

**Effective 5/3/2023**

**Chapter 68**  
**State Fair Park Authority Act**

**Part 1**  
**General Provisions**

**11-68-101 Definitions.**

As used in this chapter:

- (1) "Authority" means the State Fair Park Authority, created in Section 11-68-201.
- (2) "Board" means the authority board, created in Section 11-68-301.
- (3) "Business related experience" means at least three years of professional experience in business administration, marketing, advertising, economic development, or a related field.
- (4) "Capital development projects" means the same as that term is defined in Section 63A-5b-401.
- (5) "Development" means:
  - (a) the demolition, construction, reconstruction, modification, expansion, or improvement of a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or other facility; and
  - (b) the planning of, arranging for, or participation in any of the activities listed in Subsection (5)(a).
- (6) "Division" means the Division of Facilities Construction and Management created in Section 63A-5b-301.
- (7) "Executive director" means the executive director hired by the board under Section 11-68-302.
- (8) "Fair corporation" means the Utah State Fair Corporation, created by Laws of Utah 1995, Chapter 260.
- (9)
  - (a) "Fair park land" means the property owned by the state located at:
    - (i) 155 North 1000 West, Salt Lake City, Utah, consisting of approximately 50 acres;
    - (ii) 1139 West North Temple, Salt Lake City, Utah, consisting of approximately 10.5 acres; and
    - (iii) 1220 West North Temple, Salt Lake City, Utah, consisting of approximately two acres.
  - (b) "Fair park land" includes any land acquired by the authority under Subsection 11-68-201(6)(i).

Renumbered and Amended by Chapter 502, 2023 General Session

**Part 2**  
**State Fair Park Authority**

**11-68-201 State Fair Park Authority -- Legal status -- Powers.**

- (1) There is created the State Fair Park Authority.
- (2) The authority is:
  - (a) an independent, nonprofit, separate body corporate and politic, with perpetual succession;
  - (b) a political subdivision of the state; and
  - (c) a public corporation, as defined in Section 63E-1-102.
- (3)
  - (a) The fair corporation is dissolved and ceases to exist, subject to any winding down and other actions necessary for a transition to the authority.

- (b) The authority:
  - (i) replaces and is the successor to the fair corporation;
  - (ii) succeeds to all rights, obligations, privileges, immunities, and assets of the fair corporation;
  - and
  - (iii) shall fulfill and perform all contractual and other obligations of the fair corporation.
- (c) The board shall take all actions necessary and appropriate to wind down the affairs of the fair corporation as quickly as practicable and to make a transition from the fair corporation to the authority.
- (4) The authority shall:
  - (a) manage, supervise, and control:
    - (i) all activities relating to the annual exhibition described in Subsection (4)(j); and
    - (ii) except as otherwise provided by statute, all state expositions, including setting the time, place, and purpose of any state exposition;
  - (b) for public entertainment, displays, and exhibits or similar events held on fair park land:
    - (i) provide, sponsor, or arrange the events;
    - (ii) publicize and promote the events; and
    - (iii) secure funds to cover the cost of the exhibits from:
      - (A) private contributions;
      - (B) public appropriations;
      - (C) admission charges; and
      - (D) other lawful means;
  - (c) acquire and designate exposition sites;
  - (d) use generally accepted accounting principles in accounting for the authority's assets, liabilities, and operations;
  - (e) seek corporate sponsorships for the state fair park or for individual buildings or facilities on fair park land;
  - (f) work with county and municipal governments, the Salt Lake Convention and Visitor's Bureau, the Utah Office of Tourism, and other entities to develop and promote expositions and the use of fair park land;
  - (g) develop and maintain a marketing program to promote expositions and the use of fair park land;
  - (h) in accordance with provisions of this chapter, operate and maintain state-owned buildings and facilities on fair park land, including the physical appearance and structural integrity of those buildings and facilities;
  - (i) prepare an economic development plan for the fair park land;
  - (j) hold an annual exhibition on fair park land that:
    - (i) is called the state fair or a similar name;
    - (ii) promotes and highlights agriculture throughout the state;
    - (iii) includes expositions of livestock, poultry, agricultural, domestic science, horticultural, floricultural, mineral and industrial products, manufactured articles, and domestic animals that, in the board's opinion, will best stimulate agricultural, industrial, artistic, and educational pursuits and the sharing of talents among the people of the state;
    - (iv) includes the award of premiums for the best specimens of the exhibited articles and animals;
    - (v) permits competition by livestock exhibited by citizens of other states and territories of the United States; and
    - (vi) is arranged according to plans approved by the board;
  - (k) fix the conditions of entry to the annual exhibition described in Subsection (4)(j); and

