

CRITICAL LAND CONSERVATION

REVOLVING LOAN FUND

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: LeRay McAllister

AN ACT RELATING TO CITIES, COUNTIES, AND LOCAL TAXING UNITS;

ESTABLISHING THE **h LERAY MCALLISTER h** CRITICAL LAND CONSERVATION GRANT

AND REVOLVING

LOAN FUND; AUTHORIZING USE OF MONEY IN FUND; CREATING A COMMITTEE

TO OVERSEE THE FUND; PROVIDING GRANT AND LOAN LIMITATIONS;

REQUIRING STATE TREASURER TO INVEST MONIES IN FUND; APPROPRIATING

h [\$400,000] \$100,000 h TO THE FUND; AND PROVIDING AN EFFECTIVE DATE.

This act affects sections of Utah Code Annotated 1953 as follows:

ENACTS:

11-28-101, Utah Code Annotated 1953

11-28-102, Utah Code Annotated 1953

11-28-103, Utah Code Annotated 1953

11-28-104, Utah Code Annotated 1953

11-28-105, Utah Code Annotated 1953

11-28-106, Utah Code Annotated 1953

11-28-107, Utah Code Annotated 1953

§ 11-28-108, UTAH CODE ANNOTATED 1953 §

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

Section 1. Section **11-28-101** is enacted to read:

CHAPTER 28. CRITICAL LAND CONSERVATION FUND

11-28-101. Definitions.

As used in this chapter:

(1) "Committee" means the Critical Land Conservation Committee established in Section

11-28-102.

1 (2) "Fund" means the h LERAY MCALLISTER h Critical Land Conservation Grant and
 1a Revolving Loan Fund
 2 established in Section 11-28-103.

3 (3) "Local entity" means a county, city, town, independent special district under Title 17A,
 4 Chapter 2, Independent Special Districts, or interlocal cooperation entity under Chapter 13,
 5 Interlocal Cooperation Act.

6 (4) "Open land" means land that is important, as determined by the local entity, to be
 7 h [preserved for agricultural use,] USED FOR h wildlife habitat, watershed, recreational use, or another
 7a use related
 8 to the quality of life or cultural heritage of the citizens of the state.

9 (5) "Surplus land" means real property owned by the Department of Administrative
 10 Services, the Department of Agriculture, the Department of Natural Resources, or the Department
 11 of Transportation that the individual department determines not to be necessary for carrying out
 12 the mission of the department.

13 Section 2. Section **11-28-102** is enacted to read:

14 **11-28-102. Critical Land Conservation Committee.**

15 (1) There is created a Critical Land Conservation Committee consisting of:

16 (a) five persons at the state government level, appointed by the governor with the advice
 17 and consent of the Senate;

18 (b) five persons at the local government level, appointed by the governor with the advice
 19 and consent of the Senate; and

20 (c) five persons from the private sector, appointed by the governor with the advice and
 21 consent of the Senate.

22 (2) Committee members shall elect a chair from their number and establish rules for the
 23 organization and operation of the committee.

24 (3) Committee members shall serve without pay and may not be reimbursed for the
 25 expenses of serving on the committee.

26 (4) The committee shall administer the fund as provided in this chapter.

27 Section 3. Section **11-28-103** is enacted to read:

28 **11-28-103. Critical Land Conservation Grant and Revolving Loan Fund.**

29 (1) There is created the h LERAY MCCALLISTER h Critical Land Conservation Grant and
 29a Revolving Loan Fund,

30 consisting of:

31 (a) money appropriated or otherwise made available by the Legislature;

1 (b) contributions of money, property, or equipment from a federal agency, a political
2 subdivision of the state, a user organization, a person, or a corporation; and

3 (c) proceeds from the sale of surplus land.

4 (2) The Department of Administrative Services, the Department of Agriculture, the
5 Department of Natural Resources, and the Department of Transportation may place proceeds from
6 the sale of surplus land into the fund.

7 Section 4. Section **11-28-104** is enacted to read:

8 **11-28-104. Use of money in fund -- Criteria -- Repayment terms.**

9 (1) Subject to Subsection (2), the committee may authorize the use of money in the fund,
10 by grant or loan, to assist a local entity or nonprofit organization in its efforts to preserve open land
11 in the state, if the local entity or nonprofit organization adheres to the principles of:

12 (a) protecting private property rights;

13 (b) ensuring that land use decisions are made locally;

14 (c) avoiding a net loss of private land ownership in the state; and

15 (d) encouraging partnerships in the effort of preserving open land.

16 (2) In determining the amount and type of financial assistance to provide a local entity or
17 nonprofit organization, the committee:

18 (a) shall consider the borrower's ability to pay back a loan; and

19 (b) may consider:

20 (i) the nature and amount of open land proposed to be preserved;

21 (ii) the critical qualities of the open land proposed to be preserved;

22 (iii) the cost effectiveness of the project to preserve open land;

23 (iv) the funds available; and

24 (v) the number of actual and potential applications for financial assistance, the amount of
25 money sought by those applications, and the nature and amount of open land they propose to
26 preserve.

27 (3) (a) The committee shall establish terms of repayment of each loan from the fund,
28 including rate of interest and repayment schedule.

29 (b) The terms established under Subsection (3)(a) may include conditions as to how the
30 money is to be spent.

30a **§ (4) THE COSTS OF ADMINISTERING LOANS FROM THE FUND, AS PROVIDED IN SECTION**
30b **11-28-106, SHALL BE PAID FROM THE FUND. §**

31 Section 5. Section **11-28-105** is enacted to read:

1 **11-28-105. Grant and loan limitations.**

2 (1) A grant or loan of money from the fund may not exceed 50% of the costs of a project
3 to preserve open lands.

4 (2) The aggregate amount of grants and loans from the fund may not exceed the amount
5 of money appropriated or otherwise made available to the fund.

§ Section 6. Section 11-28-106 is enacted to read:

11-28-106. Division of finance responsible for administration of loans.

(1) THE DIVISION OF FINANCE SHALL BE RESPONSIBLE FOR THE CARE, CUSTODY, SAFEKEEPING, COLLECTION, AND ACCOUNTING FOR LOANS ISSUED BY THE COMMITTEE AS PROVIDED IN SECTION 63-65-4.

(2) THE DIVISION OF FINANCE MAY CHARGE THE ADMINISTRATIVE COSTS TO THE FUND. §

6 Section **§ [6] 7 §** . Section **§ [11-28-106] 11-28-107 §** is enacted to read:

7 **§ [11-28-106] 11-28-107 § . State treasurer shall invest monies.**

8 The state treasurer shall invest all monies deposited into the fund, and all interest from
9 investing the monies shall accrue to the fund.

10 Section **§ [7] 8 §** . Section **§ [11-28-107] 11-28-108 §** is enacted to read:

11 **§ [11-28-107] 11-28-108 § . Committee authorized to dispose of property.**

12 The committee may sell, lease, or otherwise dispose of equipment or personal property
13 belonging to the fund.

14 Section **§ [8] 9 § . Appropriation.**

15 There is appropriated \hat{h} [\$400,000] \$100,000 \hat{h} from the General Fund for fiscal year 1998-99 to
15a the
16 Critical Land Conservation Grant and Revolving Loan Fund.

17 Section **§ [9] 10 § . Effective date.**

18 Section 8, Appropriation, is effective on July 1, 1998.

Legislative Review Note
as of 1-28-98 4:54 PM

A limited legal review of this bill raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel