

- 26 electing or appointing the members of the board of trustees;
- 27 ▶ amends provisions related to the authority of a local district to continue to tax an
28 area withdrawn from the local district;
- 29 ▶ requires a board of trustees to mail notice of a hearing to consider adoption of a
30 budget to an owner of property or a registered voter within the local district;
- 31 ~~Ĥ→ [→ allows a local district to establish reasonable rules that require customers who sign
32 up for one service to receive multiple commodities, services, or facilities provided
33 by the district in certain circumstances;] ←Ĥ~~
- 34 ▶ prohibits in certain circumstances a county legislative body from adopting a
35 resolution for the appointment of a board of trustees member in a county
36 improvement district;
- 37 ▶ amends provisions related to a mosquito abatement district's power to establish a
38 reserve fund;
- 39 ▶ amends certain provisions related to the funding of a public transit district;
- 40 ▶ allows a member of a public transit district board of trustees who is appointed by a
41 county or municipality to be employed by the county or municipality in certain
42 circumstances;
- 43 ▶ amends criminal provisions related to riding in a transit vehicle without payment;
- 44 ▶ amends a public transit district's authority to use certain information obtained
45 through a background check;
- 46 ▶ requires a board of trustees for a water conservancy district to give written notice of
47 an upcoming vacancy in an appointed trustee's term within a certain period of time;
- 48 ▶ amends definitions;
- 49 ▶ amends provisions authorizing a municipality or improvement district to appoint
50 members to an administrative control board;
- 51 ▶ amends provisions related to the board of canvassers for a local district;
- 52 ▶ authorizes a public transit district to use an automatic license plate reader system to
53 assess parking needs and conduct travel pattern analyses;
- 54 ▶ authorizes the dissemination of a criminal history or warrant of arrest information to
55 a public transit district for certain purposes;
- 56 ▶ amends provisions related to the state auditor's authority to withhold state allocated

- 88 17D-1-303, as enacted by Laws of Utah 2008, Chapter 360
- 89 17D-1-304, as last amended by Laws of Utah 2012, Chapter 97
- 90 20A-1-512, as last amended by Laws of Utah 2013, Chapter 448
- 91 20A-4-301, as last amended by Laws of Utah 2010, Chapter 197
- 92 41-6a-2003, as enacted by Laws of Utah 2013, Chapter 447
- 93 53-10-108, as last amended by Laws of Utah 2012, Chapter 239
- 94 67-3-1, as last amended by Laws of Utah 2013, Chapter 384
- 95 78B-2-216, as last amended by Laws of Utah 2010, Chapter 30

96 ENACTS:

- 97 10-5-102.5, Utah Code Annotated 1953
- 98 ~~H→ [17B-1-122, Utah Code Annotated 1953] ←H~~

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

101 Section 1. Section 10-5-102.5 is enacted to read:

102 **10-5-102.5. Definitions.**

103 (1) "Enterprise fund" means a fund as defined by the Governmental Accounting
104 Standards Board that is used by a municipality to report an activity for which a fee is charged to
105 users for goods or services.

106 (2) "Utility" means a utility owned by a town, in whole or in part, that provides
107 electricity, gas, water, or sewer, or any combination of them.

108 Section 2. Section 10-5-107 is amended to read:

109 **10-5-107. Tentative budgets required for public inspection -- Contents --**
110 **Adoption of tentative budget.**

111 (1) (a) On or before the first regularly scheduled town council meeting of May, the
112 mayor shall:

113 (i) prepare for the ensuing year, on forms provided by the state auditor, a tentative
114 budget for each fund for which a budget is required;

115 (ii) make the tentative budget available for public inspection; and

116 (iii) submit the tentative budget to the town council.

117 (b) The tentative budget of each fund shall set forth in tabular form:

118 (i) actual revenues and expenditures in the last completed fiscal year;

119 (ii) estimated total revenues and expenditures for the current fiscal year; and
 120 (iii) the mayor's estimates of revenues and expenditures for the budget year.

121 (2) (a) The mayor shall:

122 (i) estimate the amount of revenue available to serve the needs of each fund;

123 (ii) estimate the portion to be derived from all sources other than general property
 124 taxes; and

125 (iii) estimate the portion that shall be derived from general property taxes.

126 (b) From the estimates required by Subsection (2)(a), the mayor shall compute and
 127 disclose in the budget the lowest rate of property tax levy that will raise the required amount of
 128 revenue, calculating the levy on the latest taxable value.

129 (3) A governing body may ~~§→ [not] ←§~~ spend ~~§→ or transfer ←§~~ money deposited in
 129a an enterprise fund for a good,

130 service, project, venture, or other purpose that is not directly related to the goods or services

131 provided by the enterprise for which the enterprise fund was created, ~~§→ [unless] if ←§~~ the

131a governing

132 body:

133 (a) transfers the money from the enterprise fund to another fund; and

134 (b) complies with the hearing and notice requirements of Subsections ~~§→ [(6)] (5) ←§~~ (a),

134a (b), and

135 (c).

136 ~~[(3)] (4) (a)~~ Before the public hearing required under Section 10-5-108, the town
 137 council:

138 (i) shall review, consider, and tentatively adopt the tentative budget in any regular
 139 meeting or special meeting called for that purpose; and

140 (ii) may amend or revise the tentative budget.

141 (b) At the meeting at which the town council adopts the tentative budget, the council
 142 shall establish the time and place of the public hearing required under Section 10-5-108.

143 ~~[(4) (a) Except as provided in Subsection (4)(d), if]~~

144 (5) (a) ~~§→ [Hf] Except as provided in Subsection (5)(d), if ←§~~ a town council includes in
 144a a tentative budget, or an amendment to a budget,

145 allocations or transfers from ~~[a utility] an~~ enterprise fund to another fund ~~§→ [that are not] for a~~
 145a **good, service, project, venture, or purpose other than ←§**

146 reasonable allocations of costs between the ~~[utility]~~ enterprise fund and the other fund, the
 147 governing body shall:

148 (i) hold a public hearing;

149 (ii) prepare a written notice of the date, time, place, and purpose of the hearing as

150 described in Subsection ~~[(4)]~~ (5)(b); and

151 (iii) subject to Subsection ~~[(4)]~~ (5)(c), mail the notice to each [utility] enterprise fund
152 customer at least seven days before the day of the hearing.

153 (b) The purpose portion of the written notice shall identify:

154 (i) the [utility] enterprise fund from which money is being allocated or transferred;

155 (ii) the amount being allocated or transferred; and

156 (iii) the fund to which the money is being allocated or transferred.

157 (c) The town council:

158 (i) may print the written notice required under Subsection ~~[(4)]~~ (5)(a)(ii) on the [utility]
159 enterprise fund customer's bill; and

160 (ii) shall include the written notice required under Subsection ~~[(4)]~~ (5)(a)(ii) as separate
161 notification mailed or transmitted with the [utility] enterprise fund customer's bill.

162 ~~[(d) The notice and hearing requirements in this Subsection (4) are not required for an
163 allocation or a transfer included in an original budget or in a subsequent budget amendment
164 previously approved by the town council for the current fiscal year.]~~

164a **§→ (d) A governing body is not required to repeat the notice and hearing requirements**
164b **in this Subsection (5) if the funds to be allocated or transferred for the current year were**
164c **previously approved by the governing body during the current year and at a public hearing**
164d **that complies with the notice and hearing requirements of this Subsection (5). ←§**

165 Section 3. Section 10-6-106 is amended to read:

166 **10-6-106. Definitions.**

167 As used in this chapter:

168 (1) "Account group" is defined by generally accepted accounting principles as reflected
169 in the Uniform Accounting Manual for Utah Cities.

170 (2) "Appropriation" means an allocation of money by the governing body for a specific
171 purpose.

172 (3) (a) "Budget" means a plan of financial operations for a fiscal period which
173 embodies estimates of proposed expenditures for given purposes and the proposed means of
174 financing them.

175 (b) "Budget" may refer to the budget of a particular fund for which a budget is required
176 by law or it may refer collectively to the budgets for all such funds.

177 (4) "Budgetary fund" means a fund for which a budget is required.

178 (5) "Budget officer" means the city auditor in a city of the first and second class, the
179 mayor or some person appointed by the mayor with the approval of the city council in a city of
180 the third, fourth, or fifth class, the mayor in the council-mayor optional form of government, or

243 Manual for Utah Cities.

244 (3) (a) The governing body shall adopt and administer an operating and capital budget
245 in accordance with this Subsection (3).