- (l) publish a list of premiums that will be awarded at the annual exhibition described in Subsection (4)(j) for the best specimens of exhibited articles and animals.
- (5) In addition to the annual exhibition described in Subsection (4)(j), the authority may hold other exhibitions of livestock, poultry, agricultural, domestic science, horticultural, floricultural, mineral and industrial products, manufactured articles, and domestic animals that, in the authority's opinion, will best stimulate agricultural, industrial, artistic, and educational pursuits and the sharing of talents among the people of the state.
- (6) The authority may:
  - (a) employ advisers, consultants, and agents, including financial experts and independent legal counsel, and fix their compensation;
  - (b)
    - (i) participate in the state's Risk Management Fund created under Section 63A-4-201 or any captive insurance company created by the risk manager; or
    - (ii) procure insurance against any loss in connection with the authority's property and other assets;
  - (c) receive and accept aid or contributions of money, property, labor, or other things of value from any source, including any grants or appropriations from any department, agency, or instrumentality of the United States or the state;
  - (d) hold, use, loan, grant, and apply that aid and those contributions to carry out the purposes of the authority, subject to the conditions, if any, upon which the aid and contributions are made;
  - (e) enter into management agreements with any person or entity for the performance of the authority's functions or powers;
  - (f) establish accounts and procedures that are necessary to budget, receive, disburse, account for, and audit all funds received, appropriated, or generated;
  - (g) subject to Subsection (8) and subject to the powers and responsibilities of the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201, lease any of the state-owned buildings or facilities located on fair park land;
  - (h) sponsor events as approved by the board;
  - (i) subject to Subsection (11), acquire any interest in real property that the board considers necessary or advisable to further a purpose of the authority or facilitate the authority's fulfillment of a duty under this chapter; and
  - (j) in accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act, provide for or finance an energy efficiency upgrade, a clean energy system, or electric vehicle charging infrastructure, as those terms are defined in Section 11-42a-102; and
  - (k) enter into one or more agreements with the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201.
- (7) The authority shall comply with:
  - (a) Title 51, Chapter 5, Funds Consolidation Act;
  - (b) Title 51, Chapter 7, State Money Management Act;
  - (c) Title 52, Chapter 4, Open and Public Meetings Act;
  - (d) Title 63G, Chapter 2, Government Records Access and Management Act;
  - (e) the provisions of Section 67-3-12;
  - (f) Title 63G, Chapter 6a, Utah Procurement Code, except for a procurement for:
    - (i) entertainment provided at the state fair park;
    - (ii) judges for competitive exhibits; or
    - (iii) sponsorship of an event on fair park land; and
  - (g) the legislative approval requirements for capital development projects established in Section 63A-5b-404.

- (8)
  - (a)
    - (i) Before the authority executes a lease described in Subsection (6)(g) with a term of 10 or more years and subject to the powers and responsibilities of the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201, the authority shall:
      - (A) submit the proposed lease to the division for the division's approval or rejection; and
      - (B) if the division approves the proposed lease, submit the proposed lease to the Executive Appropriations Committee for the Executive Appropriation Committee's review and recommendation in accordance with Subsection (8)(b).
    - (ii) The authority may not execute a lease under Subsection (6)(g) for any part of fair park land on or after May 1, 2024 unless the lease relates to the agricultural and related exhibit facilities on fair park land.
  - (b) The Executive Appropriations Committee shall review a proposed lease submitted in accordance with Subsection (8)(a) and recommend to the authority that the authority:
    - (i) execute the proposed lease, either as proposed or with changes recommended by the Executive Appropriations Committee; or
    - (ii) reject the proposed lease.
- (9)
  - (a) Subject to Subsection (9)(b), a department, division, or other instrumentality of the state and a political subdivision of the state shall cooperate with the authority to the fullest extent possible to provide whatever support, information, or other assistance the authority requests that is reasonably necessary to help the authority fulfill the authority's duties and responsibilities under this chapter.
  - (b) The division shall provide assistance and resources to the authority as the division director determines is appropriate.
- (10) The authority may share authority revenue with a municipality in which the fair park land is located, as provided in an agreement between the authority and the municipality, to pay for municipal services provided by the municipality.
- (11)
  - (a) As used in this Subsection (11), "new land" means land that, if acquired by the authority, would result in the authority having acquired over three acres of land more than the land described in Subsection 11-68-101(9)(a).
  - (b) In conjunction with the authority's acquisition of new land, the authority shall enter an agreement with the municipality in which the new land is located.
  - (c) To provide funds for the cost of increased municipal services that the municipality will provide to the new land, an agreement under Subsection (11)(b) shall:
    - (i) provide for:
      - (A) the payment of impact fees to the municipality for development activity on the new land; and
      - (B) the authority's sharing with the municipality tax revenue generated from the new land; and
    - (ii) be structured in a way that recognizes the needs of the authority and furthers mutual goals of the authority and the municipality.

Amended by Chapter 53, 2024 General Session  
Amended by Chapter 419, 2024 General Session

**11-68-202 Operation of the state-owned buildings and facilities on fair park land -- New construction and modification of existing facilities -- Liability insurance -- Obligations of the authority.**

- (1) The authority shall:
  - (a) operate and maintain state-owned buildings and facilities on fair park land in accordance with the facility maintenance standards approved by the division;
  - (b) pay for all costs associated with operating and maintaining state-owned buildings and facilities on fair park land;
  - (c) obtain approval from the division before making any alteration or addition to the water system, heating system, plumbing system, air conditioning system, or electrical system of a state-owned building or facility on fair park land;
  - (d) keep the fair park land and all state-owned buildings and facilities on fair park land fully insured to protect against loss or damage by fire, vandalism, or malicious mischief;
  - (e) in accordance with Subsection (3), at the authority's expense, and for the mutual benefit of the division, maintain general public liability insurance in an amount equal to at least \$1,000,000 through one or more companies that are:
    - (i) licensed to do business in the state;
    - (ii) selected by the authority; and
    - (iii) approved by the division and the Division of Risk Management;
  - (f) ensure that the division is an additional insured with primary coverage on each insurance policy that the authority obtains in accordance with this section;
  - (g) give the division notice at least 30 days before the day on which the authority cancels any insurance policy that the authority obtains in accordance with this section; and
  - (h) if any lien that is not invalid under Section 38-1a-103 is recorded or filed against the state fair park as a result of an act or omission of the authority, cause the lien to be satisfied or released within 10 days after the day on which the authority receives notice of the lien.
- (2)
  - (a) As used in this Subsection (2):
    - (i) "Existing facility modification" means an alteration, repair, or improvement to an existing state-owned building or facility on fair park land.
    - (ii) "Major project" means new construction or an existing facility modification that costs, regardless of the funding source, over \$100,000.
    - (iii) "Minor project" means new construction or an existing facility modification that costs, regardless of the funding source, \$100,000 or less.
    - (iv) "New construction" means the design and construction of a new state-owned or privately owned building or facility on fair park land.
  - (b)
    - (i) The director of the division shall exercise direct supervision over a major project.
    - (ii) Notwithstanding Subsection (2)(b)(i), the director of the division may delegate control over a major project to the authority on a project-by-project basis.
    - (iii) With respect to a delegation of control under Subsection (2)(b)(ii), the director of the division may:
      - (A) impose terms and conditions on the delegation that the director considers necessary or advisable to protect the interests of the state; and
      - (B) revoke the delegation and assume control of the design, construction, or other aspect of a delegated project if the director considers the revocation and assumption of control to be necessary to protect the interests of the state.

- (iv) If a major project over which the division exercises direct supervision includes the demolition of a building or other facility on fair park land, the division shall, at least 90 days before demolition work begins, notify the State Historic Preservation Office of the division's demolition plan.
- (c) Subject to Subsection (2)(d), the authority may exercise direct supervision over a minor project.
- (d) With respect to a minor project over which the authority exercises direct supervision, the authority shall:
  - (i) obtain the division's approval before commencing the new construction or existing facility modification;
  - (ii) obtain a building permit from the division before commencing the new construction or existing facility modification, if a building permit is required;
  - (iii) comply with the division's forms and contracts and the division's design, construction, alteration, repair, improvement, and code inspection standards;
  - (iv) notify the division before commencing the new construction or existing facility modification;
  - (v) coordinate with the division regarding the review of design plans and management of the new construction or existing facility modification project; and
  - (vi) at least 90 days before the beginning of any demolition of a building or facility on the fair park land, notify the division and the State Historic Preservation Office of the proposed demolition.
- (3) The general public liability insurance described in Subsection (1)(e) shall:
  - (a) insure against any claim for personal injury, death, or property damage that occurs on fair park land; and
  - (b) be a blanket policy that covers all activities of the authority.
- (4) Upon 24 hours notice to the board, the division may enter the fair park land to inspect any facility on fair park land and make any repairs that the division determines necessary.
- (5)
  - (a) A debt or obligation contracted by the authority is a debt or obligation of the authority and not of the state.
  - (b) The state is not liable and assumes no responsibility for any debt or obligation of the authority.
- (6) The powers and responsibilities of the authority under this section with regard to the issuance of bonds for capital development projects on fair park land are subject to the powers and responsibilities of the Utah Fairpark Area Investment and Restoration District, created in Section 11-70-201.

Amended by Chapter 419, 2024 General Session

### **Part 3 Authority Governance**

#### **11-68-301 Board -- Membership -- Term -- Quorum -- Vacancies -- Duties.**

- (1) The authority is governed by a board.
- (2) The board is composed of:
  - (a) the director of the Division of Facilities Construction and Management or the director's designee;

- (b) the commissioner of agriculture and food or the commissioner's designee;
  - (c) two members, appointed by the president of the Senate:
    - (i) who have business related experience; and
    - (ii) of whom only one may be a legislator, in accordance with Subsection (3)(e);
  - (d) two members, appointed by the speaker of the House:
    - (i) who have business related experience; and
    - (ii) of whom only one may be a legislator, in accordance with Subsection (3)(e);
  - (e) five members, of whom only one may be a legislator, in accordance with Subsection (3)(e), appointed by the governor with the advice and consent of the Senate in accordance with Title 63G, Chapter 24, Part 2, Vacancies, as follows:
    - (i) two members who represent agricultural interests;
    - (ii) two members who have business related experience; and
    - (iii) one member who is recommended by the Utah Farm Bureau Federation;
  - (f) one member, appointed by the mayor of Salt Lake City with the advice and consent of the Senate, who is a resident of the neighborhood located adjacent to the fair park land;
  - (g) a representative of Salt Lake County, if Salt Lake County is party to an executed lease agreement with the authority; and
  - (h) a representative of the Days of '47 Rodeo.
- (3)
- (a)
    - (i) Except as provided in Subsection (3)(a)(ii), a board member appointed under Subsection (2)(c), (d), (e), or (f) shall serve a term that expires on the December 1 four years after the year that the board member was appointed.
    - (ii) In making appointments to the board, the president of the Senate, the speaker of the House, the governor, and the mayor of Salt Lake City shall ensure that the terms of approximately 1/4 of the appointed board members expire each year.
  - (b) Except as provided in Subsection (3)(c), appointed board members serve until their successors are appointed and qualified.
  - (c)
    - (i) If an appointed board member is absent from three consecutive board meetings without excuse, that member's appointment is terminated, the position is vacant, and the individual who appointed the board member shall appoint a replacement in accordance with the procedures described in this section.
    - (ii) The president of the Senate, the speaker of the House of Representatives, the governor, or the mayor of Salt Lake City, as applicable, may remove an appointed member of the board at will.
  - (d) The president of the Senate, the speaker of the House of Representatives, the governor, or the mayor of Salt Lake City, as appropriate, shall fill a vacancy that occurs on the board for any reason by appointing an individual in accordance with the procedures described in this section for the unexpired term of the vacated member.
  - (e) No more than a combined total of two legislators may be appointed under Subsections (2)(c), (d), and (e).
- (4) The governor shall select the board's chair.
- (5) A majority of the members of the board is a quorum for the transaction of business.
- (6) The board may elect a vice chair and any other board offices.
- (7) The board may create one or more subcommittees to advise the board on any issue related to the state fair park.

- (8) A member described in Subsection (2)(e) shall comply with the conflict of interest provisions described in Title 63G, Chapter 24, Part 3, Conflicts of Interest.
- (9) The board shall create and may, as the board considers appropriate, modify:
  - (a) a business plan for the authority;
  - (b) a financial plan for the authority that projects self-sufficiency for the authority within two years; and
  - (c) a master plan for the fair park land.

Amended by Chapter 529, 2024 General Session

**11-68-302 Executive director.**

- (1)
  - (a) The board shall:
    - (i) hire an executive director for the authority as provided in this Subsection (1)(a);
    - (ii) conduct a national search to find applicants for the position of executive director; and
    - (iii) establish the salary, benefits, and other compensation of the executive director.
  - (b) The board may appoint an interim director while searching for a permanent executive director.
  - (c) The executive director serves at the pleasure of the board and may be terminated by the board at will.
  - (d) The executive director is an employee of the authority.
  - (e) The executive director may not be a member of the board.
- (2) The executive director shall:
  - (a) act as the executive officer of the board and the authority;
  - (b) administer, manage, and direct the affairs and activities of the authority in accordance with the policies and under the control and direction of the board;
  - (c) keep the board, the governor, the Legislature, and its agencies, and other affected officers, associations, and groups informed about the operations of the authority;
  - (d) recommend to the board any necessary or desirable changes in the statutes governing the authority;
  - (e) recommend to the board an annual administrative budget covering the operations of the authority and, upon approval, submit the budget to the governor and the Legislature for their examination and approval;
  - (f) after approval, direct and control the subsequent expenditures of the budget;
  - (g) employ, within the limitations of the budget, staff personnel and consultants to accomplish the purpose of the authority, and establish the qualifications, duties, and compensation of the staff personnel and consultants;
  - (h) keep in convenient form all records and accounts of the authority, including those necessary for the administration of the fair park land;
  - (i) approve all accounts for:
    - (i) salaries;
    - (ii) allowable expenses of the authority and its employees and consultants; and
    - (iii) expenses incidental to the operation of the authority; and
  - (j) perform other duties as directed by the board.

Renumbered and Amended by Chapter 502, 2023 General Session

## **Part 4 Authority Revenues**

### **11-68-403 Enterprise fund -- Creation -- Revenue -- Uses.**

- (1)
  - (a) There is created an enterprise fund entitled the Utah State Fair Fund.
  - (b) The executive director shall administer the fund under the direction of the board.
- (2) The fund consists of money generated from the following revenue sources:
  - (a) money the authority receives under Section 11-70-203;
  - (b) money the authority receives under a lease agreement for the lease of any part of fair park land;
  - (c) revenue received from any expositions or other events wholly or partially sponsored by the authority;
  - (d) aid or contributions of money, property, labor, or other things of value from any source, including any grants or appropriations from any department, agency, or instrumentality of the United States or the state;
  - (e) appropriations made to the fund by the Legislature; and
  - (f) any other income obtained by the authority.
- (3)
  - (a) The fund shall earn interest.
  - (b) All interest earned on fund money shall be deposited into the fund.
- (4) The executive director may use fund money to operate, maintain, and support the Utah State Fair, the fair park land, and other expositions sponsored by the authority.

