

**LERAY MCALLISTER 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 LERAY MCALLISTER CRITICAL LAND CONSERVATION
REVOLVING LOAN FUND; AUTHORIZING USE OF MONEY IN FUND; CREATING A
COMMITTEE TO OVERSEE THE FUND; PROVIDING LOAN LIMITATIONS;
REQUIRING STATE TREASURER TO INVEST MONIES IN FUND; APPROPRIATING
\$100,000 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.

(2) "Fund" means the LeRay McAllister Critical Land Conservation Revolving Loan Fund

established in Section 11-28-103.

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

(4) "Open land" means land that is important, as determined by the local entity, to be used for wildlife habitat, watershed, recreational use, or another use related to the quality of life or cultural heritage of the citizens of the state.

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

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

11-28-102. Critical Land Conservation Committee.

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

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

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

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

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

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

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

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

11-28-103. LeRay McAllister Critical Land Conservation Revolving Loan Fund.

(1) There is created the LeRay McAllister Critical Land Conservation Revolving Loan Fund,

consisting of:

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

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

(c) proceeds from the sale of surplus land.

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

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

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

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

(a) protecting private property rights;

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

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

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

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

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

(b) may consider:

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

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

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

(iv) the funds available; and

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

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

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

(4) The costs of administering loans from the fund, as provided in Section 11-28-106, shall be paid from the fund.

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

11-28-105. Loan limitations.

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

(2) The aggregate amount of loans from the fund may not exceed the amount 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.

Section 7. Section **11-28-107** is enacted to read:

11-28-107. State treasurer shall invest monies.

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

Section 8. Section **11-28-108** is enacted to read:

11-28-108. Committee authorized to dispose of property.

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

Section 9. **Appropriation.**

There is appropriated \$100,000 from the General Fund for fiscal year 1998-99 to the LeRay McAllister Critical Land Conservation Revolving Loan Fund.

Section 10. **Effective date.**

Section 9, Appropriation, is effective on July 1, 1998.