
1793 consistent with sound financial practices, result in the greatest use of financial resources for the
1794 greatest number of citizens of this state, with priority given to those communities designated as

1795 impacted by the development of natural resources covered by the Mineral Leasing Act.

1796 (3) The policy of this state is to promote cooperation and coordination between the
1797 state and its agencies and political subdivisions with individuals, firms, and business
1798 organizations engaged in the development of the natural resources of this state. The purpose of
1799 such efforts include private sector participation, financial and otherwise, in the alleviation of
1800 impacts associated with resources development activities.

1801 Section 35. Section **35A-8-302**, which is renumbered from Section 9-4-302 is
1802 renumbered and amended to read:

1803 ~~[9-4-302]~~. **35A-8-302. Definitions.**

1804 As used in this part:

1805 (1) "Bonus payments" means that portion of the bonus payments received by the
1806 United States government under the Leasing Act paid to the state under Section 35 of the
1807 Leasing Act, 30 U.S.C. Sec. 191, together with any interest that had accrued on those
1808 payments.

1809 (2) "Impact board" means the Permanent Community Impact Fund Board created under
1810 Section ~~[9-4-304]~~ 35A-8-304.

1811 (3) "Impact fund" means the Permanent Community Impact Fund established by this
1812 chapter.

1813 (4) "Interlocal Agency" means a legal or administrative entity created by a subdivision
1814 or combination of subdivisions under the authority of Title 11, Chapter 13, Interlocal
1815 Cooperation Act.

1816 (5) "Leasing Act" means the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 181 et
1817 seq.

1818 (6) "Subdivision" means a county, city, town, county service area, special service
1819 district, special improvement district, water conservancy district, water improvement district,
1820 sewer improvement district, housing authority, building authority, school district, or public
1821 postsecondary institution organized under the laws of this state.

1822 Section 36. Section **35A-8-303**, which is renumbered from Section 9-4-303 is
1823 renumbered and amended to read:

1824 ~~[9-4-303]~~. **35A-8-303. Impact fund -- Deposits and contents -- Use of fund**
1825 **money.**

1826 (1) There is created an enterprise fund entitled the "Permanent Community Impact
1827 Fund."
1828 (2) The fund consists of:
1829 (a) all amounts appropriated to the impact fund under Section 59-21-2;
1830 (b) bonus payments deposited to the impact fund [~~pursuant to~~] under Subsection
1831 59-21-1(2);
1832 (c) all amounts appropriated to the impact fund under Section 53C-3-203;
1833 (d) all amounts received for the repayment of loans made by the impact board under
1834 this chapter; and
1835 (e) all other money appropriated or otherwise made available to the impact fund by the
1836 Legislature.
1837 (3) The state treasurer shall:
1838 (a) invest the money in the impact fund by following the procedures and requirements
1839 of Title 51, Chapter 7, State Money Management Act; and
1840 (b) deposit all interest or other earnings derived from those investments into the impact
1841 fund.
1842 (4) The amounts in the impact fund available for loans, grants, administrative costs, or
1843 other purposes of this part shall be limited to that which the Legislature appropriates for these
1844 purposes.
1845 (5) Federal mineral lease revenue received by the state under the Leasing Act that is
1846 deposited into the impact fund shall be used:
1847 (a) in a manner consistent with the provisions of:
1848 (i) the Leasing Act; and
1849 (ii) this part; and
1850 (b) for loans, grants, or both to state agencies or subdivisions that are socially or
1851 economically impacted by the leasing of minerals under the Leasing Act.
1852 (6) The money described in Subsection (2)(c) shall be used for grants to political
1853 subdivisions of the state to mitigate the impacts resulting from the development or use of
1854 school and institutional trust lands.
1855 Section 37. Section **35A-8-304**, which is renumbered from Section 9-4-304 is
1856 renumbered and amended to read:

1857 ~~[9-4-304].~~ 35A-8-304. **Permanent Community Impact Fund Board created --**
1858 **Members -- Terms -- Chair -- Expenses.**

1859 (1) There is created within the [~~Department of Community and Culture~~] department the
1860 Permanent Community Impact Fund Board composed of 11 members as follows:

- 1861 (a) the chair of the Board of Water Resources or the chair's designee;
1862 (b) the chair of the Water Quality Board or the chair's designee;
1863 (c) the director of the department or the director's designee;
1864 (d) the state treasurer;
1865 (e) the chair of the Transportation Commission or the chair's designee;
1866 (f) a locally elected official who resides in Carbon, Emery, Grand, or San Juan County;
1867 (g) a locally elected official who resides in Juab, Millard, Sanpete, Sevier, Piute, or
1868 Wayne County;
1869 (h) a locally elected official who resides in Duchesne, Daggett, or Uintah County;
1870 (i) a locally elected official who resides in Beaver, Iron, Washington, Garfield, or Kane
1871 County; and
1872 (j) a locally elected official from each of the two counties that produced the most
1873 mineral lease money during the previous four-year period, prior to the term of appointment, as
1874 determined by the [~~Department of Community and Culture~~] department.

1875 (2) (a) The members specified under Subsections (1)(f) through (j) may not reside in
1876 the same county and shall be:

- 1877 (i) nominated by the Board of Directors of the Southeastern Association of
1878 Governments, Central Utah Association of Governments, Uintah Basin Association of
1879 Governments, and Southwestern Association of Governments, respectively, except that a
1880 member under Subsection (1)(j) shall be nominated by the Board of Directors of the
1881 Association of Governments from the region of the state in which the county is located; and
1882 (ii) appointed by the governor with the consent of the Senate.

1883 (b) Except as required by Subsection (2)(c), as terms of current board members expire,
1884 the governor shall appoint each new member or reappointed member to a four-year term.

1885 (c) Notwithstanding the requirements of Subsection (2)(b), the governor shall, at the
1886 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
1887 board members are staggered so that approximately half of the board is appointed every two

1888 years.

1889 (d) When a vacancy occurs in the membership for any reason, the replacement shall be
1890 appointed for the unexpired term.

1891 (3) The terms of office for the members of the impact board specified under
1892 Subsections (1)(a) through (1)(e) shall run concurrently with the terms of office for the
1893 councils, boards, committees, commission, departments, or offices from which the members
1894 come.

1895 (4) The executive director of the department, or the executive director's designee, ~~shall~~
1896 ~~be~~ is the chair of the impact board.

1897 (5) A member may not receive compensation or benefits for the member's service, but
1898 may receive per diem and travel expenses in accordance with:

1899 (a) Section 63A-3-106;

1900 (b) Section 63A-3-107; and

1901 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
1902 63A-3-107.

1903 Section 38. Section ~~35A-8-305~~, which is renumbered from Section 9-4-305 is
1904 renumbered and amended to read:

1905 ~~[9-4-305].~~ 35A-8-305. Duties -- Loans -- Interest.

1906 (1) The impact board shall:

1907 (a) make grants and loans from the amounts appropriated by the Legislature out of the
1908 impact fund to state agencies, subdivisions, and interlocal agencies that are or may be socially
1909 or economically impacted, directly or indirectly, by mineral resource development for:

1910 (i) planning;

1911 (ii) construction and maintenance of public facilities; and

1912 (iii) provision of public services;

1913 (b) establish the criteria by which the loans and grants will be made;

1914 (c) determine the order in which projects will be funded;

1915 (d) in conjunction with other agencies of the state ~~[or of]~~ subdivisions, or ~~[of]~~
1916 interlocal agencies, conduct studies, investigations, and research into the effects of proposed
1917 mineral resource development projects upon local communities;

1918 (e) sue and be sued in accordance with applicable law;

- 1919 (f) qualify for, accept, and administer grants, gifts, loans, or other funds from;
- 1920 (i) the federal government; and ~~[from]~~
- 1921 (ii) other sources, public or private; and
- 1922 (g) perform other duties assigned to it under Sections 11-13-306 and 11-13-307.
- 1923 (2) Money, including all loan repayments and interest, in the impact fund derived from
- 1924 bonus payments may be used for any of the purposes set forth in Subsection (1)(a) but may
- 1925 only be given in the form of loans to be paid back into the impact fund by the agency,
- 1926 subdivision, or interlocal agency.
- 1927 (3) The average annual return to the impact fund on all bonus money may not be less
- 1928 than 1/2 of the average interest rate paid by the state on general obligation bonds issued during
- 1929 the most recent fiscal year in which bonds were sold.
- 1930 (4) (a) "Provision of public services" under Subsection (1)(a) includes contracts with
- 1931 public postsecondary institutions to fund research, education, or public service programs that
- 1932 benefit impacted counties or political subdivisions of the counties.
- 1933 (b) Each contract under Subsection (4)(a) shall be:
- 1934 (i) based on an application to the impact board from the impacted county; and
- 1935 (ii) approved by the county legislative body.
- 1936 (c) For purposes of this section, a land use plan is a public service program.
- 1937 Section 39. Section **35A-8-306**, which is renumbered from Section 9-4-306 is
- 1938 renumbered and amended to read:
- 1939 ~~[9-4-306].~~ **35A-8-306. Powers.**
- 1940 The impact board may:
- 1941 (1) appoint, where it considers this appropriate, a hearing examiner or administrative
- 1942 law judge with authority to conduct ~~[any]~~ hearings, make determinations, and enter appropriate
- 1943 findings of facts, conclusions of law, and orders under authority of the impact board under
- 1944 Sections 11-13-306 and 11-13-307;
- 1945 (2) appoint additional professional and administrative staff necessary to effectuate
- 1946 Sections 11-13-306 and 11-13-307;
- 1947 (3) make independent studies regarding matters submitted to it under Sections
- 1948 11-13-306 and 11-13-307 that the impact board, in its discretion, considers necessary, which
- 1949 studies shall be made a part of the record and may be considered in the impact board's

1950 determination; and

1951 (4) make rules under Title 63G, Chapter 3, Utah Administrative Rulemaking Act it
1952 considers necessary to perform its responsibilities under Sections 11-13-306 and 11-13-307.

1953 Section 40. Section **35A-8-307**, which is renumbered from Section 9-4-307 is
1954 renumbered and amended to read:

1955 ~~[9-4-307]~~. **35A-8-307. Impact fund administered by impact board -- Eligibility**
1956 **for assistance -- Review by board -- Administration costs -- Annual report.**

1957 (1) (a) The impact board shall:

1958 (i) administer the impact fund in a manner that will keep a portion of the impact fund
1959 revolving;

1960 (ii) determine provisions for repayment of loans;

1961 (iii) establish criteria for determining eligibility for assistance under this part; and

1962 (iv) consider recommendations from the School and Institutional Trust Lands

1963 Administration when awarding a grant described in Subsection ~~[9-4-303(6)]~~ 35A-8-303(6).

1964 (b) (i) ~~[Criteria]~~ The criteria for awarding loans or grants made from funds described in
1965 Subsection ~~[9-4-303(5)]~~ 35A-8-303(5) shall be consistent with the requirements of Subsection
1966 ~~[9-4-303(5)]~~ 35A-8-303(5).

1967 (ii) ~~[Criteria]~~ The criteria for awarding grants made from funds described in Subsection
1968 ~~[9-4-303(2)(c)]~~ 35A-8-303(2)(c) shall be consistent with the requirements of Subsection
1969 ~~[9-4-303(6)]~~ 35A-8-303(6).

1970 (c) In order to receive assistance under this part, subdivisions and interlocal agencies
1971 shall submit formal applications containing the information that the impact board requires.

1972 (2) In determining eligibility for loans and grants under this part, the impact board shall
1973 consider the following:

1974 (a) the subdivision's or interlocal agency's current mineral lease production;

1975 (b) the feasibility of the actual development of a resource that may impact the
1976 subdivision or interlocal agency directly or indirectly;

1977 (c) current taxes being paid by the subdivision's or interlocal agency's residents;

1978 (d) the borrowing capacity of the subdivision or interlocal agency, including:

1979 (i) its ability and willingness to sell bonds or other securities in the open market~~[-]~~; and

1980 (ii) its current and authorized indebtedness;

- 1981 (e) all possible additional sources of state and local revenue, including utility user
1982 charges;
- 1983 (f) the availability of federal assistance funds;
- 1984 (g) probable growth of population due to actual or prospective natural resource
1985 development in an area;
- 1986 (h) existing public facilities and services;
- 1987 (i) the extent of the expected direct or indirect impact upon public facilities and
1988 services of the actual or prospective natural resource development in an area; and
- 1989 (j) the extent of industry participation in an impact alleviation plan, either as specified
1990 in Title 63M, Chapter 5, Resource Development Act, or otherwise.
- 1991 (3) The impact board may not fund ~~any~~ an education project that could otherwise
1992 have reasonably been funded by a school district through a program of annual budgeting,
1993 capital budgeting, bonded indebtedness, or special assessments.
- 1994 (4) The impact board may restructure all or part of the agency's or subdivision's
1995 liability to repay loans for extenuating circumstances.
- 1996 (5) The impact board shall:
- 1997 (a) review the proposed uses of the impact fund for loans or grants before approving
1998 them and may condition its approval on whatever assurances ~~that~~ the impact board considers
1999 ~~to be~~ necessary to ensure that ~~the~~ proceeds of the loan or grant will be used in accordance
2000 with the Leasing Act and this part; and
- 2001 (b) ensure that each loan specifies the terms for repayment and is evidenced by general
2002 obligation, special assessment, or revenue bonds, notes, or other obligations of the appropriate
2003 subdivision or interlocal agency issued to the impact board under whatever authority for the
2004 issuance of those bonds, notes, or obligations exists at the time of the loan.
- 2005 (6) The impact board shall allocate from the impact fund to the department those funds
2006 that are appropriated by the Legislature for the administration of the impact fund, but this
2007 amount may not exceed 2% of the annual receipts to the impact fund.
- 2008 (7) The department shall make an annual report to the Legislature concerning the
2009 number and type of loans and grants made as well as a list of subdivisions and interlocal
2010 agencies that received this assistance.
- 2011 Section 41. Section **35A-8-401**, which is renumbered from Section 9-4-602 is

2012 renumbered and amended to read:

2013 **Part 4. Housing Authorities**

2014 **[~~9-4-602~~]. 35A-8-401. Definitions.**

2015 As used in this part:

2016 (1) "Area of operation" means:

2017 (a) in the case of an authority of a city, the city, except that the area of operation of an
2018 authority of [~~any~~] a city does not include [~~any~~] an area that lies within the territorial boundaries
2019 of some other city; or

2020 (b) in the case of an authority of a county, all of the county for which it is created
2021 except, that a county authority may not undertake [~~any~~] a project within the boundaries of [~~any~~]
2022 a city unless a resolution has been adopted by the governing body of the city [~~(c)~~], and by any
2023 authority which [~~shall have~~] has been [~~theretofore~~] established and authorized to exercise its
2024 powers in the city[~~)]~~, declaring that there is need for the county authority to exercise its powers
2025 within that city.

2026 (2) "Blighted area" means [~~any~~] an area where dwellings predominate that, by reason of
2027 dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light, or sanitary
2028 facilities or any combination of these factors, are detrimental to safety, health, and morals.

2029 (3) "Bonds" means [~~any~~] bonds, notes, interim certificates, debentures, or other
2030 obligations issued by an authority [~~pursuant to~~] under this part.

2031 (4) "City" means [~~any~~] a city or town in the state.

2032 (5) "Clerk" means the city [~~clerk~~] or [~~the~~] county clerk, or the officer charged with the
2033 duties customarily imposed on the clerk.

2034 (6) "County" means [~~any~~] a county in the state.

2035 (7) "Elderly" means a person who meets the age, disability, or other conditions
2036 established by regulation of the authority.

2037 (8) "Federal government" includes the United States of America, the Department of
2038 Housing and Urban Development, or any other agency or instrumentality, corporate or
2039 otherwise, of the United States.

2040 (9) "Governing body" means, in the case of a city, the council or other body of the city
2041 in which is vested legislative authority customarily imposed on the city council, and in the case
2042 of a county, the board of county commissioners.

2043 (10) "Housing authority" or "authority" means [~~any~~] a public body corporate and politic
2044 created by this part.

2045 (11) (a) "Housing project" or "project" means [~~any~~] a work or undertaking, on
2046 contiguous or noncontiguous sites to:

2047 (i) demolish, clear, or remove buildings from [~~any~~] a blighted area;

2048 (ii) provide or assist in providing decent, safe, and sanitary urban or rural dwellings,
2049 apartments, or other living accommodations for persons of medium and low income by any
2050 suitable methods, including rental, sale of individual units in single or multifamily structures
2051 under conventional condominium, cooperative sales contract, lease-purchase agreement, loans,
2052 or subsidizing of rentals or charges; or

2053 (iii) accomplish a combination of [~~the foregoing~~] Subsections (11)(a)(i) and (ii).

2054 (b) "Housing project" includes:

2055 (i) buildings, land, equipment, facilities, and other real or personal property for
2056 necessary, convenient, or desirable appurtenances;

2057 (ii) streets, sewers, water service, utilities, parks, site preparation and landscaping;

2058 (iii) facilities for administrative, community, health, recreational, welfare, or other
2059 purposes;

2060 (iv) the planning of the buildings and other improvements;

2061 (v) the acquisition of property or any interest [~~therein~~] in the property;

2062 (vi) the demolition of existing structures;

2063 (vii) the construction, reconstruction, rehabilitation, alteration, or repair of the
2064 improvements and all other work in connection with them; and

2065 (viii) all other real and personal property and all tangible or intangible assets held or
2066 used in connection with the housing project.

2067 (12) "Major disaster" means [~~any~~] a flood, drought, fire, hurricane, earthquake, storm,
2068 or other catastrophe, which in the determination of the governing body is of sufficient severity
2069 and magnitude to warrant the use of available resources of the federal, state, and local
2070 governments to alleviate the damage, hardship, or suffering caused.

2071 (13) "Mayor" means the mayor of the city or the officer charged with the duties
2072 customarily imposed on the mayor or executive head of a city.

2073 (14) "Obligee of an authority" or "obligee" includes [~~any~~] a bondholder, agent or

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

2077 (15) "Persons of medium and low income" mean persons or families who, as
2078 determined by the authority undertaking a project, cannot afford to pay the amounts at which
2079 private enterprise, unaided by appropriate assistance, is providing a substantial supply of
2080 decent, safe and sanitary housing.

2081 (16) "Person with a disability" means a person with any disability as defined by and
2082 covered under the Americans with Disabilities Act of 1990, 42 U.S.C. Sec. 12102.

2083 (17) "Public body" means ~~[any]~~ a city, county or municipal corporation, commission,
2084 district, authority, agency, subdivision, or other body of ~~[any of]~~ the foregoing.

2085 (18) "Real property" includes all lands, improvements, and fixtures on them, property
2086 of any nature appurtenant to them or used in connection with them, and every estate, interest,
2087 and right, legal or equitable, including terms for years.

2088 Section 42. Section **35A-8-402**, which is renumbered from Section 9-4-603 is
2089 renumbered and amended to read:

2090 ~~[9-4-603]~~. **35A-8-402**. **Creation of housing authority authorized -- Procedure.**

2091 (1) The governing body of each public body of the state, except the state~~;~~ itself, may
2092 create an authority, corporate and politic, to be known as a "housing authority."

2093 (2) The governing body of a city or county shall give consideration to the need for an
2094 authority:

2095 (a) on its own motion; or

2096 (b) upon the filing of a petition signed by 25 electors of the city or county asserting that
2097 there is need for an authority to function in the city or county and requesting that its governing
2098 body ~~[so declare]~~ make that declaration.

2099 (3) The governing body shall adopt a resolution declaring there is need for an authority
2100 and creating an authority in the city or county if it finds:

2101 (a) that unsanitary or unsafe inhabited dwelling accommodations exist in the city or
2102 county; or

2103 (b) that there is a shortage of safe and sanitary dwelling accommodations in the city or
2104 county available to persons of medium and low income at rentals or prices they can afford.

2105 (4) (a) In any suit, action, or proceeding involving the validity or enforcement of ~~[any]~~
 2106 a contract of the authority, an authority shall be conclusively deemed to have become
 2107 established and authorized to transact business and exercise its powers upon proof of the
 2108 adoption of the resolution prescribed in Subsection (3).

2109 (b) A copy of the resolution duly certified by the clerk shall be admissible in evidence
 2110 in ~~[any]~~ a suit, action, or proceeding.

2111 (5) In counties of the third, fourth, fifth, and sixth class, the governing body of each
 2112 public body of the state, except the state itself, may contract with or execute an interlocal
 2113 agreement for services to be provided by an existing housing authority established in another
 2114 political subdivision.

2115 Section 43. Section **35A-8-403**, which is renumbered from Section 9-4-604 is
 2116 renumbered and amended to read:

2117 ~~[9-4-604].~~ **35A-8-403. Indian housing authorities.**

2118 (1) (a) There is created, with respect to each Indian tribe, band, or community in the
 2119 state, a public body corporate and politic, to function in the operating area of the Indian tribe,
 2120 band, or community to be known as the "housing authority" of the Indian tribe, band, or
 2121 community, which ~~[shall be]~~ is an agency of ~~[the]~~ this state ~~[of Utah]~~, possessing all powers,
 2122 rights, and functions specified for city and county authorities created ~~[pursuant to]~~ under this
 2123 part.

2124 (b) This Indian housing authority may not transact ~~[any]~~ business ~~[nor]~~ or exercise its
 2125 powers ~~[until or]~~ unless the governing council of the tribe, band, or community, by proper
 2126 resolution, declares that there is a need for an authority to function for the tribe, band, or
 2127 community.

2128 (2) (a) Except as otherwise provided in this part, ~~[all]~~ the provisions of law applicable
 2129 to housing authorities created for cities and counties and the commissioners of these authorities
 2130 shall be applicable to Indian housing authorities and the commissioners of those authorities.

2131 (b) The chief or other governing head of an Indian tribe, band, or community may
 2132 exercise all appointing and other powers with respect to an Indian housing authority that are
 2133 vested by this part in the mayor of a city relating to a city housing authority.

2134 Section 44. Section **35A-8-404**, which is renumbered from Section 9-4-606 is
 2135 renumbered and amended to read:

2136 ~~[9-4-606].~~ 35A-8-404. **Commissioners -- Appointment -- Terms -- Quorum --**
2137 **Meetings -- Employment of other officers and employees authorized.**

2138 (1) If a housing authority is authorized to transact business and exercise powers under
2139 this part, not less than five nor more than seven ~~[persons]~~ people shall be appointed as
2140 commissioners of the authority:

2141 (a) in the case of a city, by the mayor, with the advice and consent of the city's
2142 governing body; or

2143 (b) in the case of a county, by the county's governing body.

2144 (2) (a) The commissioners first appointed under this part shall ~~[be designated to]~~ serve
2145 for terms of one, two, three, four, and five years, respectively, from the date of their
2146 appointment.

2147 (b) After the first commissioners are appointed under Subsection (2)(a), commissioners
2148 are appointed for a term of office of four years.

2149 (c) Notwithstanding Subsections (2)(a) and (b), all vacancies are filled for the
2150 unexpired term.

2151 (3) A commissioner qualifies by taking the official oath of office.

2152 (4) A commissioner may not receive compensation except necessary expenses,
2153 including traveling expenses, incurred in the discharge of the commissioner's duties.

2154 (5) A commissioner holds office until the commissioner's successor is appointed and
2155 qualified.

2156 (6) A certificate of appointment or reappointment of a commissioner shall be:

2157 (a) filed with the authority; and

2158 (b) conclusive evidence of the appointment of the commissioner.

2159 (7) The powers of each authority are vested in the commissioners.

2160 (8) (a) A majority of the commissioners of an authority constitutes a quorum for the
2161 purpose of conducting its business and exercising its powers and for all other purposes
2162 notwithstanding the existence of any vacancies.

2163 (b) ~~[Action may be taken by the]~~ The authority may take action upon a vote of a
2164 majority of the commissioners present, unless the bylaws of the authority require a larger
2165 number.

2166 (9) Meetings of the commissioners of an authority may be held:

2167 (a) anywhere within the area of operation of the authority; or

2168 (b) within any area not described in Subsection (9)(a) in which the authority is
2169 authorized to undertake a project.

2170 (10) The commissioners of an authority shall elect a chair and vice chair from the
2171 commissioners.

2172 (11) An authority may employ an executive director, legal and technical experts, and
2173 other officers, agents, and employees, permanent and temporary, and shall determine their
2174 qualifications, duties, and compensation.

2175 (12) An authority may delegate to one or more of its agents or employees any powers
2176 or duties the authority considers proper.

2177 Section 45. Section ~~35A-8-405~~, which is renumbered from Section 9-4-607 is
2178 renumbered and amended to read:

2179 ~~[9-4-607].~~ **35A-8-405. Disclosure of interest in project -- Restrictions.**

2180 (1) ~~[Any]~~ A commissioner, officer, or employee of an authority, who has voluntarily
2181 acquired any of the following interests, shall disclose to the commissioners of the authority, as
2182 soon as ~~[he]~~ the person has knowledge of the interest, the nature and extent of the interest:

2183 (a) ~~[any]~~ a present or future interest, direct or indirect, in ~~[any]~~ a project;

2184 (b) ~~[any]~~ a present or future interest, direct or indirect, in ~~[any]~~ a property included in
2185 or planned to be included in ~~[any]~~ a project;

2186 (c) ~~[any]~~ a contract or proposed contract relating to ~~[any]~~ a project; or

2187 (d) any other transaction or agreement with the authority.

2188 (2) The commissioners shall enter the particulars of the disclosure into the minutes of
2189 the authority.

2190 (3) After a disclosure of interest, the commissioner, officer, or employee may
2191 participate in any discussions concerning proposed authority action on the property, contract,
2192 transaction, or agreement in which ~~[he]~~ the person has an interest, but the commissioner,
2193 officer, or employee may not vote on any ~~[such]~~ action proposed by the authority regarding that
2194 property, contract, transaction, or agreement.

2195 (4) Commissioners, officers, and employees of an authority are not "public officers" for
2196 purposes of ~~[the Utah Public Officers' and Employees' Ethics Act,]~~ Title 67, Chapter 16, Utah
2197 Public Officers' and Employees' Ethics Act.

2198 Section 46. Section ~~35A-8-406~~, which is renumbered from Section 9-4-608 is
2199 renumbered and amended to read:

2200 ~~[9-4-608].~~ 35A-8-406. Misconduct of commissioners -- Removal.

2201 (1) [~~For inefficiency, neglect of duty, or misconduct in office, a~~] A commissioner of an
2202 authority may be removed by the mayor or, in the case of an authority for a county, by the body
2203 that appointed the commissioner for inefficiency, neglect of duty, or misconduct in office.

2204 (2) A commissioner may be removed only after a hearing and after [~~he has~~] having
2205 been given a copy of the charges at least 10 days prior to the hearing and [~~had~~] having an
2206 opportunity to be heard in person or by counsel.

2207 (3) If a commissioner is removed, a record of the proceedings, together with the
2208 charges and findings, shall be filed in the office of the clerk.

2209 Section 47. Section ~~35A-8-407~~, which is renumbered from Section 9-4-609 is
2210 renumbered and amended to read:

2211 ~~[9-4-609].~~ 35A-8-407. Powers of housing authority.

2212 (1) [~~Each~~] An authority has perpetual succession and all the powers necessary to carry
2213 out [~~and effectuate~~] the purposes [~~and provisions~~] of this part.

2214 (2) An authority may:

2215 (a) sue and be sued;

2216 (b) have a seal and alter it;

2217 (c) make and execute contracts and other instruments necessary to the exercise of its
2218 powers;

2219 (d) make, amend, and repeal bylaws and rules;

2220 (e) within its area of operation, prepare, carry out, and operate projects and provide for
2221 the acquisition, construction, reconstruction, rehabilitation, improvement, extension, alteration
2222 or repair of any project;

2223 (f) undertake and carry out studies and analyses of housing needs within its area of
2224 operation and ways of meeting those needs, including data with respect to population and
2225 family groups and its distribution according to income groups, the amount and quality of
2226 available housing, including accessible housing, and its distribution according to rentals and
2227 sales prices, employment, wages and other factors affecting the local housing needs and
2228 meeting these needs;

- 2229 (g) (i) make the results of studies and analyses available to the public and the building,
2230 housing, and supply industries; and
- 2231 (ii) engage in research and disseminate information on housing programs;
- 2232 (h) utilize, contract with, act through, assist, and cooperate or deal with any person,
2233 agency, institution, or organization, public or private, for the provision of services, privileges,
2234 works, or facilities, or in connection with its projects;
- 2235 (i) notwithstanding anything to the contrary contained in this part or in any other
2236 provision of law:
- 2237 (i) agree to any conditions attached to federal financial assistance relating to the
2238 determination of prevailing salaries or wages or payment of not less than prevailing salaries or
2239 wages or compliance with labor standards in the development or administration of projects;
- 2240 (ii) include in any contract awarded or entered into in connection with a project
2241 stipulations requiring that the contractor and all subcontractors comply with requirements as to
2242 minimum salaries or wages and maximum hours of labor; and
- 2243 (iii) comply with any conditions attached to the financial aid of the project;
- 2244 (j) lease, rent, sell, or lease with the option to purchase any dwellings, lands, buildings,
2245 structures, or facilities embraced in a project;
- 2246 (k) subject to the limitations contained in this part with respect to the rental or charges
2247 for dwellings in housing projects, establish and revise the rents or charges for the dwellings;
- 2248 (l) own, hold, and improve real or personal property;
- 2249 (m) purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise, or
2250 otherwise any real or personal property or any interest in it;
- 2251 (n) sell, lease, exchange, transfer, assign, pledge, or dispose of real or personal property
2252 or any interest in it;
- 2253 (o) make loans for the provision of housing for occupancy by persons of medium and
2254 low income;
- 2255 (p) make loans or grants for the development and construction of accessible housing;
- 2256 (q) insure or provide for the insurance, in stock or mutual companies, of real or
2257 personal property or operations of the authority against any risks or hazards;
- 2258 (r) procure or agree to the procurement of government insurance or guarantees of the
2259 payment of any bonds, in whole or in part, issued by the authority, including the power to pay

2260 premiums on the insurance;

2261 (s) invest money held in reserves, sinking funds, or any funds not required for
2262 immediate disbursement in property or securities in which savings banks may legally invest
2263 money subject to their control;

2264 (t) redeem its bonds at the redemption price established or purchase its bonds at less
2265 than redemption price, with all bonds that are redeemed or purchased to be canceled;

2266 (u) within its area of operation, determine where blighted areas exist or where there is
2267 unsafe, insanitary, or overcrowded housing;

2268 (v) make studies and recommendations relating to the problem of clearing, replanning,
2269 and reconstructing blighted areas, and the problem of eliminating unsafe, insanitary, or
2270 overcrowded housing and providing dwelling accommodations and maintaining a wholesome
2271 living environment for persons of medium and low income, and cooperate with any public
2272 body or the private sector in action taken in connection with those problems;

2273 (w) acting through one or more commissioners or other persons designated by the
2274 authority, conduct examinations and investigations and hear testimony and take proof under
2275 oath at public or private hearings on any matter material for its information;

2276 (x) administer oaths, issue subpoenas requiring the attendance of witnesses or the
2277 production of books and papers, and issue commissions for the examination of witnesses
2278 outside the state who are unable to appear before the authority or are excused from attendance;

2279 (y) make available to appropriate agencies, including those charged with the duty of
2280 abating or requiring the correction of nuisances or like conditions or of demolishing unsafe or
2281 insanitary structures within its area of operation, its findings and recommendations with regard
2282 to any building or property where conditions exist that are dangerous to the public health,
2283 morals, safety, or welfare; and

2284 (z) exercise all or any part or combination of the powers granted under this part.

2285 (3) (a) If there are two or more housing authorities established within a county of the
2286 first or second class, then those housing authorities shall create a uniform online application for
2287 the housing choice voucher program with links to each of the housing authorities within the
2288 county.

2289 (b) As used in Subsection (3)(a), "housing choice voucher program" means the federal
2290 government's housing assistance program administered by a housing authority, which enables

2291 low-income families, the elderly, and the disabled to secure decent, safe, and sanitary housing
2292 in the private market.

2293 (4) No provision of law with respect to the acquisition, operation, or disposition of
2294 property by other public bodies is applicable to an authority unless the Legislature specifically
2295 states that it is.

2296 Section 48. Section **35A-8-408**, which is renumbered from Section 9-4-610 is
2297 renumbered and amended to read:

2298 ~~[9-4-610].~~ **35A-8-408. Profit from projects prohibited -- Criteria for**
2299 **determining rentals and payments.**

2300 (1) ~~[It is declared to be the policy of this state to]~~ To accomplish the public,
2301 governmental, and charitable purposes of this part, the Legislature declares that:

2302 (a) ~~[each]~~ an authority manage and operate ~~[its]~~ the authority's housing projects in an
2303 efficient manner to enable ~~[it]~~ each housing project to provide decent, safe, and sanitary
2304 dwelling accommodations for persons of medium and low income and fix the rentals or
2305 payments for these accommodations for persons of low income at low rates; and

2306 (b) ~~[no]~~ an authority may not be operated as a source of revenue to the city or county.

2307 (2) ~~[To this end each]~~ An authority shall fix the rentals or payments for dwellings in
2308 ~~[its]~~ the authority's projects at no higher rates than ~~[it]~~ the authority finds necessary in order to
2309 produce revenues that, together with all other available money, revenues, income, and receipts
2310 of the authority from whatever sources derived, including federal financial assistance necessary
2311 to maintain the low-rent character of the projects, is sufficient to:

2312 (a) pay, as they become due, the principal and interest on the bonds of the authority;

2313 (b) create and maintain reserves required to assure the payment of principal and interest
2314 as it becomes due on its bonds;

2315 (c) meet the cost of, and provide for, maintaining and operating the projects, including
2316 necessary reserves and the cost of any insurance, and the administrative expenses of the
2317 authority; and

2318 (d) make payments in lieu of taxes and, after payment in full of all obligations for
2319 which federal annual contributions are pledged, make repayments of federal and local
2320 contributions as it determines are consistent with the maintenance of the low-rent character of
2321 projects.

2322 (3) Rentals or payments for dwellings shall be established and the projects
2323 administered, in so far as possible, to assure that any federal financial assistance required is
2324 strictly limited to amounts and periods necessary to maintain the low-rent character of the
2325 projects.

2326 (4) Nothing in this section [~~may be construed to limit~~] limits the amount an authority
2327 may charge for nondwelling facilities.

2328 (5) All [~~such income, together with other~~] income and revenue[;] under this section
2329 shall be used in the operation of the projects to aid in accomplishing the public, governmental,
2330 and charitable purposes of this part.

2331 Section 49. Section **35A-8-409**, which is renumbered from Section 9-4-611 is
2332 renumbered and amended to read:

2333 ~~[9-4-611].~~ **35A-8-409. Eligibility requirements for occupants -- Rights of**
2334 **obligee on default of authority.**

2335 (1) [~~Each~~] An authority shall make rules establishing eligibility requirements consistent
2336 with the purposes and objectives of this part for admission to and continued occupancy in its
2337 projects.

2338 (2) Nothing contained in this section or in Section [~~9-4-610~~] 35A-8-408 may be
2339 construed to limit the power of an authority, with respect to a housing project, to vest in an
2340 obligee the right, in case of a default by the authority, to take possession or cause the
2341 appointment of a receiver free from [~~all~~] the restrictions imposed by this section or Section
2342 [~~9-4-610~~] 35A-8-408.

2343 Section 50. Section **35A-8-410**, which is renumbered from Section 9-4-612 is
2344 renumbered and amended to read:

2345 ~~[9-4-612].~~ **35A-8-410. Penalties for fraudulently obtaining or continuing to**
2346 **receive housing assistance benefits.**

2347 (1) [~~No~~] A person may not knowingly, by misrepresentation, impersonation, or [~~any~~]
2348 other fraudulent means, make [~~any~~] a false statement to housing authority personnel or, after
2349 being accepted as a recipient of housing authority benefits, fail to disclose to housing authority
2350 personnel any:

- 2351 (a) change in household composition;
- 2352 (b) employment change;

- 2353 (c) change in marital status;
- 2354 (d) receipt of any other monetary assistance;
- 2355 (e) receipt of in-kind gifts; or
- 2356 (f) ~~[any]~~ other material fact or change in circumstances ~~[which]~~ that would affect the
- 2357 determination of that person's eligibility to receive housing assistance benefits, or would affect
- 2358 the amount of benefits for which ~~[he]~~ the person is eligible.
- 2359 (2) ~~[No]~~ A person may not fail to disclose any of the information described in
- 2360 Subsection (1) for the purpose of obtaining or continuing to receive funds or other housing
- 2361 assistance benefits to which ~~[he]~~ the person is not entitled, or in an amount larger than that to
- 2362 which ~~[he]~~ the person is entitled.
- 2363 (3) ~~[No]~~ A person who has duties relating to the administration of ~~[any]~~ a housing
- 2364 authority program may not fraudulently misappropriate ~~[any]~~ funds or other assistance with
- 2365 which ~~[he]~~ the person has been entrusted, or of which ~~[he]~~ the person has gained possession by
- 2366 virtue of ~~[his]~~ the person's position.
- 2367 (4) ~~[No]~~ A person may not knowingly:
- 2368 (a) file or falsify ~~[any]~~ a claim, report, or document required by state or federal law, or
- 2369 provider agreement, to obtain or attempt to obtain unauthorized housing assistance benefits
- 2370 under this ~~[chapter]~~ part; or
- 2371 (b) attempt to commit, or aid or abet the commission of, ~~[any]~~ an act prohibited by this
- 2372 section.
- 2373 (5) The punishment for violation of ~~[any]~~ a provision of this section by a housing
- 2374 assistance recipient is determined by the cumulative value of the ~~[funds]~~ money or other
- 2375 benefits ~~[he]~~ the person received from all ~~[the frauds he]~~ instances of fraud committed by the
- 2376 person, and not by each separate instance of fraud.
- 2377 (6) The punishment for the offenses of this section are:
- 2378 (a) a second degree felony if the value of the funds or other benefits received,
- 2379 misappropriated, claimed, or applied for, is equal to or exceeds \$5,000;
- 2380 (b) a third degree felony if the value of the funds or other benefits received,
- 2381 misappropriated, claimed, or applied for, is equal to or greater than \$1,500 but less than
- 2382 \$5,000;
- 2383 (c) a class A misdemeanor if the value of the funds or other benefits received,

2384 misappropriated, claimed, or applied for, is equal to or greater than \$500 but less than \$1,500;
2385 or

2386 (d) a class B misdemeanor if the value of the funds or other benefits received,
2387 misappropriated, claimed, or applied for, is less than \$500.

2388 Section 51. Section ~~35A-8-411~~, which is renumbered from Section 9-4-613 is
2389 renumbered and amended to read:

2390 ~~[9-4-613]~~. **35A-8-411. Authorities may join or cooperate.**

2391 (1) ~~[Any two]~~ Two or more authorities may cooperate with one another or jointly
2392 exercise any or all of their powers for the purpose of financing, issuing bonds and other
2393 obligations and giving security for them, planning, undertaking, owning, constructing,
2394 operating, or contracting with respect to a housing project or projects located within the area of
2395 operation of any one or more of the authorities.

2396 (2) For this purpose, an authority may by resolution ~~[prescribe and]~~ authorize ~~[any~~
2397 ~~other]~~ a housing authority ~~[or authorities]~~ joining or cooperating with ~~[it]~~ the authority to act on
2398 ~~[its]~~ the authority's behalf ~~[with respect to any or all powers, as its agent or otherwise, in the~~
2399 ~~name of the authority or authorities that are joining or cooperating or in its own name]~~.

2400 Section 52. Section ~~35A-8-412~~, which is renumbered from Section 9-4-614 is
2401 renumbered and amended to read:

2402 ~~[9-4-614]~~. **35A-8-412. Preference for elderly and persons with a disability.**

2403 (1) For the purpose of increasing the supply of low-rent housing and related facilities
2404 for medium and low-income elderly and medium and low-income persons with a disability, an
2405 authority may exercise any of its powers under this part in projects involving dwelling
2406 accommodations designed specifically for these persons.

2407 (2) For dwelling units in any projects suitable to the needs of the elderly or persons
2408 with a disability, special preference may be extended in admission to those dwelling units to
2409 these persons of medium and low income.

2410 Section 53. Section ~~35A-8-413~~, which is renumbered from Section 9-4-615 is
2411 renumbered and amended to read:

2412 ~~[9-4-615]~~. **35A-8-413. Victims of major disaster.**

2413 (1) (a) Notwithstanding the provisions of this or any other law relating to rentals,
2414 preferences, or eligibility for admission or occupancy of dwellings in housing projects during

2415 the period an authority determines that there is an acute need for housing to assure the
2416 availability of dwellings for victims of a major disaster, the authority may undertake the
2417 development and administration of housing projects for the federal government[~~and~~
2418 dwellings].

2419 (b) Dwellings in any housing project under the jurisdiction of the authority may be
2420 made available to victims of a major disaster.

2421 (2) An authority may contract with the federal government or a public body for
2422 advance payment or reimbursement for the furnishing of housing to victims of a major disaster,
2423 including the furnishing of housing free of charge to needy disaster victims during any period
2424 covered by a determination of acute need by the authority.

2425 Section 54. Section **35A-8-414**, which is renumbered from Section 9-4-616 is
2426 renumbered and amended to read:

2427 ~~[9-4-616]~~. **35A-8-414. Property and funds of authority declared public**
2428 **property -- Exemption from taxes -- Alternative agreement with public body.**

2429 (1) The property and funds of an authority are declared to be public property used for
2430 essential public, governmental, and charitable purposes.

2431 (2) ~~[The]~~ (a) Subject to Subsections (2)(b) and (c), the property and authority are
2432 exempt from all taxes and special assessments of ~~[any]~~ a public body.

2433 (b) This tax exemption does not apply to any portion of a project used for a
2434 profit-making enterprise.

2435 (c) In taxing these portions appropriate allowance shall be made for any expenditure by
2436 an authority for utilities or other public services it provides to serve the property.

2437 (3) In lieu of taxes on its exempt property an authority may agree to make payments to
2438 ~~[any]~~ a public body ~~[it]~~ if the authority finds making the payments is consistent with the
2439 maintenance of the low-rent character of housing projects and the achievement of the purposes
2440 of this part.

2441 Section 55. Section **35A-8-415**, which is renumbered from Section 9-4-617 is
2442 renumbered and amended to read:

2443 ~~[9-4-617]~~. **35A-8-415. Projects subject to local building regulations.**

2444 ~~[All projects]~~ A project of an authority ~~[are]~~ is subject to the planning, zoning, sanitary,
2445 and building laws, ordinances, and regulations applicable to the locality in which the project is

2446 situated.

2447 Section 56. Section **35A-8-416**, which is renumbered from Section 9-4-618 is
2448 renumbered and amended to read:

2449 ~~[9-4-618].~~ **35A-8-416.** **Bonds authorized -- Payment -- Security -- Liability --**
2450 **Purpose -- Exemption from taxes except corporate franchise tax.**

2451 (1) An authority may:

2452 (a) issue bonds ~~[from time to time]~~ for any of its corporate purposes;

2453 (b) issue refunding bonds for the purpose of paying or retiring bonds previously issued
2454 by it;

2455 (c) issue bonds on which the principal and interest are payable:

2456 (i) exclusively from the income and revenues of the project financed with the proceeds
2457 of the bonds;

2458 (ii) exclusively from the income and revenues of certain designated projects, whether
2459 or not they are financed in whole or in part with the proceeds of the bonds; or

2460 (iii) from its revenues generally.

2461 (2) ~~[Any bonds]~~ Bonds issued by the authority may be additionally secured by a pledge
2462 of any loan, grant, or contributions, in whole or in part, from the federal government or other
2463 source, or a pledge of any income or revenues of the authority.

2464 (3) The members of an authority and ~~[any]~~ a person executing the bonds are not liable
2465 personally on the bonds.

2466 (4) (a) The bonds and other obligations of an authority are not a debt of the city,
2467 county, state, or ~~[any]~~ a political subdivision, and do not constitute indebtedness for purposes
2468 of any constitutional or statutory debt limitation or restrictions. ~~[This shall be stated on the~~
2469 ~~face of the bonds and other obligations.]~~

2470 (b) A bond or other obligation of an authority shall include a statement on the face of
2471 the bond or other obligation that explains that the bond or other obligation is not a debt of the
2472 city, county, state, or a political subdivision, and does not constitute indebtedness for purposes
2473 of any constitutional or statutory debt limitation or restrictions.

2474 (5) The city, county, state, or political subdivision is not liable on the bonds or other
2475 obligations.

2476 (6) These bonds or obligations may not be payable out of ~~[any]~~ funds or properties

2477 other than those of the authority.

2478 (7) Bonds of an authority are declared to be issued for an essential public and
2479 governmental purpose and to be public instrumentalities and, together with interest and
2480 income, are exempt from all taxes, except the corporate franchise tax.

2481 (8) The provisions of this part exempting from taxation the properties of an authority
2482 and its bonds and interests and income on them [~~shall be considered~~] are part of the contract for
2483 the security of bonds and have the force of contract, by virtue of this part and without the
2484 necessity of this being restated in the bonds, between the bondholders, including all transferees
2485 of the bonds, on the one hand and an authority and the state on the other.

2486 Section 57. Section ~~35A-8-417~~, which is renumbered from Section 9-4-619 is
2487 renumbered and amended to read:

2488 ~~[9-4-619].~~ 35A-8-417. Bonds to be authorized by resolution -- Form -- Sale --
2489 Negotiability -- Validity presumed.

2490 (1) Bonds of an authority [~~shall be~~] are authorized by resolution [~~and~~], may be issued
2491 in one or more series, and shall as provided by the resolution or its trust indenture:

2492 (a) bear dates, [~~mature,~~] including maturity dates;

2493 (b) bear interest rates[;];

2494 (c) be in denominations[;];

2495 (d) be either coupon or registered[;];

2496 (e) carry conversion or registration privileges[;];

2497 (f) have rank or priority[;];

2498 (g) be executed[;];

2499 (h) be payable[;]; and

2500 (i) be subject to terms of redemption[;] with or without premium[~~, as the resolution or~~
2501 ~~its trust indenture provides~~].

2502 (2) (a) The bonds may bear interest at a variable interest rate as [~~the resolution~~
2503 ~~provides~~] provided by the resolution.

2504 (b) The resolution may establish a method, formula, or index [~~pursuant to which the~~] to
2505 determine the current interest rate on the bonds [~~may be determined from time to time~~].

2506 (3) In connection with the bonds, the authority may authorize and enter into agreements
2507 or other arrangements with financial, banking, and other institutions for:

2508 (a) letters of credit[;];
 2509 (b) standby letters of credit[;];
 2510 (c) surety bonds[;];
 2511 (d) reimbursement agreements[;];
 2512 (e) remarketing agreements[;];
 2513 (f) indexing agreements[;];
 2514 (g) tender agent agreements[;]; and
 2515 (h) other agreements with respect to;
 2516 (i) securing the bonds[~~with respect to~~];
 2517 (ii) enhancing the marketability and creditworthiness of the bonds[~~with respect to~~];
 2518 (iii) determining a variable interest rate on the bonds[;]; and [~~with respect to~~]
 2519 (iv) the payment from any legally available source, including [~~the~~] proceeds of the
 2520 bonds, [~~of~~] fees, charges, [~~and~~] or other amounts coming due [~~with respect to any such~~] from
 2521 the agreements.

2522 (4) [~~The~~] As provided by resolution, the bonds may be sold at a public or private sale
 2523 [~~in a manner and at prices, either at, in excess of, or below~~] at par value, [~~as provided by~~
 2524 ~~resolution~~] in excess of par value, or below par value.

2525 (5) If [~~members or officers~~] a member or an officer of an authority whose [~~signatures~~
 2526 ~~appear on bonds or coupons cease to be members or officers~~] signature appears on a bond or
 2527 coupon ceases to be a member or an officer before the delivery of the [~~bonds, their signatures~~
 2528 ~~are~~] bond or coupon, the signature is valid and sufficient for all purposes.

2529 (6) [~~Any bonds~~] A bond issued under this part [~~are~~] is fully negotiable.

2530 (7) In [~~any~~] a suit, action, or proceeding involving the validity or enforceability of
 2531 [~~any~~] a bond of an authority or the security for it, [~~any~~] a bond reciting in substance that it has
 2532 been issued by the authority to aid in financing a project [~~shall be~~] is conclusively [~~deemed~~]
 2533 considered to have been issued for such purposes, and the project [~~shall be~~] is conclusively
 2534 [~~deemed~~] considered to have been planned, located, and carried out in accordance with this
 2535 part.

2536 Section 58. Section **35A-8-418**, which is renumbered from Section 9-4-620 is
 2537 renumbered and amended to read:

2538 [~~9-4-620~~]. **35A-8-418. Bonds and other obligations -- Additional powers of**

2539 **authority.**

2540 In connection with the issuance of bonds or the incurring of obligations under leases
2541 and in order to secure the payment of bonds or obligations, an authority~~[-in addition to its other~~
2542 ~~powers;]~~ may:

2543 (1) pledge all or ~~[any]~~ a part of its gross or net rents, fees, or revenues to which its right
2544 ~~[then]~~ currently exists or ~~[thereafter]~~ will accrue;

2545 (2) mortgage all or ~~[any]~~ a part of its real or personal property owned or ~~[thereafter]~~
2546 acquired;

2547 (3) covenant against pledging all or ~~[any]~~ a part of its rents, fees, and revenues, or
2548 against mortgaging all or ~~[any]~~ a part of its real or personal property to which its right or title
2549 then exists or ~~[thereafter accrues]~~ will accrue, or against permitting or suffering any lien on
2550 ~~[such]~~ the revenues or property;

2551 (4) covenant with respect to limitations on its right to sell, lease, or otherwise dispose
2552 of any housing project and covenant as to what other, or additional debts or obligations may be
2553 incurred by it;

2554 (5) covenant as to bonds to be issued and as to the issuance of bonds in escrow or
2555 otherwise, and as to the use and disposition of the bond proceeds;

2556 (6) provide for the replacement of lost, destroyed, or mutilated bonds;

2557 (7) covenant against extending the time for the payment of its bonds or interest on
2558 them;

2559 (8) covenant for the redemption of the bonds and provide the terms and conditions for
2560 them;

2561 (9) covenant, subject to the limitations contained in this part as to the rents and fees to
2562 be charged in the operation of a housing project ~~[or projects]~~, the amount to be raised each year
2563 or other period of time by rents, fees, and other revenues, and as to the use and disposition ~~[to~~
2564 ~~be made thereof]~~ of the revenues;

2565 (10) ~~[create or]~~ authorize the creation of special funds for money held for construction
2566 or operating costs, debt service, reserves, or other purposes, and covenant as to the use and
2567 disposition of the money held in ~~[such]~~ those funds;

2568 (11) prescribe the procedure~~[-of any;]~~ by which the terms of ~~[any]~~ a contract with
2569 bondholders may be amended or abrogated, the proportion of outstanding bonds which must

2570 consent to the action, and the manner in which consent shall be given;

2571 (12) covenant as to the use, maintenance, and replacement of any or all of its real or
2572 personal property [~~and~~], the insurance to be carried on it, and the use and disposition of
2573 insurance money;

2574 (13) covenant as to the rights, liabilities, powers, and duties arising upon breach by it
2575 of [~~any~~] a covenant, condition, or obligation;

2576 (14) covenant and prescribe as to events of default and terms and conditions upon
2577 which any or all of its bonds or obligations shall become or may be declared due before
2578 maturity, and as to the terms and conditions upon which such declaration and its consequences
2579 may be waived;

2580 (15) vest in [~~any~~] an obligee of the authority, or [~~any~~] a specified proportion of them,
2581 the right to enforce the payment of bonds or any covenants securing or relating to the bonds;

2582 (16) vest [~~in~~] an obligee with the right after default by the authority to take possession
2583 of and use, operate, and manage any project or any part of it or any funds connected with them,
2584 [~~and~~] collect the rents and revenues arising from them, and dispose of them in accordance with
2585 the agreement with the authority;

2586 (17) provide the powers and duties of an obligee and limit [~~his~~] the obligee's liabilities;

2587 (18) provide the terms and conditions upon which [~~such obligees~~] an obligee may
2588 enforce any covenant or rights securing or relating to the bonds;

2589 (19) exercise all or any part or combination of the powers granted and make any
2590 covenants[~~, other than and~~] in addition to the covenants expressly authorized in this section;

2591 (20) do any acts necessary, convenient, or desirable to secure its bonds; and

2592 (21) make any covenants or do any acts calculated to make the bonds more marketable.

2593 Section 59. Section **35A-8-419**, which is renumbered from Section 9-4-621 is
2594 renumbered and amended to read:

2595 ~~[9-4-621].~~ **35A-8-419. Issuance of bonds -- Other laws not to apply.**

2596 (1) This part constitutes full authority for the authorization and issuance of bonds.

2597 (2) No other law [~~with regard to~~] for the authorization or issuance of obligations or the
2598 deposit of their proceeds that requires a bond election or in any way impedes or restricts the
2599 carrying out of the acts authorized to be done shall be construed as applying to any proceedings
2600 taken or acts done [~~pursuant to~~] under this part.

2601 Section 60. Section **35A-8-420**, which is renumbered from Section 9-4-622 is
2602 renumbered and amended to read:

2603 ~~[9-4-622]~~. **35A-8-420. Rights of obligees of authority.**

2604 An obligee of an authority, in addition to all other rights conferred on ~~[him]~~ the obligee
2605 subject to any contractual restrictions binding upon the obligee, may:

2606 (1) compel an authority, its officers, agents, or employees to perform each term,
2607 provision, and covenant contained in ~~[any]~~ a contract of the authority for the benefit of the
2608 obligee and to require the carrying out of all covenants and agreements of the authority and the
2609 fulfillment of all duties imposed upon it by this part; and

2610 (2) enjoin any acts or things that may be unlawful, or the violation of any of the rights
2611 of an obligee of the authority.

2612 Section 61. Section **35A-8-421**, which is renumbered from Section 9-4-623 is
2613 renumbered and amended to read:

2614 ~~[9-4-623]~~. **35A-8-421. Obligees -- Additional rights conferred by authority.**

2615 (1) An authority may by resolution, trust indenture, mortgage, lease, or other contract,
2616 confer upon ~~[any]~~ an obligee the right, in addition to all rights that may otherwise be conferred,
2617 upon default as defined in a resolution or instrument, by suit, action, or proceeding in ~~[any]~~ a
2618 court of competent jurisdiction to:

2619 (a) cause possession of ~~[any]~~ a project, in whole or in part, to be surrendered to the
2620 obligee;

2621 (b) obtain the appointment of a receiver of ~~[any]~~ a project, in whole or in part, and of
2622 the rents and profits ~~[therefrom]~~ from the project; and

2623 (c) require the authority and its officers, agents, and employees to account as if ~~[it and]~~
2624 they were the trustees of an express trust.

2625 (2) The receiver:

2626 (a) may enter and take possession of the project or any part of it[;];

2627 (b) may operate and maintain [it, and] the project;

2628 (c) may collect and receive all fees, rents, revenues, or other charges arising

2629 ~~[therefrom. All money shall be kept]~~ from the project;

2630 (d) shall keep the money collected from the project in a separate account; and [be
2631 applied]

2632 (e) shall use the money in accordance with the obligations of the authority as the court
2633 directs.

2634 Section 62. Section **35A-8-422**, which is renumbered from Section 9-4-624 is
2635 renumbered and amended to read:

2636 ~~[9-4-624]~~. **35A-8-422. Property of authority exempt from levy and sale --**
2637 **Obligees excepted -- Waiver.**

2638 (1) (a) [~~All property~~] Property, including [~~funds~~] money, acquired or held by an
2639 authority [~~pursuant to~~] under this part shall be exempt from levy and sale by virtue of an
2640 execution.

2641 (b) An execution or other judicial process may not issue against the property [~~and a~~].

2642 (c) A judgment against the authority [~~may~~] is not [~~be~~] a charge or lien upon the
2643 property.

2644 (2) This section does not apply to or limit the right of [~~obligees~~] an obligee to pursue
2645 [~~any remedies~~] a remedy for the enforcement of [~~any~~] a pledge or lien given by the authority on
2646 its rents, fees, or revenues or the right of the federal government to pursue [~~any remedies~~] a
2647 remedy conferred upon it [~~pursuant to~~] under this part.

2648 (3) An authority may waive its exemption with respect to claims against [~~any~~] a
2649 profit-making enterprise occupying [~~any~~] a portion of a project if that waiver does not affect or
2650 impair the rights of any obligee of the authority.

2651 Section 63. Section **35A-8-423**, which is renumbered from Section 9-4-625 is
2652 renumbered and amended to read:

2653 ~~[9-4-625]~~. **35A-8-423. Financial assistance from federal government**
2654 **permitted.**

2655 (1) In addition to the powers conferred upon an authority by other provisions of this
2656 part, an authority may:

2657 (a) borrow money or accept contributions, grants, or other financial assistance from the
2658 federal government in aid of [~~any~~] a project or related [~~activities~~] activity concerning health,
2659 welfare, economic, educational, environmental, [~~and similar problems of persons of~~] or related
2660 issues faced by persons of medium and low income;

2661 (b) take over [~~or~~], lease, or manage [~~any~~] a project or undertaking constructed or
2662 owned by the federal government; and

2663 (c) ~~[to these ends,]~~ comply with conditions and enter into contracts, covenants,
 2664 mortgages, trust indentures, leases, or agreements considered necessary, convenient, or
 2665 desirable to accomplish the purposes of Subsections (1)(a) and (b).

2666 (2) (a) ~~[It is the]~~ The purpose and intent of this part is to authorize ~~[any]~~ an authority to
 2667 do ~~[all things]~~ everything necessary or desirable to secure the financial aid or cooperation of the
 2668 federal government in the provision of decent, safe, and sanitary dwellings and maintaining a
 2669 wholesome living environment for persons of medium and low income.

2670 (b) To accomplish ~~[this]~~ the purpose of Subsection (2)(a) an authority may include in
 2671 ~~[any]~~ a contract for financial assistance with the federal government ~~[any]~~ the provisions that
 2672 the federal government may require as conditions to ~~[its]~~ the federal government's financial aid
 2673 ~~[not]~~ unless those provisions are inconsistent with the purposes of this part.

2674 Section 64. Section **35A-8-424**, which is renumbered from Section 9-4-626 is
 2675 renumbered and amended to read:

2676 ~~[9-4-626].~~ **35A-8-424. Defaults -- Conveyance of title to federal government.**

2677 (1) ~~[The authority in any]~~ In a contract with the federal government for annual
 2678 contributions, the authority may obligate itself to convey to the federal government possession
 2679 of or title to the project upon the occurrence of a substantial default, as defined in the contract,
 2680 with respect to the covenants and conditions to which the authority is subject.

2681 (2) This obligation ~~[shall be]~~ is specifically enforceable and does not constitute a
 2682 mortgage, notwithstanding any other laws.

2683 (3) In case of conveyance, the federal government may complete, operate, manage,
 2684 lease, convey, or otherwise deal with the project and funds in accordance with the terms of the
 2685 contract if the contract by its terms requires the federal government, as soon as practicable after
 2686 it is satisfied that all defaults have been cured and that the project will be operated in
 2687 accordance with the contract, to reconvey the project to the authority.

2688 Section 65. Section **35A-8-425**, which is renumbered from Section 9-4-627 is
 2689 renumbered and amended to read:

2690 ~~[9-4-627].~~ **35A-8-425. Powers of public body aiding in project.**

2691 (1) For the purpose of aiding and cooperating in the planning, undertaking,
 2692 construction, or operation of projects located within its jurisdiction, ~~[any]~~ a public body may,
 2693 with or without consideration~~[, as it may determine]~~:

2694 (a) dedicate, sell, convey, or lease any of its interest in property, or grant easements,
2695 licenses, or other rights or privileges to a housing authority or the federal government;

2696 (b) cause parks, playgrounds, recreational, community, educational, water, sewer, or
2697 drainage facilities, or other works that it is otherwise empowered to undertake to be furnished
2698 adjacent to or in connection with these projects;

2699 (c) furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads,
2700 roadways, alleys, sidewalks, or other places that it is otherwise empowered to undertake;

2701 (d) plan or replan, zone or rezone any parts of the public body, make exceptions from
2702 building regulations and ordinances, and make changes in its map;

2703 (e) cause the same services to be furnished to a housing authority that the public body
2704 may furnish, and provide facilities and services, including feeding facilities and services for
2705 tenants, in connection with housing projects;

2706 (f) enter into agreements with respect to the exercise by the public body of its powers
2707 relating to the repair, improvement, condemnation, closing, or demolition of unsafe, insanitary,
2708 or unfit buildings;

2709 (g) notwithstanding the provisions of any other law, use any ~~[funds]~~ money belonging
2710 to or within the control of the public body, including ~~[funds]~~ money derived from the sale or
2711 furnishing of property or facilities to a housing authority, in the purchase of the bonds or other
2712 obligations of a housing authority and exercise any related rights;

2713 (h) do any and all things necessary or convenient to aid and cooperate in the planning,
2714 undertaking, construction, or operation of any projects;

2715 (i) incur the entire expense of public improvements made by a public body in
2716 exercising the powers granted in this part; and

2717 (j) enter into agreements, that may extend over any period notwithstanding any
2718 provision or rule of law to the contrary, with a housing authority respecting action to be taken
2719 by a public body ~~[pursuant to]~~ under any of the powers granted by this part.

2720 (2) If title to or possession of ~~[any]~~ a project is held by ~~[any]~~ a public governmental
2721 agency authorized by law to engage in the development or administration of low-rent housing
2722 or slum clearance projects, including ~~[any]~~ an agency or instrumentality of the United States,
2723 the provisions of the agreements entered into ~~[pursuant to]~~ under Subsection (1)(j) ~~[shall]~~
2724 to the benefit of and may be enforced by that public body or governmental agency.

2725 (3) [~~Any~~] A sale, conveyance, lease, or agreement provided for in this section may be
 2726 made by a public body without appraisal, public notice, advertisement, or public bidding,
 2727 notwithstanding any other laws to the contrary.

2728 Section 66. Section **35A-8-426**, which is renumbered from Section 9-4-628 is
 2729 renumbered and amended to read:

2730 **~~[9-4-628]. 35A-8-426. Agreement by public body to accept payment from~~**
 2731 **authority in lieu of taxes.**

2732 In connection with [~~any~~] a project of a housing authority located wholly or partly within
 2733 the area in which [~~any~~] a public body is authorized to act, [~~any~~] the public body may agree with
 2734 the housing authority with respect to the payment by the authority of sums in lieu of taxes for
 2735 any year or period of years that are determined by the authority to be consistent with the
 2736 maintenance of the low-rent character of housing projects or the achievement of the purposes
 2737 of this part.

2738 Section 67. Section **35A-8-427**, which is renumbered from Section 9-4-629 is
 2739 renumbered and amended to read:

2740 **~~[9-4-629]. 35A-8-427. Public body may provide financial aid.~~**

2741 In addition to other aids provided, [~~any~~] a public body may provide financial aid to a
 2742 housing authority by:

2743 (1) loan, donation, grant, contribution, and appropriation of money~~[-by]~~;

2744 (2) abatement or remission of taxes~~[-by]~~;

2745 (3) payments in lieu of taxes~~[-by]~~;

2746 (4) other charges~~[-]~~; or [~~by any~~]

2747 (5) other means.

2748 Section 68. Section **35A-8-428**, which is renumbered from Section 9-4-630 is
 2749 renumbered and amended to read:

2750 **~~[9-4-630]. 35A-8-428. Investment in authority authorized.~~**

2751 (1) The state, public officers, political subdivisions, public bodies, banks, bankers, trust
 2752 companies, savings banks and institutions, building and loan associations, savings and loan
 2753 associations, investment companies, insurance companies, insurance associations, other
 2754 persons carrying on a banking or insurance business, executors, administrators, guardians,
 2755 trustees, and other fiduciaries may legally invest money or funds belonging to them or within

2756 their control in any bonds or other obligations issued by a housing authority created under this
 2757 part or issued by ~~[any]~~ a public housing authority or agency in the United States, ~~[any of its~~
 2758 ~~territories]~~ a United States Territory, the District of Columbia, Puerto Rico, Guam, or the
 2759 Virgin Islands.

2760 (2) These bonds or other obligations shall be secured by a pledge of annual
 2761 contributions or other financial assistance to be paid by the United States government or any of
 2762 its agencies, or by an agreement between the United States government or any of its agencies
 2763 and the public housing authority or agency in which the United States government or its agency
 2764 agrees to lend to the public housing authority or agency, prior to the maturity of the bonds or
 2765 other obligations, money in an amount which, together with any other money irrevocably
 2766 committed to the payment of interest on the bonds or other obligations, will suffice to pay the
 2767 principal of the bonds or other obligations with interest to maturity.

2768 (3) The money, under the terms of the agreement, ~~[shall be]~~ is required to be used for
 2769 this purpose, and the bonds and other obligations ~~[shall be]~~ are authorized security for all
 2770 public deposits and ~~[shall be]~~ are fully negotiable in this state.

2771 (4) Nothing contained in this section ~~[may be construed to relieve any]~~ relieves a
 2772 person, firm, or corporation from any duty of exercising reasonable care in selecting securities.

2773 (5) The provisions of this section apply notwithstanding any restrictions on
 2774 investments contained in other laws.

2775 Section 69. Section **35A-8-429**, which is renumbered from Section 9-4-631 is
 2776 renumbered and amended to read:

2777 ~~[9-4-631].~~ **35A-8-429. Annual report -- Budget -- Minutes.**

2778 (1) At least once a year, ~~[each]~~ an authority shall file with the clerk, with a copy given
 2779 to the governing body, a report ~~[of]~~ containing:

2780 (a) its activities for the preceding year ~~[and]~~;

2781 (b) its approved annual budget~~[-]~~; and ~~[make]~~

2782 (c) recommendations ~~[with reference to additional]~~ for legislation or other action
 2783 considered necessary to carry out the purposes of this part.

2784 (2) ~~[Each]~~ An authority shall post electronically for public review its:

2785 (a) annual approved budget; and

2786 (b) minutes of all open meetings held by its board of commissioners.

2787 Section 70. Section **35A-8-430**, which is renumbered from Section 9-4-632 is
2788 renumbered and amended to read:

2789 ~~[9-4-632]~~. **35A-8-430**. **Provisions controlling -- Acts of governmental bodies**
2790 **deemed administrative.**

2791 (1) The provisions of this part ~~[shall be]~~ are controlling, notwithstanding anything to
2792 the contrary in any other law of this state, city charter, or local ordinance. ~~[Any]~~

2793 (2) An action of a city ~~[or]~~, county, or governing body in carrying out the purposes of
2794 this part, whether by resolution, ordinance, or otherwise, ~~[shall be]~~ is considered administrative
2795 in character, and no public notice or publication ~~[need be made]~~ is required with respect to that
2796 action.

2797 Section 71. Section **35A-8-501**, which is renumbered from Section 9-4-701 is
2798 renumbered and amended to read:

2799 **Part 5. Olene Walker Housing Loan Fund**

2800 ~~[9-4-701]~~. **35A-8-501**. **Definitions.**

2801 As used in this part:

2802 (1) "Board" means the Housing Board created by this part.

2803 (2) "Fund" means the Olene Walker Housing Loan Fund created by this part.

2804 (3) "Rural" means ~~[any]~~ a county in the state other than Utah, Salt Lake, Davis, or
2805 Weber.

2806 Section 72. Section **35A-8-502**, which is renumbered from Section 9-4-702 is
2807 renumbered and amended to read:

2808 ~~[9-4-702]~~. **35A-8-502**. **Creation and administration.**

2809 (1) (a) There is created an enterprise fund known as the Olene Walker Housing Loan
2810 Fund, administered by the executive director or ~~[his]~~ the executive director's designee.

2811 (b) The department ~~[shall be]~~ is the administrator of the fund.

2812 (2) There shall be deposited into the fund:

2813 (a) grants, paybacks, bonuses, entitlements, and other money received by the
2814 department from the federal government to preserve, rehabilitate, build, restore, or renew
2815 housing or for other activities authorized by the fund;

2816 (b) transfers, grants, gifts, bequests, ~~[or any]~~ and money made available from any
2817 source to implement this part; and

2818 (c) money appropriated to the fund by the Legislature.

2819 (3) The money in the fund shall be invested by the state treasurer according to the
2820 procedures and requirements of Title 51, Chapter 7, State Money Management Act, except that
2821 all interest or other earnings derived from [~~the fund~~] money in the fund shall be deposited in
2822 the fund.

2823 Section 73. Section **35A-8-503**, which is renumbered from Section 9-4-703 is
2824 renumbered and amended to read:

2825 **[9-4-703]. 35A-8-503. Housing loan fund board -- Duties -- Expenses.**

2826 (1) There is created the Olene Walker Housing Loan Fund Board.

2827 (2) The board [~~shall be~~] is composed of 11 voting members.

2828 (a) The governor shall appoint the following members to four-year terms:

2829 (i) two members from local governments;

2830 (ii) two members from the mortgage lending community;

2831 (iii) one member from real estate sales interests;

2832 (iv) one member from home builders interests;

2833 (v) one member from rental housing interests;

2834 (vi) one member from housing advocacy interests;

2835 (vii) one member of the manufactured housing interest; and

2836 (viii) two members of the general public.

2837 (b) The director or [~~his~~] the director's designee [~~shall serve~~] serves as the secretary of
2838 the committee.

2839 (c) The members of the board shall annually elect a chair from among the voting
2840 membership of the board.

2841 (3) (a) Notwithstanding the requirements of Subsection (2), the governor shall, at the
2842 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
2843 board members are staggered so that approximately half of the board is appointed every two
2844 years.

2845 (b) When a vacancy occurs in the membership for any reason, the replacement [~~shall~~
2846 be] is appointed for the unexpired term.

2847 (4) (a) The board shall:

2848 (i) meet regularly, at least quarterly, on dates fixed by the board;

2849 (ii) keep minutes of its meetings; and
2850 (iii) comply with the procedures and requirements of Title 52, Chapter 4, Open and
2851 Public Meetings Act.

2852 (b) Seven members of the board constitute a quorum, and the governor, the chair, or a
2853 majority of the board may call a meeting of the board.

2854 (5) The board shall:

2855 (a) review the housing needs in the state;

2856 (b) determine the relevant operational aspects of any grant, loan, or revenue collection
2857 program established under the authority of this chapter;

2858 (c) determine the means to implement the policies and goals of this chapter;

2859 (d) select specific projects to receive grant or loan money; and

2860 (e) determine how fund money shall be allocated and distributed.

2861 (6) A member may not receive compensation or benefits for the member's service, but
2862 may receive per diem and travel expenses in accordance with:

2863 (a) Section 63A-3-106;

2864 (b) Section 63A-3-107; and

2865 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
2866 63A-3-107.

2867 Section 74. Section **35A-8-504**, which is renumbered from Section 9-4-704 is
2868 renumbered and amended to read:

2869 ~~[9-4-704]~~. **35A-8-504**. **Distribution of fund money.**

2870 (1) The executive director shall:

2871 (a) make grants and loans from the fund for any of the activities authorized by Section
2872 ~~[9-4-705]~~ 35A-8-505, as directed by the board;

2873 (b) establish the criteria with the approval of the board by which loans and grants will
2874 be made; and

2875 (c) determine with the approval of the board the order in which projects will be funded.

2876 (2) The executive director shall distribute, as directed by the board, any federal money
2877 contained in the fund according to the procedures, conditions, and restrictions placed upon the
2878 use of the money by the federal government.

2879 (3) (a) The executive director shall distribute, as directed by the board, any funds

2880 received [~~pursuant to~~] under Section 17C-1-412 to pay the costs of providing income targeted
2881 housing within the community that created the community development and renewal agency
2882 under Title 17C, Limited Purpose Local Government Entities - Community Development and
2883 Renewal Agencies Act.

2884 (b) As used in Subsection (3)(a):

2885 (i) "Community" has the meaning as defined in Section 17C-1-102.

2886 (ii) "Income targeted housing" has the meaning as defined in Section 17C-1-102.

2887 (4) Except for federal money and money received under Section 17C-1-412, the
2888 executive director shall distribute, as directed by the board, [~~all other~~] money from the fund
2889 according to the following requirements:

2890 (a) Not less than 30% of all fund money shall be distributed to rural areas of the state.

2891 (b) At least 50% of the money in the fund shall be distributed as loans to be repaid to
2892 the fund by the entity receiving them.

2893 (i) (A) Of the fund money distributed as loans, at least 50% shall be distributed to
2894 benefit persons whose annual income is at or below 50% of the median family income for the
2895 state.

2896 (B) The remaining loan money shall be distributed to benefit persons whose annual
2897 income is at or below 80% of the median family income for the state.

2898 (ii) The executive director or the executive director's designee shall lend money in
2899 accordance with this Subsection (4) at a rate based upon the borrower's ability to pay.

2900 (c) Any fund money not distributed as loans shall be distributed as grants.

2901 (i) At least 90% of the fund money distributed as grants shall be distributed to benefit
2902 persons whose annual income is at or below 50% of the median family income for the state.

2903 (ii) The remaining fund money distributed as grants may be used by the executive
2904 director to obtain federal matching funds or for other uses consistent with the intent of this part,
2905 including the payment of reasonable loan servicing costs, but no more than 3% of the revenues
2906 of the fund may be used to offset other department or board administrative expenses.

2907 (5) The executive director may with the approval of the board:

2908 (a) enact rules to establish procedures for the grant and loan process by following the
2909 procedures and requirements of Title 63G, Chapter 3, Utah Administrative Rulemaking Act;
2910 and

2911 (b) service or contract, [~~pursuant to~~] under Title 63G, Chapter 6, Utah Procurement
 2912 Code, for the servicing of loans made by the fund.

2913 Section 75. Section **35A-8-505**, which is renumbered from Section 9-4-705 is
 2914 renumbered and amended to read:

2915 ~~[9-4-705].~~ **35A-8-505. Activities authorized to receive fund money -- Powers of**
 2916 **the executive director.**

2917 At the direction of the board, the executive director may:

2918 (1) provide fund money to any of the following activities:

2919 (a) acquisition, rehabilitation, or new construction of low-income housing units;

2920 (b) matching funds for social services projects directly related to providing housing for
 2921 special-need renters in assisted projects;

2922 (c) the development and construction of accessible housing designed for low-income
 2923 persons;

2924 (d) shelters and transitional housing for the homeless; and

2925 (e) other activities that will assist in improving the availability or quality of housing in
 2926 the state for low-income persons;

2927 (2) do any act necessary or convenient to the exercise of the powers granted by this part
 2928 or reasonably implied [~~therefrom~~] from those granted powers, including:

2929 (a) making or executing contracts and other instruments necessary or convenient for
 2930 the performance of the executive director and board's duties and the exercise of the executive
 2931 director and board's powers and functions under this part, including contracts or agreements for
 2932 the servicing and originating of mortgage loans;

2933 (b) procuring insurance against [~~any~~] a loss in connection with property or other assets
 2934 held by the fund, including mortgage loans, in amounts and from insurers it considers
 2935 desirable;

2936 (c) entering into agreements with [~~any~~] a department, agency, or instrumentality of the
 2937 United States or this state and with mortgagors and mortgage lenders for the purpose of
 2938 planning and regulating and providing for the financing and refinancing, purchase,
 2939 construction, reconstruction, rehabilitation, leasing, management, maintenance, operation, sale,
 2940 or other disposition of [~~any~~] residential housing undertaken with the assistance of the
 2941 department under this part;

2942 (d) proceeding with a foreclosure action, to own, lease, clear, reconstruct, rehabilitate,
 2943 repair, maintain, manage, operate, assign, encumber, sell, or otherwise dispose of [~~any~~] real or
 2944 personal property obtained by the fund due to the default on [~~any~~] a mortgage loan held by the
 2945 fund in preparation for disposition of the property, taking assignments of leases and rentals,
 2946 proceeding with foreclosure actions, and taking other actions necessary or incidental to the
 2947 performance of its duties; and

2948 (e) selling, at a public or private sale, with public bidding, [~~any~~] a mortgage or other
 2949 obligation held by the fund.

2950 Section 76. Section **35A-8-506**, which is renumbered from Section 9-4-706 is
 2951 renumbered and amended to read:

2952 ~~[9-4-706].~~ **35A-8-506. Entities authorized to receive fund money.**

2953 (1) The executive director, with the approval of the board, may grant or lend fund
 2954 money to housing sponsors.

2955 (2) "Housing sponsor" includes a person who constructs, develops, rehabilitates,
 2956 purchases, or owns a housing development that is or will be subject to legally enforceable
 2957 restrictive covenants that require the housing development to provide, at least in part,
 2958 residential housing to low and moderate income persons.

2959 (3) A housing sponsor includes:

2960 [~~(1)~~] (a) a local public body;

2961 [~~(2)~~] (b) a nonprofit, limited profit, or for profit corporation;

2962 [~~(3)~~] (c) a limited partnership;

2963 [~~(4)~~] (d) a limited liability company;

2964 [~~(5)~~] (e) a joint venture;

2965 [~~(6)~~] (f) a subsidiary of the Utah Housing Corporation or any subsidiary of the
 2966 subsidiary of the Utah Housing Corporation;

2967 [~~(7)~~] (g) a cooperative;

2968 [~~(8)~~] (h) a mutual housing organization;

2969 [~~(9)~~] (i) a local government;

2970 [~~(10)~~] (j) a local housing authority;

2971 [~~(11)~~] (k) a regional or statewide nonprofit housing or assistance organization; or

2972 [~~(12)~~] (l) any other type of entity or arrangement that helps provide affordable housing

2973 for low and moderate income persons.

2974 Section 77. Section **35A-8-507**, which is renumbered from Section 9-4-707 is
2975 renumbered and amended to read:

2976 ~~[9-4-707]~~. **35A-8-507. Application process and priorities.**

2977 (1) (a) In each calendar year that money is available from the fund for distribution by
2978 the executive director under the direction of the board, the executive director shall, at least
2979 once in that year, announce a grant and loan application period by sending notice to interested
2980 persons.

2981 (b) The executive director shall accept applications [~~which~~] that are received in a
2982 timely manner.

2983 (2) The executive director shall give first priority to applications for projects and
2984 activities that use existing privately owned housing stock, including privately owned housing
2985 stock purchased by nonprofit public development authorities.

2986 (3) [~~Preference shall be given~~] The executive director shall give preference to
2987 applications that demonstrate the following:

2988 (a) a high degree of leverage with other sources of financing;

2989 (b) high recipient contributions to total project costs, including allied contributions
2990 from other sources such as professional, craft, and trade services[;] and lender interest rate
2991 subsidies;

2992 (c) high local government project contributions in the form of infrastructure
2993 improvements, or other assistance;

2994 (d) projects that encourage ownership, management, and other project-related
2995 responsibility opportunities;

2996 (e) projects that demonstrate a strong probability of serving the original target group or
2997 income level for a period of at least 15 years;

2998 (f) projects where the applicant has demonstrated the ability, stability, and resources to
2999 complete the project;

3000 (g) projects that appear to serve the greatest need;

3001 (h) projects that provide housing for persons and families with the lowest income;

3002 (i) projects that promote economic development benefits;

3003 (j) projects that allow integration into a local government housing plan; and

3004 (k) projects that would mitigate or correct existing health, safety, or welfare problems.

3005 (4) [~~Consideration may be given~~] The executive director may give consideration to
3006 projects that increase the supply of accessible housing.

3007 Section 78. Section **35A-8-508**, which is renumbered from Section 9-4-708 is
3008 renumbered and amended to read:

3009 ~~[9-4-708].~~ **35A-8-508. Annual accounting.**

3010 (1) The executive director shall monitor the activities of recipients of grants and loans
3011 issued under this part on a yearly basis to ensure compliance with the terms and conditions
3012 imposed on the recipient by the executive director with the approval of the board or by this
3013 part.

3014 (2) [~~The entities receiving grants or loans~~] An entity that receives a grant or loan under
3015 this part shall provide the executive director with an annual accounting of how the money
3016 [~~they~~] the entity received from the fund has been spent.

3017 (3) The executive director shall make an annual report to the board accounting for the
3018 expenditures authorized by the board.

3019 (4) The board shall submit an annual written report to the Workforce Services and
3020 Community and Economic Development Interim Committee before December 1 of each year:

3021 (a) accounting for expenditures authorized by the board; and

3022 (b) evaluating the effectiveness of the program.

3023 Section 79. Section **35A-8-601**, which is renumbered from Section 9-4-801 is
3024 renumbered and amended to read:

Part 6. Homeless Coordinating Committee

3025 ~~[9-4-801].~~ **35A-8-601. Creation.**

3026 (1) There is created the Homeless Coordinating Committee.

3027 (2) (a) The committee shall consist of:

3028 (i) the lieutenant governor or the lieutenant governor's designee;

3029 (ii) the state planning coordinator or the coordinator's designee;

3030 (iii) the state superintendent of public instruction or the superintendent's designee;

3031 (iv) the chair of the board of trustees of the Utah Housing Corporation or the chair's
3032 designee; and
3033

3034 (v) the executive directors of the Department of Human Services, the Department of

3035 Corrections, [~~the Department of Community and Culture,~~] the Department of Workforce
3036 Services, and the Department of Health, or their designees.

3037 (b) (i) The lieutenant governor shall serve as the chair of the committee.

3038 (ii) The lieutenant governor may appoint a vice chair from among committee members,
3039 who shall conduct committee meetings in the absence of the lieutenant governor.

3040 (3) The governor may appoint as members of the committee representatives of local
3041 governments, local housing authorities, local law enforcement agencies, and of federal and
3042 private agencies and organizations concerned with the homeless, persons with a mental illness,
3043 the elderly, single-parent families, substance abusers, and persons with a disability.

3044 (4) (a) Except as required by Subsection (4)(b), as terms of current committee members
3045 expire, the governor shall appoint each new member or reappointed member to a four-year
3046 term.

3047 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the
3048 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
3049 committee members are staggered so that approximately half of the committee is appointed
3050 every two years.

3051 (c) A person appointed under this Subsection (4) may not be appointed to serve more
3052 than three consecutive terms.

3053 (5) When a vacancy occurs in the membership for any reason, the replacement is
3054 appointed for the unexpired term.

3055 (6) A member may not receive compensation or benefits for the member's service, but
3056 may receive per diem and travel expenses in accordance with:

3057 (a) Section 63A-3-106;

3058 (b) Section 63A-3-107; and

3059 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
3060 63A-3-107.

3061 Section 80. Section ~~35A-8-602~~, which is renumbered from Section 9-4-802 is
3062 renumbered and amended to read:

3063 ~~[9-4-802].~~ **35A-8-602. Purposes of Homeless Coordinating Committee -- Uses**
3064 **of Pamela Atkinson Homeless Account.**

3065 (1) (a) The Homeless Coordinating Committee shall work to ensure that services

3066 provided to the homeless by state agencies, local governments, and private organizations are
3067 provided in a cost-effective manner.

3068 (b) Programs funded by the committee shall emphasize emergency housing and
3069 self-sufficiency, including placement in meaningful employment or occupational training
3070 activities and, where needed, special services to meet the unique needs of the homeless who:

3071 (i) have families with children;

3072 (ii) have a disability or a mental illness; or

3073 (iii) suffer from other serious challenges to employment and self-sufficiency.

3074 (c) The committee may also fund treatment programs to ameliorate the effects of
3075 substance abuse or a disability.

3076 (2) The committee members designated in Subsection [~~9-4-801(2)~~] 35A-8-601(2)
3077 shall:

3078 (a) award contracts funded by the Pamela Atkinson Homeless Account with the advice
3079 and input of those designated in Subsection [~~9-4-801(3)~~] 35A-8-601(3);

3080 (b) consider need, diversity of geographic location, coordination with or enhancement
3081 of existing services, and the extensive use of volunteers; and

3082 (c) give priority for funding to programs that serve the homeless who have a mental
3083 illness and who are in families with children.

3084 (3) (a) In any fiscal year, no more than 80% of the funds in the Pamela Atkinson
3085 Homeless Account may be allocated to organizations that provide services only in Salt Lake,
3086 Davis, Weber, and Utah Counties.

3087 (b) The committee may:

3088 (i) expend up to 3% of its annual appropriation for administrative costs associated with
3089 the allocation of funds from the Pamela Atkinson Homeless Account, and up to 2% of its
3090 annual appropriation for marketing the account and soliciting donations to the account; and

3091 (ii) pay for the initial costs of the State Tax Commission in implementing Section
3092 59-10-1306 from the account.

3093 (4) (a) The committee may not expend, except as provided in Subsection (4)(b), an
3094 amount equal to the greater of \$50,000 or 20% of the amount donated to the Pamela Atkinson
3095 Homeless Account during fiscal year 1988-89.

3096 (b) If there are decreases in contributions to the account, the committee may expend

3097 [~~funds~~] money held in the account to provide program stability, but the committee shall
3098 reimburse the [~~amounts~~] amount of those expenditures to the account.

3099 (5) The committee shall make an annual report to the Economic Development and
3100 Human Resources Appropriations Subcommittee regarding the programs and services funded
3101 by contributions to the Pamela Atkinson Homeless Account.

3102 (6) The state treasurer shall invest the money in the Pamela Atkinson Homeless
3103 Account [~~shall be invested by the state treasurer~~] according to the procedures and requirements
3104 of Title 51, Chapter 7, State Money Management Act, except that [~~all~~] interest [~~or~~] and other
3105 earnings derived from the restricted account shall be deposited in the restricted account.

3106 Section 81. Section **35A-8-603**, which is renumbered from Section 9-4-803 is
3107 renumbered and amended to read:

3108 ~~[9-4-803].~~ **35A-8-603. Creation of Pamela Atkinson Homeless Account.**

3109 (1) There is created a restricted account within the General Fund known as the "Pamela
3110 Atkinson Homeless Account."

3111 (2) Private contributions received under this section and Section 59-10-1306 shall be
3112 deposited into the restricted account to be used only for programs described in Section
3113 [~~9-4-802~~] 35A-8-602.

3114 (3) Money shall be appropriated from the restricted account to the State Homeless
3115 Coordinating Committee in accordance with [~~the Utah~~] Title 63J, Chapter 1, Budgetary
3116 Procedures Act.

3117 (4) The State Homeless Coordinating Committee may accept transfers, grants, gifts,
3118 bequests, or [~~any~~] money made available from any source to implement this part.

3119 Section 82. Section **35A-8-701**, which is renumbered from Section 9-4-901 is
3120 renumbered and amended to read:

3121 **Part 7. Utah Housing Corporation Act**

3122 ~~[9-4-901].~~ **35A-8-701. Title.**

3123 This part is known as the "Utah Housing Corporation Act."

3124 Section 83. Section **35A-8-702**, which is renumbered from Section 9-4-902 is
3125 renumbered and amended to read:

3126 ~~[9-4-902].~~ **35A-8-702. Policy -- Finding and declaration.**

3127 (1) [~~It is declared~~] The Legislature declares that the policy of the state [~~of Utah~~] is to

3128 assure the health, safety, and welfare of its citizens, that an adequate supply of decent, safe, and
3129 sanitary housing is essential to the well-being of the citizens of the state, and that an adequate
3130 supply of mortgage funds for housing at reasonable interest rates is in the public interest.

3131 (2) ~~[It is found and declared]~~ The Legislature finds and declares that:

3132 (a) there continues to exist throughout the state a seriously inadequate supply of safe
3133 and sanitary dwelling accommodations within the financial means of persons and families of
3134 low or moderate income who wish to purchase or rent residential housing; ~~[and]~~

3135 (b) from time to time the high rates of interest charged by mortgage lenders seriously
3136 restrict the transfer of existing housing and new housing starts[-];

3137 ~~[(3)]~~ (c) ~~[It is found and declared that]~~ the reduction in residential construction starts
3138 associated with the high rates causes a condition of substantial unemployment and
3139 underemployment in the construction industry which impedes the economy of the state and
3140 affects the welfare and prosperity of all the people of the state[-];

3141 ~~[(4)]~~ ~~[It is found and declared that:]~~

3142 ~~[(a)]~~ (d) these conditions associated with the recurrent shortages of residential
3143 mortgage funds contribute to slums and blight in the cities and rural areas of the state and
3144 ultimately to the deterioration of the quality of living conditions within the state; ~~[and]~~

3145 ~~[(b)]~~ (e) in accordance with the purpose of this part to assist in providing housing for
3146 low and moderate income persons who otherwise could not achieve decent, safe, and sanitary
3147 housing, the agency shall make every effort to make housing available in rural, inner city, and
3148 other areas experiencing difficulty in securing construction and mortgage loans, and to make
3149 decent, safe, and sanitary housing available to low income persons and families[-];

3150 ~~[(5)]~~ (f) ~~[It is found and declared that]~~ in order to assure an adequate fund of private
3151 capital into this housing, the cooperation between private enterprise and state government is
3152 essential and is in the public interest[-];

3153 ~~[(6)]~~ (g) ~~[It is found and declared that]~~ low and moderate income persons in Utah have
3154 a wide range of housing needs, which necessitates the development of many different kinds of
3155 programs to address those needs, including programs providing mortgage loans, nontraditional
3156 loans, grants, and other forms of financial assistance, and combinations of these forms[-];

3157 ~~[(7)]~~ (h) ~~[It is found and declared that]~~ there are private organizations and
3158 governmental entities throughout Utah that are endeavoring to improve the availability of

3159 housing for low and moderate income, but many of these organizations and entities lack
3160 expertise and financial resources to act efficiently and expeditiously in these efforts[-];

3161 ~~[(8)]~~ (i) ~~[It is found and declared that]~~ innovative programs that bring together
3162 resources from the public, nonprofit, and private sector are necessary in order to increase the
3163 supply of housing for low and moderate individuals, but these programs usually need advice
3164 and financial assistance to become established[-];

3165 ~~[(9)]~~ (j) ~~[It is declared that]~~ all of the foregoing are public purposes and uses for which
3166 money may be borrowed, expended, advanced, loaned, or granted, and that these activities
3167 serve a public purpose in improving or otherwise benefiting the people of this state, and that
3168 the necessity of enacting the provisions in this part is in the public interest and is so declared as
3169 a matter of express legislative determination[-]; and

3170 ~~[(10)]~~ (k) ~~[It is found and declared that]~~ the compelling need within the state for the
3171 creation of an adequate supply of mortgage funds at reasonable interest rates and for other
3172 kinds of financial assistance to help provide affordable housing for low and moderate income
3173 individuals can be best met by the establishment of an independent body corporate and politic,
3174 constituting a public corporation, vested with the powers and duties specified in this part.

3175 ~~[(11)]~~ (3) ~~[It is declared]~~ The Legislature declares that the corporation is intended to
3176 operate:

3177 (a) with the power to issue tax exempt bonds to finance the purchase of mortgage loans
3178 to qualified buyers;

3179 (b) as a financially independent body; and

3180 (c) so that its debts shall be payable solely from payments received by the corporation
3181 from mortgage borrowers and other revenues generated internally by the corporation.

3182 Section 84. Section **35A-8-703**, which is renumbered from Section 9-4-903 is
3183 renumbered and amended to read:

3184 ~~[9-4-903].~~ **35A-8-703. Definitions.**

3185 As used in this part the following words and terms have the following meanings, unless
3186 a different meaning clearly appears from the context:

3187 (1) "Bonds," "notes," and "other obligations" mean any bonds, notes, debentures,
3188 interim certificates, or other evidences of financial indebtedness of the corporation authorized
3189 to be issued under the provisions of this part.

3190 (2) "Construction loan" means a short-term advance of money for the purpose of
3191 constructing residential housing for low and moderate income persons.

3192 (3) "Corporation" means the Utah Housing Corporation created by Section [~~9-4-904~~]
3193 35A-8-704, which, prior to July 1, 2001, was named the Utah Housing Finance Agency.

3194 (4) "Employee of the corporation" means [~~any~~] an individual who is employed by the
3195 corporation but who is not a trustee of the corporation.

3196 (5) "Financial assistance" includes:

3197 (a) a loan, whether interest or noninterest bearing, secured or unsecured;

3198 (b) a loan that converts to a grant upon the occurrence of specified conditions;

3199 (c) a development loan;

3200 (d) a grant;

3201 (e) an award;

3202 (f) a subsidy;

3203 (g) a guarantee;

3204 (h) a warranty;

3205 (i) a lease;

3206 (j) a payment on behalf of a borrower of an amount usually paid by a borrower,
3207 including a down payment;

3208 (k) any other form of financial assistance that helps provide affordable housing for low
3209 and moderate income persons; or

3210 (l) any combination of [~~the foregoing~~] Subsections (5)(a) through (k).

3211 (6) "Housing development" means a residential housing project, which includes
3212 residential housing for low and moderate income persons.

3213 (7) "Housing sponsor" includes a person who constructs, develops, rehabilitates,
3214 purchases, or owns a housing development that is or will be subject to legally enforceable
3215 restrictive covenants that require the housing development to provide, at least in part,
3216 residential housing to low and moderate income persons, including a local public body, a
3217 nonprofit, limited profit, or for profit corporation, a limited partnership, a limited liability
3218 company, a joint venture, a subsidiary of the corporation, or any subsidiary of the subsidiary, a
3219 cooperative, a mutual housing organization, or any other type of entity or arrangement that
3220 helps provide affordable housing for low and moderate income persons.

3221 (8) "Interest rate contract" means interest rate exchange contracts, interest rate floor
3222 contracts, interest rate ceiling contracts, and other similar contracts authorized in a resolution
3223 or policy adopted or approved by the trustees.

3224 (9) "Local public body" means the state, ~~[any]~~ a municipality, county, district, or other
3225 subdivision or instrumentality of the state, including a redevelopment ~~[agencies and housing~~
3226 ~~authorities]~~ agency and a housing authority created under Part ~~[6]~~ 4, Housing Authorities.

3227 (10) "Low and moderate income persons" means persons, irrespective of race, religion,
3228 creed, national origin, or sex, as determined by the corporation to require such assistance as is
3229 made available by this part on account of insufficient personal or family income taking into
3230 consideration factors, including:

3231 (a) the amount of income that persons and families have available for housing needs;

3232 (b) the size of family;

3233 (c) whether ~~[or not]~~ a person is a single head of household;

3234 (d) the cost and condition of available residential housing ~~[available]~~; and

3235 (e) the ability of persons and families to compete successfully in the normal private
3236 housing market and to pay the amounts at which private enterprise is providing decent, safe,
3237 and sanitary housing.

3238 (11) "Mortgage" means a mortgage, deed of trust, or other instrument securing a
3239 mortgage loan and constituting a lien on real property (the property being held in fee simple or
3240 on a leasehold under a lease having a remaining term, at the time the mortgage is acquired, of
3241 not less than the term for repayment of the mortgage loan secured by the mortgage) improved
3242 or to be improved by residential housing, creating a lien which may be first priority or
3243 subordinate.

3244 (12) "Mortgage lender" means ~~[any]~~ a bank, trust company, savings and loan
3245 association, credit union, mortgage banker, or other financial institution authorized to transact
3246 business in the state, ~~[any]~~ a local public body, or any other entity, profit or nonprofit, that
3247 makes mortgage loans.

3248 (13) "Mortgage loan" means a loan secured by a mortgage, which loan may bear
3249 interest at either a fixed or variable rate or which may be noninterest bearing, the proceeds of
3250 which are used for the purpose of financing the construction, development, rehabilitation, or
3251 purchase of residential housing for low and moderate income persons, including low and

3252 moderate income persons who:

- 3253 (a) are first-time homebuyers;
- 3254 (b) are single heads of household;
- 3255 (c) are elderly;
- 3256 (d) are homeless; or
- 3257 (e) have a disability.

3258 (14) "Rehabilitation" includes the reconstruction, rehabilitation, improvement, and
3259 repair of residential housing.

3260 (15) "Residential housing" means a specific work or improvement within ~~[this]~~ the
3261 state undertaken primarily to provide dwelling accommodations, including land, buildings, and
3262 improvements to land and buildings, whether in one to four family units or multifamily units,
3263 and other incidental or appurtenant nonhousing facilities, or as otherwise specified by the
3264 agency.

3265 (16) "State" means the state of Utah.

3266 (17) "State housing credit ceiling" means the amount specified in Subsection
3267 42(h)(3)(C) of the Internal Revenue Code for each calendar year.

3268 Section 85. Section ~~35A-8-704~~, which is renumbered from Section 9-4-904 is
3269 renumbered and amended to read:

3270 ~~[9-4-904].~~ **35A-8-704. Creation -- Trustees -- Terms -- Vacancies -- Chair --**
3271 **Powers -- Quorum -- Per diem and expenses.**

3272 (1) (a) There is created an independent body politic and corporate, constituting a public
3273 corporation, known as the "Utah Housing Corporation."

3274 (b) The corporation may also be known and do business as the:

- 3275 (i) Utah Housing Finance Association; and
- 3276 (ii) Utah Housing Finance Agency in connection with any contract entered into when
3277 that was the corporation's legal name.

3278 (c) Any other entity may not use the names described in Subsections (1)(a) and (b)
3279 without the express approval of the corporation.

3280 (2) The corporation ~~[shall be]~~ is governed by a board of trustees composed of the
3281 following nine trustees:

- 3282 (a) three ex officio trustees who ~~[shall be]~~ are:

- 3283 (i) the executive director of the Department of [~~Community and Culture~~] Workforce
3284 Services or the executive director's designee;
- 3285 (ii) the commissioner of the Department of Financial Institutions or the commissioner's
3286 designee; and
- 3287 (iii) the state treasurer or the treasurer's designee; and
- 3288 (b) six public trustees, [~~being~~] who are private citizens of the state, as follows:
- 3289 (i) two people [~~representing~~] who represent the mortgage lending industry;
- 3290 (ii) two people [~~representing~~] who represent the home building and real estate industry;
- 3291 and
- 3292 (iii) two people [~~representing~~] who represent the public at large.
- 3293 (3) The governor shall:
- 3294 (a) appoint the six public trustees of the corporation with the consent of the Senate; and
- 3295 (b) ensure that:
- 3296 (i) the six public trustees are from different counties and are residents of Utah; and
- 3297 (ii) not more than three of the public trustees belong to the same political party.
- 3298 (4) (a) Except as required by Subsection (4)(b), the governor shall appoint the six
3299 public trustees [~~shall be appointed~~] to terms of office of four years each.
- 3300 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the
3301 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
3302 corporation trustees are staggered so that approximately half of the board is appointed every
3303 two years.
- 3304 (5) (a) Any of the six public trustees of the corporation may be removed from office for
3305 cause either by the governor or by an affirmative vote of [~~any~~] six trustees of the corporation.
- 3306 (b) When a vacancy occurs in the board of trustees for any reason, the replacement
3307 shall be appointed for the unexpired term.
- 3308 (c) [~~Each~~] A public trustee shall hold office for the term of appointment and until the
3309 trustee's successor has been appointed and qualified.
- 3310 (d) [~~Any~~] A public trustee is eligible for reappointment but may not serve more than
3311 two full consecutive terms.
- 3312 (6) (a) The governor shall select the chair of the corporation.
- 3313 (b) The trustees shall elect from among their number a vice chair and other officers

3314 they may determine.

3315 (7) (a) Five trustees of the corporation constitute a quorum for transaction of business.

3316 (b) An affirmative vote of at least five trustees is necessary for any action to be taken
3317 by the corporation.

3318 (c) A vacancy in the board of trustees may not impair the right of a quorum to exercise
3319 all rights and perform all duties of the corporation.

3320 (8) A trustee may not receive compensation or benefits for the trustee's service, but
3321 may receive per diem and travel expenses in accordance with:

3322 (a) Section 63A-3-106;

3323 (b) Section 63A-3-107; and

3324 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
3325 63A-3-107.

3326 Section 86. Section **35A-8-705**, which is renumbered from Section 9-4-904.5 is
3327 renumbered and amended to read:

3328 ~~[9-4-904.5].~~ **35A-8-705. Corporation as continuation of agency.**

3329 ~~[(1) Beginning July 1, 2001, the Utah Housing Finance Agency shall become known as~~
3330 ~~the Utah Housing Corporation.]~~

3331 ~~[(2)]~~ The corporation is a continuation of the Utah Housing Finance Agency and shall:

3332 ~~[(a)]~~ (1) possess all rights, title, privileges, powers, immunities, property, and claims of
3333 the agency; and

3334 ~~[(b)]~~ (2) fulfill and perform all obligations of the agency, including all agency
3335 obligations relating to outstanding bonds and notes.

3336 Section 87. Section **35A-8-706**, which is renumbered from Section 9-4-905 is
3337 renumbered and amended to read:

3338 ~~[9-4-905].~~ **35A-8-706. President and chief executive officer --**

3339 **Secretary-treasurer -- Powers and duties -- Power to employ experts -- Power to employ**
3340 **independent legal counsel.**

3341 (1) (a) The trustees shall appoint a president who ~~[shall be]~~ is the chief executive
3342 officer of the corporation, but who may not be a trustee of the corporation, and who ~~[shall~~
3343 ~~serve]~~ serves at the pleasure of the trustees and receive compensation as set by the trustees.

3344 (b) The president, who shall also be the secretary-treasurer, shall administer, manage,

3345 and direct the affairs and activities of the corporation in accordance with the policies, control,
3346 and direction of the trustees.

3347 (c) The president shall approve all accounts for salaries, allowable expenses of the
3348 corporation, or of any corporation employee or consultant, and expenses incidental to the
3349 operation of the corporation.

3350 (d) The president shall perform any other duties as may be directed by the trustees in
3351 carrying out the purposes of this part.

3352 (2) (a) The president shall:

3353 (i) attend the meetings of the corporation;

3354 (ii) keep a record of the proceedings of the corporation; and

3355 (iii) maintain and be custodian of [aH]:

3356 (A) books, documents, and papers filed with the corporation;

3357 (B) the minute book or journal of the corporation; and

3358 (C) [its] the corporation's official seal.

3359 (b) The president may cause copies to be made of [aH] minutes and other records and
3360 documents of the corporation and may give certificates under seal of the corporation to the
3361 effect that those copies are true copies, and [all persons] a person dealing with the corporation
3362 may rely upon those certificates.

3363 (3) (a) The corporation may employ or engage technical experts, independent
3364 professionals and consultants, and any other officers, agents, or employees, permanent or
3365 temporary, as it considers necessary to carry out the efficient operation of the corporation, and
3366 shall determine their qualifications, duties, and compensation.

3367 (b) The trustees may delegate to one or more of the corporation's agents,
3368 representatives, or employees any administrative duties as they consider proper.

3369 (4) The corporation may employ and retain independent legal counsel.

3370 Section 88. Section **35A-8-707**, which is renumbered from Section 9-4-906 is
3371 renumbered and amended to read:

3372 ~~[9-4-906].~~ **35A-8-707. Relation to certain acts.**

3373 (1) The corporation is exempt from:

3374 (a) Title 51, Chapter 5, Funds Consolidation Act;

3375 (b) Title 51, Chapter 7, State Money Management Act;

- 3376 (c) Title 63A, Utah Administrative Services Code; [~~and~~]
- 3377 (d) Title 63G, Chapter 6, Utah Procurement Code;
- 3378 (e) Title 63J, Chapter 1, Budgetary Procedures Act;
- 3379 (f) Title 63J, Chapter 2, Revenue Procedures and Control Act; and
- 3380 (g) Title 67, Chapter 19, Utah State Personnel Management Act.

3381 (2) The corporation shall comply with:

- 3382 (a) Title 52, Chapter 4, Open and Public Meetings Act; and
- 3383 (b) Title 63G, Chapter 2, Government Records Access and Management Act.

3384 Section 89. Section **35A-8-708**, which is renumbered from Section 9-4-907 is
3385 renumbered and amended to read:

3386 ~~[9-4-907].~~ **35A-8-708. Disclosure of interest.**

3387 (1) [~~Any~~] A trustee, officer, or employee of the corporation who has, will have, or later
3388 acquires an interest, direct or indirect, in [~~any~~] a transaction with the corporation shall
3389 immediately disclose the nature and extent of that interest in writing to the corporation as soon
3390 as [~~he~~] the trustee, officer, or employee has knowledge of the actual or prospective interest.

3391 (2) (a) This disclosure shall be entered upon the minutes of the corporation.

3392 (b) Upon the disclosure, that trustee, officer, or employee may participate in any action
3393 by the corporation authorizing the transaction.

3394 Section 90. Section **35A-8-709**, which is renumbered from Section 9-4-908 is
3395 renumbered and amended to read:

3396 ~~[9-4-908].~~ **35A-8-709. Officer or employee -- No forfeiture of office or**
3397 **employment.**

3398 Notwithstanding the provisions of any other law, no officer or employee of this state
3399 [~~shall be deemed to have forfeited or shall forfeit his~~] forfeits a state office or state employment
3400 by [~~reason of his acceptance of~~] accepting an appointment or by serving as a trustee of the
3401 corporation [~~or his service thereon~~].

3402 Section 91. Section **35A-8-710**, which is renumbered from Section 9-4-909 is
3403 renumbered and amended to read:

3404 ~~[9-4-909].~~ **35A-8-710. Surety bond required.**

3405 (1) The corporation shall maintain:

- 3406 (a) for each trustee a surety bond in the penal sum of \$25,000; and

3407 (b) for the president of the corporation a surety bond in the penal sum of \$50,000.

3408 (2) ~~[Each]~~ A surety bond ~~[is to be]~~ shall be conditioned upon the faithful performance
3409 of the duties of the office of the trustee or president, as the case may be, and ~~[is to]~~ shall be
3410 issued by a surety company authorized to transact business in the state as surety.

3411 (3) ~~[Each]~~ A trustee and the president shall maintain these bonds in full force and
3412 effect.

3413 (4) The corporation shall bear all costs of the surety bonds.

3414 Section 92. Section ~~35A-8-711~~, which is renumbered from Section 9-4-910 is
3415 renumbered and amended to read:

3416 ~~[9-4-910]~~. 35A-8-711. Corporation -- Powers.

3417 The corporation has and may exercise all powers necessary or appropriate to carry out
3418 the purposes of this part, including ~~[the following]~~:

3419 (1) to have perpetual succession as a body politic and corporate, constituting a public
3420 corporation, and to adopt, amend, and repeal rules, policies, and procedures for the regulation
3421 of its affairs and the conduct of its business;

3422 (2) to sue and be sued in its own name;

3423 (3) to have an official seal and power to alter that seal at will;

3424 (4) to maintain an office at ~~[any]~~ a place ~~[or places]~~ within this state ~~[it may designate]~~
3425 the corporation designates;

3426 (5) to adopt, amend, and repeal bylaws and rules~~[, not inconsistent]~~ that are consistent
3427 with this part~~;~~ to carry into effect the powers and purposes of the corporation and the conduct
3428 of its business;

3429 (6) to make and execute contracts and ~~[all]~~ other instruments necessary or convenient
3430 for the performance of its duties and the exercise of its powers and functions under this part,
3431 including contracts or agreements for the servicing and originating of mortgage loans;

3432 (7) to employ advisers, consultants, and agents, including financial experts,
3433 independent legal counsel, and ~~[any]~~ other advisers, consultants, and agents as ~~[may be]~~
3434 necessary in ~~[its]~~ the corporation's judgment and to fix their compensation;

3435 (8) to procure insurance against any loss in connection with its property and other
3436 assets, including mortgage loans, in amounts and from insurers it considers desirable;

3437 (9) to borrow money and to issue bonds and notes or other evidences of indebtedness

3438 as provided in this part;

3439 (10) to receive and accept aid or contributions from any source of money, property,
3440 labor, or other things of value to be held, used, loaned, granted, and applied to carry out the
3441 purposes of this part subject to the conditions, if any, upon which the grants and contributions
3442 are made, including gifts or grants from [~~any~~] a department, agency, or instrumentality of the
3443 United States or of this state for any purpose consistent with this part;

3444 (11) to enter into agreements with [~~any~~] a local public body, [~~any~~] a housing sponsor,
3445 [~~any~~] a department, agency, or instrumentality of the United States or this state, or with
3446 mortgagors and mortgage lenders for the purpose of planning and regulating and providing for
3447 the financing and refinancing, construction, rehabilitation, leasing, management, maintenance,
3448 operation, sale, or other disposition of[;] any residential housing undertaken with the assistance
3449 of the corporation under this part;

3450 (12) to exercise all of its remedies following the default under [~~any~~] a mortgage loan,
3451 including:

3452 (a) proceeding with a foreclosure action or private sale to obtain title to the real and
3453 personal property held as collateral and taking assignments of leases and rentals;

3454 (b) to own, lease, clear, reconstruct, rehabilitate, repair, maintain, manage, and operate
3455 this property in preparation for its disposition; and

3456 (c) to assign, encumber, sell, or otherwise dispose of this property;

3457 (13) to invest [~~any funds~~] money not required for immediate disbursement, including
3458 [~~funds~~] money held in reserve, in a manner consistent with applicable provisions of Title 51,
3459 Chapter 7, State Money Management Act;

3460 (14) to provide technical and financial assistance to housing sponsors and advisory
3461 committees in the development or operation of housing for low and moderate income persons;

3462 (15) to gather and distribute data and information concerning the housing needs of low
3463 and moderate income families within the various communities of this state;

3464 (16) to the extent permitted under [~~any~~] a contract with the holders of bonds, notes, and
3465 other obligations of the corporation, to consent to [~~any~~] a modification with respect to rate of
3466 interest, time and payment of [~~any~~] an installment of principal or interest security, or [~~any~~]
3467 other term of any contract, mortgage, mortgage loan, mortgage loan commitment, contract, or
3468 agreement of any kind to which the corporation is a party;

3469 (17) to the extent permitted under [any] a contract with the holders of bonds, notes, and
3470 other obligations of the corporation, to enter into contracts with [any] a mortgagor or housing
3471 sponsor containing provisions enabling the mortgagor to reduce the rental or carrying charges
3472 to persons unable to pay the regular schedule of charges where, by reason of other income or
3473 payment by [any] a department, agency, or instrumentality of the United States or of this state,
3474 the reduction can be made without jeopardizing the economic stability of residential housing
3475 being financed;

3476 (18) to acquire property within this state for the purpose of holding it for subsequent
3477 disposition to a housing sponsor or other entity that can use it for residential housing for low
3478 and moderate income persons, except that if no person can be found to use it in this manner,
3479 the corporation may dispose of the property to any person;

3480 (19) to purchase, own and operate residential housing for the benefit, in whole or in
3481 part, of low and moderate income persons, so long as the corporation makes reasonable efforts
3482 to sell that residential housing to a housing sponsor;

3483 (20) to incorporate or form one or more subsidiaries of the corporation for the purpose
3484 of carrying out any of the powers of the corporation and accomplishing any of the purposes of
3485 the corporation, to invest in and provide financial assistance to these subsidiaries, to borrow
3486 from these subsidiaries, to guarantee the obligations of these subsidiaries, and to enter into
3487 agreements with these subsidiaries to carry out any of the corporation's powers under this part;

3488 (21) to enter into partnership and limited liability company agreements, to purchase
3489 and sell interests in housing sponsors, to serve as general partner of a partnership, and to serve
3490 as a manager of a limited liability company to carry out any of the corporation's powers under
3491 this part;

3492 (22) to require that persons receiving a mortgage loan or financial assistance from the
3493 corporation subject the property involved to restrictive covenants that shall be considered to be
3494 running with the land, regardless of whether or not the corporation enjoys privity of estate or
3495 whether or not the covenant touches and concerns the burdened property;

3496 (23) to enter into management agreements with [any] a person or entity for the
3497 performance by the person or entity for the corporation of any of its functions or powers, with
3498 terms and conditions as may be mutually agreeable;

3499 (24) to sell, at public or private sale, with or without public bidding, [any] a mortgage

3500 loan or other obligation held by the corporation;

3501 (25) to sell or convey real property owned by the corporation to low or moderate
3502 income persons and housing sponsors, without consideration if the sale or conveyance will
3503 inure primarily to the benefit of low or moderate income persons living in a housing
3504 development;

3505 (26) upon making a determination that the financial status of a housing development
3506 will jeopardize ~~[any]~~ an economic interest of the corporation in the housing development, to
3507 assume managerial and financial control of the property or the owner and to supervise and
3508 prescribe the activities of the property or the owner in a manner and under terms and conditions
3509 as the corporation may stipulate in ~~[any]~~ a contract;

3510 (27) to supervise housing sponsors of housing developments;

3511 (28) to service mortgage loans;

3512 (29) to give consideration to those activities which promote the availability of
3513 accessible housing; and

3514 (30) to do ~~[any]~~ an act necessary or convenient to the exercise of the powers granted in
3515 or reasonably implied from this part.

3516 Section 93. Section **35A-8-712**, which is renumbered from Section 9-4-911 is
3517 renumbered and amended to read:

3518 ~~[9-4-911]~~. **35A-8-712. Corporation -- Additional powers.**

3519 (1) To accomplish the declared purposes of this part, the corporation has the following
3520 powers ~~[in addition to others granted in this part]~~:

3521 (a) to purchase mortgage loans originated by mortgage lenders or local public bodies
3522 made for the purpose of financing the construction, development, rehabilitation, or purchase of
3523 residential housing for low and moderate income persons;

3524 (b) to make mortgage loans and to provide financial assistance to housing sponsors for
3525 the purpose of financing the construction, development, rehabilitation, or purchase of
3526 residential housing for low and moderate income persons;

3527 (c) to make mortgage loans and provide financial assistance to housing sponsors for the
3528 purpose of financing the operations of a housing development that are necessary or desirable to
3529 enable the housing development to remain available as residential housing for low and
3530 moderate income persons, whether or not the housing development has been financed by the

3531 corporation;

3532 (d) to provide financial assistance to any housing authority created under Part [6] 4,
3533 Housing Authorities, which housing authorities may enter into commitments for and accept
3534 loans for a housing project [~~or projects~~] as defined in Section [~~9-4-602~~] 35A-8-401; and

3535 (e) to make mortgage loans and to provide financial assistance to low and moderate
3536 income persons for the construction, rehabilitation, or purchase of residential housing.

3537 (2) [~~Bonds~~] The corporation may issue bonds to purchase loans [~~pursuant to~~] under
3538 Subsection (1)(a) [~~shall be issued~~] only after a determination by the corporation that the loans
3539 are not otherwise available upon reasonably equivalent terms and conditions from private
3540 lenders.

3541 (3) Loans for owner-occupied housing made [~~pursuant to~~] under Subsection (1)(a) may
3542 not include a penalty for prepayment.

3543 (4) The corporation shall make rules or adopt policies and procedures to govern the
3544 activities authorized under this section, including [~~rules, policies, and procedures as to any or~~
3545 ~~all of the following~~]:

3546 (a) procedures for the submission of requests or the invitation of proposals for the
3547 purchase and sale of mortgage loans and the making of mortgage loans;

3548 (b) rates, fees, charges, and other terms and conditions of originating or servicing
3549 mortgage loans in order to protect against a realization of an excessive financial return or
3550 benefit by the originator or servicer;

3551 (c) the type and amount of collateral, payment bonds, performance bonds, or other
3552 security to be provided for construction loans made by the corporation;

3553 (d) the nature and amounts of fees to be charged by the corporation to provide for
3554 expenses and reserves of the corporation;

3555 (e) procedures allowing the corporation to prohibit persons who fail to comply with the
3556 rules of the corporation with respect to the operations of [~~any~~] a program of the corporation
3557 from participating, either directly or indirectly, in the programs of the corporation;

3558 (f) the terms and conditions under which the corporation may purchase and make
3559 mortgage loans under each program of the corporation;

3560 (g) the terms and conditions under which the corporation may provide financial
3561 assistance under each program of the corporation;

3562 (h) the terms and conditions under which the corporation may guarantee mortgage
3563 loans under each program of the corporation; and

3564 (i) any other matters related to the duties or exercise of powers under this section.

3565 (5) (a) (i) The trustees of the corporation shall elect the directors, trustees, and
3566 members, if any, of each subsidiary.

3567 (ii) Service by a trustee of the corporation in any [~~such capacity~~] of these capacities
3568 does not constitute a conflict of interest for any purpose.

3569 (iii) The corporation may delegate any of its powers and duties under this part to any
3570 subsidiary.

3571 (iv) Subsidiaries shall constitute legal entities separate and distinct from each other, the
3572 corporation, and the state.

3573 (b) [~~Each~~] A note, bond, and other obligation of a subsidiary shall contain on its face a
3574 statement to the effect that:

3575 (i) the subsidiary is obligated to pay the [~~same~~] note, bond, or other obligation solely
3576 from the revenues or other funds of the subsidiary;

3577 (ii) neither the corporation nor the state nor any of its political subdivisions is obligated
3578 to pay the [~~same~~] note, bond, or other obligation; and

3579 (iii) neither the faith and credit nor the taxing power of the state or [~~any of~~] its political
3580 subdivisions is pledged to the payment of principal, or redemption price of, or the interest on
3581 the note, bond, or other obligation.

3582 (c) Upon dissolution of [~~any~~] a subsidiary of the corporation, any assets shall revert to
3583 the corporation or to [~~any~~] a successor to the corporation or, failing this succession, to the state.

3584 (6) (a) The corporation may:

3585 (i) enter into interest rate contracts that its trustees determine are necessary, convenient,
3586 or appropriate for the control or management of debt or for the cost of servicing debt; and

3587 (ii) use corporation funds to satisfy its payment obligations under those contracts.

3588 (b) [~~Interest rate contracts~~] An interest rate contract may contain payment, security,
3589 default, termination, remedy, and other terms and conditions that the trustees consider
3590 appropriate.

3591 (c) [~~Neither interest rate contracts nor~~] An interest rate contract and funds used in
3592 connection with an interest rate [~~contracts~~] contract may not be considered a deposit or

3593 investment.

3594 Section 94. Section **35A-8-713**, which is renumbered from Section 9-4-912 is
3595 renumbered and amended to read:

3596 ~~[9-4-912].~~ **35A-8-713. Power to issue mortgage credit certificates -- Impact of**
3597 **federal legislation on tax exempt status of corporation bond.**

3598 (1) In order to accomplish the purposes of this part the corporation may issue mortgage
3599 credit certificates ~~[pursuant to]~~ under 26 U.S.C., ~~[Section]~~ Sec. 143, as amended, and the
3600 regulations issued under the code and has the sole responsibility for issuing or approving the
3601 issuance of mortgage credit certificates allowable to the state.

3602 (2) ~~[None of the powers]~~ A power granted to the corporation by this part ~~[shall in any~~
3603 ~~way]~~ may not be diminished by the enactment of ~~[any]~~ federal legislation ~~[which]~~ that would
3604 cause the interest on ~~[any]~~ bonds, notes, or other obligations of the corporation to be subject to
3605 taxation under federal law~~[, nor shall the].~~

3606 (3) An exemption from state taxation granted in this part may not be affected by ~~[any~~
3607 ~~such]~~ federal legislation described under Subsection (2).

3608 Section 95. Section **35A-8-714**, which is renumbered from Section 9-4-913 is
3609 renumbered and amended to read:

3610 ~~[9-4-913].~~ **35A-8-714. Power to borrow money and make loans -- Issuance of**
3611 **notes and bonds.**

3612 (1) The corporation has the power ~~[and is authorized]~~ to borrow money and to issue
3613 ~~[from time to time]~~ its notes, bonds, and other obligations in such principal amounts as the
3614 corporation determines is necessary to provide sufficient ~~[funds]~~ money for:

3615 (a) the purchase of mortgage loans from mortgage lenders;

3616 (b) the making of construction loans;

3617 (c) the making of loans to housing authorities;

3618 (d) the payment of interest on bonds, notes, and other obligations of the corporation;

3619 (e) the establishment of reserves to secure the bonds, notes, and other obligations;

3620 (f) the making of mortgage loans;

3621 (g) the making of loans to mortgage lenders or other lending institutions with respect to
3622 multifamily residential rental housing under terms and conditions requiring the proceeds of
3623 these loans to be used by these mortgage lenders or other lending institutions for the making of

3624 loans for new multifamily residential rental housing or the acquisition or rehabilitation of
3625 existing multifamily residential rental housing;

3626 (h) the making of loans for the rehabilitation of residential housing; and

3627 (i) all other expenditures of the corporation incident to and necessary or convenient to
3628 carry out its purposes and powers.

3629 (2) (a) The corporation [~~shall have the power to~~] may issue notes to renew notes and
3630 bonds to pay notes, including [~~the~~] interest [~~thereon~~], and whenever it considers refunding
3631 expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded
3632 have or have not matured, and to issue bonds partly to refund bonds then outstanding and partly
3633 for any of its corporate purposes.

3634 (b) The refunding bonds may be:

3635 (i) sold and the proceeds applied to the purchase, redemption, or payment of the bonds
3636 to be refunded; or

3637 (ii) exchanged for the bonds to be refunded.

3638 (3) (a) Except as [~~may~~] otherwise [~~be~~] expressly provided by the corporation, every
3639 issue of [~~its~~] the corporation's notes or bonds [~~shall be~~] are general obligations of the
3640 corporation payable solely [~~out of any revenues or~~] by money of the corporation, subject only
3641 to any agreements with the holders of particular notes or bonds pledging any particular money
3642 [~~or revenues~~].

3643 (b) These bonds or notes may be additionally secured by a pledge of [~~any~~]:

3644 (i) a grant or contribution from the federal government or [~~any~~] a corporation,
3645 association, institution, or person; or [~~a pledge of any~~]

3646 (ii) money, income, or revenues of the corporation from any source.

3647 (4) (a) The notes and bonds shall be authorized by resolution or resolutions of the
3648 corporation, shall bear the date or dates, and shall mature at the time or times as the resolution
3649 or resolutions may provide, except that no note, including any renewals thereof, shall mature
3650 more than five years from the date of its original issue, and no bond shall mature more than 50
3651 years from the date of its issue, as provided by the resolution [~~may provide~~].

3652 (b) The notes and bonds shall bear interest at the rate or rates, including variations in
3653 the rates, be in denominations, be in a form, either coupon or registered, carry the registration
3654 privileges, be executed in the manner, be payable in a medium of payment, at the place or

3655 places, and be subject to the terms of redemption, including redemption prior to maturity, as
3656 provided by the resolution [~~or resolutions may provide~~].

3657 (c) The notes and bonds of the corporation may be sold by the corporation at public or
3658 private sale, and at the price or prices [~~as~~] determined by the corporation [~~shall determine~~].

3659 (d) (i) The notes and bonds may bear interest at a variable interest rate as provided by
3660 the resolution [~~may provide~~].

3661 (ii) The resolution may establish a method, formula, or index [~~pursuant to~~] by which
3662 the interest rate on the notes and bonds [~~may be~~] is determined [~~from time to time~~].

3663 (e) In connection with the notes and bonds, the corporation may authorize and enter
3664 into agreements or other arrangements with financial, banking, and other institutions for letters
3665 of credit, standby letters of credit, surety bonds, reimbursement agreements, remarketing
3666 agreements, indexing agreements, tender agent agreements, and other agreements with respect
3667 to:

3668 (i) securing the notes and bonds [~~, with respect to~~];

3669 (ii) enhancing the marketability and credit worthiness of the notes and bonds [~~, with~~
3670 respect to];

3671 (iii) determining a variable interest rate on the notes and bonds [~~, and with respect to the~~
3672 payment]; and

3673 (iv) paying from any legally available source [~~(f)~~], which may include the proceeds of
3674 the notes and bonds [~~)]~~, [~~of~~] fees, charges, and other amounts coming due with respect to [~~any~~
3675 such] these agreements.

3676 (5) [~~Any~~] A resolution [~~or resolutions~~] authorizing any notes or bonds or their issue
3677 may contain provisions, which [~~shall be~~] are a part of the contract or contracts with their
3678 holders, as to:

3679 (a) pledging all or any part of the revenues to secure the payment of the notes or bonds
3680 or of any issue [~~thereof~~] of the notes or bonds, subject to the agreements with noteholders or
3681 bondholders as may then exist;

3682 (b) pledging all or any part of the assets of the corporation, including mortgages and
3683 obligations securing the [~~same~~] assets, to secure the payment of the notes or bonds or of any
3684 issue of notes or bonds, subject to the agreements with noteholders or bondholders as may then
3685 exist;

- 3686 (c) the use and disposition of the gross income from mortgages owned by the
3687 corporation and payment of principal of mortgages owned by the corporation;
- 3688 (d) the setting aside of reserves or sinking funds and their regulation and disposition;
- 3689 (e) limitations on the purpose to which the proceeds of sale of notes or bonds may be
3690 applied and pledging the proceeds to secure the payment of the notes or bonds or of their issue;
- 3691 (f) limitations on the issuance of additional notes or bonds, including:
- 3692 (i) the terms upon which additional notes or bonds may be issued and secured; and
- 3693 (ii) the refunding of outstanding or other notes or bonds;
- 3694 (g) the procedure, if any, by which the terms of ~~[any]~~ a contract with noteholders or
3695 bondholders may be amended or abrogated, the amount of notes or bonds to which the holders
3696 must consent, and the manner in which the consent may be given;
- 3697 (h) limitations on the amount of money to be expended by the corporation for operating
3698 expenses of the corporation;
- 3699 (i) vesting in a trustee or trustees the property, rights, powers, and duties in trust as
3700 determined by the corporation ~~[may determine]~~, which may include any or all of the rights,
3701 powers, and duties of the trustee appointed by the noteholders or bondholders ~~[pursuant to]~~
3702 under this act and limiting or abrogating the right of noteholders or bondholders to appoint a
3703 trustee under this act or limiting the rights, powers, and duties of the trustee;
- 3704 (j) (i) defining the acts or omissions to act ~~[which shall]~~ that constitute a default in the
3705 obligations and duties of the corporation to the holders of the notes or bonds and providing for
3706 the rights and remedies of the holders of the notes or bonds in the event of default, including as
3707 a matter of right the appointment of a receiver;
- 3708 (ii) but the rights and remedies may not be inconsistent with the general laws of the
3709 state and other provisions of this part; or
- 3710 (k) any other matters, of like or different character, which in any way affect the security
3711 or protection of the holders of the notes or bonds.
- 3712 (6) (a) ~~[Any]~~ A pledge made by the corporation ~~[shall be]~~ is valid, enforceable, and
3713 binding from the time when the pledge is made and ~~[shall have]~~ has a lien priority based on the
3714 time of grant or, if more than one lien is granted at a given time, as set forth in the resolution or
3715 instrument ~~[pursuant to]~~ under which the pledge is made.
- 3716 (b) (i) The revenues, money, or property ~~[so]~~ pledged and ~~[thereafter]~~ then received by

3717 the corporation ~~[shall]~~ are immediately ~~[be]~~ subject to the lien of the pledge and ~~[shall]~~
3718 constitute a perfected lien without any physical delivery ~~[thereof]~~ or further act~~[-and the]~~.

3719 (ii) The lien of [any such] the pledge [shall be] is valid and binding [as] against all
3720 parties having claims of any kind in tort, contract, or otherwise against the corporation,
3721 irrespective of whether the parties have notice [thereof] of the lien.

3722 (c) Neither the resolution nor any other instrument by which a pledge is created need
3723 be recorded.

3724 (7) The corporation, subject to the agreements with noteholders or bondholders as may
3725 then exist, ~~[shall have]~~ has power ~~[out of any funds available for it]~~ to use available money to
3726 purchase notes or bonds of the corporation, which shall immediately be cancelled, at a price not
3727 exceeding:

3728 (a) if the notes or bonds are ~~[then]~~ redeemable at the time of the purchase, the
3729 applicable redemption price ~~[then applicable]~~ plus accrued interest to the next interest payment
3730 [thereon] on the notes or bonds; or

3731 (b) if the notes or bonds are not ~~[then]~~ redeemable at the time of the purchase, the
3732 redemption price applicable on the first date after the purchase ~~[upon which]~~ that the notes or
3733 bonds ~~[become]~~ are subject to redemption plus accrued interest to ~~[the]~~ that date.

3734 (8) (a) The notes and bonds shall be secured by a trust indenture by and between the
3735 corporation and a corporate trustee, which may be ~~[any]~~ a bank having the power of a trust
3736 company or ~~[any]~~ a trust company within or without the state.

3737 (b) The trust indenture may contain provisions for protecting and enforcing the rights
3738 and remedies of the noteholders or bondholders as may be reasonable and proper and not in
3739 violation of law, including covenants setting forth the duties of the corporation in relation to
3740 the exercise of its corporate powers and the custody, safeguarding, and application of all
3741 money.

3742 (c) The corporation may provide by the trust indenture for the payment of the proceeds
3743 of the notes or bonds and the revenues to the trustee under the trust indenture or other
3744 depository, and for the method of their disbursement, with any safeguards and restrictions as it
3745 may determine.

3746 (d) All expenses incurred in carrying out the trust indenture may be treated as a part of
3747 the operating expenses of the corporation.

3748 (e) If the notes or bonds ~~[shall be]~~ are secured by a trust indenture, the noteholders or
3749 bondholders may not have authority to appoint a separate trustee to represent them.

3750 (9) Whether or not the notes and bonds are of the form and character as to be
3751 negotiable instruments under the terms of the Uniform Commercial Code, the notes and bonds
3752 are negotiable instruments within the meaning of and for all the purposes of the Uniform
3753 Commercial Code, subject only to the provisions of the notes and bonds relating to registration.

3754 (10) In the event that any of the trustees or officers of the corporation ~~[shall]~~ cease to
3755 be trustees or officers of the corporation prior to the delivery of any notes or bonds or coupons
3756 signed by them, their signatures or facsimiles of their signatures ~~[shall nevertheless be]~~ are
3757 valid and sufficient for all purposes, the same as if the trustees or officers had remained in
3758 office until the delivery.

3759 (11) ~~[Neither the trustees]~~ A trustee of the corporation ~~[nor any other]~~ or a person
3760 executing the notes or bonds issued under this chapter ~~[are]~~ is not subject to personal liability
3761 or accountability by reason of the issuance ~~[thereof]~~ of the notes or bonds.

3762 (12) The corporation ~~[shall have the power to]~~ may provide for the replacement of lost,
3763 destroyed, or mutilated bonds or notes.

3764 Section 96. Section **35A-8-715**, which is renumbered from Section 9-4-914 is
3765 renumbered and amended to read:

3766 ~~[9-4-914].~~ **35A-8-715. Capital reserve funds -- Capital reserve fund**
3767 **requirement -- Establishment of other funds.**

3768 (1) (a) (i) The corporation may create ~~[and establish]~~ one or more reserve funds,
3769 ~~[herein]~~ hereafter referred to as "capital reserve funds," from:

3770 (A) ~~[any]~~ proceeds ~~[of]~~ from the sale of notes or bonds, to the extent provided in the
3771 resolution ~~[or resolutions]~~ of the corporation authorizing the issuance ~~[thereof]~~ of the notes or
3772 bonds;

3773 (B) ~~[any]~~ money appropriated and made available by the state for the purpose of the
3774 funds;

3775 (C) ~~[any]~~ money directed by the corporation to be transferred to the funds; and

3776 (D) ~~[any]~~ other money ~~[which may be]~~ made available to the corporation for the
3777 purpose of the funds from any other source ~~[or sources]~~.

3778 (ii) ~~[All money]~~ Money held in ~~[any]~~ a capital reserve fund shall be used~~[, as required,]~~

3779 solely for the payment of the principal of bonds or of the sinking fund payments with respect to
3780 the bonds, the purchase or redemption of bonds, the payment of interest on bonds, or the
3781 payment of any redemption premium required to be paid when the bonds are redeemed prior to
3782 maturity.

3783 (b) (i) Money in ~~[any]~~ a capital reserve fund may not be withdrawn from the fund at
3784 any time in an amount ~~[as]~~ that would reduce the level of money in the fund to less than the
3785 capital reserve fund requirement, except for the purpose of paying principal and redemption
3786 price of and interest on bonds and the sinking fund payments, as the payments become due and
3787 for the payment of which other money of the corporation is not available.

3788 (ii) ~~[Any income]~~ Income or interest earned by the investment of money held in ~~[any]~~ a
3789 fund may be transferred by the corporation to other funds or accounts of the corporation to the
3790 extent that the transfer does not reduce the amount of the fund to below the capital reserve fund
3791 requirement.

3792 (c) The corporation may provide by resolution ~~[or resolutions]~~ that it may not issue
3793 bonds under a resolution ~~[or resolutions]~~ at any time if upon issuance the amount in the capital
3794 reserve fund which will secure the bonds shall be less than the capital reserve fund
3795 requirement, unless the corporation at the time of issuance of the bonds ~~[shall deposit]~~ deposits
3796 in the fund from the proceeds of ~~[the]~~ those bonds ~~[to be so issued]~~, or other sources, an
3797 amount which, together with the amount then in the fund, may not be less than the capital
3798 reserve fund requirement.

3799 (d) In computing the amount of the capital reserve funds for the purpose of this part,
3800 securities in which all or a portion of the funds shall be invested shall be valued at par, cost, or
3801 by other method of valuation as the corporation may provide by resolution.

3802 (e) (i) "Capital reserve fund requirement" means, as of any particular date of
3803 computation, and with respect to any particular issue of bonds, an amount as the corporation
3804 may provide, or may have previously provided, by resolution, which amount may be in the
3805 form of a sum certain or a formula.

3806 (ii) In establishing reserves and setting capital reserve fund requirements, the
3807 corporation shall consider the following:

3808 (A) the qualifications for obtaining an investment grade rating from one or more
3809 nationally recognized bond rating agencies;

3810 (B) the economic feasibility and marketability of the bonds being issued, taking into
3811 account all security for the bonds, including the capital reserve fund; and

3812 (C) applicable requirements pertaining to reserve funds under federal and state income
3813 tax laws and regulations.

3814 (f) (i) To assure the continued operation and solvency of the corporation for carrying
3815 out of its corporate purposes, provision is made in Subsection (1)(b) for the accumulation in
3816 the capital reserve funds of an amount equal to the maximum capital reserve fund requirement.

3817 (ii) The president of the corporation shall annually, on or before December first, certify
3818 to the governor and to the director of finance the amount, if any, required to restore the capital
3819 reserve funds to the capital reserve fund requirement.

3820 (iii) The governor may request from the Legislature an appropriation of the certified
3821 amount to restore the capital reserve funds to the capital reserve fund requirement.

3822 (g) Amounts appropriated~~[, if any,]~~ shall be repaid to the General Fund of the state,
3823 from any money in excess of the amounts which the corporation determines will keep it
3824 self-supporting.

3825 (2) The corporation may create ~~[and establish any]~~ other funds as may be necessary or
3826 desirable for its corporate purposes.

3827 Section 97. Section ~~35A-8-716~~, which is renumbered from Section 9-4-915 is
3828 renumbered and amended to read:

3829 ~~[9-4-915].~~ **35A-8-716. Corporation money -- Depositing and paying out --**
3830 **Power to contract with holders of notes and bonds -- Money held in trust.**

3831 (1) (a) All money of the corporation, except as otherwise authorized or provided in this
3832 part, shall be deposited as soon as practicable in a separate account or accounts in banks or
3833 trust companies organized under the laws of the state or national banking association.

3834 (b) The money in these accounts shall be paid out on checks signed by the president or
3835 other officers or employees of the corporation as authorized by the corporation ~~[shall~~
3836 ~~authorize]~~.

3837 (c) All deposits of money shall, if required by the corporation, be secured in a manner
3838 as the corporation determines to be prudent, and ~~[a]n~~ banks and trust companies are authorized
3839 to give security for the deposits.

3840 (2) (a) Notwithstanding the provisions of this section, the corporation ~~[shall have~~

3841 ~~power to~~ may contract with the holders of any of its notes or bonds as to the custody,
 3842 collection, securing, investment, and payment of any money of the corporation and of any
 3843 money held in trust or otherwise for the payment of notes or bonds, and to carry out that
 3844 contract.

3845 (b) Money held in trust or otherwise for the payment of notes or bonds or in any way to
 3846 secure notes or bonds and deposits of money may be secured in the same manner as money of
 3847 the corporation, and ~~all~~ banks and trust companies ~~are authorized to~~ may give security for
 3848 the deposits.

3849 Section 98. Section **35A-8-717**, which is renumbered from Section 9-4-916 is
 3850 renumbered and amended to read:

3851 ~~[9-4-916].~~ **35A-8-717. State pledge to holders of notes or bonds.**

3852 (1) The state ~~[does hereby pledge to and agree]~~ pledges and agrees with the holders of
 3853 any notes or bonds issued under this act that the state will not limit or alter the rights hereby
 3854 vested in the corporation to fulfill the terms of any agreements made with the holders ~~[thereof]~~
 3855 of the notes or bonds or in any way impair the rights and remedies of the holders until the notes
 3856 and bonds, together with their interest, with interest on any unpaid installments of interest, and
 3857 all costs and expenses in connection with any action or proceeding by or on behalf of the
 3858 holders, are fully met and discharged.

3859 (2) The corporation ~~[is authorized to]~~ may include this pledge and agreement of the
 3860 state in any agreement with the holders of the notes or bonds.

3861 Section 99. Section **35A-8-718**, which is renumbered from Section 9-4-917 is
 3862 renumbered and amended to read:

3863 ~~[9-4-917].~~ **35A-8-718. Notes, bonds, other obligations -- Not a debt liability --**
 3864 **Expenses payable from funds provided -- Corporation without authority to incur liability**
 3865 **on behalf of state -- Relationship to Governmental Immunity Act of Utah.**

3866 (1) (a) (i) Notes, bonds, and other obligations issued under this part ~~[do]~~ are not
 3867 ~~[constitute]~~ a debt or liability of this state or of ~~[any]~~ a county, city, town, ~~[village,]~~ school
 3868 district, or ~~[any]~~ other political subdivision of the state~~[, nor shall the].~~

3869 (ii) The notes, bonds, or other obligations do not constitute the loaning of credit of the
 3870 state or of ~~[any]~~ a county, city, town, ~~[township,]~~ school district, or ~~[any]~~ other political
 3871 subdivision of the state~~[, nor may the].~~

3872 (iii) The notes, bonds, or other obligations ~~[be]~~ are not payable from ~~[funds]~~ money
3873 other than ~~[those]~~ that of the corporation.

3874 (b) All notes, bonds, or other obligations shall contain on their face a statement to the
3875 effect that:

3876 (i) the corporation ~~[is obligated to]~~ shall pay the note, bond, or obligation solely from
3877 the revenues or other ~~[funds]~~ money of the corporation;

3878 (ii) neither this state nor any of its political ~~[subdivision of it is]~~ subdivisions are
3879 obligated to pay the note, bond, or obligation; and

3880 (iii) neither the faith and credit nor the taxing power of this state or any of its political
3881 ~~[subdivision of it is]~~ subdivisions are pledged to the payment of principal, or redemption price
3882 of, or the interest on the notes, bonds, or other obligations.

3883 (2) All expenses incurred in carrying out this ~~[act shall be]~~ part are payable solely from
3884 funds provided under this part, and nothing in this part ~~[shall be construed to authorize]~~
3885 authorizes the corporation to incur indebtedness or liability on behalf of or payable by this state
3886 or any of its political ~~[subdivision of it]~~ subdivisions.

3887 (3) (a) Title 63G, Chapter 7, Governmental Immunity Act of Utah, ~~[shall apply]~~ applies
3888 to the corporation.

3889 (b) Notwithstanding Subsection (3)(a), ~~[no]~~ a claim may not be brought against the
3890 state, any public official or employee of the state, another public entity, or any public official or
3891 employee of another public entity, based on or arising from:

3892 (i) ~~[any]~~ a failure ~~[or alleged failure]~~ to fulfill a contractual obligation of the
3893 corporation;

3894 (ii) ~~[any]~~ an act or failure to act ~~[of]~~ by the corporation or ~~[any of]~~ its trustees, officers,
3895 employees, agents, or representatives; or

3896 (iii) ~~[any]~~ failure of the corporation to comply with the requirements of any law or
3897 regulation.

3898 (c) The provisions of Subsection (3)(b) do not apply to a claim of a current or former
3899 officer or employee of the corporation for ~~[the]~~ retirement or insurance benefits.

3900 Section 100. Section **35A-8-719**, which is renumbered from Section 9-4-918 is
3901 renumbered and amended to read:

3902 ~~[9-4-918]~~. **35A-8-719**. **Corporation property, notes, and bonds -- Tax**

3903 **exemption except corporate franchise tax.**

3904 ~~[All property]~~ (1) Property acquired or held by the corporation under this part is
3905 declared to be public property used for essential public and governmental purposes~~[, and all~~
3906 ~~the]~~.

3907 (2) The property, its income, and notes and bonds issued under this part, the interest
3908 payable on the notes and bonds, and income derived from the notes and bonds~~[, shall at all~~
3909 ~~times be]~~ is exempt from ~~[all]~~ taxation of every kind ~~[and nature whatsoever imposed]~~ by the
3910 state, ~~[any]~~ a county, ~~[any]~~ a municipality, ~~[or]~~ and any other political subdivision of the state,
3911 except for the corporate franchise tax.

3912 Section 101. Section **35A-8-720**, which is renumbered from Section 9-4-919 is
3913 renumbered and amended to read:

3914 ~~[9-4-919].~~ **35A-8-720. Corporation notes, bonds, obligations -- Legal**
3915 **investments.**

3916 (1) The notes, bonds, and other obligations issued under the authority of this part are
3917 ~~[declared to be]~~ securities in which all public officers and public bodies of the state and its
3918 political subdivisions, all banks, bankers, savings banks, trust companies, credit unions,
3919 savings and loan associations, building and loan associations, investment companies, and other
3920 persons carrying on a banking business, all insurance companies and insurance associations,
3921 and others carrying on an insurance business, and all administrators, executors, guardians,
3922 trustees, and other fiduciaries, pension, profit-sharing and retirement funds, and all other
3923 persons who may now or may later be authorized to invest in notes, bonds, or other obligations
3924 of the state, may properly and legally invest any funds, including capital belonging to them or
3925 within their control.

3926 (2) These notes, bonds, and other obligations are ~~[declared]~~ securities ~~[which]~~ that may
3927 properly and legally be deposited with and received by any state, county, or municipal officer,
3928 or agency of the state for any purpose for which the deposit of notes, bonds, or other
3929 obligations of the state is now or may later be authorized by law.

3930 Section 102. Section **35A-8-721**, which is renumbered from Section 9-4-920 is
3931 renumbered and amended to read:

3932 ~~[9-4-920].~~ **35A-8-721. Annual report to governor and Legislature -- Contents**
3933 **-- Audits.**

3934 (1) (a) The corporation shall, following the close of each fiscal year, submit an annual
3935 report of its activities for the preceding year to the governor and the Legislature.

3936 (b) Each report shall set forth a complete operating and financial statement of the
3937 corporation during the fiscal year it covers.

3938 (c) At least once each year, an independent certified public accountant shall audit the
3939 books and accounts of the corporation.

3940 (d) A complete copy of each annual audit report shall be:

3941 (i) included in the report to the governor and the Legislature under Subsection (2); and

3942 (ii) available for public inspection at the corporation's office.

3943 (2) The corporation shall, each fiscal year, submit a budget of its operations to the
3944 Legislature and the governor.

3945 (3) (a) The corporation shall form an audit committee consisting of no less than three
3946 trustees.

3947 (b) The audit committee ~~[shall have]~~ has exclusive authority to:

3948 (i) select and engage the independent certified public accountant to audit the
3949 corporation; and ~~[to]~~

3950 (ii) supervise the audit.

3951 (4) The corporation shall provide additional information ~~[when requested by]~~ upon
3952 request by the governor, the Legislature, a legislative committee, the legislative auditor general,
3953 or the state auditor.

3954 Section 103. Section **35A-8-722**, which is renumbered from Section 9-4-922 is
3955 renumbered and amended to read:

3956 ~~[9-4-922].~~ **35A-8-722.** Act not restriction on powers of corporation --

3957 **Construed as alternative -- Bonds, notes, obligations issued need not comply with other**
3958 **laws.**

3959 (1) (a) This part and its contents ~~[is not or may not be construed as]~~ are not a restriction
3960 or limitation upon ~~[any]~~ other powers ~~[which]~~ that the corporation ~~[might otherwise have]~~ has
3961 under ~~[any]~~ other ~~[law]~~ laws of this state ~~[, and this].~~

3962 (b) This part is cumulative to ~~[those]~~ the powers referenced in Subsection (1)(a).

3963 (2) This part ~~[does and shall be construed to provide]~~ provides a complete, additional,
3964 and alternative method for ~~[the]~~ doing ~~[of]~~ the things authorized in this part and ~~[shall be]~~

3965 ~~regarded as~~ is supplemental and additional to powers conferred by other laws.

3966 (3) The issuance of bonds, notes, and other obligations under ~~[the provisions of]~~ this
3967 part need not comply with the requirements of any other state law applicable to the issuance of
3968 bonds, notes, and other obligations.

3969 (4) Proceedings, notice, or approval are not required for the issuance of any bonds,
3970 notes, and other obligations or any instrument as security ~~[therefor]~~ for them, except as
3971 provided in this part.

3972 Section 104. Section ~~35A-8-723~~, which is renumbered from Section 9-4-923 is
3973 renumbered and amended to read:

3974 ~~[9-4-923]~~. **35A-8-723**. **Allocation to corporation of mortgage bonds qualified**
3975 **under Internal Revenue Code.**

3976 (1) The entire amount of qualified mortgage bonds allowable to Utah ~~[pursuant to]~~
3977 under 26 U.S.C., ~~[Section]~~ Sec. 143, and the regulations issued under the code, is allocated to
3978 the Utah Housing Corporation which, for purposes of 26 U.S.C., ~~[Section]~~ Sec. 143 and the
3979 regulations under that section, has sole responsibility for issuing or approving the issuance of
3980 qualified mortgage bonds allowable to Utah.

3981 (2) The corporation is not required to issue or approve the issuance of qualified
3982 mortgage bonds equal in amount to the amount allowed Utah.

3983 (3) Housing authorities in counties, cities, and towns in Utah may apply under 26
3984 U.S.C., ~~[Section]~~ Sec. 143 to the corporation for funding of housing programs within their
3985 respective jurisdictions.

3986 Section 105. Section ~~35A-8-724~~, which is renumbered from Section 9-4-924 is
3987 renumbered and amended to read:

3988 ~~[9-4-924]~~. **35A-8-724**. **Allocation of qualified mortgage bonds to counties,**
3989 **cities, and towns.**

3990 (1) (a) The corporation ~~[is authorized to]~~ may allocate all or part of the amount to one
3991 or more counties, cities, and towns within the state or to any authority or agency of any ~~[such~~
3992 ~~entities]~~ entity that is authorized to issue qualified mortgage bonds.

3993 (b) An allocation may not be made under this section unless:

3994 (i) the entity applies to the corporation for an allocation; and

3995 (ii) the corporation finds that the proposed allocation would be in the best interest of

3996 the state.

3997 (c) The corporation shall take the following factors into consideration before making
3998 its finding:

3999 (i) the number of "low and moderate income persons," within the meaning of the Utah
4000 Housing Corporation Act, within a given area;

4001 (ii) the likelihood that the proposed issuing entity would use the allocation to issue
4002 qualified mortgage bonds in a timely manner;

4003 (iii) the cost to the proposed issuing entity to issue the bonds relative to the cost to the
4004 corporation to issue the bonds;

4005 (iv) any special costs or benefits which would result from the issuance of [~~such~~] the
4006 bonds by the proposed issuing entity;

4007 (v) the capability of the proposed issuing entity to administer an issuance of qualified
4008 mortgage bonds;

4009 (vi) the needs of the proposed issuing entity relative to the needs of other counties,
4010 cities, and towns;

4011 (vii) the effects of the proposed allocation on counties, cities, and towns which are not
4012 served by the proposed issuing entity; and

4013 (viii) any other factors the corporation considers relevant to a determination of what is
4014 in the best interest of Utah with regard to single family housing.

4015 (2) (a) The corporation shall specify the time within which an issuing entity shall use
4016 the allocation.

4017 (b) Any part of the allocation which is not used within the time prescribed
4018 automatically terminates.

4019 (c) The corporation may extend the time initially prescribed for use of the allocation.

4020 Section 106. Section **35A-8-725**, which is renumbered from Section 9-4-925 is
4021 renumbered and amended to read:

4022 ~~[9-4-925]~~. **35A-8-725. Low-income housing tax credits.**

4023 (1) The corporation is designated the "Housing Credit Agency" for the state within the
4024 meaning of 26 U.S.C. Sec. 42(h) and for the purposes of carrying out 26 U.S.C. Sec. 42 and
4025 any regulations promulgated under that section.

4026 (2) The entire state housing credit ceiling for each calendar year is allocated to the

4027 corporation.

4028 (3) The allocation of the state housing credit ceiling shall be made under the state's
4029 qualified allocation plan within the meaning of 26 U.S.C. Sec. 42(m), as amended, and as
4030 provided in Subsection (4).

4031 (4) The corporation may amend the state's qualified allocation plan as necessary to
4032 comply with revisions to the low-income housing tax credit program under 26 U.S.C. Sec. 42,
4033 or as may be necessary to further the goals and purposes of the low-income housing tax credit
4034 program for the state.

4035 (5) The corporation, or a subsidiary of the corporation, may have a direct or indirect
4036 ownership interest in, and may materially participate in the operation and management of, a
4037 housing development or program that has received an allocation of the state housing credit
4038 ceiling.

4039 Section 107. Section **35A-8-726**, which is renumbered from Section 9-4-926 is
4040 renumbered and amended to read:

4041 **~~[9-4-926].~~ 35A-8-726. Asset disposition upon dissolution of corporation.**

4042 Upon dissolution of the corporation:

4043 (1) all liabilities and obligations of the corporation, including obligations to
4044 bondholders, shall be paid, satisfied, discharged, or adequately provided for; and

4045 (2) all remaining ~~[funds]~~ money, property, rights, claims, and interests of the
4046 corporation shall revert or be conveyed to the state.

4047 Section 108. Section **35A-8-727**, which is renumbered from Section 9-4-927 is
4048 renumbered and amended to read:

4049 **~~[9-4-927].~~ 35A-8-727. New housing grants -- Reimbursement from Housing
4050 Relief Restricted Special Revenue Fund.**

4051 (1) Subject to the availability of funds in the Housing Relief Restricted Special
4052 Revenue Fund created in Section 67-4-18, the corporation shall approve on behalf of the state a
4053 grant of \$6,000 to a person who:

4054 (a) purchases a newly constructed, never-occupied residence in Utah using a 30-year
4055 fixed interest rate note and mortgage; and

4056 (b) meets the requirements established in Subsections (2) and (3).

4057 (2) A person may not receive a grant under this section if the person's income, as

4058 determined by the corporation, exceeds:

4059 (a) \$75,000 for a single person; or

4060 (b) \$150,000 for a married couple.

4061 (3) The corporation shall establish procedures for determining a person's eligibility for
4062 a grant under this section, including establishing a limit on the time ~~[for which the funds]~~ that
4063 money for a grant may remain in escrow, which may not exceed 90 days.

4064 Section 109. Section **35A-8-801**, which is renumbered from Section 9-4-1201 is
4065 renumbered and amended to read:

4066 **Part 8. Housing Coordination and Planning Act**

4067 ~~[9-4-1201].~~ **35A-8-801. Title.**

4068 This part ~~[shall be]~~ is known as the "Housing Coordination and Planning Act."

4069 Section 110. Section **35A-8-802**, which is renumbered from Section 9-4-1202 is
4070 renumbered and amended to read:

4071 ~~[9-4-1202].~~ **35A-8-802. Legislative policy and purpose.**

4072 (1) (a) ~~[It]~~ The Legislature declares that it is the policy of the state that to promote the
4073 general welfare of its citizens it is necessary to remedy the unsafe and unsanitary housing
4074 conditions and the acute shortage of decent, safe, and sanitary dwellings for families of
4075 medium and low income, in urban and rural areas. ~~[These]~~

4076 (b) The conditions discussed in Subsection (1)(a) cause an increase and spread of
4077 disease and crime, and constitute a menace to the health, safety, morals, and welfare of the
4078 state.

4079 (2) ~~[It]~~ The Legislature declares that it is the policy of the state:

4080 (a) to make adequate provision of affordable housing for:

4081 (i) persons of medium or low income who are unable to provide themselves with
4082 decent housing including:

4083 (A) elderly persons;

4084 (B) persons with disabilities;

4085 (C) veterans;

4086 (D) special needs populations;

4087 (E) low income persons living on tribal trust lands;

4088 (F) persons receiving public assistance under self-sufficiency programs; or

4089 (G) low income persons living in mobile homes, as defined in Section 70D-2-102; and
4090 (ii) during limited periods, for disaster victims; and

4091 (b) that the provision of safe and sanitary dwelling accommodations at rents or prices
4092 that persons of medium and low income can afford will materially assist in developing more
4093 desirable neighborhoods and alleviating the effects of poverty in this state.

4094 (3) The purposes of this part and Part [6] 4, Housing Authorities, are to meet these
4095 problems by:

4096 (a) providing low-cost housing for medium and low income persons; and

4097 (b) encouraging cooperation between political subdivisions and the nonprofit sector to
4098 make available low-cost housing in all areas of the state.

4099 (4) It is in the public interest to use the broad financial resources and technical services
4100 available to government in cooperation with the ingenuity and expertise of private enterprise to
4101 alleviate this lack of safe and sanitary dwellings while stimulating local industry, according to
4102 the following principles:

4103 (a) The private sector, including nonprofit entities, shall be the primary source of
4104 developing and providing affordable housing with state and local incentives to encourage
4105 housing development.

4106 (b) State money used in the development of housing shall:

4107 (i) be heavily leveraged when possible;

4108 (ii) be primarily invested as loans;

4109 (iii) be primarily spent on housing production; and

4110 (iv) give priority to needs of persons of medium or low income who are unable to
4111 provide themselves with decent housing including:

4112 (A) elderly persons;

4113 (B) persons with disabilities;

4114 (C) veterans;

4115 (D) special needs populations;

4116 (E) low income persons living on tribal trust lands;

4117 (F) persons receiving public assistance under self-sufficiency programs; and

4118 (G) low income persons living in mobile homes, as defined in Section 70D-2-102.

4119 (c) When possible based on economic feasibility and effectiveness, state housing

4120 programs shall encourage:

4121 (i) mixed income developments;

4122 (ii) socio-economic diversity in neighborhoods; and

4123 (iii) new, multifamily construction.

4124 (d) State resources may be used in partnership with political subdivisions or the private
4125 sector to promote affordable housing.

4126 (e) Within appropriations from the Legislature, the state may provide training and
4127 technical assistance to Utah's political subdivision, quasi-governmental, and nonprofit housing
4128 providers.

4129 Section 111. Section **35A-8-803**, which is renumbered from Section 9-4-1203 is
4130 renumbered and amended to read:

4131 ~~[9-4-1203]~~. **35A-8-803. Division -- Functions.**

4132 (1) In addition to any other functions the governor or Legislature may assign:

4133 (a) the division shall:

4134 (i) provide a clearinghouse of information for federal, state, and local housing
4135 assistance programs;

4136 (ii) establish, in cooperation with political subdivisions, model plans and management
4137 methods to encourage or provide for the development of affordable housing that may be
4138 adopted by political subdivisions by reference;

4139 (iii) undertake, in cooperation with political subdivisions, a realistic assessment of
4140 problems relating to housing needs, such as:

4141 (A) inadequate supply of dwellings;

4142 (B) substandard dwellings; and

4143 (C) inability of medium and low income families to obtain adequate housing;

4144 (iv) provide the information obtained under Subsection (1)(a)(iii) to:

4145 (A) political subdivisions;

4146 (B) real estate developers;

4147 (C) builders;

4148 (D) lending institutions;

4149 (E) affordable housing advocates; and

4150 (F) others having use for the information;

4151 (v) advise political subdivisions of serious housing problems existing within their
4152 jurisdiction that require concerted public action for solution; and

4153 (vi) assist political subdivisions in defining housing objectives and in preparing for
4154 adoption a plan of action covering a five-year period designed to accomplish housing
4155 objectives within their jurisdiction; and

4156 (b) within legislative appropriations, the division may accept for and on behalf of, and
4157 bind the state to, any federal housing or homeless program in which the state is invited,
4158 permitted, or authorized to participate in the distribution, disbursement, or administration of
4159 any funds or service advanced, offered, or contributed in whole or in part by the federal
4160 government.

4161 (2) The administration of any federal housing program in which the state is invited,
4162 permitted, or authorized to participate in distribution, disbursement or administration of funds
4163 or services, except those administered by the Utah Housing Corporation, is governed by
4164 Sections ~~[9-4-701]~~ 35A-8-501 through ~~[9-4-708]~~ 35A-8-508.

4165 Section 112. Section **35A-8-804**, which is renumbered from Section 9-4-1204 is
4166 renumbered and amended to read:

4167 ~~[9-4-1204]~~. **35A-8-804**. **Technical assistance to political subdivisions for housing**
4168 **plan.**

4169 (1) Within appropriations from the Legislature, the division shall establish a program
4170 to assist municipalities to meet the requirements of Section 10-9a-408 and counties to meet the
4171 requirements of Section 17-27a-408.

4172 (2) Assistance under this section may include:

4173 (a) financial assistance for the cost of developing a plan for low and moderate income
4174 housing;

4175 (b) information on how to meet present and prospective needs for low and moderate
4176 income housing; and

4177 (c) technical advice and consultation on how to facilitate the creation of low and
4178 moderate income housing.

4179 ~~[(2)]~~ (3) The division shall annually report to the Workforce Services and Community
4180 and Economic Development Interim Committee, and to the Health and Human Services
4181 Interim Committee regarding the scope, amount, and type of assistance provided to

4182 municipalities and counties under this section, including the number of low and moderate
4183 income housing units constructed or rehabilitated within the state.

4184 Section 113. Section **35A-8-901**, which is renumbered from Section 9-4-1301 is
4185 renumbered and amended to read:

4186 **Part 9. Domestic Violence Shelters**

4187 ~~[9-4-1301].~~ **35A-8-901. Assistance to domestic violence shelters -- Rulemaking**
4188 **authority.**

4189 (1) (a) The Division of Child and Family Services within the Department of Human
4190 Services has statutory responsibility to provide violence services, including temporary shelter,
4191 to victims of domestic violence [~~pursuant to~~] under the provisions of Sections 62A-4a-101 and
4192 62A-4a-105.

4193 (b) The division may assist the Division of Child and Family Services by providing for
4194 the development, construction, and improvement of shelters for victims of domestic violence,
4195 as described in Section 77-36-1, through loans and grants to nonprofit and governmental
4196 entities.

4197 (2) [~~No later than July 1, 2001, the~~] The division shall, in accordance with Title 63G,
4198 Chapter 3, Utah Administrative Rulemaking Act, make rules establishing:

4199 (a) procedures for applying for loans and grants;

4200 (b) criteria for awarding loans and grants; and

4201 (c) requirements for the repayment of loans.

4202 (3) The division may appoint an advisory panel to:

4203 (a) assist the division in developing rules under Subsection (2); and

4204 (b) recommend how available funds should be disbursed.

4205 (4) The division shall make loans and grants with money specifically appropriated for
4206 that purpose.

4207 (5) The division shall coordinate with the Division of Child and Family Services in
4208 complying with the provisions of this section.

4209 Section 114. Section **35A-8-1001**, which is renumbered from Section 9-4-1401 is
4210 renumbered and amended to read:

4211 **Part 10. State Community Services Act**

4212 ~~[9-4-1401].~~ **35A-8-1001. Title.**

4213 This part is known as the "State Community Services Act."

4214 Section 115. Section **35A-8-1002**, which is renumbered from Section 9-4-1402 is
4215 renumbered and amended to read:

4216 ~~[9-4-1402]~~. **35A-8-1002**. **Definitions.**

4217 As used in this part:

4218 (1) "Community action agency" means a local subdivision of the state, a combination
4219 of political subdivisions, a separate public agency, or a private nonprofit agency, which:

4220 (a) has the authority under its applicable charter or laws to receive funds to support
4221 community action activities and other appropriate measures designed to identify and deal with
4222 the causes of poverty in the state~~;~~; and ~~[which]~~

4223 (b) is designated as a community action agency by federal law, federal regulations, or
4224 the governor.

4225 (2) "Community action program budget" means state funds, federal block grants, and
4226 federal categorical grants that are received by the state for community action activities.

4227 (3) "Community action statewide organization" means community action programs,
4228 organized on a statewide basis, to enhance the capability of community action agencies.

4229 (4) "Community Services Block Grant" means the Federal Community Services Block
4230 Grant Act, 42 U.S.C. Sec. 9901 et seq., and any corresponding federal regulations.

4231 (5) "Local share" means cash or in-kind goods and services donated to a community
4232 action agency to carry out its responsibilities.

4233 (6) "Low-income person" means a person who is a member of a household with a gross
4234 annual income equal to or less than 125% of the poverty standard accepted by the federal
4235 agency designated to establish poverty guidelines.

4236 (7) "Office" means the State Community Services Office created in Section ~~[9-4-1403]~~
4237 35A-8-1003.

4238 (8) "Service area" means the geographical area within the jurisdiction of a community
4239 action agency or a community action statewide organization.

4240 Section 116. Section **35A-8-1003**, which is renumbered from Section 9-4-1403 is
4241 renumbered and amended to read:

4242 ~~[9-4-1403]~~. **35A-8-1003**. **State Community Services Office created -- Purpose.**

4243 (1) There is created within the ~~[Division of]~~ Housing and Community Development

4244 Division the State Community Services Office.

4245 (2) The office shall strengthen communities by reducing poverty and improving the
4246 quality of life for low-income persons in this state.

4247 Section 117. Section **35A-8-1004**, which is renumbered from Section 9-4-1404 is
4248 renumbered and amended to read:

4249 ~~[9-4-1404]~~. **35A-8-1004. Duties of office.**

4250 The office shall:

4251 (1) coordinate state activities designed to reduce poverty;

4252 (2) encourage entities in the private sector to participate in efforts to ameliorate poverty
4253 in the community;

4254 (3) cooperate with agencies of local, state, and the federal government in reducing
4255 poverty and implementing community, social, and economic programs;

4256 (4) receive and expend funds for the purposes outlined in this part;

4257 (5) enter into contracts with and award grants to public and private nonprofit agencies
4258 and organizations;

4259 (6) develop a state plan based on needs identified by community action agencies and
4260 community action statewide organizations;

4261 (7) designate community action agencies to receive funds through the Community
4262 Services Block Grant program;

4263 (8) fund community action agencies and community action statewide organizations;

4264 (9) make rules in conjunction with the division ~~[pursuant to]~~ in accordance with Title
4265 63G, Chapter 3, Utah Administrative Rulemaking Act, to carry out the purposes of this part;

4266 (10) provide assistance to local governments or private organizations for the purpose of
4267 establishing and operating a community action agency;

4268 (11) provide technical assistance to community action agencies to improve program
4269 planning, program development, administration, and the mobilization of public and private
4270 resources;

4271 (12) convene public meetings ~~[which]~~ that provide citizens the opportunity to comment
4272 on public policies and programs to reduce poverty;

4273 (13) advise the governor and Legislature of the nature and extent of poverty in the state
4274 and make recommendations concerning changes in state and federal policies and programs;

4275 (14) encourage Utah's nonprofit humanitarian assistance agencies serving low-income
 4276 persons by facilitating, coordinating, training, [~~partnerships,~~] and providing technical assistance
 4277 [~~in addressing~~] to address the needs of Utah's low-income persons by enhancing management,
 4278 improving service and program delivery, facilitating partnerships, and preserving flexibility
 4279 and local initiative;

4280 (15) develop and implement management goals [~~which~~] that fulfill the Community
 4281 Services Block Grant mission, state requirements, and the mandates of federal legislation;

4282 (16) prepare a Community Services Block Grant plan [~~which~~] that contains provisions
 4283 describing how the state will carry out the assurances of the Community Services Block Grant
 4284 Act;

4285 (17) act as the state agency responsible for the evaluation and improvement of
 4286 emergency food assistance services in the state;

4287 (18) monitor the impact of social policies on the emergency food network;

4288 (19) provide training and technical assistance to [~~all~~] grantees to assist [~~them in~~] their:

4289 (a) program development and implementation[;];

4290 (b) compliance with state and federal regulations[;]; and

4291 (c) reporting and management information systems;

4292 (20) make the distributions required by Section [~~9-4-1409~~] 35A-8-1009; and

4293 (21) administer other programs to alleviate poverty that are assigned to the office.

4294 Section 118. Section **35A-8-1005**, which is renumbered from Section 9-4-1405 is
 4295 renumbered and amended to read:

4296 [~~9-4-1405~~]. **35A-8-1005. Distribution of Community Services Block Grant**
 4297 **funds.**

4298 Community Services Block Grant funds received by the office shall be distributed as
 4299 follows:

4300 (1) 90% to community action agencies;

4301 (2) 5% to:

4302 (a) organizations with a statewide focus to accomplish specific objectives that
 4303 complement the Community Services Block Grant poverty programs;

4304 (b) provide training and technical assistance for grantees of Community Services Block
 4305 Grant funds; or

4306 (c) supplement anti-poverty projects; and

4307 (3) 5% to reimburse costs incurred by the office in administration of this part.

4308 Section 119. Section **35A-8-1006**, which is renumbered from Section 9-4-1406 is
4309 renumbered and amended to read:

4310 ~~[9-4-1406]~~. **35A-8-1006. Evaluations -- Reports.**

4311 (1) The office shall periodically evaluate grantees of Community Services Block Grant
4312 funds as established by rule by the division in accordance with Title 63G, Chapter 3, Utah
4313 Administrative Rulemaking Act.

4314 (2) ~~[Grantees]~~ A grantee of Community Services Block Grant funds shall submit to the
4315 office a year-end report, covering a reporting period consistent with the federal fiscal year,
4316 which provides an account of ~~[aH]~~ the grantee's programs operated with or supported by
4317 Community Services Block Grant funds, including:

4318 (a) the types of programs operated by ~~[that]~~ the grantee;

4319 (b) the ~~[program outcomes]~~ outcome of each program;

4320 (c) the number of persons served by each program;

4321 (d) the number of times service was given by each program; and

4322 (e) an accounting of ~~[aH]~~ the Community Services Block Grant funds expended by the
4323 grantee.

4324 (3) The office shall report annually to the appropriate legislative appropriations
4325 subcommittee on the distribution and expenditure of Community Services Block Grant funds.

4326 Section 120. Section **35A-8-1007**, which is renumbered from Section 9-4-1407 is
4327 renumbered and amended to read:

4328 ~~[9-4-1407]~~. **35A-8-1007. Program development by grantees.**

4329 Grantees of Community Services Block Grant funds shall develop specific programs
4330 and goals, consistent with the Community Services Block Grant Act, designed to provide the
4331 most effective solutions to the problems of poverty identified in their communities within the
4332 constraints of available funding, including projects related to:

4333 (1) employment;

4334 (2) education;

4335 (3) income management;

4336 (4) housing;

- 4337 (5) emergency assistance;
- 4338 (6) nutrition;
- 4339 (7) linkages and coordination with other programs;
- 4340 (8) health; and
- 4341 (9) self-sufficiency.

4342 Section 121. Section **35A-8-1008**, which is renumbered from Section 9-4-1408 is
 4343 renumbered and amended to read:

4344 ~~[9-4-1408]~~. **35A-8-1008. Recognition of community action agencies.**

4345 The office ~~[shall have the power to]~~ may:

- 4346 (1) recognize eligible organizations as community action agencies;
- 4347 (2) withdraw the recognition or terminate funding of a designated community action
 4348 agency for cause, as established by rule by the division in accordance with Title 63G, Chapter
 4349 3, Utah Administrative Rulemaking Act; [or] and
- 4350 (3) change the boundaries and the number of recognized community action agencies,
 4351 provided that the governing board of each affected community action agency concurs in the
 4352 action.

4353 Section 122. Section **35A-8-1009**, which is renumbered from Section 9-4-1409 is
 4354 renumbered and amended to read:

4355 ~~[9-4-1409]~~. **35A-8-1009. Qualified Emergency Food Agencies Fund --**
 4356 **Expenditure of revenues.**

- 4357 (1) As used in this section:
- 4358 (a) "Association of governments" means the following created under the authority of
 4359 Title 11, Chapter 13, Interlocal Cooperation Act:
- 4360 (i) an association of governments; or
- 4361 (ii) a regional council that acts as an association of governments.
- 4362 (b) "Food and food ingredients" is as defined in Section 59-12-102.
- 4363 (c) "Pounds of food donated" means the aggregate number of pounds of food and food
 4364 ingredients that are donated:
- 4365 (i) to a qualified emergency food agency; and
- 4366 (ii) by a person, other than an organization that as part of its activities operates a
 4367 program that has as the program's primary purpose to:

4368 (A) warehouse and distribute food to other agencies and organizations providing food
4369 and food ingredients to low-income persons; or

4370 (B) provide food and food ingredients directly to low-income persons.

4371 (d) "Qualified emergency food agency" means an organization that:

4372 (i) is:

4373 (A) exempt from federal income taxation under Section 501(c)(3), Internal Revenue
4374 Code;

4375 (B) an association of governments; or

4376 (C) a food pantry operated by a municipality located within the state;

4377 (ii) as part of its activities operates a program that has as the program's primary purpose
4378 to:

4379 (A) warehouse and distribute food to other agencies and organizations providing food
4380 and food ingredients to low-income persons; or

4381 (B) provide food and food ingredients directly to low-income persons; and

4382 (iii) the office determines to be a qualified emergency food agency.

4383 (2) There is created a restricted special revenue fund known as the Qualified
4384 Emergency Food Agencies Fund.

4385 (3) (a) The Qualified Emergency Food Agencies Fund shall be funded by the sales and
4386 use tax revenues described in:

4387 (i) Section 59-12-103;

4388 (ii) Section 59-12-204; and

4389 (iii) Section 59-12-1102.

4390 (b) Any interest earned on the Qualified Emergency Food Agencies Fund shall be
4391 deposited into the General Fund.

4392 (4) The office shall for a fiscal year distribute money deposited into the Qualified
4393 Emergency Food Agencies Fund to qualified emergency food agencies within the state as
4394 provided in this section.

4395 (5) A qualified emergency food agency shall file an application with the office before
4396 the qualified emergency food agency may receive a distribution under this section.

4397 (6) Except as provided in Subsection (7), the office shall for a fiscal year distribute to a
4398 qualified emergency food agency an amount equal to the product of:

4399 (a) the pounds of food donated to the qualified emergency food agency during that
4400 fiscal year; and

4401 (b) [~~\$.12~~] 12 cents.

4402 (7) If the money deposited into the Qualified Emergency Food Agencies Fund is
4403 insufficient to make the distributions required by Subsection (6), the office shall make
4404 distributions to qualified emergency food agencies in the order that the office receives
4405 applications from the qualified emergency food agencies until all of the money deposited into
4406 the Qualified Emergency Food Agencies Fund for the fiscal year is expended.

4407 (8) A qualified emergency food agency may expend a distribution received in
4408 accordance with this section only for a purpose related to:

4409 (a) warehousing and distributing food and food ingredients to other agencies and
4410 organizations providing food and food ingredients to low-income persons; or

4411 (b) providing food and food ingredients directly to low-income persons.

4412 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
4413 [~~Division of~~] Housing and Community Development Division may make rules providing
4414 procedures for implementing the distributions required by this section, including:

4415 (a) standards for determining and verifying the amount of a distribution that a qualified
4416 emergency food agency may receive;

4417 (b) procedures for a qualified emergency food agency to apply for a distribution,
4418 including the frequency with which a qualified emergency food agency may apply for a
4419 distribution; and

4420 (c) consistent with Subsection (1)(d), determining whether an entity is a qualified
4421 emergency food agency.

4422 Section 123. Section **35A-8-1101**, which is renumbered from Section 9-4-1501 is
4423 renumbered and amended to read:

4424 **Part 11. Methamphetamine Housing Reconstruction and Rehabilitation Account Act**

4425 [~~9-4-1501~~]. **35A-8-1101**. Title.

4426 This part is known as the "Methamphetamine Housing Reconstruction and
4427 Rehabilitation Account Act."

4428 Section 124. Section **35A-8-1102**, which is renumbered from Section 9-4-1502 is
4429 renumbered and amended to read:

4430 ~~[9-4-1502]~~. 35A-8-1102. **Definitions.**

4431 As used in this part:

4432 (1) "Account" means the Methamphetamine Housing Reconstruction and
4433 Rehabilitation Account created in Section ~~[9-4-1503]~~ 35A-8-1103.

4434 (2) "Contaminated by methamphetamine" means that a residence is:

4435 (a) polluted by hazardous materials as a result of the use, production, or presence of
4436 methamphetamine in excess of decontamination standards adopted by the Department of
4437 Health under Section 26-51-201; and

4438 (b) placed on a contamination list by a local health department in accordance with
4439 Section 19-6-903.

4440 (3) "Qualified housing organization" means an affiliate located in this state of an
4441 organization if that organization:

4442 (a) is exempt from federal income taxation under Section 501(c)(3), Internal Revenue
4443 Code;

4444 (b) operates on a worldwide basis;

4445 (c) has the primary purposes of:

4446 (i) constructing, reconstructing, and rehabilitating residences that are:

4447 (A) sold to low-income persons selected by the organization in accordance with any
4448 rules the division makes as authorized by Section ~~[9-4-1503]~~ 35A-8-1103; and

4449 (B) financed with loans that are not subject to interest as determined by the
4450 organization in accordance with any rules the division makes as authorized by Section
4451 ~~[9-4-1503]~~ 35A-8-1103; and

4452 (ii) purchasing property upon which residences described in Subsection (3)(c)(i) are
4453 constructed, reconstructed, or rehabilitated;

4454 (d) expends a portion of the repayment on the loans described in Subsection
4455 (3)(c)(i)(B) to finance:

4456 (i) the construction, reconstruction, and rehabilitation of residences described in
4457 Subsection (3)(c)(i); and

4458 (ii) the purchase of property upon which residences described in Subsection (3)(c)(i)
4459 are constructed, reconstructed, or rehabilitated; and

4460 (e) has built more than 250,000 residences in total.

- 4461 (4) (a) "Residence" means a single-family residence.
4462 (b) "Residence" includes:
4463 (i) a condominium;
4464 (ii) a garage;
4465 (iii) real property appurtenant to a residence:
4466 (A) as determined by the division in accordance with any rules the division makes as
4467 authorized by Section [~~9-4-1503~~] 35A-8-1103; and
4468 (B) if that real property is contaminated by methamphetamine;
4469 (iv) a shed; or
4470 (v) a town home.

- 4471 (c) "Residence" does not include:
4472 (i) an apartment or other rental unit as determined by the division in accordance with
4473 any rules the division makes as authorized by Section [~~9-4-1503~~] 35A-8-1103; or
4474 (ii) an outbuilding except for a garage or shed.

4475 Section 125. Section **35A-8-1103**, which is renumbered from Section 9-4-1503 is
4476 renumbered and amended to read:

4477 **[~~9-4-1503~~]. 35A-8-1103. Methamphetamine Housing Reconstruction and**
4478 **Rehabilitation Account -- Creation -- Interest -- Use of contributions and interest.**

- 4479 (1) There is created within the General Fund a restricted account known as the
4480 Methamphetamine Housing Reconstruction and Rehabilitation Account.
4481 (2) The account shall be funded by:
4482 (a) contributions deposited into the account in accordance with Section 59-10-1314;
4483 and

4484 (b) interest described in Subsection (3).

4485 (3) (a) The account shall earn interest.

4486 (b) Interest earned on the account shall be deposited into the account.

4487 (4) (a) The division shall distribute contributions and interest deposited into the
4488 account to one or more qualified housing organizations.

4489 (b) (i) Subject to Subsection (4)(b)(ii), a qualified housing organization that receives a
4490 distribution from the division in accordance with Subsection (4)(a) shall expend the
4491 distribution to:

4492 (A) reconstruct or rehabilitate one or more residences that are:
4493 (I) sold to low-income persons selected by the qualified housing organization in
4494 accordance with any rules the division makes as authorized by this section; and
4495 (II) financed with loans that are not subject to interest as determined by the qualified
4496 housing organization in accordance with any rules the division makes as authorized by this
4497 section; or
4498 (B) purchase property upon which a residence described in Subsection (4)(b)(i)(A) is
4499 reconstructed or rehabilitated.
4500 (ii) A qualified housing organization may not expend a distribution the qualified
4501 housing organization receives in accordance with this Subsection (4) for any administrative
4502 cost relating to an expenditure authorized by Subsection (4)(b)(i).
4503 (5) (a) In accordance with any rules the division makes as authorized under Subsection
4504 (6)(c), a qualified housing organization may apply to the division to receive a distribution
4505 under Subsection (4).
4506 (b) A qualified housing organization may apply to the division to receive a distribution
4507 under Subsection (4) by filing an application with the division:
4508 (i) on or before November 1; and
4509 (ii) on a form provided by the division.
4510 (c) The application:
4511 (i) shall include information required by the division establishing that the qualified
4512 housing organization owns each residence with respect to which the qualified housing
4513 organization plans to expend a distribution under Subsection (4);
4514 (ii) shall include information required by the division establishing the qualified housing
4515 organization's plan to expend the distribution for a purpose described in Subsection (4)(b)(i);
4516 (iii) shall include information required by the division establishing that the qualified
4517 housing organization's plan to expend the distribution meets conditions established in
4518 accordance with Title 19, Chapter 6, Part 9, Illegal Drug Operations Site Reporting and
4519 Decontamination Act, for a local health department to remove the residence from the local
4520 health department's decontamination list; and
4521 (iv) may include other information the division requires by rule.
4522 (d) The division shall determine on or before the November 30 immediately following

4523 the November 1 described in Subsection (5)(b)(i) whether a qualified housing organization's
4524 application to the division meets the requirements of Subsection (5)(c).

4525 (e) (i) The division shall distribute money credited to the account to each qualified
4526 housing organization that meets the requirements of Subsection (5)(c) as determined by the
4527 division:

4528 (A) on or before the December 31 immediately following the November 1 described in
4529 Subsection (5)(b)(i); and

4530 (B) in accordance with this Subsection (5)(e).

4531 (ii) The division shall determine:

4532 (A) the population of the county in which a qualified housing organization that meets
4533 the requirements of Subsection (5)(c) is headquartered; and

4534 (B) the total population of all of the counties in which the qualified housing
4535 organizations that meet the requirements of Subsection (5)(c) are headquartered.

4536 (iii) Except as provided in Subsection (5)(e)(iv), the division shall determine a
4537 qualified housing organization's distribution by making the following calculation:

4538 (A) calculating a percentage determined by dividing the population of the county in
4539 which the qualified housing organization that meets the requirements of Subsection (5)(c) is
4540 headquartered by the population calculated under Subsection (5)(e)(ii)(B); and

4541 (B) multiplying the percentage determined under Subsection (5)(e)(iii)(A) by the
4542 account balance.

4543 (iv) If two or more qualified housing organizations that meet the requirements of
4544 Subsection (5)(c) as determined by the division are headquartered within one county, the
4545 division shall determine each qualified housing organization's distribution by:

4546 (A) making the calculation required by Subsection (5)(e)(iii); and

4547 (B) dividing the amount calculated under Subsection (5)(e)(iii) by the number of
4548 qualified housing organizations that meet the requirements of Subsection (5)(c) as determined
4549 by the division that are headquartered within the county.

4550 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
4551 division may make rules:

4552 (a) to define what constitutes:

4553 (i) a low-income person;

- 4554 (ii) a loan that is not subject to interest; [~~or~~] and
- 4555 (iii) an apartment or other rental unit;
- 4556 (b) for determining the circumstances under which real property is appurtenant to a
- 4557 residence;
- 4558 (c) prescribing information a qualified housing organization is required to include with
- 4559 an application under Subsection (5);
- 4560 (d) for purposes of Subsection (5)(e), for determining the population of a county; [~~or~~]
- 4561 and
- 4562 (e) for determining the county in which a qualified housing organization is
- 4563 headquartered.

4564 Section 126. Section **35A-8-1201**, which is renumbered from Section 9-4-1601 is

4565 renumbered and amended to read:

4566 **Part 12. State Small Business Credit Initiative Program Fund**

4567 **[9-4-1601]. 35A-8-1201. Creation and administration.**

- 4568 (1) There is created an enterprise fund known as the "State Small Business Credit
- 4569 Initiative Program Fund" administered by the director of the division or the director's designee.
- 4570 (2) The division is the administrator of the fund.
- 4571 (3) Revenues deposited into the fund shall consist of:
- 4572 (a) grants, pay backs, bonuses, entitlements, and other money received from the federal
- 4573 government to implement the State Small Business Credit Initiative; and
- 4574 (b) transfers, grants, gifts, bequests, [~~or any~~] and other money made available from any
- 4575 source to implement this part.
- 4576 (4) (a) The state treasurer shall invest the money in the fund according to the
- 4577 procedures and requirements of Title 51, Chapter 7, State Money Management Act.
- 4578 (b) [~~All interest or other~~] Interest and other earnings derived from the fund money shall
- 4579 be deposited in the fund.
- 4580 (5) The division may use fund money for administration of the fund, but not to exceed
- 4581 4% of the annual receipts to the fund.

4582 Section 127. Section **35A-8-1202**, which is renumbered from Section 9-4-1602 is

4583 renumbered and amended to read:

4584 **[9-4-1602]. 35A-8-1202. Distribution of fund money.**

4585 (1) (a) The director shall make loans and loan guarantees from the fund for the Small
4586 Business Credit Initiative created under the federal government's Small Business Jobs Act of
4587 2010, to use federal money for programs that leverage private lending to help finance small
4588 businesses and manufacturers that are creditworthy but not receiving the loans needed to
4589 expand and create jobs.

4590 (b) In making loans and loan guarantees under this part, the director shall give due
4591 consideration to small businesses in underserved communities throughout the state that have
4592 been deeply impacted by recession and not seen a comparable resurgence in their economies.

4593 (2) The director shall distribute [any] federal money in the fund according to the
4594 procedures, conditions, and restrictions placed upon the use of the money by the federal
4595 government.

4596 (3) The director may, with the approval of the executive director of the department:

4597 (a) enact rules to establish procedures for the loan and loan guarantee process by
4598 following the procedures and requirements of Title 63G, Chapter 3, Utah Administrative
4599 Rulemaking Act; and

4600 (b) service or contract, under Title 63G, Chapter 6, Utah Procurement Code, for the
4601 servicing of loans made by the fund.

4602 Section 128. Section **35A-8-1203**, which is renumbered from Section 9-4-1603 is
4603 renumbered and amended to read:

4604 ~~[9-4-1603]~~. **35A-8-1203. Annual accounting.**

4605 (1) The director shall monitor the activities of recipients of the loans and loan
4606 guarantees issued under this part on a yearly basis to ensure compliance with the terms and
4607 conditions imposed on the recipient by the director under this part.

4608 (2) An entity receiving a loan or loan guarantee under this part shall provide the
4609 director with an annual accounting of how the money it received from the fund was spent.

4610 (3) The director shall submit an annual report to the Workforce Services and
4611 Community and Economic Development Interim Committee before December 1 of each year:

4612 (a) accounting for expenditures made from the fund; and

4613 (b) evaluating the effectiveness of the loan and loan guarantee program.

4614 Section 129. Section **35A-8-1301**, which is renumbered from Section 9-4-1701 is
4615 renumbered and amended to read:

4616 **Part 13. Intermountain Weatherization Training Fund**

4617 ~~[9-4-1701]~~. **35A-8-1301. Creation and administration.**

4618 (1) There is created a restricted special revenue fund known as the "Intermountain
4619 Weatherization Training Fund."

4620 (2) The Intermountain Weatherization Training Fund shall consist of:

4621 (a) private contributions;

4622 (b) donations or grants from public or private entities;

4623 (c) fees;

4624 (d) any money appropriated by the Legislature; and

4625 (e) interest and earnings on fund money.

4626 (3) The division shall authorize the expenditure of fund money to the Weatherization
4627 Training Center for the administration, operation, maintenance, and support of the center
4628 subject to:

4629 (a) money available in the fund; and

4630 (b) rules established under Subsection (5).

4631 (4) Administrative costs of the Intermountain Weatherization Fund shall be paid from
4632 the fund.

4633 (5) The division shall:

4634 (a) administer the money deposited in the Intermountain Weatherization Training
4635 Fund;

4636 (b) distribute the money in the Intermountain Weatherization Training Fund in
4637 accordance with Subsection (5)(c); and

4638 (c) make rules in accordance with Title 63G, Chapter 3, Utah Administrative
4639 Rulemaking Act, establishing:

4640 (i) the procedures for awarding fund money; and

4641 (ii) the procedure for the Weatherization Training Center to apply for money from the
4642 Intermountain Weatherization Training Fund.

4643 Section 130. Section **35A-8-1401**, which is renumbered from Section 9-12-101 is
4644 renumbered and amended to read:

4645 **Part 14. Home Energy Assistance Target (HEAT) Program Act**

4646 ~~[9-12-101]~~. **35A-8-1401. Title.**

4647 This [~~chapter~~] part is known as the "Home Energy Assistance Target (HEAT) Program
4648 Act."

4649 Section 131. Section **35A-8-1402**, which is renumbered from Section 9-12-102 is
4650 renumbered and amended to read:

4651 ~~[9-12-102]~~. **35A-8-1402**. **Assistance to low-income persons -- Contracts --**
4652 **Administration.**

4653 (1) (a) The department may assist certain low-income families and individuals in the
4654 payment of home energy costs.

4655 (b) Assistance given under this part shall be made available to households throughout
4656 the state, irrespective of the source of household energy supply.

4657 (2) The department may contract with one or more public or private agencies to
4658 distribute and administer these funds subject to the criteria established by the department.

4659 Section 132. Section **35A-8-1403**, which is renumbered from Section 9-12-103 is
4660 renumbered and amended to read:

4661 ~~[9-12-103]~~. **35A-8-1403**. **Eligibility criteria.**

4662 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
4663 department may make rules establishing eligibility criteria for recipients of assistance under
4664 this [~~chapter~~] part.

4665 (2) A recipient of assistance under this [~~chapter~~] part shall demonstrate:

4666 [~~(1)~~] (a) that the recipient's family, household, or individual income is 150% of the
4667 federal poverty level or less;

4668 [~~(2)~~] (b) that the recipient is responsible for paying the recipient's home energy costs;
4669 and

4670 [~~(3)~~] (c) compliance with any rules established by the department under this section.

4671 Section 133. Section **35A-8-1404**, which is renumbered from Section 9-12-104 is
4672 renumbered and amended to read:

4673 ~~[9-12-104]~~. **35A-8-1404**. **Guidelines for private contributions -- Assuring**
4674 **equitable distribution.**

4675 The department shall coordinate with private contributors to home energy assistance
4676 programs, such as REACH and Lend-a-Hand, to help assure equitable statewide distribution of
4677 assistance to eligible customers of all vendors of energy services.

4678 Section 134. Section **35A-8-1405**, which is renumbered from Section 9-12-105 is
4679 renumbered and amended to read:

4680 **[9-12-105]. 35A-8-1405. Payment method.**

4681 Direct payments for home energy costs shall be made jointly to the responsible
4682 householder and to the vendor of energy services to whom the family or individual served owes
4683 a payment except in certain cases, as established by rule by the department in accordance with
4684 Title 63G, Chapter 3, Utah Administrative Rulemaking Act, where payments may be made
4685 directly to the responsible householder.

4686 Section 135. Section **35A-8-1501**, which is renumbered from Section 9-12-201 is
4687 renumbered and amended to read:

4688 **Part 15. Moratorium for Involuntary Termination of Utility Services**

4689 **[9-12-201]. 35A-8-1501. Moratorium on involuntary termination for**
4690 **nonpayment of utility bills -- Eligibility criteria -- Department to establish and certify.**

4691 (1) (a) The department shall establish a program for a seasonal moratorium for
4692 involuntary termination for nonpayment by residential customers of essential utility bills.

4693 (b) An essential utility is a utility regulated by the Public Service Commission under
4694 Title 54, Public Utilities, which is in the business of the retail distribution of electricity or
4695 natural gas.

4696 (c) A residential customer is a customer defined as in a residential class by the Public
4697 Service Commission.

4698 (2) A residential customer shall meet the following criteria to qualify for the program:

4699 (a) gross household income is less than 125% of the federal poverty level or the
4700 household has suffered a medical or other emergency, loss of employment, or is experiencing
4701 other circumstances which have resulted in a substantial loss of income;

4702 (b) the customer has made application to public and private energy assistance
4703 programs;

4704 (c) the customer is willing to make a good faith effort to pay these utility bills on a
4705 consistent basis; and

4706 (d) any additional information required by the department.

4707 (3) (a) A residential customer may file with a local department office an affidavit
4708 attesting eligibility under the criteria in Subsection (2).

4709 (b) The department shall certify that the customer has met the eligibility requirements
4710 and forward a copy of the affidavit to the effected utility.

4711 Section 136. Section **35A-8-1502**, which is renumbered from Section 9-12-202 is
4712 renumbered and amended to read:

4713 **[9-12-202]. 35A-8-1502. Contest of customer's eligibility -- Department to**
4714 **determine case.**

4715 When a utility contests the eligibility of any residential customer to participate in the
4716 program, the executive director or [his] the executive director's designee shall act as an
4717 administrative law judge to make a determination on the case.

4718 Section 137. Section **35A-8-1503**, which is renumbered from Section 9-12-203 is
4719 renumbered and amended to read:

4720 **[9-12-203]. 35A-8-1503. Premoratorium customers' eligibility for moratorium**
4721 **-- Criteria.**

4722 A residential customer that has had service of an essential utility discontinued for
4723 nonpayment prior to the time the moratorium takes effect shall have service restored and
4724 continued during the period of the moratorium if the customer meets the requirements of
4725 Section [9-12-204] 35A-8-1501 and the customer has entered into a deferred payment
4726 agreement with the utility as to arrearages.

4727 Section 138. Section **35A-8-1504**, which is renumbered from Section 9-12-204 is
4728 renumbered and amended to read:

4729 **[9-12-204]. 35A-8-1504. Effective period of moratorium -- Extension by rule.**

4730 (1) The moratorium shall be in effect from November 15 to March 15 of each year.

4731 (2) The department may, by rule, begin the moratorium at an earlier date or extend it to
4732 a later date when severe weather conditions warrant that action.

4733 Section 139. Section **35A-8-1601**, which is renumbered from Section 9-10-101 is
4734 renumbered and amended to read:

4735 **Part 16. Uintah Basin Revitalization Fund and Board**

4736 **[9-10-101]. 35A-8-1601. Definitions.**

4737 As used in this chapter:

4738 (1) "Board" means the Uintah Basin Revitalization Fund Board.

4739 (2) "Capital projects" means expenditures for land, improvements on the land, and

4740 equipment intended to have long-term beneficial use.

4741 (3) "County" means:

4742 (a) Duchesne County; or

4743 (b) Uintah County.

4744 (4) "Division" means the ~~[Division of]~~ Housing and Community Development
4745 Division.

4746 (5) "Revitalization Fund" means the Uintah Basin Revitalization Fund.

4747 (6) "Tribe" means the Ute Indian Tribe of the Uintah and Ouray Reservation.

4748 Section 140. Section **35A-8-1602**, which is renumbered from Section 9-10-102 is
4749 renumbered and amended to read:

4750 **[9-10-102]. 35A-8-1602. Legislative intent -- Uintah Basin Revitalization Fund**
4751 **-- Deposits and contents.**

4752 (1) In order to maximize the long-term benefit of severance taxes derived from lands
4753 held in trust by the United States for the Tribe and its members by fostering funding
4754 mechanisms that will, consistent with sound financial practices, result in the greatest use of
4755 financial resources for the greatest number of citizens of the Uintah Basin, and in order to
4756 promote cooperation and coordination between the state, its political subdivisions, Indian
4757 tribes, and individuals, firms, and business organizations engaged in the development of oil and
4758 gas interests held in trust for the Tribe and its members, there is created a restricted special
4759 revenue fund entitled the "Uintah Basin Revitalization Fund."

4760 (2) The fund consists of all money deposited to the Revitalization Fund under this part
4761 and Section 59-5-116.

4762 (3) (a) The Revitalization Fund shall earn interest.

4763 (b) All interest earned on fund money shall be deposited into the fund.

4764 Section 141. Section **35A-8-1603**, which is renumbered from Section 9-10-103 is
4765 renumbered and amended to read:

4766 **[9-10-103]. 35A-8-1603. Uintah Basin Revitalization Fund Board created --**
4767 **Members -- Terms -- Chair -- Quorum -- Expenses.**

4768 (1) There is created within the division the Revitalization Board composed of five
4769 members as follows:

4770 (a) the governor or his designee;

- 4771 (b) a Uintah County commissioner;
- 4772 (c) a Duchesne County commissioner; and
- 4773 (d) two representatives of the Business Committee of the Tribe.
- 4774 (2) The terms of office for the members of the board shall run concurrently with the
- 4775 terms of office for the governor, commissioners, and Business Committee of the Tribe.
- 4776 (3) The governor, or his designee, shall be the chair of the board.
- 4777 (4) Four board members are a quorum.
- 4778 (5) All decisions of the board require four affirmative votes.
- 4779 (6) A member may not receive compensation or benefits for the member's service, but
- 4780 may receive per diem and travel expenses in accordance with:
- 4781 (a) Section 63A-3-106;
- 4782 (b) Section 63A-3-107; and
- 4783 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
- 4784 63A-3-107.
- 4785 Section 142. Section **35A-8-1604**, which is renumbered from Section 9-10-104 is
- 4786 renumbered and amended to read:
- 4787 **[9-10-104]. 35A-8-1604. Duties -- Loans -- Interest.**
- 4788 (1) The board shall:
- 4789 (a) subject to the other provisions of this chapter and an agreement entered into under
- 4790 Title 11, Chapter 13, Interlocal Cooperation Act, among the state, the counties, and the Tribe,
- 4791 make recommendations to the division for grants and loans from the revitalization fund to
- 4792 county agencies and the Tribe that are or may be socially or economically impacted, directly or
- 4793 indirectly, by mineral resource development;
- 4794 (b) establish procedures for application for and award of grants and loans including:
- 4795 (i) eligibility criteria;
- 4796 (ii) subject to Subsection [~~9-10-106(2)(b)~~] 35A-8-1606(2)(b), a preference that capital
- 4797 projects, including subsidized and low-income housing, and other one-time need projects and
- 4798 programs have priority over other projects;
- 4799 (iii) a preference for projects and programs that are associated with the geographic area
- 4800 where the oil and gas were produced; and
- 4801 (iv) coordination of projects and programs with other projects and programs funded by

4802 federal, state, and local governmental entities;

4803 (c) determine the order in which projects will be funded;

4804 (d) allocate the amount to be distributed from the revitalization fund for grants or loans
4805 to each county and the Tribe during a fiscal year as follows:

4806 (i) up to and including the first \$3,000,000 that is approved for distribution by the
4807 board during a fiscal year, the board may allocate the amount in accordance with the interlocal
4808 agreement described by Subsection (1)(a), except that the board may not allocate less than 75%
4809 of the amount under the interlocal agreement to the Tribe unless the interlocal agreement is
4810 further modified by statute; and

4811 (ii) beginning with fiscal year 2007-08, any amount approved for distribution by the
4812 board during that fiscal year in excess of \$3,000,000 shall be allocated equally amongst each
4813 county and the Tribe so that each receives 1/3 of the amount approved for distribution by the
4814 board in excess of \$3,000,000;

4815 (e) qualify for, accept, and administer grants, gifts, loans, or other funds from the
4816 federal government and from other sources, public or private; and

4817 (f) perform other duties assigned to it under the interlocal agreement described in
4818 Subsection (1)(a) that are not prohibited by law or otherwise modified by this chapter.

4819 (2) The board shall ensure that loan repayments and interest are deposited into the
4820 revitalization fund.

4821 (3) The interlocal agreement described in Subsection (1)(a) shall be consistent with the
4822 following statutes, including any subsequent amendments to those statutes:

4823 (a) this chapter;

4824 (b) Title 11, Chapter 13, Interlocal Cooperation Act;

4825 (c) Section 59-5-116; and

4826 (d) any other applicable provision of this Utah Code.

4827 Section 143. Section **35A-8-1605**, which is renumbered from Section 9-10-105 is
4828 renumbered and amended to read:

4829 **[9-10-105]. 35A-8-1605. Powers.**

4830 (1) The board may:

4831 (a) appoint a hearing examiner or administrative law judge with authority to conduct
4832 any hearings, make determinations, and enter appropriate findings of facts, conclusions of law,

4833 and orders under authority of the Interlocal Cooperation Act; and

4834 (b) make rules under Title 63G, Chapter 3, Utah Administrative Rulemaking Act, if
4835 necessary to perform its responsibilities.

4836 (2) The board shall:

4837 (a) be subject to the procedures and requirements under Title 52, Chapter 4, Open and
4838 Public Meetings Act; and

4839 (b) be subject to the procedures and requirements under Title 51, Chapter 7, State
4840 Money Management Act.

4841 Section 144. Section **35A-8-1606**, which is renumbered from Section 9-10-106 is
4842 renumbered and amended to read:

4843 **~~[9-10-106].~~ 35A-8-1606. Eligibility for assistance -- Applications -- Review by
4844 board -- Terms -- Security.**

4845 (1) Counties or the Tribe that wish to receive loans or grants from the board shall
4846 submit formal applications to the board containing the information required by the board.

4847 (2) The board may not fund:

4848 (a) start-up or operational costs of private business ventures; and

4849 (b) general operating budgets of the counties or the Tribe, except that the Tribe may
4850 use a grant or loan to fund costs associated with the management and administration of energy
4851 or mineral development on:

4852 (i) lands held in trust by the United States for the Tribe and its members; or

4853 (ii) lands owned by the Tribe.

4854 (3) (a) The board shall review each application for a loan or grant before approving it.

4855 (b) The board may approve loan or grant applications subject to the applicant's
4856 compliance with certain conditions established by the board.

4857 (c) The board shall:

4858 (i) ensure that each loan specifies the terms for repayment; and

4859 (ii) secure the loans by proceeds from any general obligation, special assessment, or
4860 revenue bonds, notes, or other obligations of the appropriate subdivision.

4861 Section 145. Section **35A-8-1607**, which is renumbered from Section 9-10-107 is
4862 renumbered and amended to read:

4863 **~~[9-10-107].~~ 35A-8-1607. Division to distribute money -- Annual report --**

4864 **Administration costs.**

4865 (1) The division shall distribute loan and grant money if the loan or grant is approved
4866 by the board.

4867 (2) The division shall make an annual report concerning the number and type of loans
4868 and grants made as well as a list of recipients of this assistance to:

4869 (a) the Native American Legislative Liaison Committee, created in Section 36-22-1;
4870 and

4871 (b) the governor.

4872 (3) The division, with board approval, may use fund money for the administration of
4873 the fund, but this amount may not exceed 2% of the annual receipts to the fund.

4874 Section 146. Section **35A-8-1608**, which is renumbered from Section 9-10-108 is
4875 renumbered and amended to read:

4876 **[9-10-108]. 35A-8-1608. Deposits into fund.**

4877 (1) All money received under Section 59-5-116 shall be deposited in the Revitalization
4878 Fund provided that no business or activity fee or tax based on gross receipts has been imposed
4879 by a county or the Tribe on oil and gas activities.

4880 (2) (a) Nothing in this section prohibits a county from imposing a charge described in
4881 Subsection (1) with respect to any gathering, transmission, or local distribution pipeline in
4882 which the county owns an interest.

4883 (b) Nothing in this section prohibits the Tribe from imposing a charge described in
4884 Subsection (1) with respect to any gathering, transmission, or local distribution pipeline in
4885 which the Tribe owns an interest.

4886 Section 147. Section **35A-8-1701**, which is renumbered from Section 9-11-101 is
4887 renumbered and amended to read:

4888 **Part 17. Navajo Revitalization Fund Act**

4889 **[9-11-101]. 35A-8-1701. Title.**

4890 This chapter is known as the "Navajo Revitalization Fund Act."

4891 Section 148. Section **35A-8-1702**, which is renumbered from Section 9-11-102 is
4892 renumbered and amended to read:

4893 **[9-11-102]. 35A-8-1702. Definitions.**

4894 As used in this chapter:

- 4895 (1) "Board" means the Navajo Revitalization Fund Board.
- 4896 (2) "Capital project" means an expenditure for land, improvements on the land, or
4897 equipment intended to have long-term beneficial use.
- 4898 (3) "Division" means the ~~[Division of]~~ Housing and Community Development
4899 Division.
- 4900 (4) "Eligible entity" means:
- 4901 (a) the Navajo Nation;
- 4902 (b) a department or division of the Navajo Nation;
- 4903 (c) a Utah Navajo Chapter;
- 4904 (d) the Navajo Utah Commission;
- 4905 (e) an agency of the state or a political subdivision of the state; or
- 4906 (f) a nonprofit corporation.
- 4907 (5) "Navajo Utah Commission" means the commission created by Resolution
4908 IGRJN-134-92 of the Intergovernmental Relations Committee of the Navajo Nation Council.
- 4909 (6) "Revitalization fund" means the Navajo Revitalization Fund.
- 4910 (7) "Utah Navajo Chapter" means any of the following chapters of the Navajo Nation:
- 4911 (a) Aneth Chapter;
- 4912 (b) Dennehotso Chapter;
- 4913 (c) Mexican Water Chapter;
- 4914 (d) Navajo Mountain Chapter;
- 4915 (e) Oljato Chapter;
- 4916 (f) Red Mesa Chapter; and
- 4917 (g) Teec Nos Pos Chapter.
- 4918 Section 149. Section **35A-8-1703**, which is renumbered from Section 9-11-103 is
4919 renumbered and amended to read:
- 4920 **[9-11-103]. 35A-8-1703. Legislative intent.**
- 4921 (1) The purpose of this chapter is to:
- 4922 (a) maximize the long-term benefit of state severance taxes derived from lands in Utah
4923 held in trust by the United States for the Navajo Nation and its members by fostering funding
4924 mechanisms that will, consistent with sound financial practices, result in the greatest use of
4925 financial resources for the greatest number of citizens of San Juan County; and

4926 (b) promote cooperation and coordination between the state, its political subdivisions,
4927 Indian tribes, and individuals, firms, and business organizations engaged in the development of
4928 oil and gas interests in Utah held in trust by the United States for the Navajo Nation and its
4929 members.

4930 (2) Notwithstanding Subsection (1), the fund:

4931 (a) consists of state severance tax money to be spent at the discretion of the state; and

4932 (b) does not constitute a trust fund.

4933 Section 150. Section **35A-8-1704**, which is renumbered from Section 9-11-104 is

4934 renumbered and amended to read:

4935 **[9-11-104]. 35A-8-1704. Navajo Revitalization Fund.**

4936 (1) (a) There is created a restricted special revenue fund called the "Navajo
4937 Revitalization Fund."

4938 (b) The revitalization fund shall consist of:

4939 (i) money deposited to the revitalization fund under this chapter;

4940 (ii) money deposited to the revitalization fund under Section 59-5-119; and

4941 (iii) any loan repayment or interest on a loan issued under this chapter.

4942 (2) (a) The revitalization fund shall earn interest.

4943 (b) The interest earned on revitalization fund money shall be deposited into the fund.

4944 (3) Beginning for fiscal year 2010-11, the division may use revitalization fund money
4945 for the administration of the revitalization fund, but this amount may not exceed 4% of the
4946 annual receipts to the revitalization fund.

4947 Section 151. Section **35A-8-1705**, which is renumbered from Section 9-11-105 is

4948 renumbered and amended to read:

4949 **[9-11-105]. 35A-8-1705. Navajo Revitalization Fund Board.**

4950 (1) There is created within the division the Navajo Revitalization Board composed of
4951 five members as follows:

4952 (a) the governor or the governor's designee;

4953 (b) the two members of the San Juan County commission whose districts include
4954 portions of the Navajo Reservation;

4955 (c) the chair of the Navajo Utah Commission or a member of the commission
4956 designated by the chair of the Navajo Utah Commission; and

4957 [~~(d)~~] (i) ~~ending June 30, 2008, the chair of the Utah Dineh Committee, as created in~~
4958 ~~Section 63-88-107, or a member of the committee designated by the chair; and]~~

4959 [~~(ii)~~] (d) beginning July 1, 2008, a president of a Utah Navajo Chapter or an individual
4960 designated by the president under an annual rotation system of Utah Navajo Chapters as
4961 follows:

4962 [~~(A)~~] (i) the president of a Utah Navajo Chapter shall serve for one year;

4963 [~~(B)~~] (ii) the Utah Navajo Chapter is rotated in alphabetical order as provided in
4964 Subsection [~~9-11-102~~] 35A-8-1702(7), except that the rotation will begin on July 1, 2008, with
4965 the Dennehotso Chapter;

4966 [~~(C)~~] (iii) if the president of a Utah Navajo Chapter under Subsection (1)(d)(ii)[~~(B)~~] is
4967 the same individual as the individual listed in Subsection (1)(c):

4968 [~~(F)~~] (A) that Utah Navajo Chapter is skipped as part of that rotation; and

4969 [~~(H)~~] (B) the president of the next Utah Navajo Chapter in the alphabetical rotation
4970 shall serve on the board.

4971 (2) The term of office for a member of the board described in Subsections (1)(a)
4972 through (c) runs concurrently with the term of office for the governor, county commissioner, or
4973 member of the Navajo Utah Commission.

4974 (3) (a) The governor, or the governor's designee, is the chair of the board.

4975 (b) The chair shall call necessary meetings.

4976 (4) A member may not receive compensation or benefits for the member's service, but
4977 may receive per diem and travel expenses in accordance with:

4978 (a) Section 63A-3-106;

4979 (b) Section 63A-3-107; and

4980 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
4981 63A-3-107.

4982 (5) The per diem and travel expenses permitted under Subsection (4) may be included
4983 as costs of administration of the revitalization fund.

4984 (6) Four board members are a quorum.

4985 (7) An affirmative vote of each member of the board present at a meeting when a
4986 quorum is present is required for a board decision related to money in or disbursed from the
4987 revitalization fund.

4988 Section 152. Section **35A-8-1706**, which is renumbered from Section 9-11-106 is
4989 renumbered and amended to read:

4990 **~~[9-11-106]. 35A-8-1706. Powers -- Duties.~~**

4991 (1) The board shall:

4992 (a) direct the division regarding grants and loans from the revitalization fund to eligible
4993 entities to serve persons that are or may be socially or economically impacted, directly or
4994 indirectly, by mineral resource development;

4995 (b) establish procedures for application for an award of grants and loans including
4996 eligibility criteria;

4997 (c) coordinate projects and programs with other projects and programs funded by
4998 federal, state, and local government entities;

4999 (d) determine the order in which projects will be funded; and

5000 (e) be subject to the procedures and requirements under Title 52, Chapter 4, Open and
5001 Public Meetings Act.

5002 (2) The board may:

5003 (a) qualify for, accept, and administer grants, gifts, loans, or other funds from the
5004 federal government and from other sources, public or private; and

5005 (b) make rules under Title 63G, Chapter 3, Utah Administrative Rulemaking Act, if
5006 necessary to perform its responsibilities.

5007 Section 153. Section **35A-8-1707**, which is renumbered from Section 9-11-107 is
5008 renumbered and amended to read:

5009 **~~[9-11-107]. 35A-8-1707. Revitalization fund administered by board -- Eligibility~~**
5010 **for assistance -- Review by board -- Restrictions on loans and grants -- Division to**
5011 **distribute money.**

5012 (1) (a) If an eligible entity wishes to receive a loan or grant from the board, the eligible
5013 entity shall file an application with the board that contains the information required by the
5014 board.

5015 (b) The board shall review an application for a loan or grant filed under Subsection
5016 (1)(a) before approving the loan or grant.

5017 (c) The board may approve a loan or grant application subject to the applicant's
5018 compliance with the one or more conditions established by the board.

- 5019 (2) In determining whether an eligible entity may receive a loan or grant, the board
5020 shall give priority to:
- 5021 (a) a capital project or infrastructure, including:
- 5022 (i) electrical power;
- 5023 (ii) water; and
- 5024 (iii) a one time need project;
- 5025 (b) a housing project that consists of:
- 5026 (i) the purchase of new housing;
- 5027 (ii) the construction of new housing; or
- 5028 (iii) a significant remodeling of existing housing; or
- 5029 (c) a matching educational endowment that:
- 5030 (i) promotes economic development within the Utah portion of the Navajo Reservation;
- 5031 (ii) promotes the preservation of Navajo culture, history, and language; or
- 5032 (iii) supports a postsecondary educational opportunity for a Navajo student enrolled in a
5033 course or program taught within the Utah portion of the Navajo Reservation.
- 5034 (3) A loan or grant issued under this chapter may not fund:
- 5035 (a) a start-up or operational cost of a private business venture;
- 5036 (b) a general operating budget of an eligible entity; or
- 5037 (c) a project that will operate or be located outside of the Navajo Reservation in San
5038 Juan County, Utah, except for an educational endowment approved by the board under
5039 Subsection (2)(c).
- 5040 (4) (a) The board may not approve a loan unless the loan:
- 5041 (i) specifies the terms for repayment; and
- 5042 (ii) is secured by proceeds from a general obligation, special assessment, or revenue
5043 bond, note, or other obligation.
- 5044 (b) The division shall deposit a loan repayment or interest on a loan issued under this
5045 chapter into the revitalization fund.
- 5046 (5) The board shall give a priority to a loan or grant if the loan or grant includes
5047 matching money or in-kind services from:
- 5048 (a) the Navajo Nation;
- 5049 (b) San Juan County;

- 5050 (c) the state;
- 5051 (d) the federal government;
- 5052 (e) a Utah Navajo Chapter; or
- 5053 (f) other private or public organization.
- 5054 (6) The division shall distribute loan and grant money:
- 5055 (a) if the loan or grant is approved by the board;
- 5056 (b) in accordance with the instructions of the board, except that the board may not
- 5057 instruct that money be distributed in a manner:
- 5058 (i) inconsistent with this chapter; or
- 5059 (ii) in violation of a rule or procedure of the department; and
- 5060 (c) in the case of a loan, in accordance with Section 63A-3-205.

5061 Section 154. Section **35A-8-1708**, which is renumbered from Section 9-11-108 is
 5062 renumbered and amended to read:

5063 **~~[9-11-108]~~. 35A-8-1708. Annual report.**

5064 The division shall report annually to the Native American Legislative Liaison
 5065 Committee and the governor concerning the number and type of loans and grants made as well
 5066 as a list of recipients of this assistance.

5067 Section 155. Section **51-9-504** is amended to read:

5068 **51-9-504. Utah Navajo royalties and related issues.**

- 5069 (1) (a) Notwithstanding Title 63, Chapter 88, Navajo Trust Fund, repealed July 1,
- 5070 2008, and except as provided in Subsection (7), the following are subject to this Subsection (1):
- 5071 (i) the repealed board of trustees;
- 5072 (ii) the repealed trust administrator;
- 5073 (iii) an employee or agent of the repealed Navajo Trust Fund; or
- 5074 (iv) the repealed Dineh Committee.
- 5075 (b) The repealed board of trustees may not:
- 5076 (i) beginning on March 17, 2008, take an action that imposes or may impose a liability
- 5077 or obligation described in Subsection (1)(d) that is:
- 5078 (A) anticipated to be completed on or after January 1, 2010; or
- 5079 (B) equal to or greater than \$100,000; or
- 5080 (ii) on or after May 5, 2008, take an action that imposes or may impose a liability or

5081 obligation described in Subsection (1)(d).

5082 (c) On or after March 17, 2008 a person described in Subsections (1)(a)(ii) through (iv)
5083 may not take an action that imposes or may impose a liability or obligation described in
5084 Subsection (1)(d).

5085 (d) Subsection (1)(b) applies to a liability or obligation on:

5086 (i) the repealed Navajo Trust Fund;

5087 (ii) the Navajo Revitalization Fund created under Title [9] 35A, Chapter [H] 8, Part
5088 17, Navajo Revitalization Fund Act;

5089 (iii) the state; or

5090 (iv) any of the following related to an entity described in this Subsection (1)(d):

5091 (A) a department;

5092 (B) a division;

5093 (C) an office;

5094 (D) a committee;

5095 (E) a board;

5096 (F) an officer;

5097 (G) an employee; or

5098 (H) a similar agency or individual.

5099 (2) The Division of Finance shall:

5100 (a) establish a fund by no later than July 1, 2008:

5101 (i) to hold:

5102 (A) the money in the repealed Navajo Trust Fund as of June 30, 2008;

5103 (B) Utah Navajo royalties received by the state on or after July 1, 2008;

5104 (C) revenues from investments made by the state treasurer of the money in the fund
5105 established under this Subsection (2)(a);

5106 (D) money owed to the repealed Navajo Trust Fund, including money received by the
5107 repealed trust administrator or repealed Dineh Committee from an agreement executed by:

5108 (I) the repealed board of trustees;

5109 (II) the repealed trust administrator; or

5110 (III) the repealed Dineh Committee; and

5111 (E) money related to litigation, including settlement of litigation related to Utah Navajo

5112 royalties; and

5113 (ii) from which money may not be transferred or expended, except:

5114 (A) as provided in Subsection (7); or

5115 (B) as authorized by congressional action to designate a new recipient of the Utah

5116 Navajo royalties; and

5117 (b) by no later than July 1, 2008, transfer to the fund created under Subsection (2)(a) in

5118 a manner consistent with this section the related assets and liabilities of the repealed Navajo

5119 Trust Fund, including the transfer of money in the repealed Navajo Trust Fund.

5120 (3) The state treasurer shall invest money in the fund created in Subsection (2)(a) in

5121 accordance with Title 51, Chapter 7, State Money Management Act.

5122 (4) (a) By no later than May 5, 2008, the repealed board of trustees shall:

5123 (i) adopt a list of all related assets and liabilities of the repealed trust fund that are not

5124 satisfied by May 5, 2008, which may include assets and liabilities that are contingent in nature

5125 or amount;

5126 (ii) adopt a list of all individuals who at the time of adoption meet the requirements of

5127 Subsection (7)(b); and

5128 (iii) provide a copy of the lists described in Subsections (4)(a)(i) and (ii) to:

5129 (A) the state auditor; and

5130 (B) the Department of Administrative Services.

5131 (b) The state auditor, in addition to completing its Fiscal Year 2007-2008 audit of the

5132 repealed Navajo Trust Fund, shall:

5133 (i) verify the list of the related assets and liabilities of the repealed Navajo Trust Fund

5134 adopted by the repealed board of trustees under Subsection (4)(a) by no later than June 30,

5135 2008; and

5136 (ii) provide a written copy of the verification to the governor and the Legislature by no

5137 later than July 30, 2008.

5138 (5) The governor shall ensure that the reporting requirements under P.L. 90-306, 82

5139 Stat. 121, are met.

5140 (6) The Department of Administrative Services, in cooperation with the Department of

5141 Human Resources, may assist employees of the repealed Navajo Trust Fund as of June 30,

5142 2008, in accordance with Title 67, Chapter 19, Utah State Personnel Management Act.

5143 (7) With the fund created under Subsection (2) and the fixed assets of the repealed
5144 Navajo Trust Fund, the Department of Administrative Services shall:

5145 (a) subject to Subsection (8), fulfill the liabilities and obligations of the repealed
5146 Navajo Trust Fund as of June 30, 2008;

5147 (b) provide money to an individual enrolled member of the Navajo Nation who:

5148 (i) resides in San Juan County;

5149 (ii) as of June 30, 2012, has received money under this Subsection (7)(b) for
5150 postsecondary education;

5151 (iii) beginning the later of June 30 or the day on which the individual first receives
5152 money under this Subsection (7)(b), is enrolled in postsecondary education for the equivalent
5153 of at least two semesters each year; and

5154 (iv) meets the eligibility requirements adopted by the repealed board of trustees as of
5155 March 17, 2008;

5156 (c) through the Division of Facilities Construction and Management, reasonably
5157 maintain the fixed assets of the repealed Navajo Trust Fund, to the extent that a lessee of a
5158 fixed asset is not required by a lease to maintain a fixed asset;

5159 (d) through the Division of Facilities Construction and Management, take those steps
5160 necessary to secure the purchase:

5161 (i) of the following that is owned by the repealed Navajo Trust Fund as of May 5,
5162 2008:

5163 (A) the government service building; or

5164 (B) another fixed asset of the repealed Navajo Trust Fund, if the sale of the fixed asset
5165 is consistent with the obligations of the state with regard to the Utah Navajo royalties; and

5166 (ii) (A) in an arms length manner; and

5167 (B) so that fair market compensation is paid to the repealed Navajo Trust Fund; and

5168 (e) charge the fund established under Subsection (2)(a) for the expenses that are
5169 necessary and reasonable to comply with the requirements of this Subsection (7).

5170 (8) To fulfill the liabilities and obligations of the repealed Navajo Trust Fund as of
5171 June 30, 2008, the Division of Finance may expend money from the fund:

5172 (a) for a liability or obligation incurred before March 17, 2008, to the extent that the
5173 expenditure was expressly a liability or obligation of the repealed Navajo Trust Fund as of

5174 March 17, 2008; and

5175 (b) on and after March 11, 2010, for a project approved under Subsection (1)(b)(i) by
5176 the repealed board of trustees, except that the Division of Finance may not expend money from
5177 the fund for a project approved under Subsection (1)(b)(i):

5178 (i) in excess of \$100,000 in the aggregate for the project; or

5179 (ii) to fulfill a liability or obligation related to the project if the expenditure would be
5180 on or after the earlier of:

5181 (A) the day on which money from the fund is transferred as authorized by
5182 congressional action to designate a new recipient of the Utah Navajo royalties; or

5183 (B) January 1, 2012.

5184 (9) Unless expressly prohibited by this part, the state may take any action with regard
5185 to the assets held by the state under this part that is consistent with the obligations of the state
5186 related to the Utah Navajo royalties.

5187 Section 156. Section **53B-18-1002** is amended to read:

5188 **53B-18-1002. Establishment of the center -- Purpose -- Duties and**
5189 **responsibilities.**

5190 (1) There is established the Mormon Pioneer Heritage Center in connection with Utah
5191 State University.

5192 (2) The purpose of the center is to coordinate interdepartmental research and extension
5193 efforts in recreation, heritage tourism, and agricultural extension service and to enter into
5194 cooperative contracts with the United States Departments of Agriculture and the Interior, state,
5195 county, and city officers, public and private organizations, and individuals to enhance Mormon
5196 pioneer heritage.

5197 (3) The center has the following duties and responsibilities:

5198 (a) to support [~~U.S.~~] United States Congressional findings that the landscape,
5199 architecture, traditions, products, and events in the counties convey the heritage of pioneer
5200 settlements and their role in agricultural development;

5201 (b) to coordinate with extension agents in the counties to assist in the enhancement of
5202 heritage businesses and the creation of heritage products;

5203 (c) to foster a close working relationship with all levels of government, the private
5204 sector, residents, business interests, and local communities;

5205 (d) to support [U.S.] United States Congressional findings that the historical, cultural,
5206 and natural heritage legacies of Mormon colonization and settlement are nationally significant;

5207 (e) to encourage research and studies relative to the variety of heritage resources along
5208 the 250-mile Highway 89 corridor from Fairview to Kanab, Utah, and Highways 12 and 24, the
5209 All American Road, to the extent those resources demonstrate:

5210 (i) the colonization of the western United States; and

5211 (ii) the expansion of the United States as a major world power;

5212 (f) to demonstrate that the great relocation to the western United States was facilitated
5213 by:

5214 (i) the 1,400 mile trek from Illinois to the Great Salt Lake by the Mormon Pioneers;

5215 and

5216 (ii) the subsequent colonization effort in Nevada, Utah, the southeast corner of Idaho,
5217 the southwest corner of Wyoming, large areas of southeastern Oregon, much of southern
5218 California, and areas along the eastern border of California; and

5219 (g) to assist in interpretive efforts that demonstrate how the Boulder Loop, Capitol
5220 Reef National Park, Zion National Park, Bryce Canyon National Park, and the Highway 89 area
5221 convey the compelling story of how early settlers:

5222 (i) interacted with Native Americans; and

5223 (ii) established towns and cities in a harsh, yet spectacular, natural environment.

5224 (4) The center, in collaboration with the [U.S.] United States Department of the
5225 Interior, the National Park Service, the [U.S.] United States Department of Agriculture, the
5226 [U.S.] United States Forest Service, the Utah Department of [~~Community and Culture~~]
5227 Heritage and Arts, the Utah Division of State History, and the alliance and its
5228 intergovernmental local partners, shall:

5229 (a) assist in empowering communities in the counties to conserve, preserve, and
5230 enhance the heritage of the communities while strengthening future economic opportunities;

5231 (b) help conserve, interpret, and develop the historical, cultural, natural, and
5232 recreational resources within the counties; and

5233 (c) expand, foster, and develop heritage businesses and products relating to the cultural
5234 heritage of the counties.

5235 (5) The center, in collaboration with the [U.S.] United States Department of the

5236 Interior, the National Park Service, and with funding from the alliance, shall develop a heritage
5237 management plan.

5238 Section 157. Section **53C-3-203** is amended to read:

5239 **53C-3-203. Land Exchange Distribution Account.**

5240 (1) As used in this section, "account" means the Land Exchange Distribution Account
5241 created in Subsection (2)(a).

5242 (2) (a) There is created within the General Fund a restricted account known as the Land
5243 Exchange Distribution Account.

5244 (b) The account shall consist of revenue deposited in the account as required by
5245 Section 53C-3-202.

5246 (3) (a) The state treasurer shall invest money in the account according to Title 51,
5247 Chapter 7, State Money Management Act.

5248 (b) The Division of Finance shall deposit interest or other earnings derived from
5249 investment of account money into the General Fund.

5250 (4) The Legislature shall annually appropriate from the account in the following order:

5251 (a) \$1,000,000 to the Constitutional Defense Restricted Account created in Section
5252 63C-4-103; and

5253 (b) from the deposits to the account remaining after the appropriation in Subsection
5254 (4)(a), the following amounts:

5255 (i) 55% of the deposits to counties in amounts proportionate to the amounts of mineral
5256 revenue generated from the acquired land, exchanged land, acquired mineral interests, or
5257 exchanged mineral interests located in each county, to be used to mitigate the impacts caused
5258 by mineral development;

5259 (ii) 25% of the deposits to counties in amounts proportionate to the total surface and
5260 mineral acreage within each county that was conveyed to the United States under the agreement
5261 or an exchange, to be used to mitigate the loss of mineral development opportunities resulting
5262 from the agreement or exchange;

5263 (iii) 1.68% of the deposits to the State Board of Education, to be used for education
5264 research and experimentation in the use of staff and facilities designed to improve the quality
5265 of education in Utah;

5266 (iv) 1.66% of the deposits to the Geological Survey, to be used for natural resources

5267 development in the state;

5268 (v) 1.66% of the deposits to the Water Research Laboratory at Utah State University, to
5269 be used for water development in the state;

5270 (vi) 11% of the deposits to the Constitutional Defense Restricted Account created in
5271 Section 63C-4-103;

5272 (vii) 1% of the deposits to the Geological Survey, to be used for test wells, other
5273 hydrologic studies, and air quality monitoring in the West Desert; and

5274 (viii) 3% of the deposits to the Permanent Community Impact Fund created in Section
5275 ~~[9-4-303]~~ 35A-8-303, to be used for grants to political subdivisions of the state to mitigate the
5276 impacts resulting from the development or use of school and institutional trust lands.

5277 (5) The administration shall make recommendations to the Permanent Community
5278 Impact Fund Board for its consideration when awarding the grants described in Subsection
5279 (4)(b)(viii).

5280 Section 158. Section **54-7-13.6** is amended to read:

5281 **54-7-13.6. Low-income assistance program.**

5282 (1) As used in this section, "eligible customer" means an electrical corporation or a gas
5283 corporation customer:

5284 (a) that earns no more than:

5285 (i) 125% of the federal poverty level; or

5286 (ii) another percentage of the federal poverty level as determined by the commission by
5287 order; and

5288 (b) whose eligibility is certified by the Utah Department of ~~[Community and Culture]~~
5289 Workforce Services.

5290 (2) A customer's income eligibility for the program described in this section shall be
5291 renewed annually.

5292 (3) An eligible customer may not receive assistance at more than one residential
5293 location at any one time.

5294 (4) Notwithstanding Section 54-3-8, the commission may approve a low-income
5295 assistance program to provide bill payment assistance to low-income residential customers of:

5296 (a) an electrical corporation with more than 50,000 customers; or

5297 (b) a gas corporation with more than 50,000 customers.

5298 (5) (a) (i) Subject to Subsection (5)(a)(ii), low-income assistance program funding
5299 from each rate class may be in an amount determined by the commission.

5300 (ii) Low-income assistance program funding described in Subsection (5)(a)(i) may not
5301 exceed 0.5% of the rate class's retail revenues.

5302 (b) (i) Low-income assistance program funding for bill payment assistance shall be
5303 provided through a surcharge on the monthly bill of each Utah retail customer of the electrical
5304 corporation or gas corporation providing the program.

5305 (ii) The surcharge described in Subsection (5)(b)(i) may not be collected from
5306 customers currently participating in the low-income assistance program.

5307 (c) (i) Subject to Subsection (5)(c)(ii), the monthly surcharge described in Subsection
5308 (5)(b)(i) shall be calculated as an equal percentage of revenues from all rate schedules.

5309 (ii) The monthly surcharge described in Subsection (5)(b)(i) may not exceed \$50 per
5310 month for any customer, adjusted periodically as the commission determines appropriate for
5311 inflation.

5312 (6) (a) An eligible customer shall receive a billing credit on the monthly electric or gas
5313 bill for the customer's residence.

5314 (b) The amount of the billing credit described in Subsection (6)(a) shall be determined
5315 by the commission based on:

5316 (i) the projected funding of the low-income assistance program;

5317 (ii) the projected customer participation in the low-income assistance program; and

5318 (iii) other factors that the commission determines relevant.

5319 (c) The monthly billing credit and the monthly surcharge shall be adjusted concurrently
5320 with the final order in a general rate increase or decrease case under Section 54-7-12 for the
5321 electrical corporation or gas corporation providing the program or as determined by the
5322 commission.

5323 Section 159. Section **59-5-116** is amended to read:

5324 **59-5-116. Disposition of certain taxes collected on Ute Indian land.**

5325 (1) Except as provided in Subsection (2), there shall be deposited into the Uintah Basin
5326 Revitalization Fund established in Section [~~9-10-102~~] 35A-8-1602:

5327 (a) for taxes imposed under this part, 33% of the taxes collected on oil, gas, or other
5328 hydrocarbon substances produced from a well:

- 5329 (i) for which production began on or before June 30, 1995; and
- 5330 (ii) attributable to interests:
- 5331 (A) held in trust by the United States for the Tribe and its members; or
- 5332 (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948);
- 5333 (b) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other
- 5334 hydrocarbon substances produced from a well:
- 5335 (i) for which production began on or after July 1, 1995; and
- 5336 (ii) attributable to interests:
- 5337 (A) held in trust by the United States for the Tribe and its members; or
- 5338 (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948); and
- 5339 (c) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other
- 5340 hydrocarbon substances produced from a well:
- 5341 (i) for which production began on or after January 1, 2001; and
- 5342 (ii) attributable to interests on lands conveyed to the tribe under the Ute-Moab Land
- 5343 Restoration Act, Pub. L. No. 106-398, Sec. 3303.
- 5344 (2) (a) The maximum amount deposited in the Uintah Basin Revitalization Fund may
- 5345 not exceed:
- 5346 (i) \$3,000,000 in fiscal year 2005-06;
- 5347 (ii) \$5,000,000 in fiscal year 2006-07;
- 5348 (iii) \$6,000,000 in fiscal years 2007-08 and 2008-09; and
- 5349 (iv) for fiscal years beginning with fiscal year 2009-10, the amount determined by the
- 5350 commission as described in Subsection (2)(b).
- 5351 (b) (i) The commission shall increase or decrease the dollar amount described in
- 5352 Subsection (2)(a)(iii) by a percentage equal to the percentage difference between the consumer
- 5353 price index for the preceding calendar year and the consumer price index for calendar year
- 5354 2008; and
- 5355 (ii) after making an increase or decrease under Subsection (2)(b)(i), round the dollar
- 5356 amount to the nearest whole dollar.
- 5357 (c) For purposes of this Subsection (2), "consumer price index" is as described in
- 5358 Section 1(f)(4), Internal Revenue Code, and defined in Section (1)(f)(5), Internal Revenue
- 5359 Code.

5360 (d) Any amounts in excess of the maximum described in Subsection (2)(a) shall be
5361 deposited into the General Fund.

5362 Section 160. Section **59-5-119** is amended to read:

5363 **59-5-119. Disposition of certain taxes collected on Navajo Nation Land located in**
5364 **Utah.**

5365 (1) Except as provided in Subsection (2), there shall be deposited into the Navajo
5366 Revitalization Fund established in Section [~~9-11-104~~] 35A-8-1704 for taxes imposed under this
5367 part beginning on July 1, 1997:

5368 (a) 33% of the taxes collected on oil, gas, or other hydrocarbon substances produced
5369 from a well:

5370 (i) for which production began on or before June 30, 1996; and

5371 (ii) attributable to interests in Utah held in trust by the United States for the Navajo
5372 Nation and its members; and

5373 (b) 80% of the taxes collected on oil, gas, or other hydrocarbon substances produced
5374 from a well:

5375 (i) for which production began on or after July 1, 1996; and

5376 (ii) attributable to interests in Utah held in trust by the United States for the Navajo
5377 Nation and its members.

5378 (2) (a) The maximum amount deposited in the Navajo Revitalization Fund may not
5379 exceed:

5380 (i) \$2,000,000 in fiscal year 2006-07; and

5381 (ii) \$3,000,000 for fiscal years beginning with fiscal year 2007-08.

5382 (b) Any amounts in excess of the maximum described in Subsection (2)(a) shall be
5383 deposited into the General Fund.

5384 Section 161. Section **59-10-1306** is amended to read:

5385 **59-10-1306. Homeless contribution -- Credit to Pamela Atkinson Homeless**
5386 **Account.**

5387 (1) Except as provided in Section 59-10-1304, a resident or nonresident individual that
5388 files an individual income tax return under this chapter may designate on the resident or
5389 nonresident individual's individual income tax return a contribution to the Pamela Atkinson
5390 Homeless Account as provided in this part.

5391 (2) The commission shall:

5392 (a) determine annually the total amount of contributions designated in accordance with
5393 this section; and

5394 (b) credit the amount described in Subsection (2)(a) to the Pamela Atkinson Homeless
5395 Account created by Section [~~9-4-803~~] 35A-8-603.

5396 Section 162. Section **59-10-1314** is amended to read:

5397 **59-10-1314. Contribution to Methamphetamine Housing Reconstruction and**
5398 **Rehabilitation Account.**

5399 (1) For a taxable year beginning on or after January 1, 2010, but beginning on or before
5400 December 31, 2012, only, a resident or nonresident individual that files an individual income
5401 tax return under this chapter may designate on the resident or nonresident individual's
5402 individual income tax return a contribution as provided in this section to be:

5403 (a) deposited into the Methamphetamine Housing Reconstruction and Rehabilitation
5404 Account created in Section [~~9-4-1503~~] 35A-8-1103; and

5405 (b) expended for the purposes described in Section [~~9-4-1503~~] 35A-8-1103.

5406 (2) The commission shall:

5407 (a) determine the total amount of contributions designated in accordance with this
5408 section for the taxable year described in Subsection (1); and

5409 (b) credit the amount described in Subsection (2)(a) to the Methamphetamine Housing
5410 Reconstruction and Rehabilitation Account created in Section [~~9-4-1503~~] 35A-8-1103.

5411 Section 163. Section **59-12-103** is amended to read:

5412 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**
5413 **tax revenues.**

5414 (1) A tax is imposed on the purchaser as provided in this part for amounts paid or
5415 charged for the following transactions:

5416 (a) retail sales of tangible personal property made within the state;

5417 (b) amounts paid for:

5418 (i) telecommunications service, other than mobile telecommunications service, that
5419 originates and terminates within the boundaries of this state;

5420 (ii) mobile telecommunications service that originates and terminates within the
5421 boundaries of one state only to the extent permitted by the Mobile Telecommunications

5422 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

5423 (iii) an ancillary service associated with a:

5424 (A) telecommunications service described in Subsection (1)(b)(i); or

5425 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

5426 (c) sales of the following for commercial use:

5427 (i) gas;

5428 (ii) electricity;

5429 (iii) heat;

5430 (iv) coal;

5431 (v) fuel oil; or

5432 (vi) other fuels;

5433 (d) sales of the following for residential use:

5434 (i) gas;

5435 (ii) electricity;

5436 (iii) heat;

5437 (iv) coal;

5438 (v) fuel oil; or

5439 (vi) other fuels;

5440 (e) sales of prepared food;

5441 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or

5442 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,

5443 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,

5444 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit

5445 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf

5446 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,

5447 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,

5448 horseback rides, sports activities, or any other amusement, entertainment, recreation,

5449 exhibition, cultural, or athletic activity;

5450 (g) amounts paid or charged for services for repairs or renovations of tangible personal

5451 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:

5452 (i) the tangible personal property; and

5453 (ii) parts used in the repairs or renovations of the tangible personal property described
5454 in Subsection (1)(g)(i), whether or not any parts are actually used in the repairs or renovations
5455 of that tangible personal property;

5456 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for
5457 assisted cleaning or washing of tangible personal property;

5458 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court
5459 accommodations and services that are regularly rented for less than 30 consecutive days;

5460 (j) amounts paid or charged for laundry or dry cleaning services;

5461 (k) amounts paid or charged for leases or rentals of tangible personal property if within
5462 this state the tangible personal property is:

5463 (i) stored;

5464 (ii) used; or

5465 (iii) otherwise consumed;

5466 (l) amounts paid or charged for tangible personal property if within this state the
5467 tangible personal property is:

5468 (i) stored;

5469 (ii) used; or

5470 (iii) consumed; and

5471 (m) amounts paid or charged for a sale:

5472 (i) (A) of a product transferred electronically; or

5473 (B) of a repair or renovation of a product transferred electronically; and

5474 (ii) regardless of whether the sale provides:

5475 (A) a right of permanent use of the product; or

5476 (B) a right to use the product that is less than a permanent use, including a right:

5477 (I) for a definite or specified length of time; and

5478 (II) that terminates upon the occurrence of a condition.

5479 (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax
5480 is imposed on a transaction described in Subsection (1) equal to the sum of:

5481 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:

5482 (A) 4.70%; and

5483 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales

5484 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
5485 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional
5486 State Sales and Use Tax Act; and

5487 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales
5488 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211
5489 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state
5490 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

5491 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
5492 transaction under this chapter other than this part.

5493 (b) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed
5494 on a transaction described in Subsection (1)(d) equal to the sum of:

5495 (i) a state tax imposed on the transaction at a tax rate of 2%; and

5496 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
5497 transaction under this chapter other than this part.

5498 (c) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed
5499 on amounts paid or charged for food and food ingredients equal to the sum of:

5500 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at
5501 a tax rate of 1.75%; and

5502 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
5503 amounts paid or charged for food and food ingredients under this chapter other than this part.

5504 (d) (i) For a bundled transaction that is attributable to food and food ingredients and
5505 tangible personal property other than food and food ingredients, a state tax and a local tax is
5506 imposed on the entire bundled transaction equal to the sum of:

5507 (A) a state tax imposed on the entire bundled transaction equal to the sum of:

5508 (I) the tax rate described in Subsection (2)(a)(i)(A); and

5509 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State
5510 Sales and Use Tax Act, if the location of the transaction as determined under Sections
5511 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,
5512 Additional State Sales and Use Tax Act; and

5513 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State
5514 Sales and Use Tax Act, if the location of the transaction as determined under Sections

5515 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which
5516 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

5517 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates
5518 described in Subsection (2)(a)(ii).

5519 (ii) Subject to Subsection (2)(d)(iii), for a bundled transaction other than a bundled
5520 transaction described in Subsection (2)(d)(i):

5521 (A) if the sales price of the bundled transaction is attributable to tangible personal
5522 property, a product, or a service that is subject to taxation under this chapter and tangible
5523 personal property, a product, or service that is not subject to taxation under this chapter, the
5524 entire bundled transaction is subject to taxation under this chapter unless:

5525 (I) the seller is able to identify by reasonable and verifiable standards the tangible
5526 personal property, product, or service that is not subject to taxation under this chapter from the
5527 books and records the seller keeps in the seller's regular course of business; or

5528 (II) state or federal law provides otherwise; or

5529 (B) if the sales price of a bundled transaction is attributable to two or more items of
5530 tangible personal property, products, or services that are subject to taxation under this chapter
5531 at different rates, the entire bundled transaction is subject to taxation under this chapter at the
5532 higher tax rate unless:

5533 (I) the seller is able to identify by reasonable and verifiable standards the tangible
5534 personal property, product, or service that is subject to taxation under this chapter at the lower
5535 tax rate from the books and records the seller keeps in the seller's regular course of business; or

5536 (II) state or federal law provides otherwise.

5537 (iii) For purposes of Subsection (2)(d)(ii), books and records that a seller keeps in the
5538 seller's regular course of business includes books and records the seller keeps in the regular
5539 course of business for nontax purposes.

5540 (e) Subject to Subsections (2)(f) and (g), a tax rate repeal or tax rate change for a tax
5541 rate imposed under the following shall take effect on the first day of a calendar quarter:

5542 (i) Subsection (2)(a)(i)(A);

5543 (ii) Subsection (2)(b)(i);

5544 (iii) Subsection (2)(c)(i); or

5545 (iv) Subsection (2)(d)(i)(A)(I).

5546 (f) (i) A tax rate increase shall take effect on the first day of the first billing period that
5547 begins after the effective date of the tax rate increase if the billing period for the transaction
5548 begins before the effective date of a tax rate increase imposed under:

- 5549 (A) Subsection (2)(a)(i)(A);
- 5550 (B) Subsection (2)(b)(i);
- 5551 (C) Subsection (2)(c)(i); or
- 5552 (D) Subsection (2)(d)(i)(A)(I).

5553 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last
5554 billing period that began before the effective date of the repeal of the tax or the tax rate
5555 decrease if the billing period for the transaction begins before the effective date of the repeal of
5556 the tax or the tax rate decrease imposed under:

- 5557 (A) Subsection (2)(a)(i)(A);
- 5558 (B) Subsection (2)(b)(i);
- 5559 (C) Subsection (2)(c)(i); or
- 5560 (D) Subsection (2)(d)(i)(A)(I).

5561 (g) (i) For a tax rate described in Subsection (2)(g)(ii), if a tax due on a catalogue sale
5562 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal
5563 or change in a tax rate takes effect:

- 5564 (A) on the first day of a calendar quarter; and
- 5565 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.

5566 (ii) Subsection (2)(g)(i) applies to the tax rates described in the following:

- 5567 (A) Subsection (2)(a)(i)(A);
- 5568 (B) Subsection (2)(b)(i);
- 5569 (C) Subsection (2)(c)(i); or
- 5570 (D) Subsection (2)(d)(i)(A)(I).

5571 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
5572 the commission may by rule define the term "catalogue sale."

5573 (3) (a) The following state taxes shall be deposited into the General Fund:

- 5574 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 5575 (ii) the tax imposed by Subsection (2)(b)(i);
- 5576 (iii) the tax imposed by Subsection (2)(c)(i); or

- 5577 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).
- 5578 (b) The following local taxes shall be distributed to a county, city, or town as provided
5579 in this chapter:
- 5580 (i) the tax imposed by Subsection (2)(a)(ii);
- 5581 (ii) the tax imposed by Subsection (2)(b)(ii);
- 5582 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 5583 (iv) the tax imposed by Subsection (2)(d)(i)(B).
- 5584 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
5585 2003, the lesser of the following amounts shall be used as provided in Subsections (4)(b)
5586 through (g):
- 5587 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
- 5588 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
- 5589 (B) for the fiscal year; or
- 5590 (ii) \$17,500,000.
- 5591 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
5592 described in Subsection (4)(a) shall be transferred each year as dedicated credits to the
5593 Department of Natural Resources to:
- 5594 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to
5595 protect sensitive plant and animal species; or
- 5596 (B) award grants, up to the amount authorized by the Legislature in an appropriations
5597 act, to political subdivisions of the state to implement the measures described in Subsections
5598 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.
- 5599 (ii) Money transferred to the Department of Natural Resources under Subsection
5600 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other
5601 person to list or attempt to have listed a species as threatened or endangered under the
5602 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.
- 5603 (iii) At the end of each fiscal year:
- 5604 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
5605 Conservation and Development Fund created in Section 73-10-24;
- 5606 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
5607 Program Subaccount created in Section 73-10c-5; and

5608 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
5609 Program Subaccount created in Section 73-10c-5.

5610 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
5611 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund
5612 created in Section 4-18-6.

5613 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described
5614 in Subsection (4)(a) shall be transferred each year as dedicated credits to the Division of Water
5615 Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of
5616 water rights.

5617 (ii) At the end of each fiscal year:

5618 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources
5619 Conservation and Development Fund created in Section 73-10-24;

5620 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan
5621 Program Subaccount created in Section 73-10c-5; and

5622 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan
5623 Program Subaccount created in Section 73-10c-5.

5624 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described
5625 in Subsection (4)(a) shall be deposited in the Water Resources Conservation and Development
5626 Fund created in Section 73-10-24 for use by the Division of Water Resources.

5627 (ii) In addition to the uses allowed of the Water Resources Conservation and
5628 Development Fund under Section 73-10-24, the Water Resources Conservation and
5629 Development Fund may also be used to:

5630 (A) conduct hydrologic and geotechnical investigations by the Division of Water
5631 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of
5632 quantifying surface and ground water resources and describing the hydrologic systems of an
5633 area in sufficient detail so as to enable local and state resource managers to plan for and
5634 accommodate growth in water use without jeopardizing the resource;

5635 (B) fund state required dam safety improvements; and

5636 (C) protect the state's interest in interstate water compact allocations, including the
5637 hiring of technical and legal staff.

5638 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described

5639 in Subsection (4)(a) shall be deposited in the Utah Wastewater Loan Program Subaccount
5640 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

5641 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
5642 in Subsection (4)(a) shall be deposited in the Drinking Water Loan Program Subaccount
5643 created in Section 73-10c-5 for use by the Division of Drinking Water to:

5644 (i) provide for the installation and repair of collection, treatment, storage, and
5645 distribution facilities for any public water system, as defined in Section 19-4-102;

5646 (ii) develop underground sources of water, including springs and wells; and

5647 (iii) develop surface water sources.

5648 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
5649 2006, the difference between the following amounts shall be expended as provided in this
5650 Subsection (5), if that difference is greater than \$1:

5651 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the
5652 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

5653 (ii) \$17,500,000.

5654 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

5655 (A) transferred each fiscal year to the Department of Natural Resources as dedicated
5656 credits; and

5657 (B) expended by the Department of Natural Resources for watershed rehabilitation or
5658 restoration.

5659 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
5660 in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund
5661 created in Section 73-10-24.

5662 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
5663 remaining difference described in Subsection (5)(a) shall be:

5664 (A) transferred each fiscal year to the Division of Water Resources as dedicated
5665 credits; and

5666 (B) expended by the Division of Water Resources for cloud-seeding projects
5667 authorized by Title 73, Chapter 15, Modification of Weather.

5668 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described
5669 in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund

5670 created in Section 73-10-24.

5671 (d) After making the transfers required by Subsections (5)(b) and (c), 94% of the
5672 remaining difference described in Subsection (5)(a) shall be deposited into the Water
5673 Resources Conservation and Development Fund created in Section 73-10-24 for use by the
5674 Division of Water Resources for:

5675 (i) preconstruction costs:

5676 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter
5677 26, Bear River Development Act; and

5678 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
5679 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

5680 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,
5681 Chapter 26, Bear River Development Act;

5682 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project
5683 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

5684 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, 73-10-30, and
5685 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

5686 (e) After making the transfers required by Subsections (5)(b) and (c) and subject to
5687 Subsection (5)(f), 6% of the remaining difference described in Subsection (5)(a) shall be
5688 transferred each year as dedicated credits to the Division of Water Rights to cover the costs
5689 incurred for employing additional technical staff for the administration of water rights.

5690 (f) At the end of each fiscal year, any unexpended dedicated credits described in
5691 Subsection (5)(e) over \$150,000 lapse to the Water Resources Conservation and Development
5692 Fund created in Section 73-10-24.

5693 (6) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
5694 2003, and for taxes listed under Subsection (3)(a), the amount of revenue generated by a 1/16%
5695 tax rate on the transactions described in Subsection (1) for the fiscal year shall be deposited in
5696 the Transportation Fund created by Section 72-2-102.

5697 (7) (a) Notwithstanding Subsection (3)(a) and until Subsection (7)(b) applies,
5698 beginning on January 1, 2000, the Division of Finance shall deposit into the Centennial
5699 Highway Fund Restricted Account created in Section 72-2-118 a portion of the taxes listed
5700 under Subsection (3)(a) equal to the revenues generated by a 1/64% tax rate on the taxable

5701 transactions under Subsection (1).

5702 (b) Notwithstanding Subsection (3)(a), when the highway general obligation bonds
5703 have been paid off and the highway projects completed that are intended to be paid from
5704 revenues deposited in the Centennial Highway Fund Restricted Account as determined by the
5705 Executive Appropriations Committee under Subsection 72-2-118(6)(d), the Division of
5706 Finance shall deposit into the Transportation Investment Fund of 2005 created by Section
5707 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to the revenues generated
5708 by a 1/64% tax rate on the taxable transactions under Subsection (1).

5709 (8) (a) Notwithstanding Subsection (3)(a) and in addition to the amount deposited in
5710 Subsection (7)(a), for the 2010-11 fiscal year only, the Division of Finance shall deposit into
5711 the Centennial Highway Fund Restricted Account created by Section 72-2-118 a portion of the
5712 taxes listed under Subsection (3)(a) equal to 1.93% of the revenues collected from the
5713 following taxes, which represents a portion of the approximately 17% of sales and use tax
5714 revenues generated annually by the sales and use tax on vehicles and vehicle-related products:

- 5715 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 5716 (ii) the tax imposed by Subsection (2)(b)(i);
- 5717 (iii) the tax imposed by Subsection (2)(c)(i); and
- 5718 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

5719 (b) Notwithstanding Subsection (3)(a), in addition to the amount deposited in
5720 Subsection (7)(a), and until Subsection (8)(c) applies, for the 2011-12 fiscal year only, the
5721 Division of Finance shall deposit into the Centennial Highway Fund Restricted Account
5722 created by Section 72-2-118 a portion of the taxes listed under Subsection (3)(a) equal to 8.3%
5723 of the revenues collected from the following taxes, which represents a portion of the
5724 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
5725 on vehicles and vehicle-related products:

- 5726 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 5727 (ii) the tax imposed by Subsection (2)(b)(i);
- 5728 (iii) the tax imposed by Subsection (2)(c)(i); and
- 5729 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

5730 (c) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
5731 Subsection (7)(b), and until Subsection (8)(d) or (e) applies, when the highway general

5732 obligation bonds have been paid off and the highway projects completed that are intended to be
5733 paid from revenues deposited in the Centennial Highway Fund Restricted Account as
5734 determined by the Executive Appropriations Committee under Subsection 72-2-118(6)(d), the
5735 Division of Finance shall deposit into the Transportation Investment Fund of 2005 created by
5736 Section 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to 8.3% of the
5737 revenues collected from the following taxes, which represents a portion of the approximately
5738 17% of sales and use tax revenues generated annually by the sales and use tax on vehicles and
5739 vehicle-related products:

- 5740 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 5741 (ii) the tax imposed by Subsection (2)(b)(i);
- 5742 (iii) the tax imposed by Subsection (2)(c)(i); and
- 5743 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

5744 (d) Notwithstanding Subsection (3)(a), in addition to the amounts deposited in
5745 Subsection (7)(a), until Subsection (8)(e) applies, and subject to Subsection (8)(f), for a fiscal
5746 year beginning on or after July 1, 2012, the Division of Finance shall deposit into the
5747 Centennial Highway Fund Restricted Account created by Section 72-2-118:

5748 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of
5749 the revenues collected from the following taxes, which represents a portion of the
5750 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
5751 on vehicles and vehicle-related products:

- 5752 (A) the tax imposed by Subsection (2)(a)(i)(A);
- 5753 (B) the tax imposed by Subsection (2)(b)(i);
- 5754 (C) the tax imposed by Subsection (2)(c)(i); and
- 5755 (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

5756 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
5757 current fiscal year from the sales and use taxes described in Subsections (8)(d)(i)(A) through
5758 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
5759 (8)(d)(i)(A) through (D) in the 2010-11 fiscal year.

5760 (e) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
5761 Subsection (7)(b), and subject to Subsection (8)(f), when the highway general obligation bonds
5762 have been paid off and the highway projects completed that are intended to be paid from

5763 revenues deposited in the Centennial Highway Fund Restricted Account as determined by the
5764 Executive Appropriations Committee under Subsection 72-2-118(6)(d), for a fiscal year
5765 beginning on or after July 1, 2012, the Division of Finance shall deposit into the Transportation
5766 Investment Fund of 2005 created by Section 72-2-124:

5767 (i) a portion of the taxes listed under Subsection (3)(a) in an amount equal to 8.3% of
5768 the revenues collected from the following taxes, which represents a portion of the
5769 approximately 17% of sales and use tax revenues generated annually by the sales and use tax
5770 on vehicles and vehicle-related products:

5771 (A) the tax imposed by Subsection (2)(a)(i)(A);

5772 (B) the tax imposed by Subsection (2)(b)(i);

5773 (C) the tax imposed by Subsection (2)(c)(i); and

5774 (D) the tax imposed by Subsection (2)(d)(i)(A)(I); plus

5775 (ii) an amount equal to 30% of the growth in the amount of revenues collected in the
5776 current fiscal year from the sales and use taxes described in Subsections (8)(e)(i)(A) through
5777 (D) that exceeds the amount collected from the sales and use taxes described in Subsections
5778 (8)(e)(i)(A) through (D) in the 2010-11 fiscal year.

5779 (f) (i) Subject to Subsections (8)(f)(ii) and (iii), in any fiscal year that the portion of the
5780 sales and use taxes deposited under Subsection (8)(d) or (e) represents an amount that is a total
5781 lower percentage of the sales and use taxes described in Subsections (8)(e)(i)(A) through (D)
5782 generated in the current fiscal year than the total percentage of sales and use taxes deposited in
5783 the previous fiscal year, the Division of Finance shall deposit an amount under Subsection
5784 (8)(d) or (e) equal to the product of:

5785 (A) the total percentage of sales and use taxes deposited under Subsection (8)(d) or (e)
5786 in the previous fiscal year; and

5787 (B) the total sales and use tax revenue generated by the taxes described in Subsections
5788 (8)(e)(i)(A) through (D) in the current fiscal year.

5789 (ii) In any fiscal year in which the portion of the sales and use taxes deposited under
5790 Subsection (8)(d) or (e) would exceed 17% of the revenues collected from the sales and use
5791 taxes described in Subsections (8)(e)(i)(A) through (D) in the current fiscal year, the Division
5792 of Finance shall deposit 17% of the revenues collected from the sales and use taxes described
5793 in Subsections (8)(e)(i)(A) through (D) for the current fiscal year under Subsection (8)(d) or

5794 (e).

5795 (iii) In all subsequent fiscal years after a year in which 17% of the revenues collected
5796 from the sales and use taxes described in Subsections (8)(e)(i)(A) through (D) was deposited
5797 under Subsection (8)(d) or (e), the Division of Finance shall annually deposit 17% of the
5798 revenues collected from the sales and use taxes described in Subsections (8)(e)(i)(A) through
5799 (D) in the current fiscal year under Subsection (8)(d) or (e).

5800 (9) (a) Notwithstanding Subsection (3)(a) and for the fiscal year 2008-09 only, the
5801 Division of Finance shall deposit \$55,000,000 of the revenues generated by the taxes listed
5802 under Subsection (3)(a) into the Critical Highway Needs Fund created by Section 72-2-125.

5803 (b) Notwithstanding Subsection (3)(a) and until Subsection (9)(c) applies, for a fiscal
5804 year beginning on or after July 1, 2009, the Division of Finance shall annually deposit
5805 \$90,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the
5806 Critical Highway Needs Fund created by Section 72-2-125.

5807 (c) Notwithstanding Subsection (3)(a) and in addition to any amounts deposited under
5808 Subsections (7) and (8), when the general obligation bonds authorized by Section 63B-16-101
5809 have been paid off and the highway projects completed that are included in the prioritized
5810 project list under Subsection 72-2-125(4) as determined in accordance with Subsection
5811 72-2-125(6), the Division of Finance shall annually deposit \$90,000,000 of the revenues
5812 generated by the taxes listed under Subsection (3)(a) into the Transportation Investment Fund
5813 of 2005 created by Section 72-2-124.

5814 (10) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
5815 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund
5816 created by Section [~~9-4-1409~~] 35A-8-1009 and expended as provided in Section [~~9-4-1409~~]
5817 35A-8-1009.

5818 (11) (a) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection
5819 (11)(a)(ii), and until Subsection (11)(b) applies, beginning on January 1, 2009, the Division of
5820 Finance shall deposit into the Critical Highway Needs Fund created by Section 72-2-125 the
5821 amount of tax revenue generated by a .025% tax rate on the transactions described in
5822 Subsection (1).

5823 (ii) For purposes of Subsection (11)(a)(i), the Division of Finance may not deposit into
5824 the Critical Highway Needs Fund any tax revenue generated by amounts paid or charged for

5825 food and food ingredients, except for tax revenue generated by a bundled transaction
5826 attributable to food and food ingredients and tangible personal property other than food and
5827 food ingredients described in Subsection (2)~~(e)~~(d).

5828 (b) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection (11)(b)(ii),
5829 and in addition to any amounts deposited under Subsections (7), (9), and (10), when the general
5830 obligation bonds authorized by Section 63B-16-101 have been paid off and the highway
5831 projects completed that are included in the prioritized project list under Subsection 72-2-125(4)
5832 as determined in accordance with Subsection 72-2-125(6), the Division of Finance shall
5833 deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 the
5834 amount of tax revenue generated by a .025% tax rate on the transactions described in
5835 Subsection (1).

5836 (ii) For purposes of Subsection (11)(b)(i), the Division of Finance may not deposit into
5837 the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or
5838 charged for food and food ingredients, except for tax revenue generated by a bundled
5839 transaction attributable to food and food ingredients and tangible personal property other than
5840 food and food ingredients described in Subsection (2)~~(e)~~(d).

5841 (12) (a) Notwithstanding Subsection (3)(a), and except as provided in Subsection
5842 (12)(b), beginning on January 1, 2009, the Division of Finance shall deposit into the
5843 Transportation Fund created by Section 72-2-102 the amount of tax revenue generated by a
5844 .025% tax rate on the transactions described in Subsection (1) to be expended to address
5845 chokepoints in construction management.

5846 (b) For purposes of Subsection (12)(a), the Division of Finance may not deposit into
5847 the Transportation Fund any tax revenue generated by amounts paid or charged for food and
5848 food ingredients, except for tax revenue generated by a bundled transaction attributable to food
5849 and food ingredients and tangible personal property other than food and food ingredients
5850 described in Subsection (2)~~(e)~~(d).

5851 Section 164. Section **59-12-204** is amended to read:

5852 **59-12-204. Sales and use tax ordinance provisions -- Tax rate -- Distribution of**
5853 **tax revenues -- Commission requirement to retain an amount to be deposited into the**
5854 **Qualified Emergency Food Agencies Fund.**

5855 (1) The tax ordinance adopted pursuant to this part shall impose a tax upon those

5856 transactions listed in Subsection 59-12-103(1).

5857 (2) (a) The tax ordinance under Subsection (1) shall include a provision imposing a tax
5858 upon every transaction listed in Subsection 59-12-103(1) made within a county, including areas
5859 contained within the cities and towns located in the county:

5860 (i) at the rate of 1% of the purchase price paid or charged; and

5861 (ii) if the location of the transaction is within the county as determined under Sections
5862 59-12-211 through 59-12-215.

5863 (b) Notwithstanding Subsection (2)(a), a tax ordinance under this Subsection (2) shall
5864 include a provision prohibiting a county, city, or town from imposing a tax under this section
5865 on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
5866 exempt from taxation under Section 59-12-104.

5867 (3) Such tax ordinance shall include provisions substantially the same as those
5868 contained in Part 1, Tax Collection, insofar as they relate to sales or use tax, except that the
5869 name of the county as the taxing agency shall be substituted for that of the state where
5870 necessary for the purpose of this part and that an additional license is not required if one has
5871 been or is issued under Section 59-12-106.

5872 (4) Such tax ordinance shall include a provision that the county shall contract, prior to
5873 the effective date of the ordinance, with the commission to perform all functions incident to the
5874 administration or operation of the ordinance.

5875 (5) Such tax ordinance shall include a provision that the sale, storage, use, or other
5876 consumption of tangible personal property, the purchase price or the cost of which has been
5877 subject to sales or use tax under a sales and use tax ordinance enacted in accordance with this
5878 part by any county, city, or town in any other county in this state, shall be exempt from the tax
5879 due under this ordinance.

5880 (6) Such tax ordinance shall include a provision that any person subject to the
5881 provisions of a city or town sales and use tax shall be exempt from the county sales and use tax
5882 if the city or town sales and use tax is levied under an ordinance including provisions in
5883 substance as follows:

5884 (a) a provision imposing a tax upon every transaction listed in Subsection 59-12-103(1)
5885 made within the city or town at the rate imposed by the county in which it is situated pursuant
5886 to Subsection (2);

5887 (b) notwithstanding Subsection (2)(a), a provision prohibiting the city or town from
5888 imposing a tax under this section on the sales and uses described in Section 59-12-104 to the
5889 extent the sales and uses are exempt from taxation under Section 59-12-104;

5890 (c) provisions substantially the same as those contained in Part 1, Tax Collection,
5891 insofar as they relate to sales and use taxes, except that the name of the city or town as the
5892 taxing agency shall be substituted for that of the state where necessary for the purposes of this
5893 part;

5894 (d) a provision that the city or town shall contract prior to the effective date of the city
5895 or town sales and use tax ordinance with the commission to perform all functions incident to
5896 the administration or operation of the sales and use tax ordinance of the city or town;

5897 (e) a provision that the sale, storage, use, or other consumption of tangible personal
5898 property, the gross receipts from the sale of or the cost of which has been subject to sales or use
5899 tax under a sales and use tax ordinance enacted in accordance with this part by any county
5900 other than the county in which the city or town is located, or city or town in this state, shall be
5901 exempt from the tax; and

5902 (f) a provision that the amount of any tax paid under Part 1, Tax Collection, shall not
5903 be included as a part of the purchase price paid or charged for a taxable item.

5904 (7) Notwithstanding any other provision of this section, beginning July 1, 2000, the
5905 commission shall:

5906 (a) determine and retain the portion of sales and use tax imposed under this section:

5907 (i) by each county and by each city and town within that county whose legislative body
5908 consents by resolution to the commission's retaining and depositing sales and use tax revenues
5909 as provided in this Subsection (7); and

5910 (ii) that is equal to the revenues generated by a 1/64% tax rate;

5911 (b) deposit the revenues described in Subsection (7)(a) into a special fund of the
5912 county, or a city, town, or other political subdivision of the state located within that county, that
5913 has issued bonds to finance sports or recreational facilities or that is leasing sports or
5914 recreational facilities, in order to repay those bonds or to pay the lease payments; and

5915 (c) continue to deposit those revenues into the special fund only as long as the bonds or
5916 leases are outstanding.

5917 (8) (a) Notwithstanding any other provision of this section, beginning on July 1, 2009,

5918 the commission shall calculate and retain a portion of the sales and use tax collected under this
5919 part as provided in this Subsection (8).

5920 (b) For a city, town, or unincorporated area of a county that imposes a tax under this
5921 part, the commission shall calculate a percentage each month by dividing the sales and use tax
5922 collected under this part for that month within the boundaries of that city, town, or
5923 unincorporated area of a county by the total sales and use tax collected under this part for that
5924 month within the boundaries of all of the cities, towns, and unincorporated areas of the
5925 counties that impose a tax under this part.

5926 (c) For a city, town, or unincorporated area of a county that imposes a tax under this
5927 part, the commission shall retain each month an amount equal to the product of:

5928 (i) the percentage the commission determines for the month under Subsection (8)(b)
5929 for the city, town, or unincorporated area of a county; and

5930 (ii) \$25,417.

5931 (d) The commission shall deposit an amount the commission retains in accordance
5932 with this Subsection (8) into the Qualified Emergency Food Agencies Fund created by Section
5933 [~~9-4-1409~~] 35A-8-1009.

5934 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
5935 Fund shall be expended as provided in Section [~~9-4-1409~~] 35A-8-1009.

5936 Section 165. Section **59-12-1102** is amended to read:

5937 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**
5938 **Administration -- Administrative charge -- Commission requirement to retain an amount**
5939 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal**
5940 **of tax -- Effective date -- Notice requirements.**

5941 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax
5942 authorized by this chapter, a county may impose by ordinance a county option sales and use tax
5943 of .25% upon the transactions described in Subsection 59-12-103(1).

5944 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this
5945 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are
5946 exempt from taxation under Section 59-12-104.

5947 (b) For purposes of this Subsection (1), the location of a transaction shall be
5948 determined in accordance with Sections 59-12-211 through 59-12-215.

5949 (c) The county option sales and use tax under this section shall be imposed:
5950 (i) upon transactions that are located within the county, including transactions that are
5951 located within municipalities in the county; and
5952 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of
5953 January:
5954 (A) of the next calendar year after adoption of the ordinance imposing the tax if the
5955 ordinance is adopted on or before May 25; or
5956 (B) of the second calendar year after adoption of the ordinance imposing the tax if the
5957 ordinance is adopted after May 25.
5958 (d) Notwithstanding Subsection (1)(c)(ii), the county option sales and use tax under
5959 this section shall be imposed:
5960 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before
5961 September 4, 1997; or
5962 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997
5963 but after September 4, 1997.
5964 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a
5965 county shall hold two public hearings on separate days in geographically diverse locations in
5966 the county.
5967 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting
5968 time of no earlier than 6 p.m.
5969 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven
5970 days after the day the first advertisement required by Subsection (2)(c) is published.
5971 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county
5972 shall advertise:
5973 (A) its intent to adopt a county option sales and use tax;
5974 (B) the date, time, and location of each public hearing; and
5975 (C) a statement that the purpose of each public hearing is to obtain public comments
5976 regarding the proposed tax.
5977 (ii) The advertisement shall be published:
5978 (A) in a newspaper of general circulation in the county once each week for the two
5979 weeks preceding the earlier of the two public hearings; and

5980 (B) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks
5981 preceding the earlier of the two public hearings.

5982 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8
5983 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch
5984 border.

5985 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that
5986 portion of the newspaper where legal notices and classified advertisements appear.

5987 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

5988 (A) the advertisement shall appear in a newspaper that is published at least five days a
5989 week, unless the only newspaper in the county is published less than five days a week; and

5990 (B) the newspaper selected shall be one of general interest and readership in the
5991 community, and not one of limited subject matter.

5992 (d) The adoption of an ordinance imposing a county option sales and use tax is subject
5993 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part
5994 6, Local Referenda - Procedures.

5995 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a
5996 county option sales and use tax under Subsection (1) is less than 75% of the state population,
5997 the tax levied under Subsection (1) shall be distributed to the county in which the tax was
5998 collected.

5999 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a
6000 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state
6001 population:

6002 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to
6003 the county in which the tax was collected; and

6004 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection
6005 (1) in each county shall be distributed proportionately among all counties imposing the tax,
6006 based on the total population of each county.

6007 (c) Except as provided in Subsection (5), the amount to be distributed annually to a
6008 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county
6009 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

6010 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall

6011 be increased so that, when combined with the amount distributed to the county under
6012 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

6013 (ii) the amount to be distributed annually to all other counties under Subsection
6014 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under
6015 Subsection (3)(c)(i).

6016 (d) The commission shall establish rules to implement the distribution of the tax under
6017 Subsections (3)(a), (b), and (c).

6018 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part
6019 shall be administered, collected, and enforced in accordance with:

6020 (i) the same procedures used to administer, collect, and enforce the tax under:

6021 (A) Part 1, Tax Collection; or

6022 (B) Part 2, Local Sales and Use Tax Act; and

6023 (ii) Chapter 1, General Taxation Policies.

6024 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to
6025 Subsections 59-12-205(2) through (6).

6026 (c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an
6027 administrative charge in accordance with Section 59-1-306 from the revenues the commission
6028 collects from a tax under this part.

6029 (ii) Notwithstanding Section 59-1-306, the administrative charge described in
6030 Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of
6031 the distribution amounts resulting after:

6032 (A) the applicable distribution calculations under Subsection (3) have been made; and

6033 (B) the commission retains the amount required by Subsection (5).

6034 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion
6035 of the sales and use tax collected under this part as provided in this Subsection (5).

6036 (b) For a county that imposes a tax under this part, the commission shall calculate a
6037 percentage each month by dividing the sales and use tax collected under this part for that
6038 month within the boundaries of that county by the total sales and use tax collected under this
6039 part for that month within the boundaries of all of the counties that impose a tax under this part.

6040 (c) For a county that imposes a tax under this part, the commission shall retain each
6041 month an amount equal to the product of:

6042 (i) the percentage the commission determines for the month under Subsection (5)(b)
6043 for the county; and

6044 (ii) \$6,354.

6045 (d) The commission shall deposit an amount the commission retains in accordance
6046 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section
6047 [~~9-4-1409~~] 35A-8-1009.

6048 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
6049 Fund shall be expended as provided in Section [~~9-4-1409~~] 35A-8-1009.

6050 (6) (a) For purposes of this Subsection (6):

6051 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County
6052 Consolidations and Annexations.

6053 (ii) "Annexing area" means an area that is annexed into a county.

6054 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a
6055 county enacts or repeals a tax under this part:

6056 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

6057 (II) the repeal shall take effect on the first day of a calendar quarter; and

6058 (B) after a 90-day period beginning on the date the commission receives notice meeting
6059 the requirements of Subsection (6)(b)(ii) from the county.

6060 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

6061 (A) that the county will enact or repeal a tax under this part;

6062 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

6063 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

6064 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the
6065 tax.

6066 (c) (i) The enactment of a tax shall take effect on the first day of the first billing period:

6067 (A) that begins after the effective date of the enactment of the tax; and

6068 (B) if the billing period for the transaction begins before the effective date of the
6069 enactment of the tax under Subsection (1).

6070 (ii) The repeal of a tax shall take effect on the first day of the last billing period:

6071 (A) that began before the effective date of the repeal of the tax; and

6072 (B) if the billing period for the transaction begins before the effective date of the repeal

6073 of the tax imposed under Subsection (1).

6074 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
6075 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in
6076 Subsection (6)(b)(i) takes effect:

6077 (A) on the first day of a calendar quarter; and

6078 (B) beginning 60 days after the effective date of the enactment or repeal under
6079 Subsection (6)(b)(i).

6080 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
6081 commission may by rule define the term "catalogue sale."

6082 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs
6083 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this
6084 part for an annexing area, the enactment or repeal shall take effect:

6085 (A) on the first day of a calendar quarter; and

6086 (B) after a 90-day period beginning on the date the commission receives notice meeting
6087 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

6088 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

6089 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or
6090 repeal of a tax under this part for the annexing area;

6091 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

6092 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

6093 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

6094 (f) (i) The enactment of a tax shall take effect on the first day of the first billing period:

6095 (A) that begins after the effective date of the enactment of the tax; and

6096 (B) if the billing period for the transaction begins before the effective date of the
6097 enactment of the tax under Subsection (1).

6098 (ii) The repeal of a tax shall take effect on the first day of the last billing period:

6099 (A) that began before the effective date of the repeal of the tax; and

6100 (B) if the billing period for the transaction begins before the effective date of the repeal
6101 of the tax imposed under Subsection (1).

6102 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of
6103 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in

6104 Subsection (6)(e)(i) takes effect:

6105 (A) on the first day of a calendar quarter; and

6106 (B) beginning 60 days after the effective date of the enactment or repeal under

6107 Subsection (6)(e)(i).

6108 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
6109 commission may by rule define the term "catalogue sale."

6110 Section 166. Section **59-21-1** is amended to read:

6111 **59-21-1. Disposition of federal mineral lease money -- Priority to political**
6112 **subdivisions impacted by mineral development -- Disposition of mineral bonus payments**
6113 **-- Appropriation of money attributable to royalties from extraction of minerals on federal**
6114 **land located within boundaries of Grand Staircase-Escalante National Monument.**

6115 (1) Except as provided in Subsections (2) through (4), all money received from the
6116 United States under the provisions of the Mineral Lands Leasing Act, 30 U.S.C. Sec. 181 et
6117 seq., shall:

6118 (a) be deposited in the Mineral Lease Account of the General Fund; and

6119 (b) be appropriated by the Legislature giving priority to those subdivisions of the state
6120 socially or economically impacted by development of minerals leased under the Mineral Lands
6121 Leasing Act, for:

6122 (i) planning;

6123 (ii) construction and maintenance of public facilities; and

6124 (iii) provision of public services.

6125 (2) Seventy percent of money received from federal mineral lease bonus payments
6126 shall be deposited into the Permanent Community Impact Fund and shall be used as provided
6127 in Title [9] 35A, Chapter [4] 8, Part 3, Community Impact Alleviation.

6128 (3) Thirty percent of money received from federal mineral lease bonus payments shall
6129 be deposited in the Mineral Bonus Account created by Subsection 59-21-2(1) and appropriated
6130 as provided in that subsection.

6131 (4) (a) For purposes of this Subsection (4):

6132 (i) the "boundaries of the Grand Staircase-Escalante National Monument" means the
6133 boundaries:

6134 (A) established by Presidential Proclamation No. 6920, 61 Fed. Reg. 50,223 (1996);

6135 and

6136 (B) modified by:

6137 (I) Pub. L. No. 105-335, 112 Stat. 3139; and

6138 (II) Pub. L. No. 105-355, 112 Stat. 3247; and

6139 (ii) a special service district, school district, or federal land is considered to be located
6140 within the boundaries of the Grand Staircase-Escalante National Monument if a portion of the
6141 special service district, school district, or federal land is located within the boundaries
6142 described in Subsection (4)(a)(i).

6143 (b) Beginning on July 1, 1999, the Legislature shall appropriate, as provided in
6144 Subsections (4)(c) through (g), money received from the United States that is attributable to
6145 royalties from the extraction of minerals on federal land that, on September 18, 1996, was
6146 located within the boundaries of the Grand Staircase-Escalante National Monument.

6147 (c) The Legislature shall annually appropriate 40% of the money described in
6148 Subsection (4)(b) to the Department of Transportation to be distributed by the Department of
6149 Transportation to special service districts that are:

6150 (i) established by counties under Title 17D, Chapter 1, Special Service District Act;

6151 (ii) socially or economically impacted by the development of minerals under the
6152 Mineral Lands Leasing Act; and

6153 (iii) located within the boundaries of the Grand Staircase-Escalante National
6154 Monument.

6155 (d) The Department of Transportation shall distribute the money described in
6156 Subsection (4)(c) in amounts proportionate to the amount of federal mineral lease money
6157 generated by the county in which a special service district is located.

6158 (e) The Legislature shall annually appropriate 40% of the money described in
6159 Subsection (4)(b) to the State Board of Education to be distributed equally to school districts
6160 that are:

6161 (i) socially or economically impacted by the development of minerals under the
6162 Mineral Lands Leasing Act; and

6163 (ii) located within the boundaries of the Grand Staircase-Escalante National
6164 Monument.

6165 (f) The Legislature shall annually appropriate 2.25% of the money described in

6166 Subsection (4)(b) to the Utah Geological Survey to facilitate the development of energy and
6167 mineral resources in counties that are:

6168 (i) socially or economically impacted by the development of minerals under the
6169 Mineral Lands Leasing Act; and

6170 (ii) located within the boundaries of the Grand Staircase-Escalante National
6171 Monument.

6172 (g) Seventeen and three-fourths percent of the money described in Subsection (4)(b)
6173 shall be deposited annually into the State School Fund established by Utah Constitution Article
6174 X, Section 5.

6175 Section 167. Section **59-21-2** is amended to read:

6176 **59-21-2. Mineral Bonus Account created -- Contents -- Use of Mineral Bonus**
6177 **Account money -- Mineral Lease Account created -- Contents -- Appropriation of money**
6178 **from Mineral Lease Account.**

6179 (1) (a) There is created a restricted account within the General Fund known as the
6180 "Mineral Bonus Account."

6181 (b) The Mineral Bonus Account consists of federal mineral lease bonus payments
6182 deposited pursuant to Subsection 59-21-1(3).

6183 (c) The Legislature shall make appropriations from the Mineral Bonus Account in
6184 accordance with Section 35 of the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 191.

6185 (d) The state treasurer shall:

6186 (i) invest the money in the Mineral Bonus Account by following the procedures and
6187 requirements of Title 51, Chapter 7, State Money Management Act; and

6188 (ii) deposit all interest or other earnings derived from the account into the Mineral
6189 Bonus Account.

6190 (2) (a) There is created a restricted account within the General Fund known as the
6191 "Mineral Lease Account."

6192 (b) The Mineral Lease Account consists of federal mineral lease money deposited
6193 pursuant to Subsection 59-21-1(1).

6194 (c) The Legislature shall make appropriations from the Mineral Lease Account as
6195 provided in Subsection 59-21-1(1) and this Subsection (2).

6196 (d) The Legislature shall annually appropriate 32.5% of all deposits made to the

6197 Mineral Lease Account to the Permanent Community Impact Fund established by Section
6198 [~~9-4-303~~] 35A-8-303.

6199 (e) The Legislature shall annually appropriate 2.25% of all deposits made to the
6200 Mineral Lease Account to the State Board of Education, to be used for education research and
6201 experimentation in the use of staff and facilities designed to improve the quality of education in
6202 Utah.

6203 (f) The Legislature shall annually appropriate 2.25% of all deposits made to the
6204 Mineral Lease Account to the Utah Geological Survey, to be used for activities carried on by
6205 the survey having as a purpose the development and exploitation of natural resources in the
6206 state.

6207 (g) The Legislature shall annually appropriate 2.25% of all deposits made to the
6208 Mineral Lease Account to the Water Research Laboratory at Utah State University, to be used
6209 for activities carried on by the laboratory having as a purpose the development and exploitation
6210 of water resources in the state.

6211 (h) (i) The Legislature shall annually appropriate to the Department of Transportation
6212 40% of all deposits made to the Mineral Lease Account to be distributed as provided in
6213 Subsection (2)(h)(ii) to:

6214 (A) counties;

6215 (B) special service districts established:

6216 (I) by counties;

6217 (II) under Title 17D, Chapter 1, Special Service District Act; and

6218 (III) for the purpose of constructing, repairing, or maintaining roads; or

6219 (C) special service districts established:

6220 (I) by counties;

6221 (II) under Title 17D, Chapter 1, Special Service District Act; and

6222 (III) for other purposes authorized by statute.

6223 (ii) The Department of Transportation shall allocate the funds specified in Subsection
6224 (2)(h)(i):

6225 (A) in amounts proportionate to the amount of mineral lease money generated by each
6226 county; and

6227 (B) to a county or special service district established by a county under Title 17D,

6228 Chapter 1, Special Service District Act, as determined by the county legislative body.

6229 (i) (i) The Legislature shall annually appropriate 5% of all deposits made to the

6230 Mineral Lease Account to the Department of [~~Community and Culture~~] Workforce Services to

6231 be distributed to:

6232 (A) special service districts established:

6233 (I) by counties;

6234 (II) under Title 17D, Chapter 1, Special Service District Act; and

6235 (III) for the purpose of constructing, repairing, or maintaining roads; or

6236 (B) special service districts established:

6237 (I) by counties;

6238 (II) under Title 17D, Chapter 1, Special Service District Act; and

6239 (III) for other purposes authorized by statute.

6240 (ii) The Department of [~~Community and Culture~~] Workforce Services may distribute

6241 the amounts described in Subsection (2)(i)(i) only to special service districts established under

6242 Title 17D, Chapter 1, Special Service District Act, by counties:

6243 (A) of the third, fourth, fifth, or sixth class;

6244 (B) in which 4.5% or less of the mineral lease money within the state is generated; and

6245 (C) that are significantly socially or economically impacted as provided in Subsection

6246 (2)(i)(iii) by the development of minerals under the Mineral Lands Leasing Act, 30 U.S.C. Sec.

6247 181 et seq.

6248 (iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C)

6249 shall be as a result of:

6250 (A) the transportation within the county of hydrocarbons, including solid hydrocarbons

6251 as defined in Section 59-5-101;

6252 (B) the employment of persons residing within the county in hydrocarbon extraction,

6253 including the extraction of solid hydrocarbons as defined in Section 59-5-101; or

6254 (C) a combination of Subsections (2)(i)(iii)(A) and (B).

6255 (iv) For purposes of distributing the appropriations under this Subsection (2)(i) to

6256 special service districts established by counties under Title 17D, Chapter 1, Special Service

6257 District Act, the Department of [~~Community and Culture~~] Workforce Services shall:

6258 (A) (I) allocate 50% of the appropriations equally among the counties meeting the

6259 requirements of Subsections (2)(i)(ii) and (iii); and

6260 (II) allocate 50% of the appropriations based on the ratio that the population of each
6261 county meeting the requirements of Subsections (2)(i)(ii) and (iii) bears to the total population
6262 of all of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and

6263 (B) after making the allocations described in Subsection (2)(i)(iv)(A), distribute the
6264 allocated revenues to special service districts established by the counties under Title 17D,
6265 Chapter 1, Special Service District Act, as determined by the executive director of the
6266 Department of [~~Community and Culture~~] Workforce Services after consulting with the county
6267 legislative bodies of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii).

6268 (v) The executive director of the Department of [~~Community and Culture~~] Workforce
6269 Services:

6270 (A) shall determine whether a county meets the requirements of Subsections (2)(i)(ii)
6271 and (iii);

6272 (B) shall distribute the appropriations under Subsection (2)(i)(i) to special service
6273 districts established by counties under Title 17D, Chapter 1, Special Service District Act, that
6274 meet the requirements of Subsections (2)(i)(ii) and (iii); and

6275 (C) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
6276 may make rules:

6277 (I) providing a procedure for making the distributions under this Subsection (2)(i) to
6278 special service districts; and

6279 (II) defining the term "population" for purposes of Subsection (2)(i)(iv).

6280 (j) (i) The Legislature shall annually make the following appropriations from the
6281 Mineral Lease Account:

6282 (A) an amount equal to 52 cents multiplied by the number of acres of school or
6283 institutional trust lands, lands owned by the Division of Parks and Recreation, and lands owned
6284 by the Division of Wildlife Resources that are not under an in lieu of taxes contract, to each
6285 county in which those lands are located;

6286 (B) to each county in which school or institutional trust lands are transferred to the
6287 federal government after December 31, 1992, an amount equal to the number of transferred
6288 acres in the county multiplied by a payment per acre equal to the difference between 52 cents
6289 per acre and the per acre payment made to that county in the most recent payment under the

6290 federal payment in lieu of taxes program, 31 U.S.C. Sec. 6901 et seq., unless the federal
6291 payment was equal to or exceeded the 52 cents per acre, in which case a payment under this
6292 Subsection (2)(j)(i)(B) may not be made for the transferred lands;

6293 (C) to each county in which federal lands, which are entitlement lands under the federal
6294 in lieu of taxes program, are transferred to the school or institutional trust, an amount equal to
6295 the number of transferred acres in the county multiplied by a payment per acre equal to the
6296 difference between the most recent per acre payment made under the federal payment in lieu of
6297 taxes program and 52 cents per acre, unless the federal payment was equal to or less than 52
6298 cents per acre, in which case a payment under this Subsection (2)(j)(i)(C) may not be made for
6299 the transferred land; and

6300 (D) to a county of the fifth or sixth class, an amount equal to the product of:

6301 (I) \$1,000; and

6302 (II) the number of residences described in Subsection (2)(j)(iv) that are located within
6303 the county.

6304 (ii) A county receiving money under Subsection (2)(j)(i) may, as determined by the
6305 county legislative body, distribute the money or a portion of the money to:

6306 (A) special service districts established by the county under Title 17D, Chapter 1,
6307 Special Service District Act;

6308 (B) school districts; or

6309 (C) public institutions of higher education.

6310 (iii) (A) Beginning in fiscal year 1994-95 and in each year after fiscal year 1994-95, the
6311 Division of Finance shall increase or decrease the amounts per acre provided for in Subsections
6312 (2)(j)(i)(A) through (C) by the average annual change in the Consumer Price Index for all urban
6313 consumers published by the Department of Labor.

6314 (B) For fiscal years beginning on or after fiscal year 2001-02, the Division of Finance
6315 shall increase or decrease the amount described in Subsection (2)(j)(i)(D)(I) by the average
6316 annual change in the Consumer Price Index for all urban consumers published by the
6317 Department of Labor.

6318 (iv) Residences for purposes of Subsection (2)(j)(i)(D)(II) are residences that are:

6319 (A) owned by:

6320 (I) the Division of Parks and Recreation; or

- 6321 (II) the Division of Wildlife Resources;
6322 (B) located on lands that are owned by:
6323 (I) the Division of Parks and Recreation; or
6324 (II) the Division of Wildlife Resources; and
6325 (C) are not subject to taxation under:
6326 (I) Chapter 2, Property Tax Act; or
6327 (II) Chapter 4, Privilege Tax.
6328 (k) The Legislature shall annually appropriate to the Permanent Community Impact
6329 Fund all deposits remaining in the Mineral Lease Account after making the appropriations
6330 provided for in Subsections (2)(d) through (j).
6331 (3) (a) Each agency, board, institution of higher education, and political subdivision
6332 receiving money under this chapter shall provide the Legislature, through the Office of the
6333 Legislative Fiscal Analyst, with a complete accounting of the use of that money on an annual
6334 basis.
6335 (b) The accounting required under Subsection (3)(a) shall:
6336 (i) include actual expenditures for the prior fiscal year, budgeted expenditures for the
6337 current fiscal year, and planned expenditures for the following fiscal year; and
6338 (ii) be reviewed by the Economic Development and Human Resources Appropriation
6339 Subcommittee as part of its normal budgetary process under Title 63J, Chapter 1, Budgetary
6340 Procedures Act.
6341 Section 168. Section **61-2c-105** is amended to read:
6342 **61-2c-105. Scope of chapter -- Exemptions.**
6343 (1) (a) Except as to an individual who will engage in an activity as a mortgage loan
6344 originator, this chapter applies to a closed-end residential mortgage loan secured by a first lien
6345 or equivalent security interest on a dwelling.
6346 (b) This chapter does not apply to a transaction covered by Title 70C, Utah Consumer
6347 Credit Code.
6348 (2) The following are exempt from this chapter:
6349 (a) the federal government;
6350 (b) a state;
6351 (c) a political subdivision of a state;

- 6352 (d) an agency of or entity created by a governmental entity described in Subsections
6353 (2)(a) through (c) including:
- 6354 (i) the Utah Housing Corporation created in Title [9] 35A, Chapter [4] 8, Part [9] 7,
6355 Utah Housing Corporation Act;
 - 6356 (ii) the Federal National Mortgage Corporation;
 - 6357 (iii) the Federal Home Loan Mortgage Corporation;
 - 6358 (iv) the Federal Deposit Insurance Corporation;
 - 6359 (v) the Resolution Trust Corporation;
 - 6360 (vi) the Government National Mortgage Association;
 - 6361 (vii) the Federal Housing Administration;
 - 6362 (viii) the National Credit Union Administration;
 - 6363 (ix) the Farmers Home Administration; and
 - 6364 (x) the United States Department of Veterans Affairs;
 - 6365 (e) a depository institution;
 - 6366 (f) an entity that controls, is controlled by, or is under common control with a
6367 depository institution;
 - 6368 (g) an employee or agent of an entity described in Subsections (2)(a) through (f):
6369 (i) when that person acts on behalf of the entity described in Subsections (2)(a) through
6370 (f); and
6371 (ii) including an employee of:
6372 (A) a depository institution;
 - 6373 (B) a subsidiary of a depository institution that is:
6374 (I) owned and controlled by the depository institution; and
6375 (II) regulated by a federal banking agency, as defined in 12 U.S.C. Sec. 5102; or
6376 (C) an institution regulated by the Farm Credit Administration;
 - 6377 (h) except as provided in Subsection (3), a person who:
6378 (i) makes a loan:
6379 (A) secured by an interest in real property;
6380 (B) with the person's own money; and
6381 (C) for the person's own investment; and
6382 (ii) that does not engage in the business of making loans secured by an interest in real

6383 property;

6384 (i) except as provided in Subsection (3), a person who receives a mortgage, deed of
6385 trust, or consensual security interest on real property if the individual or entity:

6386 (i) is the seller of real property; and

6387 (ii) receives the mortgage, deed of trust, or consensual security interest on real property
6388 as security for a separate money obligation;

6389 (j) a person who receives a mortgage, deed of trust, or consensual security interest on
6390 real property if:

6391 (i) the person receives the mortgage, deed of trust, or consensual security interest as
6392 security for an obligation payable on an installment or deferred payment basis;

6393 (ii) the obligation described in Subsection (2)(j)(i) arises from a person providing
6394 materials or services used in the improvement of the real property that is the subject of the
6395 mortgage, deed of trust, or consensual security interest; and

6396 (iii) the mortgage, deed of trust, or consensual security interest is created without the
6397 consent of the owner of the real property that is the subject of the mortgage, deed of trust, or
6398 consensual security interest;

6399 (k) a nonprofit corporation that:

6400 (i) is exempt from paying federal income taxes;

6401 (ii) is certified by the United States Small Business Administration as a small business
6402 investment company;

6403 (iii) is organized to promote economic development in this state; and

6404 (iv) has as its primary activity providing financing for business expansion;

6405 (l) except as provided in Subsection (3), a court appointed fiduciary; or

6406 (m) an attorney admitted to practice law in this state:

6407 (i) if the attorney is not principally engaged in the business of negotiating residential
6408 mortgage loans when considering the attorney's ordinary practice as a whole for all the
6409 attorney's clients; and

6410 (ii) when the attorney engages in loan modification assistance in the course of the
6411 attorney's practice as an attorney.

6412 (3) An individual who will engage in an activity as a mortgage loan originator is
6413 exempt from this chapter only if the individual is an employee or agent exempt under

6414 Subsection (2)(g).

6415 (4) (a) Notwithstanding Subsection (2)(m), an attorney exempt from this chapter may
6416 not engage in conduct described in Section 61-2c-301 when transacting business of residential
6417 mortgage loans.

6418 (b) If an attorney exempt from this chapter violates Subsection (4)(a), the attorney:

6419 (i) is not subject to enforcement by the division under Part 4, Enforcement; and

6420 (ii) may be subject to disciplinary action generally applicable to an attorney admitted to
6421 practice law in this state.

6422 (c) If the division receives a complaint alleging an attorney exempt from this chapter is
6423 in violation of Subsection (4)(a) or that an attorney subject to this chapter has violated this
6424 chapter, the division shall forward the complaint to the Utah State Bar for disciplinary action.

6425 (5) (a) An individual who is exempt under Subsection (2) or (3) may voluntarily obtain
6426 a license under this chapter by complying with Part 2, Licensure.

6427 (b) An individual who voluntarily obtains a license pursuant to this Subsection (5)
6428 shall comply with all the provisions of this chapter.

6429 Section 169. Section **62A-1-111** is amended to read:

6430 **62A-1-111. Department authority.**

6431 The department may, in addition to all other authority and responsibility granted to it by
6432 law:

6433 (1) adopt rules, not inconsistent with law, as the department may consider necessary or
6434 desirable for providing social services to the people of this state;

6435 (2) establish and manage client trust accounts in the department's institutions and
6436 community programs, at the request of the client or the client's legal guardian or representative,
6437 or in accordance with federal law;

6438 (3) purchase, as authorized or required by law, services that the department is
6439 responsible to provide for legally eligible persons;

6440 (4) conduct adjudicative proceedings for clients and providers in accordance with the
6441 procedures of Title 63G, Chapter 4, Administrative Procedures Act;

6442 (5) establish eligibility standards for its programs, not inconsistent with state or federal
6443 law or regulations;

6444 (6) take necessary steps, including legal action, to recover money or the monetary value

- 6445 of services provided to a recipient who was not eligible;
- 6446 (7) set and collect fees for its services;
- 6447 (8) license agencies, facilities, and programs, except as otherwise allowed, prohibited,
6448 or limited by law;
- 6449 (9) acquire, manage, and dispose of any real or personal property needed or owned by
6450 the department, not inconsistent with state law;
- 6451 (10) receive gifts, grants, devises, and donations; gifts, grants, devises, donations, or
6452 the proceeds thereof, may be credited to the program designated by the donor, and may be used
6453 for the purposes requested by the donor, as long as the request conforms to state and federal
6454 policy; all donated funds shall be considered private, nonlapsing funds and may be invested
6455 under guidelines established by the state treasurer;
- 6456 (11) accept and employ volunteer labor or services; the department is authorized to
6457 reimburse volunteers for necessary expenses, when the department considers that
6458 reimbursement to be appropriate;
- 6459 (12) carry out the responsibility assigned in the Workforce Services Plan by the State
6460 Council on Workforce Services;
- 6461 (13) carry out the responsibility assigned by Section [~~9-4-802~~] 35A-8-602 with respect
6462 to coordination of services for the homeless;
- 6463 (14) carry out the responsibility assigned by Section 62A-5a-105 with respect to
6464 coordination of services for students with a disability;
- 6465 (15) provide training and educational opportunities for its staff;
- 6466 (16) collect child support payments and any other money due to the department;
- 6467 (17) apply the provisions of Title 78B, Chapter 12, Utah Child Support Act, to parents
6468 whose child lives out of the home in a department licensed or certified setting;
- 6469 (18) establish policy and procedures in cases where the department is given custody of
6470 a minor by the juvenile court pursuant to Section 78A-6-117; any policy and procedures shall
6471 include:
- 6472 (a) designation of interagency teams for each juvenile court district in the state;
- 6473 (b) delineation of assessment criteria and procedures;
- 6474 (c) minimum requirements, and timeframes, for the development and implementation
6475 of a collaborative service plan for each minor placed in department custody; and

6476 (d) provisions for submittal of the plan and periodic progress reports to the court;
6477 (19) carry out the responsibilities assigned to it by statute;
6478 (20) examine and audit the expenditures of any public funds provided to local
6479 substance abuse authorities, local mental health authorities, local area agencies on aging, and
6480 any person, agency, or organization that contracts with or receives funds from those authorities
6481 or agencies. Those local authorities, area agencies, and any person or entity that contracts with
6482 or receives funds from those authorities or area agencies, shall provide the department with any
6483 information the department considers necessary. The department is further authorized to issue
6484 directives resulting from any examination or audit to local authorities, area agencies, and
6485 persons or entities that contract with or receive funds from those authorities with regard to any
6486 public funds. If the department determines that it is necessary to withhold funds from a local
6487 mental health authority or local substance abuse authority based on failure to comply with state
6488 or federal law, policy, or contract provisions, it may take steps necessary to ensure continuity of
6489 services. For purposes of this Subsection (20) "public funds" means the same as that term is
6490 defined in Section 62A-15-102; and

6491 (21) pursuant to Subsection 62A-2-106(1)(d), accredit one or more agencies and
6492 persons to provide intercountry adoption services.

6493 Section 170. Section **63A-2-401** is amended to read:

6494 **63A-2-401. State surplus property program -- Definitions -- Administration.**

6495 (1) As used in this part, "agency" means:

6496 (a) the Utah Departments of Administrative Services, Agriculture and Food, Alcoholic
6497 Beverage Control, Commerce, [~~Community and Culture~~] Heritage and Arts, Corrections,
6498 Workforce Services, Health, Human Resource Management, Human Services, Insurance,
6499 Natural Resources, Public Safety, Technology Services, and Transportation and the Labor
6500 Commission;

6501 (b) the Utah Offices of the Auditor, Attorney General, Court Administrator, Utah
6502 Office for Victims of Crime, Rehabilitation, and Treasurer;

6503 (c) the Public Service Commission and State Tax Commission;

6504 (d) the State Boards of Education, Pardons and Parole, and Regents;

6505 (e) the Career Service Review Office;

6506 (f) other state agencies designated by the governor;

6507 (g) the legislative branch, the judicial branch, and the State Board of Regents; and

6508 (h) an institution of higher education, its president, and its board of trustees for

6509 purposes of Section 63A-2-402.

6510 (2) (a) The division shall make rules establishing a state surplus property program that

6511 meets the requirements of this chapter by following the procedures and requirements of Title

6512 63G, Chapter 3, Utah Administrative Rulemaking Act.

6513 (b) The rules shall include:

6514 (i) a requirement prohibiting the transfer of surplus property from one agency to

6515 another agency without written approval from the division;

6516 (ii) procedures and requirements governing division administration requirements that

6517 an agency must follow;

6518 (iii) requirements governing purchase priorities;

6519 (iv) requirements governing accounting, reimbursement, and payment procedures;

6520 (v) procedures for collecting bad debts;

6521 (vi) requirements and procedures for disposing of firearms;

6522 (vii) the elements of the rates or other charges assessed by the division for services and

6523 handling;

6524 (viii) procedures governing the timing and location of public sales of inventory

6525 property; and

6526 (ix) procedures governing the transfer of information technology equipment by state

6527 agencies directly to public schools.

6528 (c) The division shall report all transfers of information technology equipment by state

6529 agencies to public schools to the Legislative Interim Education Committee at the end of each

6530 fiscal year.

6531 (3) In creating and administering the program, the division shall:

6532 (a) when conditions, inventory, and demand permit:

6533 (i) establish facilities to store inventory property at geographically dispersed locations

6534 throughout the state; and

6535 (ii) hold public sales of property at geographically dispersed locations throughout the

6536 state;

6537 (b) establish, after consultation with the agency requesting the sale of surplus property,

6538 the price at which the surplus property shall be sold; and

6539 (c) transfer proceeds arising from the sale of state surplus property to the agency
6540 requesting the sale in accordance with Title 63J, Chapter 1, Budgetary Procedures Act, less a
6541 fee approved in accordance with Sections 63A-1-114 and 63J-1-410, to pay the costs of
6542 administering the surplus property program.

6543 (4) Unless specifically exempted from this part by explicit reference to this part, each
6544 state agency shall dispose of and acquire surplus property only by participating in the division's
6545 program.

6546 Section 171. Section **63A-3-205** is amended to read:

6547 **63A-3-205. Revolving loan funds -- Standards and procedures -- Annual report.**

6548 (1) As used in this section, "revolving loan fund" means:

6549 (a) the Water Resources Conservation and Development Fund, created in Section
6550 73-10-24;

6551 (b) the Water Resources Construction Fund, created in Section 73-10-8;

6552 (c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;

6553 (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean
6554 Fuels and Vehicle Technology Program Act;

6555 (e) the Water Development Security Fund and its subaccounts created in Section
6556 73-10c-5;

6557 (f) the Agriculture Resource Development Fund, created in Section 4-18-6;

6558 (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-4;

6559 (h) the Permanent Community Impact Fund, created in Section [~~9-4-303~~] 35A-8-603;

6560 (i) the Petroleum Storage Tank Loan Fund, created in Section 19-6-405.3;

6561 (j) the Uintah Basin Revitalization Fund, created in Section [~~9-10-102~~] 35A-8-1602;

6562 (k) the Navajo Revitalization Fund, created in Section [~~9-11-104~~] 35A-8-1704; and

6563 (l) the Energy Efficiency Fund, created in Section 11-45-201.

6564 (2) The division shall for each revolving loan fund:

6565 (a) make rules establishing standards and procedures governing:

6566 (i) payment schedules and due dates;

6567 (ii) interest rate effective dates;

6568 (iii) loan documentation requirements; and

- 6569 (iv) interest rate calculation requirements; and
- 6570 (b) make an annual report to the Legislature containing:
- 6571 (i) the total dollars loaned by that fund during the last fiscal year;
- 6572 (ii) a listing of each loan currently more than 90 days delinquent, in default, or that was
- 6573 restructured during the last fiscal year;
- 6574 (iii) a description of each project that received money from that revolving loan fund;
- 6575 (iv) the amount of each loan made to that project;
- 6576 (v) the specific purpose for which the proceeds of the loan were to be used, if any;
- 6577 (vi) any restrictions on the use of the loan proceeds;
- 6578 (vii) the present value of each loan at the end of the fiscal year calculated using the
- 6579 interest rate paid by the state on the bonds providing the revenue on which the loan is based or,
- 6580 if that is unknown, on the average interest rate paid by the state on general obligation bonds
- 6581 issued during the most recent fiscal year in which bonds were sold; and
- 6582 (viii) the financial position of each revolving loan fund, including the fund's cash
- 6583 investments, cash forecasts, and equity position.

6584 Section 172. Section **63B-1b-102** is amended to read:

6585 **63B-1b-102. Definitions.**

6586 As used in this chapter:

- 6587 (1) "Agency bonds" means any bond, note, contract, or other evidence of indebtedness
- 6588 representing loans or grants made by an authorizing agency.
- 6589 (2) "Authorized official" means the state treasurer or other person authorized by a bond
- 6590 document to perform the required action.
- 6591 (3) "Authorizing agency" means the board, person, or unit with legal responsibility for
- 6592 administering and managing revolving loan funds.
- 6593 (4) "Bond document" means:
- 6594 (a) a resolution of the commission; or
- 6595 (b) an indenture or other similar document authorized by the commission that
- 6596 authorizes and secures outstanding revenue bonds from time to time.
- 6597 (5) "Commission" means the State Bonding Commission created in Section
- 6598 63B-1-201.
- 6599 (6) "Revenue bonds" means any special fund revenue bonds issued under this chapter.

- 6600 (7) "Revolving Loan Funds" means:
- 6601 (a) the Water Resources Conservation and Development Fund, created in Section
- 6602 73-10-24;
- 6603 (b) the Water Resources Construction Fund, created in Section 73-10-8;
- 6604 (c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;
- 6605 (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean
- 6606 Fuels and Vehicle Technology Program Act;
- 6607 (e) the Water Development Security Fund and its subaccounts created in Section
- 6608 73-10c-5;
- 6609 (f) the Agriculture Resource Development Fund, created in Section 4-18-6;
- 6610 (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-4;
- 6611 (h) the Permanent Community Impact Fund, created in Section [~~9-4-303~~] 35A-8-303;
- 6612 (i) the Petroleum Storage Tank Loan Fund, created in Section 19-6-405.3; and
- 6613 (j) the Transportation Infrastructure Loan Fund, created in Section 72-2-202.
- 6614 Section 173. Section **63B-1b-202** is amended to read:
- 6615 **63B-1b-202. Custodial officer -- Powers and duties.**
- 6616 (1) (a) There is created within the Division of Finance an officer responsible for the
- 6617 care, custody, safekeeping, collection, and accounting of all bonds, notes, contracts, trust
- 6618 documents, and other evidences of indebtedness:
- 6619 (i) owned or administered by the state or any of its agencies; and
- 6620 (ii) except as provided in Subsection (1)(b), relating to revolving loan funds.
- 6621 (b) Notwithstanding Subsection (1)(a), the officer described in Subsection (1)(a) is not
- 6622 responsible for the care, custody, safekeeping, collection, and accounting of a bond, note,
- 6623 contract, trust document, or other evidence of indebtedness relating to the:
- 6624 (i) Agriculture Resource Development Fund, created in Section 4-18-6;
- 6625 (ii) Utah Rural Rehabilitation Fund, created in Section 4-19-4;
- 6626 (iii) Petroleum Storage Tank Loan Fund, created in Section 19-6-405.3;
- 6627 (iv) Olene Walker Housing Loan Fund, created in Section [~~9-4-702~~] 35A-8-502;
- 6628 (v) Business Development for Disadvantaged Rural Communities Restricted Account,
- 6629 created in Section 63M-1-2003; and
- 6630 (vi) Brownfields Fund, created in Section 19-8-120.

6631 (2) (a) Each authorizing agency shall deliver to this officer for the officer's care,
6632 custody, safekeeping, collection, and accounting all bonds, notes, contracts, trust documents,
6633 and other evidences of indebtedness:

6634 (i) owned or administered by the state or any of its agencies; and

6635 (ii) except as provided in Subsection (1)(b), relating to revolving loan funds.

6636 (b) This officer shall:

6637 (i) establish systems, programs, and facilities for the care, custody, safekeeping,
6638 collection, and accounting for the bonds, notes, contracts, trust documents, and other evidences
6639 of indebtedness submitted to the officer under this Subsection (2); and

6640 (ii) shall make available updated reports to each authorizing agency as to the status of
6641 loans under their authority.

6642 (3) The officer described in Section 63B-1b-201 shall deliver to the officer described in
6643 Subsection (1)(a) for the care, custody, safekeeping, collection, and accounting by the officer
6644 described in Subsection (1)(a) of all bonds, notes, contracts, trust documents, and other
6645 evidences of indebtedness closed as provided in Subsection 63B-1b-201(2)(b).

6646 Section 174. Section **63E-1-102** is amended to read:

6647 **63E-1-102. Definitions.**

6648 As used in this title:

6649 (1) "Authorizing statute" means the statute creating an entity as an independent entity.

6650 (2) "Committee" means the Retirement and Independent Entities Committee created in
6651 Section 63E-1-201.

6652 (3) "Independent corporation" means a corporation incorporated in accordance with
6653 Chapter 2, Independent Corporations Act.

6654 (4) (a) "Independent entity" means an entity having a public purpose relating to the
6655 state or its citizens that is individually created by the state or is given by the state the right to
6656 exist and conduct its affairs as an:

6657 (i) independent state agency; or

6658 (ii) independent corporation.

6659 (b) "Independent entity" includes the:

6660 (i) Dairy Commission created in Title 4, Chapter 22, Dairy Promotion Act;

6661 (ii) Heber Valley Railroad Authority created in Title 63H, Chapter 4, Heber Valley

6662 Historic Railroad Authority;

6663 (iii) Utah State Railroad Museum Authority created in Title 63H, Chapter 5, Utah State
6664 Railroad Museum Authority;

6665 (iv) Utah Science Center Authority created in Title 63H, Chapter 3, Utah Science
6666 Center Authority;

6667 (v) Utah Housing Corporation created in Title [9] 35A, Chapter [4] 8, Part [9] 7, Utah
6668 Housing Corporation Act;

6669 (vi) Utah State Fair Corporation created in Title 63H, Chapter 6, Utah State Fair
6670 Corporation Act;

6671 (vii) Workers' Compensation Fund created in Title 31A, Chapter 33, Workers'
6672 Compensation Fund;

6673 (viii) Utah State Retirement Office created in Title 49, Chapter 11, Utah State
6674 Retirement Systems Administration;

6675 (ix) School and Institutional Trust Lands Administration created in Title 53C, Chapter
6676 1, Part 2, School and Institutional Trust Lands Administration;

6677 (x) Utah Communications Agency Network created in Title 63C, Chapter 7, Utah
6678 Communications Agency Network Act;

6679 (xi) Utah Generated Renewable Energy Electricity Network Authority created in Title
6680 63H, Chapter 2, Utah Generated Renewable Energy Electricity Network Authority Act; and

6681 (xii) Utah Capital Investment Corporation created in Title 63M, Chapter 1, Part 12,
6682 Utah Venture Capital Enhancement Act.

6683 (c) Notwithstanding this Subsection (4), "independent entity" does not include:

6684 (i) the Public Service Commission of Utah created in Section 54-1-1;

6685 (ii) an institution within the state system of higher education;

6686 (iii) a city, county, or town;

6687 (iv) a local school district;

6688 (v) a local district under Title 17B, Limited Purpose Local Government Entities - Local
6689 Districts; or

6690 (vi) a special service district under Title 17D, Chapter 1, Special Service District Act.

6691 (5) "Independent state agency" means an entity that is created by the state, but is
6692 independent of the governor's direct supervisory control.

6693 (6) "Money held in trust" means money maintained for the benefit of:

6694 (a) one or more private individuals, including public employees;

6695 (b) one or more public or private entities; or

6696 (c) the owners of a quasi-public corporation.

6697 (7) "Public corporation" means an artificial person, public in ownership, individually
6698 created by the state as a body politic and corporate for the administration of a public purpose
6699 relating to the state or its citizens.

6700 (8) "Quasi-public corporation" means an artificial person, private in ownership,
6701 individually created as a corporation by the state which has accepted from the state the grant of
6702 a franchise or contract involving the performance of a public purpose relating to the state or its
6703 citizens.

6704 Section 175. Section **63E-1-203** is amended to read:

6705 **63E-1-203. Exemptions from committee activities.**

6706 Notwithstanding the other provisions of this Part 2 and Subsection 63E-1-102(4), the
6707 following independent entities are exempt from the study by the committee under Section
6708 63E-1-202:

6709 ~~[(1) the Utah Housing Corporation created in Title 9, Chapter 4, Part 9, Utah Housing
6710 Corporation Act; and]~~

6711 ~~[(2)]~~ (1) the Workers' Compensation Fund created in Title 31A, Chapter 33, Workers'
6712 Compensation Fund[-]; and

6713 (2) the Utah Housing Corporation created in Title 35A, Chapter 8, Part 7, Utah
6714 Housing Corporation Act.

6715 Section 176. Section **63G-13-201** is amended to read:

6716 **63G-13-201. Creation of commission.**

6717 (1) There is created an advisory commission known as the "Utah Commission on
6718 Immigration and Migration." The commission is composed of 27 members as follows:

6719 (a) the president of the Senate;

6720 (b) the speaker of the House of Representatives;

6721 (c) the minority leader of the Senate;

6722 (d) the minority leader of the House of Representatives;

6723 (e) the governor or, at the discretion of the governor, the lieutenant governor;

- 6724 (f) the attorney general or the attorney general's designee;
- 6725 (g) the commissioner of the Department of Agriculture and Food appointed under
6726 Section 4-2-3, or the commissioner's designee;
- 6727 (h) the executive director of the Department of Commerce appointed under Section
6728 13-1-3, or the executive director's designee;
- 6729 (i) the executive director of the Department of [~~Community and Culture~~] Heritage and
6730 Arts, or the executive director's designee;
- 6731 (j) the executive director of the Department of Workforce Services appointed under
6732 Section 35A-1-201, or the executive director's designee;
- 6733 (k) the director of the Governor's Office of Economic Development appointed under
6734 Section 63M-1-202, or the director's designee;
- 6735 (l) three members of the House of Representatives appointed by the speaker of the
6736 House of Representatives, not more than two of whom may be from the same political party;
- 6737 (m) three members of the public appointed by the speaker of the House of
6738 Representatives in accordance with Subsection (2);
- 6739 (n) three members of the Senate appointed by the president of the Senate, not more
6740 than two of whom may be from the same political party;
- 6741 (o) three members of the public appointed by the president of the Senate in accordance
6742 with Subsection (2); and
- 6743 (p) four members of the public appointed by the governor in accordance with
6744 Subsection (2), except that at least one of the four members appointed by the governor shall
6745 represent a migrant education program of the Utah State Board of Education, a school district,
6746 or charter school.
- 6747 (2) (a) The president of the Senate, speaker of the House of Representatives, and the
6748 governor shall appoint a member of the public:
- 6749 (i) who is a resident of the state; and
- 6750 (ii) with due regard for:
- 6751 (A) geographic representation;
- 6752 (B) diversity;
- 6753 (C) education, including academic post-graduate level degrees related to the immigrant
6754 community in Utah; and

- 6755 (D) knowledge and experience.
- 6756 (b) An appointment by the president of the Senate, the speaker of the House of
6757 Representatives, or the governor may include a representative from:
- 6758 (i) an immigrant or immigrant-serving, community-based organization;
- 6759 (ii) a philanthropic organization;
- 6760 (iii) an advocacy group;
- 6761 (iv) a business, including an immigrant entrepreneur;
- 6762 (v) a union;
- 6763 (vi) academia; or
- 6764 (vii) a faith-based organization.
- 6765 (c) The president of the Senate, the speaker of the House of Representatives, and the
6766 governor shall appoint a member of the public to a term of three years, except that of the
6767 members of the public first appointed:
- 6768 (i) the following are appointed to a three-year term:
- 6769 (A) one member appointed by the president of the Senate;
- 6770 (B) one member appointed by the speaker of the House of Representatives; and
- 6771 (C) one member appointed by the governor;
- 6772 (ii) the following are appointed to a two-year term:
- 6773 (A) one member appointed by the president of the Senate;
- 6774 (B) one member appointed by the speaker of the House of Representatives; and
- 6775 (C) one member appointed by the governor; and
- 6776 (iii) the following are appointed to a one-year term:
- 6777 (A) one member appointed by the president of the Senate;
- 6778 (B) one member appointed by the speaker of the House of Representatives; and
- 6779 (C) two members appointed by the governor.
- 6780 (d) A member appointed from the public shall serve until a successor is appointed and
6781 qualified.
- 6782 (3) A vacancy in the membership of the commission shall be filled for the unexpired
6783 term in the manner provided for the original appointment.
- 6784 (4) (a) The governor or, at the discretion of the governor, the lieutenant governor shall
6785 chair the commission.

- 6786 (b) A majority of the members of the commission constitute a quorum.
- 6787 (c) A vote of the majority of the commission members present when a quorum is
6788 present is an action of the commission.
- 6789 (5) The commission shall meet at the call of the chair, except that the chair shall call a
6790 meeting at least quarterly.
- 6791 (6) A member of the commission may not receive compensation or benefits for the
6792 member's service, but may receive per diem and travel expenses in accordance with:
- 6793 (a) Section 63A-3-106;
- 6794 (b) Section 63A-3-107; and
- 6795 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
6796 63A-3-107.
- 6797 (7) The Office of the Attorney General shall staff the commission.
- 6798 Section 177. Section **63H-3-103** is amended to read:
- 6799 **63H-3-103. Creation -- Members -- Chair -- Powers -- Quorum -- Per diem and**
6800 **expenses.**
- 6801 (1) There is created an independent state agency and a body politic and corporate
6802 known as the "Utah Science Center Authority."
- 6803 (2) (a) The authority is composed of 13 members.
- 6804 (b) The governor shall appoint:
- 6805 (i) three members representing the informal science and arts community that could
6806 include members from the board of directors of the Hansen Planetarium, the Hogle Zoo, the
6807 Children's Museum of Utah, the Utah Museum of Natural History, and other related museums,
6808 centers, and agencies;
- 6809 (ii) one member of the State Board of Education;
- 6810 (iii) one member of the [~~Division of~~] Housing and Community Development Division
6811 of the Department of [~~Community and Culture~~] Workforce Services;
- 6812 (iv) one member of the Board of Tourism Development;
- 6813 (v) one member of the State Board of Regents; and
- 6814 (vi) three public members representing Utah industry, the diverse regions of the state,
6815 and the public at large.
- 6816 (c) The county legislative body of Salt Lake County shall appoint one member to

6817 represent Salt Lake County.

6818 (d) The mayor of Salt Lake City shall appoint one member to represent Salt Lake City
6819 Corporation.

6820 (e) The State Science Advisor or the advisor's designee is also a member of the
6821 authority.

6822 (f) In appointing the three public members, the governor shall ensure that there is
6823 representation from the science, technology, and business communities.

6824 (3) All members shall be residents of Utah.

6825 (4) Each member is appointed for four-year terms beginning July 1 of the year
6826 appointed.

6827 (5) (a) Except as required by Subsection (5)(b), as terms of current authority members
6828 expire, the governor shall appoint each new member or reappointed member to a four-year
6829 term.

6830 (b) Notwithstanding the requirements of Subsection (5)(a), the governor shall, at the
6831 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
6832 authority members are staggered so that approximately half of the authority is appointed every
6833 two years.

6834 (6) A member may be removed from office by the governor or for cause by an
6835 affirmative vote of nine members of the authority.

6836 (7) When a vacancy occurs in the membership for any reason, the replacement is
6837 appointed by the governor for the unexpired term.

6838 (8) Each public member shall hold office for the term of the member's appointment and
6839 until the member's successor has been appointed and qualified.

6840 (9) A public member is eligible for reappointment, but may not serve more than two
6841 full consecutive terms.

6842 (10) The governor shall appoint the chair of the authority from among its members.

6843 (11) The members shall elect from among their number a vice chair and other officers
6844 they may determine.

6845 (12) The chair and vice chair are elected for two-year terms.

6846 (13) The powers of the authority are vested in its members.

6847 (14) Seven members constitute a quorum for transaction of authority business.

6848 (15) A member may not receive compensation or benefits for the member's service, but
6849 may receive per diem and travel expenses in accordance with:

6850 (a) Section 63A-3-106;

6851 (b) Section 63A-3-107; and

6852 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
6853 63A-3-107.

6854 Section 178. Section **63I-1-209** is amended to read:

6855 **63I-1-209. Repeal dates, Title 9.**

6856 [(+) Title 9, Chapter 1, Part 8, Commission on National and Community Service Act,
6857 is repealed July 1, 2014.

6858 [~~2) Title 9, Chapter 4, Part 9, Utah Housing Corporation Act, is repealed July 1,
6859 2016.~~]

6860 Section 179. Section **63I-1-235** is amended to read:

6861 **63I-1-235. Repeal dates, Title 35A.**

6862 (1) Title 35A, Utah Workforce Services Code, is repealed July 1, 2015.

6863 (2) Section 35A-3-114, the Displaced Homemaker Program, together with the
6864 provision for funding that program contained in Subsection 17-16-21(2)(b), is repealed July 1,
6865 2012.

6866 (3) Title 35A, Chapter 8, Part 7, Utah Housing Corporation Act, is repealed July 1,
6867 2016.

6868 Section 180. Section **63I-4-102** is amended to read:

6869 **63I-4-102. Definitions.**

6870 (1) (a) "Activity" means to provide a good or service.

6871 (b) "Activity" includes to:

6872 (i) manufacture a good or service;

6873 (ii) process a good or service;

6874 (iii) sell a good or service;

6875 (iv) offer for sale a good or service;

6876 (v) rent a good or service;

6877 (vi) lease a good or service;

6878 (vii) deliver a good or service;

- 6879 (viii) distribute a good or service; or
- 6880 (ix) advertise a good or service.
- 6881 (2) (a) Except as provided in Subsection (2)(b), "agency" means:
- 6882 (i) the state; or
- 6883 (ii) an entity of the state including a department, office, division, authority,
- 6884 commission, or board.
- 6885 (b) "Agency" does not include:
- 6886 (i) the Legislature;
- 6887 (ii) an entity or agency of the Legislature;
- 6888 (iii) the state auditor;
- 6889 (iv) the state treasurer;
- 6890 (v) the Office of the Attorney General;
- 6891 (vi) the Dairy Commission created in Title 4, Chapter 22, Dairy Promotion Act;
- 6892 (vii) the Utah Science Center Authority created in Title 63H, Chapter 3, Utah Science
- 6893 Center Authority;
- 6894 (viii) the Heber Valley Railroad Authority created in Title 63H, Chapter 4, Heber
- 6895 Valley Historic Railroad Authority;
- 6896 (ix) the Utah State Railroad Museum Authority created in Title 63H, Chapter 5, Utah
- 6897 State Railroad Museum Authority;
- 6898 (x) the Utah Housing Corporation created in Title [9] 35A, Chapter [4] 8, Part [9] 7,
- 6899 Utah Housing Corporation Act;
- 6900 (xi) the Utah State Fair Corporation created in Title 63H, Chapter 6, Utah State Fair
- 6901 Corporation Act;
- 6902 (xii) the Workers' Compensation Fund created in Title 31A, Chapter 33, Workers'
- 6903 Compensation Fund;
- 6904 (xiii) the Utah State Retirement Office created in Title 49, Chapter 11, Utah State
- 6905 Retirement Systems Administration;
- 6906 (xiv) a charter school chartered by the State Charter School Board or a board of
- 6907 trustees of a higher education institution under Title 53A, Chapter 1a, Part 5, The Utah Charter
- 6908 Schools Act;
- 6909 (xv) the Utah Schools for the Deaf and the Blind created in Title 53A, Chapter 25b,

- 6910 Utah Schools for the Deaf and the Blind;
- 6911 (xvi) an institution of higher education as defined in Section 53B-3-102;
- 6912 (xvii) the School and Institutional Trust Lands Administration created in Title 53C,
- 6913 Chapter 1, Part 2, School and Institutional Trust Lands Administration;
- 6914 (xviii) the Utah Communications Agency Network created in Title 63C, Chapter 7,
- 6915 Utah Communications Agency Network Act; or
- 6916 (xix) the Utah Capital Investment Corporation created in Title 63M, Chapter 1, Part 12,
- 6917 Utah Venture Capital Enhancement Act.
- 6918 (3) "Agency head" means the chief administrative officer of an agency.
- 6919 (4) "Board" means the Privatization Policy Board created in Section 63I-4-201.
- 6920 (5) "Commercial activity" means to engage in an activity that can be obtained in whole
- 6921 or in part from a private enterprise.
- 6922 (6) "Local entity" means:
- 6923 (a) a political subdivision of the state, including a:
- 6924 (i) county;
- 6925 (ii) city;
- 6926 (iii) town;
- 6927 (iv) local school district;
- 6928 (v) local district; or
- 6929 (vi) special service district;
- 6930 (b) an agency of an entity described in this Subsection (6), including a department,
- 6931 office, division, authority, commission, or board; and
- 6932 (c) an entity created by an interlocal cooperative agreement under Title 11, Chapter 13,
- 6933 Interlocal Cooperation Act, between two or more entities described in this Subsection (6).
- 6934 (7) "Private enterprise" means a person that for profit:
- 6935 (a) manufactures a good or service;
- 6936 (b) processes a good or service;
- 6937 (c) sells a good or service;
- 6938 (d) offers for sale a good or service;
- 6939 (e) rents a good or service;
- 6940 (f) leases a good or service;

6941 (g) delivers a good or service;

6942 (h) distributes a good or service; or

6943 (i) advertises a good or service.

6944 (8) "Privatize" means that an activity engaged in by an agency is transferred so that a

6945 private enterprise engages in the activity including a transfer by:

6946 (a) contract;

6947 (b) transfer of property; or

6948 (c) another arrangement.

6949 Section 181. Section **63I-5-201** is amended to read:

6950 **63I-5-201. Internal auditing programs -- State agencies.**

6951 (1) (a) The Departments of Administrative Services, Agriculture, Commerce,

6952 [~~Community and Culture~~] Heritage and Arts, Corrections, Workforce Services, Environmental

6953 Quality, Health, Human Services, Natural Resources, Public Safety, and Transportation; and

6954 the State Tax Commission shall conduct various types of auditing procedures as determined by

6955 the agency head or governor.

6956 (b) The governor may, by executive order, require other state agencies to establish an

6957 internal audit program.

6958 (c) An agency head may establish an internal audit program for the agency head's

6959 agency if the agency administers programs that:

6960 (i) might pose a high liability risk to the state; or

6961 (ii) are essential to the health, safety, and welfare of the citizens of Utah.

6962 (2) (a) The Office of the Court Administrator shall conduct various types of auditing

6963 procedures as determined by the Judicial Council, including auditing procedures for courts not

6964 of record.

6965 (b) The Judicial Council may, by rule, require other judicial agencies to establish an

6966 internal audit program.

6967 (c) An agency head within the judicial branch may establish an internal audit program

6968 for the agency head's agency if the agency administers programs that:

6969 (i) might pose a high liability risk to the state; or

6970 (ii) are essential to the health, safety, and welfare of the citizens of Utah.

6971 (3) (a) The University of Utah, Utah State University, Salt Lake Community College,

6972 Utah Valley University, and Weber State University shall conduct various types of auditing
6973 procedures as determined by the Board of Regents.

6974 (b) The Board of Regents may issue policies requiring other higher education entities
6975 or programs to establish an internal audit program.

6976 (c) An agency head within higher education may establish an internal audit program for
6977 the agency head's agency if the agency administers programs that:

6978 (i) might pose a high liability risk to the state; or

6979 (ii) are essential to the health, safety, and welfare of the citizens of Utah.