Amended by Chapter 419, 2024 General Session

## **Part 5 Authority Bonds**

### **11-68-501 Authority may issue bonds -- Resolution authorizing issuance of authority bonds -- Characteristics of bonds.**

- (1) The authority may issue bonds, as provided in this part, to fund development consistent with the master plan adopted under Subsection 11-68-301(9)(c).
- (2) The authority may not issue bonds under this part unless the board first:
  - (a) adopts a parameters resolution that sets forth:
    - (i) the maximum:
      - (A) amount of the bonds;
      - (B) term; and
      - (C) interest rate; and
    - (ii) the expected security for the bonds; and
  - (b) submits the parameters resolution for review and recommendation to the State Finance Review Commission created in Section 63C-25-201.
- (3)
  - (a) As provided in the authority resolution authorizing the issuance of bonds under this part or the trust indenture under which the bonds are issued, bonds issued under this part may be issued

in one or more series and may be sold at public or private sale and in the manner provided in the resolution or indenture.

- (b) Bonds issued under this part shall bear the date, be payable at the time, bear interest at the rate, be in the denomination and in the form, carry the conversion or registration privileges, have the rank or priority, be executed in the manner, be subject to the terms of redemption or tender, with or without premium, be payable in the medium of payment and at the place, and have other characteristics as provided in the authority resolution authorizing the bonds' issuance or the trust indenture under which the bonds are issued.
- (4) Upon the board's adoption of a resolution providing for the issuance of bonds, the board may provide for the publication of the resolution:
  - (a) in a newspaper having general circulation in the authority's boundaries; and
  - (b) as required in Section 45-1-101.
- (5) In lieu of publishing the entire resolution, the board may publish notice of bonds that contains the information described in Subsection 11-14-316(2).
- (6) For a period of 30 days after the publication, any person in interest may contest:
  - (a) the legality of the resolution or proceeding;
  - (b) any bonds that may be authorized by the resolution or proceeding; or
  - (c) any provisions made for the security and payment of the bonds.
- (7)
  - (a) A person may contest the matters set forth in Subsection (6) by filing a verified written complaint, within 30 days after the publication under Subsection (5), in the district court of the county in which the person resides.
  - (b) A person may not contest the matters set forth in Subsection (6), or the regularity, formality, or legality of the resolution or proceeding, for any reason, after the 30-day period for contesting provided in Subsection (7)(a).
- (8) No later than 60 days after the closing day of any bonds, the authority shall report the bonds issuance, including the amount of the bonds, terms, interest rate, and security, to:
  - (a) the Executive Appropriations Committee; and
  - (b) the State Finance Review Commission created in Section 63C-25-201.

Enacted by Chapter 502, 2023 General Session

**11-68-502 Sources from which bonds may be made payable -- Authority powers regarding bonds.**

- (1) The principal and interest on bonds issued by the authority may be made payable from:
  - (a) the income and revenues of the development projects financed with the proceeds of the bonds;
  - (b) the income and revenues of certain designated development projects whether or not they were financed in whole or in part with the proceeds of the bonds;
  - (c) the income, revenues, proceeds, and funds the authority derives from or holds in connection with the authority undertaking and carrying out development;
  - (d) revenue from a special event tax under Title 59, Chapter 12, Part 23, Fair Park Special Event Tax;
  - (e) authority revenues generally;
  - (f) a contribution, loan, grant, or other financial assistance from the federal government or a public entity in aid of the development; or
  - (g) funds derived from any combination of the sources listed in Subsections (1)(a) through (g).
- (2)

- (a) In connection with the issuance of authority bonds, the authority may:
  - (i) pledge all or any part of the authority's gross or net rents, fees, or revenues to which the authority's right then exists or may thereafter come into existence; and
  - (ii) make the covenants and take the action that may be necessary, convenient, or desirable to secure the authority's bonds, or, except as otherwise provided in this chapter, that will tend to make the bonds more marketable, even though such covenants or actions are not specifically enumerated in this chapter.
- (b) The authority may not use all or any portion of the fair park land as collateral for any bonds or encumber the fair park land by mortgage, deed of trust, or otherwise as collateral for any bonds.

Amended by Chapter 419, 2024 General Session

**11-68-503 Authority to purchase agency bonds.**

- (1) Any person, firm, corporation, association, political subdivision of the state, or other entity or public or private officer may purchase bonds issued by an authority under this part with funds owned or controlled by the purchaser.
- (2) Nothing in this section may be construed to relieve a purchaser of authority bonds of any duty to exercise reasonable care in selecting securities.