246 (b) A governing body may ~~§~~ ~~→~~ [not] ~~←~~ ~~§~~ spend ~~§~~ ~~→~~ or transfer ~~←~~ ~~§~~ money deposited in
246a an enterprise fund for a good,
247 service, project, venture, or other purpose that is not directly related to the goods or services
248 provided by the enterprise for which the enterprise fund was created, ~~§~~ ~~→~~ [unless] if ~~←~~ ~~§~~ the
248a governing
249 body:

250 (i) transfers the money from the enterprise fund to another fund; and

251 (ii) complies with the hearing and notice requirements of Subsections (3) ~~§~~ ~~→~~ [(g)] (f) ~~←~~ ~~§~~
251a (i), (ii), and
252 (iii).

253 ~~[(b)]~~ (c) At or before the first regularly scheduled meeting of the governing body in the
254 last May of the current fiscal period, the budget officer shall:

255 (i) prepare for the ensuing fiscal period and file with the governing body a tentative
256 operating and capital budget for:

257 (A) each enterprise fund; and

258 (B) other required special funds;

259 (ii) include with the tentative operating and capital budget described in Subsection
260 (3)~~[(b)]~~(d)(i) specific work programs as submitted by each department head; and

261 (iii) include any other supporting data required by the governing body.

262 ~~[(e)]~~ (d) Each city of the first or second class shall, and each city of the third, fourth, or
263 fifth class may, submit a supplementary estimate of all capital projects which a department
264 head believes should be undertaken within the three next succeeding fiscal periods.

265 ~~[(d)]~~ (e) (i) Subject to Subsection (3)~~[(d)]~~(e)(ii), the budget officer shall prepare all
266 estimates after review and consultation with each department head described in Subsection
267 (3)~~[(e)]~~(d).

268 (ii) After complying with Subsection (3)~~[(d)]~~(e)(i), the budget officer may revise any
269 departmental estimate before it is filed with the governing body.

270 ~~[(e) (i) Except as provided in Subsection (3)(e)(iv), if]~~

271 (f) (i) ~~§~~ ~~→~~ **[If] Except as provided in Subsection (3)(f)(iv), if ~~←~~ ~~§~~** the governing body
271a includes in a tentative budget or an amendment to a budget

272 allocations or transfers from [~~a utility~~] an enterprise fund to another fund ~~§~~ ~~→~~ **[that are not] for a**
272a **good, service, project, venture, or purpose other than ~~←~~ ~~§~~**

273 reasonable allocations of costs between the [~~utility~~] enterprise fund and the other fund, the

274 governing body shall:

275 (A) hold a public hearing;

276 (B) prepare a written notice of the date, time, place, and purpose of the hearing, as
277 described in Subsection (3)~~(e)~~(f)(ii); and

278 (C) subject to Subsection (3)~~(e)~~(f)(iii), mail the written notice to each [utility]
279 enterprise fund customer at least seven days before the day of the hearing.

280 (ii) The purpose portion of the written notice required under Subsection
281 (3)~~(e)~~(f)(i)(B) shall identify:

282 (A) the [utility] enterprise fund from which money is being transferred;

283 (B) the amount being transferred; and

284 (C) the fund to which the money is being transferred.

285 (iii) The governing body:

286 (A) may print the written notice required under Subsection (3)~~(e)~~(f)(i) on the [utility]
287 enterprise fund customer's bill; and

288 (B) shall include the written notice required under Subsection (3)~~(e)~~(f)(i) as a
289 separate notification mailed or transmitted with the [utility] enterprise fund customer's bill.

290 ~~[(iv) The notice and hearing requirements in this Subsection (3)(e) are not required for
291 an allocation or a transfer included in an original budget or in a subsequent budget amendment
292 previously approved by the governing body for the current fiscal year.]~~

292a **§→ (iv) A governing body is not required to repeat the notice and hearing requirements**
292b **in this Subsection (3)(f) if the funds to be allocated or transferred for the current year were**
292c **previously approved by the governing body during the current year and at a public hearing**
292d **that complies with the notice and hearing requirements of this Subsection (3)(f).** ←§

293 (4) (a) Each tentative budget, amendment to a budget, or budget shall be reviewed and
294 considered by the governing body at any regular meeting or special meeting called for that
295 purpose.

296 (b) The governing body may make changes in the tentative budgets.

297 (5) Budgets for enterprise or other required special funds shall comply with the public
298 hearing requirements established in Sections 10-6-113 and 10-6-114.

299 (6) (a) Before the last June 30 of each fiscal period, or, in the case of a property tax
300 increase under Sections 59-2-919 through 59-2-923, before August 31 of the year for which a
301 property tax increase is proposed, the governing body shall adopt an operating and capital
302 budget for each applicable fund for the ensuing fiscal period.