6980 (4) The State Office of Education shall conduct various types of auditing procedures as
6981 determined by the State Board of Education.

6982 Section 182. Section **63J-1-219** is amended to read:

6983 **63J-1-219. Definitions -- Federal receipts reporting requirements.**

6984 (1) As used in this section:

6985 (a) (i) "Designated state agency" means the Department of Administrative Services, the
6986 Department of Agriculture and Food, the Department of Alcoholic Beverage Control, the
6987 Department of Commerce, the Department of [~~Community and Culture~~] Heritage and Arts, the
6988 Department of Corrections, the Department of Environmental Quality, the Department of
6989 Financial Institutions, the Department of Health, the Department of Human Resource
6990 Management, the Department of Human Services, the Department of Insurance, the
6991 Department of Natural Resources, the Department of Public Safety, the Department of
6992 Technology Services, the Department of Transportation, the Department of Veterans' Affairs,
6993 the Department of Workforce Services, the Labor Commission, the Office of Economic
6994 Development, the Public Service Commission, the State Board of Regents, the State Office of
6995 Education, the State Tax Commission, or the Utah National Guard.

6996 (ii) "Designated state agency" does not include the judicial branch, the legislative
6997 branch, or an office or other entity within the judicial branch or the legislative branch.

6998 (b) "Federal receipts" means the federal financial assistance, as defined in 31 U.S.C.
6999 Sec. 7501, that is reported as part of a single audit.

7000 (c) "Single audit" is as defined in 31 U.S.C. Sec. 7501.

7001 (2) Subject to Subsections (3) and (4), a designated state agency shall each year, on or
7002 before October 31, prepare a report that:

- 7003 (a) reports the aggregate value of federal receipts the designated state agency received
7004 for the preceding fiscal year;
- 7005 (b) reports the aggregate amount of federal funds appropriated by the Legislature to the
7006 designated state agency for the preceding fiscal year;
- 7007 (c) calculates the percentage of the designated state agency's total budget for the
7008 preceding fiscal year that constitutes federal receipts that the designated state agency received
7009 for that fiscal year; and
- 7010 (d) develops plans for operating the designated state agency if there is a reduction of:
7011 (i) 5% or more in the federal receipts that the designated state agency receives; and
7012 (ii) 25% or more in the federal receipts that the designated state agency receives.
- 7013 (3) (a) The report required by Subsection (2) that the Board of Regents prepares shall
7014 include the information required by Subsections (2)(a) through (c) for each state institution of
7015 higher education listed in Section 53B-2-101.
- 7016 (b) The report required by Subsection (2) that the State Office of Education prepares
7017 shall include the information required by Subsections (2)(a) through (c) for each school district
7018 and each charter school within the public education system.
- 7019 (4) A designated state agency that prepares a report in accordance with Subsection (2)
7020 shall submit the report to the Division of Finance on or before November 1 of each year.
- 7021 (5) (a) The Division of Finance shall, on or before November 30 of each year, prepare a
7022 report that:
- 7023 (i) compiles and summarizes the reports the Division of Finance receives in accordance
7024 with Subsection (4); and
- 7025 (ii) compares the aggregate value of federal receipts each designated state agency
7026 received for the previous fiscal year to the aggregate amount of federal funds appropriated by
7027 the Legislature to that designated state agency for that fiscal year.
- 7028 (b) The Division of Finance shall, as part of the report required by Subsection (5)(a),
7029 compile a list of designated state agencies that do not submit a report as required by this
7030 section.
- 7031 (6) The Division of Finance shall submit the report required by Subsection (5) to the
7032 Executive Appropriations Committee on or before December 1 of each year.
- 7033 (7) Upon receipt of the report required by Subsection (5), the chairs of the Executive

7034 Appropriations Committee shall place the report on the agenda for review and consideration at
7035 the next Executive Appropriations Committee meeting.

7036 (8) When considering the report required by Subsection (5), the Executive
7037 Appropriations Committee may elect to:

7038 (a) recommend that the Legislature reduce or eliminate appropriations for a designated
7039 state agency;

7040 (b) take no action; or

7041 (c) take another action that a majority of the committee approves.

7042 Section 183. Section **63J-4-502** is amended to read:

7043 **63J-4-502. Membership -- Terms -- Chair -- Expenses.**

7044 (1) The Resource Development Coordinating Committee shall consist of the following
7045 25 members:

7046 (a) the state science advisor;

7047 (b) a representative from the Department of Agriculture and Food appointed by the
7048 executive director;

7049 (c) a representative from the Department of [~~Community and Culture~~] Heritage and
7050 Arts appointed by the executive director;

7051 (d) a representative from the Department of Environmental Quality appointed by the
7052 executive director;

7053 (e) a representative from the Department of Natural Resources appointed by the
7054 executive director;

7055 (f) a representative from the Department of Transportation appointed by the executive
7056 director;

7057 (g) a representative from the Governor's Office of Economic Development appointed
7058 by the director;

7059 (h) a representative from the [~~Division of~~] Housing and Community Development
7060 Division appointed by the director;

7061 (i) a representative from the Division of State History appointed by the director;

7062 (j) a representative from the Division of Air Quality appointed by the director;

7063 (k) a representative from the Division of Drinking Water appointed by the director;

7064 (l) a representative from the Division of Environmental Response and Remediation

- 7065 appointed by the director;
- 7066 (m) a representative from the Division of Radiation appointed by the director;
- 7067 (n) a representative from the Division of Solid and Hazardous Waste appointed by the
- 7068 director;
- 7069 (o) a representative from the Division of Water Quality appointed by the director;
- 7070 (p) a representative from the Division of Oil, Gas, and Mining appointed by the
- 7071 director;
- 7072 (q) a representative from the Division of Parks and Recreation appointed by the
- 7073 director;
- 7074 (r) a representative from the Division of Forestry, Fire, and State Lands appointed by
- 7075 the director;
- 7076 (s) a representative from the Utah Geological Survey appointed by the director;
- 7077 (t) a representative from the Division of Water Resources appointed by the director;
- 7078 (u) a representative from the Division of Water Rights appointed by the director;
- 7079 (v) a representative from the Division of Wildlife Resources appointed by the director;
- 7080 (w) a representative from the School and Institutional Trust Lands Administration
- 7081 appointed by the director;
- 7082 (x) a representative from the Division of Facilities Construction and Management
- 7083 appointed by the director; and
- 7084 (y) a representative from the Division of Emergency Management appointed by the
- 7085 director.
- 7086 (2) (a) As particular issues require, the committee may, by majority vote of the
- 7087 members present, and with the concurrence of the state planning coordinator, appoint
- 7088 additional temporary members to serve as ex officio voting members.
- 7089 (b) Those ex officio members may discuss and vote on the issue or issues for which
- 7090 they were appointed.
- 7091 (3) A chair shall be selected by a majority vote of committee members with the
- 7092 concurrence of the state planning coordinator.
- 7093 (4) A member may not receive compensation or benefits for the member's service, but
- 7094 may receive per diem and travel expenses in accordance with:
- 7095 (a) Section 63A-3-106;

7096 (b) Section 63A-3-107; and
7097 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
7098 63A-3-107.
7099 Section 184. Section **63J-7-102** is amended to read:
7100 **63J-7-102. Scope and applicability of chapter.**
7101 (1) Except as provided in Subsection (2), and except as otherwise provided by a statute
7102 superseding provisions of this chapter by explicit reference to this chapter, the provisions of
7103 this chapter apply to each agency and govern each grant received on or after May 5, 2008.
7104 (2) This chapter does not govern:
7105 (a) a grant deposited into a General Fund restricted account;
7106 (b) a grant deposited into a Trust and Agency Fund as defined in Section 51-5-4;
7107 (c) a grant deposited into an Enterprise Fund as defined in Section 51-5-4;
7108 (d) a grant made to the state without a restriction or other designated purpose that is
7109 deposited into the General Fund as free revenue;
7110 (e) a grant made to the state that is restricted only to "education" and that is deposited
7111 into the Education Fund or Uniform School Fund as free revenue;
7112 (f) in-kind donations;
7113 (g) a tax, fees, penalty, fine, surcharge, money judgment, or other money due the state
7114 when required by state law or application of state law;
7115 (h) a contribution made under Title 59, Chapter 10, Part 13, Individual Income Tax
7116 Contribution Act;
7117 (i) a grant received by an agency from another agency or political subdivision;
7118 (j) a grant to the Dairy Commission created in Title 4, Chapter 22, Dairy Promotion
7119 Act;
7120 (k) a grant to the Utah Science Center Authority created in Title 63H, Chapter 3, Utah
7121 Science Center Authority;
7122 (l) a grant to the Heber Valley Railroad Authority created in Title 63H, Chapter 4,
7123 Heber Valley Historic Railroad Authority;
7124 (m) a grant to the Utah State Railroad Museum Authority created in Title 63H, Chapter
7125 5, Utah State Railroad Museum Authority;
7126 (n) a grant to the Utah Housing Corporation created in Title [9] 35A, Chapter [4] 8,

- 7127 Part [9] 7, Utah Housing Corporation Act;
- 7128 (o) a grant to the Utah State Fair Corporation created in Title 63H, Chapter 6, Utah
- 7129 State Fair Corporation Act;
- 7130 (p) a grant to the Workers' Compensation Fund created in Title 31A, Chapter 33,
- 7131 Workers' Compensation Fund;
- 7132 (q) a grant to the Utah State Retirement Office created in Title 49, Chapter 11, Utah
- 7133 State Retirement Systems Administration;
- 7134 (r) a grant to the School and Institutional Trust Lands Administration created in Title
- 7135 53C, Chapter 1, Part 2, School and Institutional Trust Lands Administration;
- 7136 (s) a grant to the Utah Communications Agency Network created in Title 63C, Chapter
- 7137 7, Utah Communications Agency Network Act;
- 7138 (t) a grant to the Medical Education Program created in Section 63C-8-102;
- 7139 (u) a grant to the Utah Capital Investment Corporation created in Title 63M, Chapter 1,
- 7140 Part 12, Utah Venture Capital Enhancement Act;
- 7141 (v) a grant to the State Charter School Finance Authority created in Section
- 7142 53A-20b-103;
- 7143 (w) a grant to the State Building Ownership Authority created in Section 63B-1-304;
- 7144 (x) a grant to the Utah Comprehensive Health Insurance Pool created in Section
- 7145 31A-29-104; or
- 7146 (y) a grant to the Military Installation Development Authority created in Section
- 7147 63H-1-201.
- 7148 (3) An agency need not seek legislative review or approval of grants under Part 2,
- 7149 Grant Approval Requirements, if:
- 7150 (a) the governor has declared a state of emergency; and
- 7151 (b) the grant is donated to the agency to assist victims of the state of emergency under
- 7152 Subsection 63K-4-201(1).
- 7153 Section 185. Section **63K-1-102** is amended to read:
- 7154 **63K-1-102. Definitions.**
- 7155 (1) (a) "Absent" means:
- 7156 (i) not physically present or not able to be communicated with for 48 hours; or
- 7157 (ii) for local government officers, as defined by local ordinances.

7158 (b) "Absent" does not include a person who can be communicated with via telephone,
7159 radio, or telecommunications.

7160 (2) "Attack" means a nuclear, conventional, biological, or chemical warfare action
7161 against the United States of America or this state.

7162 (3) "Department" means the Department of Administrative Services, the Department of
7163 Agriculture and Food, the Alcoholic Beverage Control Commission, the Department of
7164 Commerce, the Department of [~~Community and Culture~~] Heritage and Arts, the Department of
7165 Corrections, the Department of Environmental Quality, the Department of Financial
7166 Institutions, the Department of Health, the Department of Human Resource Management, the
7167 Department of Workforce Services, the Labor Commission, the National Guard, the
7168 Department of Insurance, the Department of Natural Resources, the Department of Public
7169 Safety, the Public Service Commission, the Department of Human Services, the State Tax
7170 Commission, the Department of Technology Services, the Department of Transportation, any
7171 other major administrative subdivisions of state government, the State Board of Education, the
7172 State Board of Regents, the Utah Housing Corporation, the Workers' Compensation Fund, the
7173 State Retirement Board, and each institution of higher education within the system of higher
7174 education.

7175 (4) "Disaster" means a situation causing, or threatening to cause, widespread damage,
7176 social disruption, or injury or loss of life or property resulting from attack, internal disturbance,
7177 natural phenomenon, or technological hazard.

7178 (5) "Division" means the Division of Emergency Management established in Title 53,
7179 Chapter 2, Part 1, Emergency Management Act - Search and Rescue Advisory Board.

7180 (6) "Emergency interim successor" means a person designated by this chapter to
7181 exercise the powers and discharge the duties of an office when the person legally exercising the
7182 powers and duties of the office is unavailable.

7183 (7) "Executive director" means the person with ultimate responsibility for managing
7184 and overseeing the operations of each department, however denominated.

7185 (8) "Internal disturbance" means a riot, prison break, terrorism, or strike.

7186 (9) "Natural phenomenon" means any earthquake, tornado, storm, flood, landslide,
7187 avalanche, forest or range fire, drought, epidemic, or other catastrophic event.

7188 (10) (a) "Office" includes all state and local offices, the powers and duties of which are

7189 defined by constitution, statutes, charters, optional plans, ordinances, articles, or by-laws.

7190 (b) "Office" does not include the office of governor or the legislative or judicial offices.

7191 (11) "Place of governance" means the physical location where the powers of an office
7192 are being exercised.

7193 (12) "Political subdivision" includes counties, cities, towns, townships, districts,
7194 authorities, and other public corporations and entities whether organized and existing under
7195 charter or general law.

7196 (13) "Political subdivision officer" means a person holding an office in a political
7197 subdivision.

7198 (14) "State officer" means the attorney general, the state treasurer, the state auditor, and
7199 the executive director of each department.

7200 (15) "Technological hazard" means any hazardous materials accident, mine accident,
7201 train derailment, air crash, radiation incident, pollution, structural fire, or explosion.

7202 (16) "Unavailable" means:

7203 (a) absent from the place of governance during a disaster that seriously disrupts normal
7204 governmental operations, whether or not that absence or inability would give rise to a vacancy
7205 under existing constitutional or statutory provisions; or

7206 (b) as otherwise defined by local ordinance.

7207 Section 186. Section **63M-1-604** is amended to read:

7208 **63M-1-604. Members -- Appointment -- Terms -- Qualifications -- Vacancies --**

7209 **Chair and vice chair -- Executive secretary -- Executive committee -- Quorum --**

7210 **Expenses.**

7211 (1) The council comprises the following nonvoting members or their designees:

7212 (a) the adviser;

7213 (b) the executive director of the Department of Natural Resources;

7214 (c) the executive director of the Department of [~~Community and Culture~~] Heritage and

7215 Arts;

7216 (d) the executive director of the Department of Health;

7217 (e) the executive director of the Department of Environmental Quality;

7218 (f) the commissioner of agriculture and food;

7219 (g) the commissioner of higher education;

- 7220 (h) the state planning coordinator; and
- 7221 (i) the executive director of the Department of Transportation.
- 7222 (2) The governor may appoint other voting members, not to exceed 12.
- 7223 (3) (a) Except as required by Subsection (3)(b), as terms of current council members
- 7224 expire, the governor shall appoint each new member or reappointed member to a four-year
- 7225 term.
- 7226 (b) Notwithstanding the requirements of Subsection (3)(a), the governor shall, at the
- 7227 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
- 7228 council members are staggered so that approximately half of the council is appointed every two
- 7229 years.
- 7230 (4) The governor shall consider all institutions of higher education in the state in the
- 7231 appointment of council members.
- 7232 (5) The voting members of the council shall be experienced or knowledgeable in the
- 7233 application of science and technology to business, industry, or public problems and have
- 7234 demonstrated their interest in and ability to contribute to the accomplishment of the purposes of
- 7235 this part.
- 7236 (6) When a vacancy occurs in the membership for any reason, the replacement shall be
- 7237 appointed for the unexpired term.
- 7238 (7) (a) Each year the council shall select from its membership a chair and a vice chair.
- 7239 (b) The chair and vice chair shall hold office for one year or until a successor is
- 7240 appointed and qualified.
- 7241 (8) The adviser serves as executive secretary of the council.
- 7242 (9) An executive committee shall be established consisting of the chair, vice chair, and
- 7243 the adviser.
- 7244 (10) (a) In order to conduct business matters of the council at regularly convened
- 7245 meetings, a quorum consisting of a simple majority of the total voting membership of the
- 7246 council is required.
- 7247 (b) All matters of business affecting public policy require not less than a simple
- 7248 majority of affirmative votes of the total membership.
- 7249 (11) A member may not receive compensation or benefits for the member's service, but
- 7250 may receive per diem and travel expenses in accordance with:

- 7251 (a) Section 63A-3-106;
7252 (b) Section 63A-3-107; and
7253 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
7254 63A-3-107.
- 7255 Section 187. Section **63M-1-1503** is amended to read:
7256 **63M-1-1503. Advisory board.**
- 7257 (1) (a) There is created within the office the Utah Pioneer Communities Advisory
7258 Board.
- 7259 (b) The Permanent Community Impact Fund Board created in Section [~~9-4-304~~]
7260 35A-8-304 shall act as the advisory board.
- 7261 (2) The advisory board shall have the powers and duties described in Section
7262 63M-1-1504 and shall operate the Utah Pioneer Communities Program in accordance with
7263 Section 63M-1-1505.
- 7264 (3) The director shall designate an employee of the office to serve as a nonvoting
7265 secretary for the advisory board.
- 7266 (4) A member may not receive compensation or benefits for the member's service, but
7267 may receive per diem and travel expenses in accordance with:
- 7268 (a) Section 63A-3-106;
7269 (b) Section 63A-3-107; and
7270 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
7271 63A-3-107.
- 7272 Section 188. Section **63M-7-301** is amended to read:
7273 **63M-7-301. Definitions -- Creation of council -- Membership -- Terms.**
- 7274 (1) (a) As used in this part, "council" means the Utah Substance Abuse Advisory
7275 Council created in this section.
- 7276 (b) There is created within the governor's office the Utah Substance Abuse Advisory
7277 Council.
- 7278 (2) The council shall be comprised of the following voting members:
7279 (a) the attorney general or the attorney general's designee;
7280 (b) a county commissioner designated by the Utah Association of Counties;
7281 (c) the commissioner of public safety or the commissioner's designee;

- 7282 (d) the director of the Division of Substance Abuse and Mental Health or the director's
7283 designee;
- 7284 (e) the state superintendent of public instruction or the superintendent's designee;
- 7285 (f) the director of the Department of Health or the director's designee;
- 7286 (g) the executive director of the Commission on Criminal and Juvenile Justice or the
7287 executive director's designee;
- 7288 (h) the governor or the governor's designee;
- 7289 (i) the executive director of the Department of Corrections or the executive director's
7290 designee;
- 7291 (j) the director of the Division of Juvenile Justice Services or the director's designee;
- 7292 (k) the executive director of the private nonprofit Utah Domestic Violence Council or
7293 the executive director's designee;
- 7294 (l) the director of the Division of Indian Affairs or the director's designee;
- 7295 (m) the state court administrator or the state court administrator's designee;
- 7296 (n) the following members designated to serve four-year terms:
- 7297 (i) a member of the House of Representatives designated by the speaker of the House
7298 of Representatives;
- 7299 (ii) a member of the Senate designated by the president of the Senate; and
- 7300 (iii) a representative designated by the Utah League of Cities and Towns; [~~and~~]
- 7301 [~~(iv) a representative from the Department of Community and Culture designated by~~
7302 ~~the director of the office or a designee;~~]
- 7303 (o) the following members appointed by the governor to serve four-year terms:
- 7304 (i) a representative of the Utah National Guard;
- 7305 (ii) one resident of the state who has been personally affected by alcohol or other drug
7306 abuse; and
- 7307 (iii) one citizen representative;
- 7308 (p) in addition to the voting members described in Subsections (2)(a) through (o), the
7309 following voting members may be appointed by a majority of the members described in
7310 Subsections (2)(a) through (o) to serve four-year terms:
- 7311 (i) a person knowledgeable in criminal justice issues;
- 7312 (ii) a person knowledgeable in substance abuse treatment issues;

7313 (iii) a person knowledgeable in substance abuse prevention issues; and
 7314 (iv) a person knowledgeable in judiciary issues; and
 7315 (q) in addition to the voting members described in Subsections (2)(a) through (p), one
 7316 or more chairs or co-chairs of a committee established by the council under Subsection
 7317 63M-7-302(5) may be appointed as a voting member by a majority of the members described in
 7318 Subsections (2)(a) through (p).

7319 (3) A person other than a person described in Subsection (2) may not be appointed as a
 7320 voting member of the council.

7321 Section 189. Section **67-4-18** is amended to read:

7322 **67-4-18. Housing Relief Restricted Special Revenue Fund -- Payments to Utah**
 7323 **Housing Corporation.**

7324 (1) As used in this section, "fund" means the Housing Relief Restricted Special
 7325 Revenue Fund created by this section.

7326 (2) There is created the Housing Relief Restricted Special Revenue Fund.

7327 (3) The fund shall be comprised of money deposited in the fund from money received
 7328 as a result of the federal American Recovery and Reinvestment Act of 2009.

7329 (4) Money in the fund shall be expended to fund grants to be made by the Utah
 7330 Housing Corporation in accordance with Section [~~9-4-927~~] 35A-8-727.

7331 (5) The treasurer may place funds in an escrow account, upon which the Utah Housing
 7332 Corporation may draw to make grants in accordance with Section [~~9-4-927~~] 35A-8-727.

7333 (6) The treasurer may use money from the fund to pay the costs of escrow and other
 7334 expenses of the corporation in connection with its duties under Section [~~9-4-927~~] 35A-8-727.

7335 (7) The treasurer shall administer the fund and make payments from the fund in
 7336 accordance with this section and Section [~~9-4-927~~] 35A-8-727.

7337 Section 190. Section **67-19-6.7** is amended to read:

7338 **67-19-6.7. Overtime policies for state employees.**

7339 (1) As used in this section:

7340 (a) "Accrued overtime hours" means:

7341 (i) for nonexempt employees, overtime hours earned during a fiscal year that, at the end
 7342 of the fiscal year, have not been paid and have not been taken as time off by the nonexempt
 7343 state employee who accrued them; and

- 7344 (ii) for exempt employees, overtime hours earned during an overtime year.
- 7345 (b) "Appointed official" means:
 - 7346 (i) each department executive director and deputy director, each division director, and
 - 7347 each member of a board or commission; and
 - 7348 (ii) any other person employed by a department who is appointed by, or whose
 - 7349 appointment is required by law to be approved by, the governor and who:
 - 7350 (A) is paid a salary by the state; and
 - 7351 (B) who exercises managerial, policy-making, or advisory responsibility.
 - 7352 (c) "Department" means the Department of Administrative Services, the Department of
 - 7353 Corrections, the Department of Financial Institutions, the Department of Alcoholic Beverage
 - 7354 Control, the Insurance Department, the Public Service Commission, the Labor Commission,
 - 7355 the Department of Agriculture and Food, the Department of Human Services, the State Board
 - 7356 of Education, the Department of Natural Resources, the Department of Technology Services,
 - 7357 the Department of Transportation, the Department of Commerce, the Department of Workforce
 - 7358 Services, the State Tax Commission, the Department of ~~Community and Culture~~ Heritage
 - 7359 and Arts, the Department of Health, the National Guard, the Department of Environmental
 - 7360 Quality, the Department of Public Safety, the Department of Human Resource Management,
 - 7361 the Commission on Criminal and Juvenile Justice, all merit employees except attorneys in the
 - 7362 Office of the Attorney General, merit employees in the Office of the State Treasurer, merit
 - 7363 employees in the Office of the State Auditor, Department of Veterans' Affairs, and the Board of
 - 7364 Pardons and Parole.
 - 7365 (d) "Elected official" means any person who is an employee of the state because the
 - 7366 person was elected by the registered voters of Utah to a position in state government.
 - 7367 (e) "Exempt employee" means a state employee who is exempt as defined by the Fair
 - 7368 Labor Standards Act of 1978, 29 U.S.C. [~~Section~~] Sec. 201 et seq.
 - 7369 (f) "FLSA" means the Fair Labor Standards Act of 1978, 29 U.S.C. [~~Section~~] Sec. 201
 - 7370 et seq.
 - 7371 (g) "FLSA agreement" means the agreement authorized by the Fair Labor Standards
 - 7372 Act of 1978, 29 U.S.C. [~~Section~~] Sec. 201 et seq., by which a nonexempt employee elects the
 - 7373 form of compensation the nonexempt employee will receive for overtime.
 - 7374 (h) "Nonexempt employee" means a state employee who is nonexempt as defined by

7375 the Department of Human Resource Management applying FLSA requirements.

7376 (i) "Overtime" means actual time worked in excess of the employee's defined work
7377 period.

7378 (j) "Overtime year" means the year determined by a department under Subsection
7379 (4)(b) at the end of which an exempt employee's accrued overtime lapses.

7380 (k) "State employee" means every person employed by a department who is not:

7381 (i) an appointed official;

7382 (ii) an elected official;

7383 (iii) a member of a board or commission who is paid only for per diem or travel
7384 expenses; or

7385 (iv) employed on a contractual basis at the State Office of Education.

7386 (l) "Uniform annual date" means the date when an exempt employee's accrued
7387 overtime lapses.

7388 (m) "Work period" means:

7389 (i) for all nonexempt employees, except law enforcement and hospital employees, a
7390 consecutive seven day 24 hour work period of 40 hours;

7391 (ii) for all exempt employees, a 14 day, 80 hour payroll cycle; and

7392 (iii) for nonexempt law enforcement and hospital employees, the period established by
7393 each department by rule for those employees according to the requirements of the Fair Labor
7394 Standards Act of 1978, 29 U.S.C. [Section] Sec. 201 et seq.

7395 (2) Each department shall compensate each state employee who works overtime by
7396 complying with the requirements of this section.

7397 (3) (a) Each department shall negotiate and obtain a signed FLSA agreement from each
7398 nonexempt employee.

7399 (b) In the FLSA agreement, the nonexempt employee shall elect either to be
7400 compensated for overtime by:

7401 (i) taking time off work at the rate of one and one-half hour off for each overtime hour
7402 worked; or

7403 (ii) being paid for the overtime worked at the rate of one and one-half times the rate per
7404 hour that the state employee receives for nonovertime work.

7405 (c) Any nonexempt employee who elects to take time off under this Subsection (3)

7406 shall be paid for any overtime worked in excess of the cap established by the Department of
7407 Human Resource Management.

7408 (d) Before working any overtime, each nonexempt employee shall obtain authorization
7409 to work overtime from the employee's immediate supervisor.

7410 (e) Each department shall:

7411 (i) for employees who elect to be compensated with time off for overtime, allow
7412 overtime earned during a fiscal year to be accumulated; and

7413 (ii) for employees who elect to be paid for overtime worked, pay them for overtime
7414 worked in the paycheck for the pay period in which the employee worked the overtime.

7415 (f) If the department pays a nonexempt employee for overtime, the department shall
7416 charge that payment to the department's budget.

7417 (g) At the end of each fiscal year, the Division of Finance shall total all the accrued
7418 overtime hours for nonexempt employees and charge that total against the appropriate fund or
7419 subfund.

7420 (4) (a) (i) Except as provided in Subsection (4)(a)(ii), each department shall
7421 compensate exempt employees who work overtime by granting them time off at the rate of one
7422 hour off for each hour of overtime worked.

7423 (ii) The executive director of the Department of Human Resource Management may
7424 grant limited exceptions to this requirement, where work circumstances dictate, by authorizing
7425 a department to pay employees for overtime worked at the rate per hour that the employee
7426 receives for nonovertime work, if the department has funds available.

7427 (b) (i) Each department shall:

7428 (A) establish in its written human resource policies a uniform annual date for each
7429 division that is at the end of any pay period; and

7430 (B) communicate the uniform annual date to its employees.

7431 (ii) If any department fails to establish a uniform annual date as required by this
7432 Subsection (4), the executive director of the Department of Human Resource Management, in
7433 conjunction with the director of the Division of Finance, shall establish the date for that
7434 department.

7435 (c) (i) Any overtime earned under this Subsection (4) is not an entitlement, is not a
7436 benefit, and is not a vested right.

7437 (ii) A court may not construe the overtime for exempt employees authorized by this
7438 Subsection (4) as an entitlement, a benefit, or as a vested right.

7439 (d) At the end of the overtime year, upon transfer to another department at any time,
7440 and upon termination, retirement, or other situations where the employee will not return to
7441 work before the end of the overtime year:

7442 (i) any of an exempt employee's overtime that is more than the maximum established
7443 by the Department of Human Resource Management rule lapses; and

7444 (ii) unless authorized by the executive director of the Department of Human Resource
7445 Management under Subsection (4)(a)(ii), a department may not compensate the exempt
7446 employee for that lapsed overtime by paying the employee for the overtime or by granting the
7447 employee time off for the lapsed overtime.

7448 (e) Before working any overtime, each exempt employee shall obtain authorization to
7449 work overtime from the exempt employee's immediate supervisor.

7450 (f) If the department pays an exempt employee for overtime under authorization from
7451 the executive director of the Department of Human Resource Management, the department
7452 shall charge that payment to the department's budget in the pay period earned.

7453 (5) The Department of Human Resource Management shall:

7454 (a) ensure that the provisions of the FLSA and this section are implemented throughout
7455 state government;

7456 (b) determine, for each state employee, whether that employee is exempt, nonexempt,
7457 law enforcement, or has some other status under the FLSA;

7458 (c) in coordination with modifications to the systems operated by the Division of
7459 Finance, make rules:

7460 (i) establishing procedures for recording overtime worked that comply with FLSA
7461 requirements;

7462 (ii) establishing requirements governing overtime worked while traveling and
7463 procedures for recording that overtime that comply with FLSA requirements;

7464 (iii) establishing requirements governing overtime worked if the employee is "on call"
7465 and procedures for recording that overtime that comply with FLSA requirements;

7466 (iv) establishing requirements governing overtime worked while an employee is being
7467 trained and procedures for recording that overtime that comply with FLSA requirements;

7468 (v) subject to the FLSA, establishing the maximum number of hours that a nonexempt
7469 employee may accrue before a department is required to pay the employee for the overtime
7470 worked;

7471 (vi) subject to the FLSA, establishing the maximum number of overtime hours for an
7472 exempt employee that do not lapse; and

7473 (vii) establishing procedures for adjudicating appeals of any FLSA determinations
7474 made by the Department of Human Resource Management as required by this section;

7475 (d) monitor departments for compliance with the FLSA; and

7476 (e) recommend to the Legislature and the governor any statutory changes necessary
7477 because of federal government action.

7478 (6) In coordination with the procedures for recording overtime worked established in
7479 rule by the Department of Human Resource Management, the Division of Finance shall modify
7480 its payroll and human resource systems to accommodate those procedures.

7481 (a) Notwithstanding the procedures and requirements of Title 63G, Chapter 4,
7482 Administrative Procedures Act, Section 67-19-31, and Section 67-19a-301, any employee who
7483 is aggrieved by the FLSA designation made by the Department of Human Resource
7484 Management as required by this section may appeal that determination to the executive director
7485 of the Department of Human Resource Management by following the procedures and
7486 requirements established in Department of Human Resource Management rule.

7487 (b) Upon receipt of an appeal under this section, the executive director shall notify the
7488 executive director of the employee's department that the appeal has been filed.

7489 (c) If the employee is aggrieved by the decision of the executive director of the
7490 Department of Human Resource Management, the employee shall appeal that determination to
7491 the Department of Labor, Wage and Hour Division, according to the procedures and
7492 requirements of federal law.

7493 Section 191. Section **67-19c-101** is amended to read:

7494 **67-19c-101. Department award program.**

7495 (1) As used in this section:

7496 (a) "Department" means the Department of Administrative Services, the Department of
7497 Agriculture and Food, the Department of Alcoholic Beverage Control, the Department of
7498 Commerce, the Department of [~~Community and Culture~~] Heritage and Arts, the Department of

7499 Corrections, the Department of Workforce Services, the Department of Environmental Quality,
7500 the Department of Financial Institutions, the Department of Health, the Department of Human
7501 Resource Management, the Department of Human Services, the Insurance Department, the
7502 National Guard, the Department of Natural Resources, the Department of Public Safety, the
7503 Public Service Commission, the Labor Commission, the State Board of Education, the State
7504 Board of Regents, the State Tax Commission, the Department of Technology Services, and the
7505 Department of Transportation.

7506 (b) "Department head" means the individual or body of individuals in whom the
7507 ultimate legal authority of the department is vested by law.

7508 (2) There is created a department awards program to award an outstanding employee in
7509 each department of state government.

7510 (3) (a) By April 1 of each year, each department head shall solicit nominations for
7511 outstanding employee of the year for his department from the employees in his department.

7512 (b) By July 1 of each year, the department head shall:

7513 (i) select a person from the department to receive the outstanding employee of the year
7514 award using the criteria established in Subsection (3)(c); and

7515 (ii) announce the recipient of the award to his employees.

7516 (c) Department heads shall make the award to a person who demonstrates:

7517 (i) extraordinary competence in performing his function;

7518 (ii) creativity in identifying problems and devising workable, cost-effective solutions to
7519 them;

7520 (iii) excellent relationships with the public and other employees;

7521 (iv) a commitment to serving the public as the client; and

7522 (v) a commitment to economy and efficiency in government.

7523 (4) (a) The Department of Human Resource Management shall divide any
7524 appropriation for outstanding department employee awards that it receives from the Legislature
7525 equally among the departments.

7526 (b) If the department receives money from the Department of Human Resource
7527 Management or if the department budget allows, the department head shall provide the
7528 employee with a bonus, a plaque, or some other suitable acknowledgement of the award.

7529 (5) (a) The department head may name the award after an exemplary present or former

7530 employee of the department.

7531 (b) A department head may not name the award for himself or for any relative as
7532 defined in Section 52-3-1.

7533 (c) Any awards or award programs existing in any department as of May 3, 1993, shall
7534 be modified to conform to the requirements of this section.

7535 Section 192. Section **67-22-2** is amended to read:

7536 **67-22-2. Compensation -- Other state officers.**

7537 (1) As used in this section:

7538 (a) "Appointed executive" means the:

7539 (i) Commissioner of the Department of Agriculture and Food;

7540 (ii) Commissioner of the Insurance Department;

7541 (iii) Commissioner of the Labor Commission;

7542 (iv) Director, Alcoholic Beverage Control Commission;

7543 (v) Commissioner of the Department of Financial Institutions;

7544 (vi) Executive Director, Department of Commerce;

7545 (vii) Executive Director, Commission on Criminal and Juvenile Justice;

7546 (viii) Adjutant General;

7547 (ix) Executive Director, Department of [~~Community and Culture~~] Heritage and Arts;

7548 (x) Executive Director, Department of Corrections;

7549 (xi) Commissioner, Department of Public Safety;

7550 (xii) Executive Director, Department of Natural Resources;

7551 (xiii) Director, Governor's Office of Planning and Budget;

7552 (xiv) Executive Director, Department of Administrative Services;

7553 (xv) Executive Director, Department of Human Resource Management;

7554 (xvi) Executive Director, Department of Environmental Quality;

7555 (xvii) Director, Governor's Office of Economic Development;

7556 (xviii) Executive Director, Utah Science Technology and Research Governing

7557 Authority;

7558 (xix) Executive Director, Department of Workforce Services;

7559 (xx) Executive Director, Department of Health, Nonphysician;

7560 (xxi) Executive Director, Department of Human Services;

- 7561 (xxii) Executive Director, Department of Transportation;
7562 (xxiii) Executive Director, Department of Technology Services; and
7563 (xxiv) Executive Director, Department of Veterans Affairs.
- 7564 (b) "Board or commission executive" means:
7565 (i) Members, Board of Pardons and Parole;
7566 (ii) Chair, State Tax Commission;
7567 (iii) Commissioners, State Tax Commission;
7568 (iv) Executive Director, State Tax Commission;
7569 (v) Chair, Public Service Commission; and
7570 (vi) Commissioners, Public Service Commission.
- 7571 (c) "Deputy" means the person who acts as the appointed executive's second in
7572 command as determined by the Department of Human Resource Management.
- 7573 (2) (a) The executive director of the Department of Human Resource Management
7574 shall:
7575 (i) before October 31 of each year, recommend to the governor a compensation plan for
7576 the appointed executives and the board or commission executives; and
7577 (ii) base those recommendations on market salary studies conducted by the Department
7578 of Human Resource Management.
- 7579 (b) (i) The Department of Human Resource Management shall determine the salary
7580 range for the appointed executives by:
7581 (A) identifying the salary range assigned to the appointed executive's deputy;
7582 (B) designating the lowest minimum salary from those deputies' salary ranges as the
7583 minimum salary for the appointed executives' salary range; and
7584 (C) designating 105% of the highest maximum salary range from those deputies' salary
7585 ranges as the maximum salary for the appointed executives' salary range.
- 7586 (ii) If the deputy is a medical doctor, the Department of Human Resource Management
7587 may not consider that deputy's salary range in designating the salary range for appointed
7588 executives.
- 7589 (c) In establishing the salary ranges for board or commission executives, the
7590 Department of Human Resource Management shall set the maximum salary in the salary range
7591 for each of those positions at 90% of the salary for district judges as established in the annual

7592 appropriation act under Section 67-8-2.

7593 (3) (a) (i) Except as provided in Subsection (3)(a)(ii), the governor shall establish a
7594 specific salary for each appointed executive within the range established under Subsection
7595 (2)(b).

7596 (ii) If the executive director of the Department of Health is a physician, the governor
7597 shall establish a salary within the highest physician salary range established by the Department
7598 of Human Resource Management.

7599 (iii) The governor may provide salary increases for appointed executives within the
7600 range established by Subsection (2)(b) and identified in Subsection (3)(a)(ii).

7601 (b) The governor shall apply the same overtime regulations applicable to other FLSA
7602 exempt positions.

7603 (c) The governor may develop standards and criteria for reviewing the appointed
7604 executives.

7605 (4) Salaries for other Schedule A employees, as defined in Section 67-19-15, that are
7606 not provided for in this chapter, or in Title 67, Chapter 8, Utah Elected Official and Judicial
7607 Salary Act, shall be established as provided in Section 67-19-15.

7608 (5) (a) The Legislature fixes benefits for the appointed executives and the board or
7609 commission executives as follows:

7610 (i) the option of participating in a state retirement system established by Title 49, Utah
7611 State Retirement and Insurance Benefit Act, or in a deferred compensation plan administered
7612 by the State Retirement Office in accordance with the Internal Revenue Code and its
7613 accompanying rules and regulations;

7614 (ii) health insurance;

7615 (iii) dental insurance;

7616 (iv) basic life insurance;

7617 (v) unemployment compensation;

7618 (vi) workers' compensation;

7619 (vii) required employer contribution to Social Security;

7620 (viii) long-term disability income insurance;

7621 (ix) the same additional state-paid life insurance available to other noncareer service
7622 employees;

- 7623 (x) the same severance pay available to other noncareer service employees;
- 7624 (xi) the same leave, holidays, and allowances granted to Schedule B state employees as
- 7625 follows:
- 7626 (A) sick leave;
- 7627 (B) converted sick leave if accrued prior to January 1, 2014;
- 7628 (C) educational allowances;
- 7629 (D) holidays; and
- 7630 (E) annual leave except that annual leave shall be accrued at the maximum rate
- 7631 provided to Schedule B state employees;
- 7632 (xii) the option to convert accumulated sick leave to cash or insurance benefits as
- 7633 provided by law or rule upon resignation or retirement according to the same criteria and
- 7634 procedures applied to Schedule B state employees;
- 7635 (xiii) the option to purchase additional life insurance at group insurance rates according
- 7636 to the same criteria and procedures applied to Schedule B state employees; and
- 7637 (xiv) professional memberships if being a member of the professional organization is a
- 7638 requirement of the position.
- 7639 (b) Each department shall pay the cost of additional state-paid life insurance for its
- 7640 executive director from its existing budget.
- 7641 (6) The Legislature fixes the following additional benefits:
- 7642 (a) for the executive director of the State Tax Commission a vehicle for official and
- 7643 personal use;
- 7644 (b) for the executive director of the Department of Transportation a vehicle for official
- 7645 and personal use;
- 7646 (c) for the executive director of the Department of Natural Resources a vehicle for
- 7647 commute and official use;
- 7648 (d) for the Commissioner of Public Safety:
- 7649 (i) an accidental death insurance policy if POST certified; and
- 7650 (ii) a public safety vehicle for official and personal use;
- 7651 (e) for the executive director of the Department of Corrections:
- 7652 (i) an accidental death insurance policy if POST certified; and
- 7653 (ii) a public safety vehicle for official and personal use;

7654 (f) for the Adjutant General a vehicle for official and personal use; and
7655 (g) for each member of the Board of Pardons and Parole a vehicle for commute and
7656 official use.

7657 Section 193. Section **72-4-302** is amended to read:

7658 **72-4-302. Utah State Scenic Byway Committee -- Creation -- Membership --**
7659 **Meetings -- Expenses.**

7660 (1) There is created the Utah State Scenic Byway Committee.

7661 (2) (a) The committee shall consist of the following 15 members:

7662 (i) a representative from each of the following entities appointed by the governor:

7663 (A) the Governor's Office of Economic Development;

7664 (B) the Utah Department of Transportation;

7665 (C) the Department of [~~Community and Culture~~] Heritage and Arts;

7666 (D) the Division of State Parks and Recreation;

7667 (E) the Federal Highway Administration;

7668 (F) the National Park Service;

7669 (G) the National Forest Service; and

7670 (H) the Bureau of Land Management;

7671 (ii) one local government tourism representative appointed by the governor;

7672 (iii) a representative from the private business sector appointed by the governor;

7673 (iv) three local elected officials from a county, city, or town within the state appointed

7674 by the governor;

7675 (v) a member from the House of Representatives appointed by the speaker of the

7676 House of Representatives; and

7677 (vi) a member from the Senate appointed by the president of the Senate.

7678 (b) Except as provided in Subsection (2)(c), the members appointed in this Subsection

7679 (2) shall be appointed for a four-year term of office.

7680 (c) The governor shall, at the time of appointment or reappointment for appointments

7681 made under Subsection (2)(a)(i), (ii), (iii), or (iv) adjust the length of terms to ensure that the

7682 terms of committee members are staggered so that approximately half of the committee is

7683 appointed every two years.

7684 (d) (i) The appointments made under [~~Subsection~~] Subsections (2)(a)(v) and

7685 [~~(2)(a)~~](vi) by the speaker of the House and the president of the Senate may not be from the
7686 same political party.

7687 (ii) The speaker of the House and the president of the Senate shall alternate the
7688 appointments made under Subsections (2)(a)(v) and [~~(2)(a)~~](vi) as follows:

7689 (A) if the speaker appoints a member under Subsection (2)(a)(v), the next appointment
7690 made by the speaker following the expiration of the existing member's four-year term of office
7691 shall be from a different political party; and

7692 (B) if the president appoints a member under Subsection (2)(a)(vi), the next
7693 appointment made by the president following the expiration of the existing member's four-year
7694 term of office shall be from a different political party.

7695 (3) (a) The representative from the Governor's Office of Economic Development shall
7696 chair the committee.

7697 (b) The members appointed under Subsections (2)(a)(i)(E) through (H) serve as
7698 nonvoting, ex officio members of the committee.

7699 (4) The Governor's Office of Economic Development and the department shall provide
7700 staff support to the committee.

7701 (5) (a) The chair may call a meeting of the committee only with the concurrence of the
7702 department.

7703 (b) A majority of the voting members of the committee constitute a quorum.

7704 (c) Action by a majority vote of a quorum of the committee constitutes action by the
7705 committee.

7706 (6) A member may not receive compensation or benefits for the member's service, but
7707 may receive per diem and travel expenses in accordance with:

7708 (a) Section 63A-3-106;

7709 (b) Section 63A-3-107; and

7710 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and
7711 63A-3-107.

7712 Section 194. Section **73-10c-3** is amended to read:

7713 **73-10c-3. Water Development Coordinating Council created -- Purpose --**
7714 **Members.**

7715 (1) (a) There is created within the Department of Natural Resources a Water

7716 Development Coordinating Council. The council comprises:

7717 (i) the director of the Division of Water Resources;

7718 (ii) the executive secretary of the Water Quality Board;

7719 (iii) the executive secretary of the Drinking Water Board;

7720 (iv) the executive director of the Department of [~~Community and Culture~~] Heritage and

7721 Arts or the executive director's designee; and

7722 (v) the state treasurer or the treasurer's designee.

7723 (b) The council shall choose a chair and vice chair from among its own members.

7724 (c) A member may not receive compensation or benefits for the member's service, but

7725 may receive per diem and travel expenses in accordance with:

7726 (i) Section 63A-3-106;

7727 (ii) Section 63A-3-107; and

7728 (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and

7729 63A-3-107.

7730 (2) The purposes of the council are to:

7731 (a) coordinate the use and application of the funds available to the state to give

7732 financial assistance to political subdivisions of this state so as to promote the conservation,

7733 development, treatment, restoration, and protection of the waters of this state;

7734 (b) promote the coordination of the financial assistance programs administered by the

7735 state and the use of the financing alternative most economically advantageous to the state and

7736 its political subdivisions;

7737 (c) promote the consideration by the Board of Water Resources, Drinking Water

7738 Board, and Water Quality Board of regional solutions to the water and wastewater needs of

7739 individual political subdivisions of this state; and

7740 (d) assess the adequacy and needs of the state and its political subdivisions with respect

7741 to water-related infrastructures and advise the governor and the Legislature on those funding

7742 needs.

7743 **Section 195. Repealer.**

7744 This bill repeals:

7745 **Section 9-6-601, Definitions.**

7746 **Section 9-6-607, Office director.**

Legislative Review Note
as of 2-1-12 1:05 PM

Office of Legislative Research and General Counsel