

1 **GOVERNMENTAL NONPROFIT ENTITY COMPLIANCE**

2 **AMENDMENTS**

3 2016 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Kim Coleman**

6 Senate Sponsor: _____

7
8 **LONG TITLE**

9 **General Description:**

10 This bill enacts provisions relating to governmental nonprofit corporations.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ defines terms;
- 14 ▶ provides that the Open and Public Meetings Act and the Government Records

15 Access and Management Act apply to a governmental nonprofit corporation; and

16 ▶ addresses the state auditor's authority to audit the accounts of a governmental
17 nonprofit corporation.

18 **Money Appropriated in this Bill:**

19 None

20 **Other Special Clauses:**

21 None

22 **Utah Code Sections Affected:**

23 ENACTS:

24 **16-6a-1801**, Utah Code Annotated 1953

25 **16-6a-1802**, Utah Code Annotated 1953

26
27 *Be it enacted by the Legislature of the state of Utah:*



28 Section 1. Section **16-6a-1801** is enacted to read:

29 **Part 18. Governmental Nonprofit Corporations**

30 **16-6a-1801. Definitions.**

31 As used in this part:

32 (1) "Controlling interest" means a majority of the voting power on the board of
33 directors of the nonprofit corporation.

34 (2) "Governmental nonprofit corporation" means a nonprofit corporation in which one
35 or more governmental entities have a controlling interest.

36 (3) "Government entity" means the state, a county, municipality, local district, special
37 service district, school district, state institution of higher education, or any other political
38 subdivision or administrative unit of the state.

39 (4) "Municipality" means a city, town, or metro township.

40 Section 2. Section **16-6a-1802** is enacted to read:

41 **16-6a-1802. Applicability of certain acts -- State auditor authority.**

42 (1) A governmental nonprofit corporation shall comply with:

43 (a) Title 52, Chapter 4, Open and Public Meetings Act; and

44 (b) Title 63G, Chapter 2, Government Records Access and Management Act.

45 (2) The state auditor may audit the accounts of a governmental nonprofit corporation.

Legislative Review Note
Office of Legislative Research and General Counsel