303 (b) A copy of the budget as finally adopted for each fund shall be:

304 (i) certified by the budget officer;

429 (I) operation of a project or facilities that the district is authorized to operate; or

430 (II) providing a service that the district is authorized to provide;

431 (B) the generation of electricity from the facilities is incidental to the primary
432 operations of the district; and

433 (C) operation of the facilities will not hinder or interfere with the primary operations of
434 the district;

435 (ii) (A) use electricity generated by the facilities; or

436 (B) subject to Subsection (4)(b), sell electricity generated by the facilities to an electric
437 utility or municipality with an existing system for distributing electricity.

438 (b) A district may not act as a retail distributor or seller of electricity.

439 (c) Revenue that a district receives from the sale of electricity from electrical
440 generation facilities it owns or operates under this section may be used for any lawful district
441 purpose, including the payment of bonds issued to pay some or all of the cost of acquiring or
442 constructing the facilities.

443 (5) A local district may adopt and, after adoption, alter a corporate seal.

444 (6) (a) As used in this Subsection (6), "knife" means a cutting instrument that includes
445 a sharpened or pointed blade.

446 (b) The authority to regulate a knife is reserved to the state except where the
447 Legislature specifically delegates responsibility to a local district.

448 (c) Unless specifically authorized by the Legislature by statute, a local district may not
449 adopt or enforce a regulation or rule pertaining to a knife.

450 ~~H→ [Section 6. Section 17B-1-122 is enacted to read:~~

451 ~~———— 17B-1-122. Required multiple commodities, services, or facilities:~~

452 ~~———— §→ [A] (1) Except as provided in Subsection (2), a ←§ local district may establish~~
452a ~~reasonable rules requiring a customer who signs up for~~

453 ~~one service to receive multiple commodities, services, or facilities provided by the district~~

454 ~~under conditions or circumstances that are, as determined by the board of trustees, in the~~

455 ~~general best interest of the district's customers if:~~

456 ~~———— §→ [(1)] (a) ←§ the local district provides more than one commodity, service, or facility;~~

457 ~~———— §→ [(2)] (b) ←§ one of the commodities, services, or facilities that the district provides is~~
457a ~~electric~~

458 ~~service; and~~

459 ~~———— §→ [(3)] (c) ←§ the district notifies the customer in writing of:~~

460 ~~§→ [(a)] (i) ←§ the requirement to receive multiple commodities, services, or facilities;~~
 461 ~~§→ [(b)] (ii) ←§ the specific additional commodity, service, or facility the customer will be~~
 461a ~~required~~
 462 ~~to receive; and~~
 463 ~~§→ [(c)] (iii) ←§ any fee or levy associated with the additional commodity, service, or~~
 463a ~~facility.~~
 463b ~~§→ (2) Subsection (1) does not apply to a utility or a service account with a governmental~~
 463c ~~entity. ←§] ←Ĥ~~

464 Section ~~Ĥ→~~ [7] 6 ~~←Ĥ~~ . Section 17B-1-202 is amended to read:

465 **17B-1-202. Local district may be created -- Services that may be provided --**
 466 **Limitations.**

467 (1) (a) A local district may be created as provided in this part to provide within its
 468 boundaries service consisting of:

469 (i) the operation of an airport;

470 (ii) the operation of a cemetery;

471 (iii) fire protection, paramedic, and emergency services, including consolidated 911
 472 and emergency dispatch services;

473 (iv) garbage collection and disposal;

474 (v) health care, including health department or hospital service;

475 (vi) the operation of a library;

476 (vii) abatement or control of mosquitos and other insects;

477 (viii) the operation of parks or recreation facilities or services;

478 (ix) the operation of a sewage system;

479 (x) the construction and maintenance of a right-of-way, including:

480 (A) a curb;

481 (B) a gutter;

482 (C) a sidewalk;

483 (D) a street;

484 (E) a road;

485 (F) a water line;

486 (G) a sewage line;

487 (H) a storm drain;

488 (I) an electricity line;

489 (J) a communications line;

490 (K) a natural gas line; or

1080 Bonds, to carry out the purposes of the district;

1081 ~~[(j)]~~ (k) from bond proceeds or any other available funds, reimburse the state or an
 1082 agency of the state for an advance or contribution from the state or state agency;

1083 ~~[(k)]~~ (l) do anything necessary to avail itself of any aid, assistance, or cooperation
 1084 available under federal law, including complying with labor standards and making
 1085 arrangements for employees required by the United States or a department, instrumentality, or
 1086 agency of the United States; ~~[and]~~

1087 (m) sell or lease property;

1088 (n) assist in or operate transit-oriented or transit-supportive developments;

1089 (o) establish, finance, participate as a limited partner or member in a development with
 1090 limited liabilities in accordance with Subsection (1)(p), construct, improve, maintain, or
 1091 operate transit facilities, equipment, and transit-oriented developments or transit-supportive
 1092 developments; and

1093 ~~[(h)]~~ (p) subject to the restriction in Subsection (2), assist in a transit-oriented
 1094 development or a transit-supportive development in connection with ~~[the]~~ economic
 1095 development ~~[of areas in proximity to a right-of-way, rail line, station, platform, switchyard,~~
 1096 ~~terminal, or parking lot,]~~ by:

- 1097 (i) investing in a project as a limited partner or a member, with limited liabilities; or
- 1098 (ii) subordinating an ownership interest in real property owned by the public transit
 1099 district.

1100 (2) (a) A public transit district may only assist in the economic development of areas
 1101 under Subsection (1)~~[(h)]~~(p):

1102 (i) in the manner described in Subsection (1)~~[(h)]~~(p)(i) or (ii); and

1103 (ii) on no more than ~~[five]~~ ~~5~~ **10** ~~eight~~ ~~8~~ transit-oriented developments or
 1103a transit-supportive
 1104 developments selected by the board of trustees.

1105 (b) A public transit district may not invest in a transit-oriented development or
 1106 transit-supportive development as a limited partner or other limited liability entity under the
 1107 provisions of Subsection (1)~~[(h)]~~(p)(i), unless the partners, developer, or other investor in the
 1108 entity, makes an equity contribution equal to no less than 25% of the appraised value of the
 1109 property to be contributed by the public transit district.

1110 (c) A current board member of a public transit district to which the board member is

1855 (f) superintend the contractual auditing of all state accounts;

1856 (g) subject to ~~§~~ [[] Subsection []] ~~Subsections~~ ~~§~~ (8) ~~§~~ (a) ~~and (10)~~ ~~§~~ ,
1856a withhold state allocated funds or

1857 the disbursement of property taxes from ~~any~~ a state or local taxing or fee-assessing unit, if
1858 necessary, to ensure that officials and employees in those taxing units ~~of the state~~ comply
1859 with state laws and procedures in the budgeting, expenditures, and financial reporting of public
1860 funds; and

1861 (h) subject to ~~§~~ [[] Subsection []] ~~§~~ ~~§~~ ~~Subsections~~ ~~§~~ (9) ~~§~~ ~~and (10)~~ ~~§~~ ,
1861a withhold the disbursement of tax
1862 money from any county, if necessary, to ensure that officials and employees in the county
1863 comply with Section 59-2-303.1.

1864 (8) (a) Except as otherwise provided by law, the state auditor may not withhold funds
1865 under Subsection (7)(g) until a state or local taxing or fee-assessing unit has received formal
1866 written notice of noncompliance from the auditor and has been given 60 days to make the
1867 specified corrections.

1868 (b) If, after receiving notice under Subsection (8)(a), a state or ~~§~~ independent ~~§~~ local
1868a fee-assessing unit
1869 that exclusively assesses fees has not made corrections to comply with state laws and
1870 procedures in the budgeting, expenditures, and financial reporting of public funds, the state
1871 auditor:

1872 (i) shall provide a recommended timeline for corrective actions; and

1873 (ii) may prohibit the ~~§~~ state or local ~~§~~ fee-assessing unit from accessing money held
1873a by the state; and

1874 (iii) may prohibit a state or local fee-assessing unit from accessing money held in an
1875 account of a financial institution by ~~§~~ [:

1876 ~~— (A) contacting the fee-assessing unit's financial institution and requesting that the~~
1877 ~~institution prohibit access to the account; or~~

1878 ~~— (B) ~~§~~ filing an action in district court requesting an order of the court to prohibit a~~
1879 ~~financial institution from providing the fee-assessing unit access to an account.~~

1880 (c) The state auditor shall remove a limitation on accessing funds under Subsection
1881 (8)(b) upon compliance with state laws and procedures in the budgeting, expenditures, and
1882 financial reporting of public funds.

1883 (d) If a local taxing or fee-assessing unit has not adopted a budget in compliance with
1884 state law, the state auditor: