{deleted text} shows text that was in SB0136 but was deleted in SB0136S01. inserted text shows text that was not in SB0136 but was inserted into SB0136S01.

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Representative R. Curt Webb proposes the following substitute bill:

LOCAL ELECTIONS AMENDMENTS

2014 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Howard A. Stephenson

House Sponsor: <u>{_____}R. Curt Webb</u>

LONG TITLE

General Description:

This bill amends provisions of the Election Code relating to elections on local referenda.

Highlighted Provisions:

This bill:

- defines the term "local tax law";
- modifies the deadline for delivering a signed and verified referendum packet in relation to a local tax law;
- modifies dates for:
 - the certification of referendum petition signatures by a county clerk; and
 - evaluation of the sufficiency of a referendum petition by a local clerk;
- frequires}provides that an election on a referendum challenging a local tax law may

be conducted entirely by absentee ballot;

- describes requirements relating to an election described in the preceding paragraph; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

20A-7-101, as last amended by Laws of Utah 2012, Chapters 17 and 72

20A-7-606, as last amended by Laws of Utah 2012, Chapter 72

20A-7-607, as last amended by Laws of Utah 2011, Chapter 17

20A-7-609, as last amended by Laws of Utah 2011, Chapter 17

59-12-1102, as last amended by Laws of Utah 2012, Chapters 212 and 254

}ENACTS:

20A-7-609.5, Utah Code Annotated 1953

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

Section 1. Section 20A-7-101 is amended to read:

20A-7-101. Definitions.

As used in this chapter:

(1) "Budget officer" means:

(a) (i) for a county of the first class, the person designated as budget officer in Section 17-19a-203; or

(ii) for a county not described in Subsection (1)(a)(i), a person designated as budget officer in Section 17-19-19;

(b) for a city, the person designated as budget officer in Subsection 10-6-106(5); or

(c) for a town, the town council.

(2) "Certified" means that the county clerk has acknowledged a signature as being the signature of a registered voter.

(3) "Circulation" means the process of submitting an initiative or referendum petition to legal voters for their signature.

(4) "Final fiscal impact statement" means a financial statement prepared after voters approve an initiative that contains the information required by Subsection 20A-7-202.5(2) or 20A-7-502.5(2).

(5) "Initial fiscal impact estimate" means a financial statement prepared according to the terms of Section 20A-7-202.5 or 20A-7-502.5 after the filing of an application for an initiative petition.

(6) "Initiative" means a new law proposed for adoption by the public as provided in this chapter.

(7) "Initiative packet" means a copy of the initiative petition, a copy of the proposed law, and the signature sheets, all of which have been bound together as a unit.

(8) "Legal signatures" means the number of signatures of legal voters that:

- (a) meet the numerical requirements of this chapter; and
- (b) have been certified and verified as provided in this chapter.
- (9) "Legal voter" means a person who:
- (a) is registered to vote; or

(b) becomes registered to vote before the county clerk certifies the signatures on an initiative or referendum petition.

(10) "Local attorney" means the county attorney, city attorney, or town attorney in whose jurisdiction a local initiative or referendum petition is circulated.

(11) "Local clerk" means the county clerk, city recorder, or town clerk in whose jurisdiction a local initiative or referendum petition is circulated.

(12) (a) "Local law" includes an ordinance, resolution, master plan, and any comprehensive zoning regulation adopted by ordinance or resolution.

(b) "Local law" does not include an individual property zoning decision.

(13) "Local legislative body" means the legislative body of a county, city, or town.

(14) "Local obligation law" means a local law passed by the local legislative body regarding a bond that was approved by a majority of qualified voters in an election.

(15) "Local tax law" means a local law, passed by a political subdivision with an annual or biannual calendar fiscal year, that increases a tax or imposes a new tax.

[(15)] (16) "Measure" means a proposed constitutional amendment, an initiative, or referendum.

[(16)] (17) "Referendum" means a process by which a law passed by the Legislature or by a local legislative body is submitted or referred to the voters for their approval or rejection.