Enacted by Chapter 502, 2023 General Session

**11-68-504 Those executing bonds not personally liable -- Limitation of obligations under bonds -- Negotiability.**

- (1) A member of the board or other person executing an authority bond is not liable personally on the bond.
- (2)
  - (a) A bond issued by the authority is not an obligation or liability of the state or any of the state's political subdivisions, except the authority, and does not constitute a charge against the general credit or taxing powers of the state or other political subdivisions of the state.
  - (b) A bond issued by the authority is not payable out of any funds other than those of the authority.
  - (c) The state and any political subdivision of the state, other than the authority, may not be liable on a bond issued by the authority.
  - (d) A bond issued by the authority does not constitute indebtedness within the meaning of any constitutional or statutory debt limitation.
- (3) A bond issued by the authority under this part is fully negotiable.

Enacted by Chapter 502, 2023 General Session

**11-68-505 Obligee rights -- Board may confer other rights.**

- (1) In addition to all other rights that are conferred on an obligee of a bond issued by the authority under this part and subject to contractual restrictions binding on the obligee, an obligee may:
  - (a) by mandamus, suit, action, or other proceeding, compel the authority and the authority's board, officers, agents, or employees to perform every term, provision, and covenant contained in any contract of the authority with or for the benefit of the obligee, and require the authority to carry out the covenants and agreements of the authority and to fulfill all duties imposed on the authority by this part; and

- (b) by suit, action, or proceeding in equity, enjoin any acts or things that may be unlawful or violate the rights of the obligee.
- (2) In a board resolution authorizing the issuance of bonds or in a trust indenture, lease, or other contract, the board may confer upon an obligee holding or representing a specified amount in bonds, certain rights to receive the income, revenues, proceeds, funds, fees, rents, grants, or taxes.

Enacted by Chapter 502, 2023 General Session

**11-68-506 Bonds exempt from taxes -- Authority may purchase its own bonds.**

- (1) A bond issued by the authority under this part is issued for an essential public and governmental purpose and is, together with interest on the bond and income from the bond, exempt from all state taxes except the corporate franchise tax.
- (2) The authority may purchase the authority's own bonds at a price that the board determines.
- (3) Nothing in this section may be construed to limit the right of an obligee to pursue a remedy for the enforcement of a pledge or lien given under this part by the authority on the authority's income, revenues, proceeds, funds, fees, rents, grants, or taxes.

Enacted by Chapter 502, 2023 General Session

**Part 6  
Authority Reporting**

**11-68-601 Financial reports -- Audit -- Surety bonds.**

- (1)
  - (a) The authority shall, following the close of each fiscal year, submit an annual report of the authority's activities for the preceding year to the governor and the Legislature.
  - (b) The report shall contain:
    - (i) a complete operating report detailing the authority's activities; and
    - (ii) financial statements of the authority audited by a certified public accountant according to generally accepted auditing standards.
- (2)
  - (a) At least once a year, the state auditor shall:
    - (i) audit the books and accounts of the authority; or
    - (ii) contract with a nationally recognized independent certified public accountant to conduct the audit and review the audit report when the audit is completed.
  - (b) The authority shall reimburse the state auditor for the costs of the audit.
  - (c) If the audit is conducted by an independent auditor, the independent auditor shall submit a copy of the audit to the state auditor for review within 90 days after the end of the fiscal year covered by the audit.
- (3)
  - (a) The authority shall maintain a surety bond in the penal sum of \$25,000 for each member of the board.
  - (b) The authority shall maintain a surety bond in the penal sum of \$50,000 for the executive director.
  - (c) The authority shall ensure that each surety bond is:

- (i) conditioned upon the faithful performance of the duties of office to which the surety bond attaches;
  - (ii) issued by a surety company authorized to transact business in the state as a surety; and
  - (iii) filed in the office of the State Treasurer.
- (d) The authority shall pay the cost of the surety bonds.

Renumbered and Amended by Chapter 502, 2023 General Session