[(17)] (18) "Referendum packet" means a copy of the referendum petition, a copy of the law being submitted or referred to the voters for their approval or rejection, and the signature sheets, all of which have been bound together as a unit.

[(18)] (19) (a) "Signature" means a holographic signature.

(b) "Signature" does not mean an electronic signature.

[(19)] (20) "Signature sheets" means sheets in the form required by this chapter that are used to collect signatures in support of an initiative or referendum.

[(20)] (21) "Sponsors" means the legal voters who support the initiative or referendum and who sign the application for petition copies.

[(21)] (22) "Sufficient" means that the signatures submitted in support of an initiative or referendum petition have been certified and verified as required by this chapter.

[(22)] (23) "Verified" means acknowledged by the person circulating the petition as required in Sections 20A-7-205 and 20A-7-305.

Section 2. Section 20A-7-606 is amended to read:

20A-7-606. Submitting the referendum petition -- Certification of signatures by the county clerks -- Transfer to local clerk.

(1) (a) The sponsors shall deliver each signed and verified referendum packet to the county clerk of the county in which the packet was circulated[:] <u>no later than 45 days after the day on which the local law is passed.</u>

[(i) for county referenda, no later than 45 days after the passage of the local law;]

[(ii) for municipal referenda, no later than 45 days after the passage of the local law;

or]

[(iii) for referenda held in relation to the adoption of an ordinance imposing a county option sales and use tax under Section 59-12-1102, no later than 100 days before the election that the referendum qualifies for under Subsection 20A-7-609(2)(c).]

(b) A sponsor may not submit a referendum packet after the deadline established in this Subsection (1).

(2) (a) No later than [60 days after the local law passes] <u>15 days after the day on which</u> <u>a county clerk receives a referendum packet under Subsection (1)(a)</u>, the county clerk shall:

(i) check the names of all persons completing the verification on the last page of each referendum packet to determine whether those persons are Utah residents and are at least 18 years old; and

(ii) submit the name of each of those persons who is not a Utah resident or who is not at least 18 years old to the attorney general and county attorney.

(b) The county clerk may not certify a signature under Subsection (3) on a referendum packet that is not verified in accordance with Section 20A-7-605.

(3) No later than [75] <u>30</u> days after the [local law passes] <u>day on which a county clerk</u> <u>receives a referendum packet under Subsection (1)(a)</u>, the county clerk shall:

(a) determine whether each signer is a registered voter according to the requirements of Section 20A-7-606.3;

(b) certify on the referendum petition whether each name is that of a registered voter; and

(c) deliver all of the verified referendum packets to the local clerk.

Section 3. Section 20A-7-607 is amended to read:

20A-7-607. Evaluation by the local clerk.

(1) When each referendum packet is received from a county clerk, the local clerk shall check off from the local clerk's record the number of each referendum packet filed.

(2) [(a) After all of the referendum packets have been received by] Within 15 days after the day on which the local clerk receives each referendum packet from a county clerk, the local clerk shall:

(a) count the number of the names certified by the county clerks that appear on each verified signature sheet[:]:

(b) [H] <u>if</u> the total number of certified names from each verified signature sheet equals or exceeds the number of names required by Section 20A-7-601 and the requirements of this part are met, [the local clerk shall] mark upon the front of the petition the word "sufficient[."]";

(c) [H] <u>if</u> the total number of certified names from each verified signature sheet does not equal or exceed the number of names required by Section 20A-7-601 or a requirement of this part is not met, [the local clerk shall] mark upon the front of the petition the word

"insufficient[."]"; and

(d) [The local clerk shall immediately] notify any one of the sponsors of the local clerk's finding.

(3) If the local clerk finds the total number of certified signatures from each verified signature sheet to be insufficient, any sponsor may file a written demand with the local clerk for a recount of the signatures appearing on the referendum petition in the presence of any sponsor.

(4) (a) If the local clerk refuses to accept and file any referendum petition, any voter may apply to the Supreme Court for an extraordinary writ to compel the local clerk to do so within 10 days after the refusal.

(b) If the Supreme Court determines that the referendum petition is legally sufficient, the local clerk shall file it, with a verified copy of the judgment attached to it, as of the date on which it was originally offered for filing in the local clerk's office.

(c) If the Supreme Court determines that any petition filed is not legally sufficient, the Supreme Court may enjoin the local clerk and all other officers from:

(i) certifying or printing the ballot title and numbers of that measure on the official ballot for the next election[-]: or

(ii) as it relates to a local tax law that is conducted entirely by absentee ballot, certifying, printing, or mailing the ballot title and numbers of that measure under Section 20A-7-609.5.

(5) A petition determined to be sufficient in accordance with this section is qualified for the ballot.

Section 4. Section 20A-7-609 is amended to read:

20A-7-609. Form of ballot -- Manner of voting.

(1) The local clerk shall ensure that the number and ballot title are presented upon the official ballot with, immediately adjacent to them, the words "For" and "Against," each word presented with an adjacent square in which the elector may indicate the elector's vote.

(2) (a) Except as provided in Subsection (2)(c)(i) [or (d)(i)] or Section 20A-7-609.5, and unless the county legislative body calls a special election, the county clerk shall ensure that county referend that have qualified for the ballot appear on the next regular general election ballot.

(b) Except as provided in Subsection (2)[(d)](c)(ii) or Section 20A-7-609.5, and unless the municipal legislative body calls a special election, the municipal recorder or clerk shall ensure that municipal referenda that have qualified for the ballot appear on the next regular municipal election ballot.

[(c) For referenda held in relation to the adoption of an ordinance imposing a county option sales and use tax under Section 59-12-1102, the county clerk shall ensure that referenda that have qualified for the ballot appear on the ballot at the earlier of:]

[(i) the next regular general election that is more than 155 days after the date of the adoption of the ordinance; or]

[(ii) the next municipal general election that is more than 155 days after the date of the adoption of the ordinance.]

[(d)] (c) (i) [H] Except as provided in Section 20A-7-609.5, if a local law passes after January 30 of the year in which there is a regular general election, the county clerk shall ensure that a county referendum that has qualified for the ballot appears on the ballot at the second regular general election immediately following the passage of the local law unless the county legislative body calls a special election.

(ii) [H] Except as provided in Section 20A-7-609.5, if a local law passes after January 30 of the year in which there is a municipal general election, the municipal recorder or clerk shall ensure that a municipal referendum that has qualified for the ballot appears on the ballot at the second municipal general election immediately following the passage of the local law unless the municipal legislative body calls a special election.

(3) (a) (i) A voter desiring to vote in favor of the law that is the subject of the referendum shall mark the square adjacent to the word "For."

(ii) The law that is the subject of the referendum is effective if a majority of voters mark "For."

(b) (i) A voter desiring to vote against the law that is the subject of the referendum petition shall mark the square following the word "Against."

(ii) The law that is the subject of the referendum is not effective if a majority of voters mark "Against."

Section 5. Section 20A-7-609.5 is enacted to read:

20A-7-609.5. Election on referendum challenging local tax law conducted entirely

by absentee ballot.

(1) An election officer {shall}may administer an election on a referendum challenging a local tax law entirely by absentee ballot.

(2) For purposes of an election conducted under this section, the election officer shall:

(a) designate as the election day the day that is 30 days after the day on which the election officer complies with Subsection $(\frac{13}{2})$, (b); and

({3}b) {Within} within 30 days after the day on which the referendum described in Subsection (1) qualifies for the ballot, { the election officer shall} mail to each registered voter within the voting precincts to which the local tax law applies:

({a}) an absentee ballot;

({b}ii) a statement that there will be no polling place in the voting precinct for the election;

({c}<u>iii</u>) a statement specifying the election day described in Subsection (2)(a);

(<u>{d}iv</u>) a business reply mail envelope;

({e}y) instructions for returning the ballot that include an express notice about any relevant deadlines that the voter must meet in order for the voter's vote to be counted; and

(ff:vi) a warning, on a separate page of colored paper in boldface print, indicating that if the voter fails to follow the instructions included with the absentee ballot, the voter will be unable to vote in that election because there will be no polling place in the voting precinct on the day of the election.

({4}<u>3</u>) A voter who votes by absentee ballot under this section is not required to apply for an absentee ballot as required by this part.

(15)<u>4</u>) An election officer who administers an election under this section shall:

(a) (i) obtain, in person, the signatures of each voter within that voting precinct before the election; or

(ii) obtain the signature of each voter within the voting precinct from the county clerk; and

(b) maintain the signatures on file in the election officer's office.

({6}<u>5</u>) (a) Upon receiving the returned absentee ballots <u>under this section</u>, the election officer shall compare the signature on each absentee ballot with the voter's signature that is maintained on file and verify that the signatures are the same.

(b) If the election officer questions the authenticity of the signature on the absentee ballot, the election officer shall immediately contact the voter to verify the signature.

(c) If the election officer determines that the signature on the absentee ballot does not match the voter's signature that is maintained on file, the election officer shall:

(i) unless the absentee ballot application deadline described in Section 20A-3-304 has passed, immediately send another absentee ballot and other voting materials as required by this section to the voter; and

(ii) disqualify the initial absentee ballot.

Section 6. Section 59-12-1102 is amended to read:

59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --

Administration -- Administrative charge -- Commission requirement to retain an amount to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or repeal of tax -- Effective date -- Notice requirements.

(1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax authorized by this chapter, a county may impose by ordinance a county option sales and use tax of .25% upon the transactions described in Subsection 59-12-103(1).

(ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104.

(b) For purposes of this Subsection (1), the location of a transaction shall be determined in accordance with Sections 59-12-211 through 59-12-215.

(c) The county option sales and use tax under this section shall be imposed:

(i) upon transactions that are located within the county, including transactions that are located within municipalities in the county; and

(ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of January:

(A) of the next calendar year after adoption of the ordinance imposing the tax if the ordinance is adopted on or before May 25; or

(B) of the second calendar year after adoption of the ordinance imposing the tax if the ordinance is adopted after May 25.

(d) Notwithstanding Subsection (1)(c)(ii), the county option sales and use tax under

this section shall be imposed:

(i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before September 4, 1997; or

(ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997 but after September 4, 1997.

(2) (a) Before imposing a county option sales and use tax under Subsection (1), a county shall hold two public hearings on separate days in geographically diverse locations in the county.

(b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting time of no earlier than 6 p.m.

(ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven days after the day the first advertisement required by Subsection (2)(c) is published.

(c) (i) Before holding the public hearings required by Subsection (2)(a), the county shall advertise:

(A) its intent to adopt a county option sales and use tax;

(B) the date, time, and location of each public hearing; and

(C) a statement that the purpose of each public hearing is to obtain public comments regarding the proposed tax.

(ii) The advertisement shall be published:

(A) in a newspaper of general circulation in the county once each week for the two weeks preceding the earlier of the two public hearings; and

(B) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks preceding the earlier of the two public hearings.

(iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch border.

(iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that portion of the newspaper where legal notices and classified advertisements appear.

(v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

(A) the advertisement shall appear in a newspaper that is published at least five days a week, unless the only newspaper in the county is published less than five days a week; and

(B) the newspaper selected shall be one of general interest and readership in the community, and not one of limited subject matter.

(d) The adoption of an ordinance imposing a county option sales and use tax is subject
to a local referendum election and shall be conducted as provided in [Title 20A, Chapter 7, Part
6, Local Referenda - Procedures] Section 20A-7-609.5.

(3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a county option sales and use tax under Subsection (1) is less than 75% of the state population, the tax levied under Subsection (1) shall be distributed to the county in which the tax was collected.

(b) Subject to Subsection (5), if the aggregate population of the counties imposing a county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state population:

(i) 50% of the tax collected under Subsection (1) in each county shall be distributed to the county in which the tax was collected; and

(ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection
(1) in each county shall be distributed proportionately among all counties imposing the tax,
based on the total population of each county.

(c) Except as provided in Subsection (5), the amount to be distributed annually to a county under Subsection (3)(b)(ii), when combined with the amount distributed to the county under Subsection (3)(b)(i), does not equal at least \$75,000, then:

(i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall be increased so that, when combined with the amount distributed to the county under Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

(ii) the amount to be distributed annually to all other counties under Subsection (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under Subsection (3)(c)(i).

(d) The commission shall establish rules to implement the distribution of the tax under Subsections (3)(a), (b), and (c).

(4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part shall be administered, collected, and enforced in accordance with:

(i) the same procedures used to administer, collect, and enforce the tax under:

(A) Part 1, Tax Collection; or

(B) Part 2, Local Sales and Use Tax Act; and

(ii) Chapter 1, General Taxation Policies.

(b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to Subsections 59-12-205(2) through (6).

(c) (i) Subject to Subsection (4)(c)(ii), the commission shall retain and deposit an administrative charge in accordance with Section 59-1-306 from the revenues the commission collects from a tax under this part.

(ii) Notwithstanding Section 59-1-306, the administrative charge described in Subsection (4)(c)(i) shall be calculated by taking a percentage described in Section 59-1-306 of the distribution amounts resulting after:

(A) the applicable distribution calculations under Subsection (3) have been made; and
(B) the commission retains the amount required by Subsection (5).

(5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion of the sales and use tax collected under this part as provided in this Subsection (5).

(b) For a county that imposes a tax under this part, the commission shall calculate a percentage each month by dividing the sales and use tax collected under this part for that month within the boundaries of that county by the total sales and use tax collected under this part for that month within the boundaries of all of the counties that impose a tax under this part.

(c) For a county that imposes a tax under this part, the commission shall retain each month an amount equal to the product of:

(i) the percentage the commission determines for the month under Subsection (5)(b) for the county; and

(ii) \$6,354.

(d) The commission shall deposit an amount the commission retains in accordance with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section 35A-8-1009.

(e) An amount the commission deposits into the Qualified Emergency Food Agencies Fund shall be expended as provided in Section 35A-8-1009.

(6) (a) For purposes of this Subsection (6):

(i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County

Consolidations and Annexations.

(ii) "Annexing area" means an area that is annexed into a county.

(b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a county enacts or repeals a tax under this part:

(A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

(II) the repeal shall take effect on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (6)(b)(ii) from the county.

(ii) The notice described in Subsection (6)(b)(i)(B) shall state:

(A) that the county will enact or repeal a tax under this part;

(B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

(C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

(D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the tax.

(c) (i) The enactment of a tax takes effect on the first day of the first billing period:

(A) that begins on or after the effective date of the enactment of the tax; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax under Subsection (1).

(ii) The repeal of a tax applies to a billing period if the billing statement for the billing period is rendered on or after the effective date of the repeal of the tax imposed under Subsection (1).

(d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (6)(b)(i) takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment or repeal under Subsection (6)(b)(i).

(ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

(e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this

part for an annexing area, the enactment or repeal shall take effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the date the commission receives notice meeting the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

(ii) The notice described in Subsection (6)(e)(i)(B) shall state:

(A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or repeal of a tax under this part for the annexing area;

(B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

(C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

(D) the rate of the tax described in Subsection (6)(e)(ii)(A).

(f) (i) The enactment of a tax takes effect on the first day of the first billing period:

(A) that begins on or after the effective date of the enactment of the tax; and

(B) if the billing period for the transaction begins before the effective date of the enactment of the tax under Subsection (1).

(ii) The repeal of a tax applies to a billing period if the billing statement for the billing period is rendered on or after the effective date of the repeal of the tax imposed under Subsection (1).

(g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in Subsection (6)(e)(i) takes effect:

(A) on the first day of a calendar quarter; and

(B) beginning 60 days after the effective date of the enactment or repeal under Subsection (6)(e)(i).

(ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the commission may by rule define the term "catalogue sale."

Legislative Review Note

as of 1-2-14 11:15 AM

Office of Legislative Research and General Counsel}