

**Senator James M. Evans** proposes the following substitute bill:

**PUBLIC TRANSIT DISTRICT AMENDMENTS**

2004 GENERAL SESSION

STATE OF UTAH

**Sponsor: James M. Evans**

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**LONG TITLE**

**General Description:**

This bill modifies the Special Districts Code and the Utah Public Transit District Act to amend provisions relating to transit districts serving a population of more than 200,000 people.

**Highlighted Provisions:**

This bill:

- ▶ requires transit districts serving a population of more than 200,000 people to send a copy of its tentative budget and notice of the time and place for its budget hearing to each of its constituent entities 30 days prior to final adoption;
- ▶ requires transit districts serving a population of more than 200,000 people to send a copy of its annual audit report within 30 days after its presentation to the board;
- ▶ provides procedures for reapportioning representation on the board of trustees following a decennial census;
- ▶ provides board members for transit districts serving a population of more than 200,000 people shall serve for two-year terms instead of three-year terms and for up to three consecutive terms instead of two consecutive terms;
- ▶ repeals a prohibition that an elected official may not serve on the board of trustees;
- ▶ allows board members to be recalled for any reason, not just for cause, and provides procedures for recalls and resignations of board members;



26           ▶ requires the board to submit agendas, notices, and minutes of board meetings to  
27 each constituent entity within certain time frames; and

28           ▶ makes technical changes.

29 **Monies Appropriated in this Bill:**

30           None

31 **Other Special Clauses:**

32           None

33 **Utah Code Sections Affected:**

34 AMENDS:

35           **17A-1-502**, as last amended by Chapter 145, Laws of Utah 1997

36           **17A-1-503**, as last amended by Chapter 145, Laws of Utah 1997

37           **17A-2-1038**, as last amended by Chapter 9, Laws of Utah 2001

38           **17A-2-1051**, as last amended by Chapter 254, Laws of Utah 2000

39 ENACTS:

40           **17A-2-1060.1**, Utah Code Annotated 1953



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

43           Section 1. Section **17A-1-502** is amended to read:

44           **17A-1-502. Special districts to submit budgets.**

45           (1) (a) ~~Within~~ Except as provided in Subsection (1)(b), within 30 days after it is  
46 approved by the board, and at least 30 days before the board adopts a final budget, the board of  
47 each independent special district with an annual budget of \$50,000 or more shall send a copy of  
48 its tentative budget and notice of the time and place for its budget hearing to:

49           (i) each of its constituent entities that has in writing requested a copy; and

50           (ii) to each of its customer agencies that has in writing requested a copy.

51           **(b) Within 30 days after it is approved by the board, and at least 30 days before the**  
52 **board adopts a final budget, the board of a public transit district serving a population of more**  
53 **than 200,000 people shall send a copy of its tentative budget and notice of the time and place**  
54 **for its budget hearing to:**

55           (i) each of its constituent entities; and

56           (ii) to each of its customer agencies that has in writing requested a copy.

57           ~~(b)~~ (c) The special district shall include with the tentative budget a signature sheet  
58 that includes:

59           (i) language that the constituent entity or customer agency received the tentative budget  
60 and has no objection to it; and

61           (ii) a place for the chairperson or other designee of the constituent entity or customer  
62 agency to sign.

63           (2) Each constituent entity and each customer agency that receives the tentative budget  
64 shall review the tentative budget submitted by the district and either:

65           (a) sign the signature sheet and return it to the district; or

66           (b) attend the budget hearing or other meeting scheduled by the district to discuss the  
67 objections to the proposed budget.

68           (3) (a) If any constituent entity or customer agency that received the tentative budget  
69 has not returned the signature sheet to the special district within 15 calendar days after the  
70 tentative budget was mailed, the special district shall send a written notice of the budget  
71 hearing to each constituent entity or customer agency that did not return a signature sheet and  
72 invite them to attend that hearing.

73           (b) If requested to do so by any constituent entity or customer agency, the special  
74 district shall schedule a meeting to discuss the budget with the constituent entities and  
75 customer agencies.

76           (c) At the budget hearing, the special district board shall:

77           (i) explain its budget and answer any questions about it;

78           (ii) specifically address any questions or objections raised by the constituent entity,  
79 customer agency, or those attending the meeting; and

80           (iii) seek to resolve the objections.

81           (4) Nothing in this part prevents any special district board from approving or  
82 implementing a budget over any or all constituent entity's or customer agency's protests,  
83 objections, or failure to respond.

84           Section 2. Section **17A-1-503** is amended to read:

85           **17A-1-503. Special districts to submit audit reports.**

86           (1) (a) ~~Within~~ Except as provided in Subsection (1)(b), within 30 days after it is  
87 presented to the board, the board of each independent special district with an annual budget of

88 \$50,000 or more shall send a copy of any audit report to:

89 ~~[(a)]~~ (i) each of its constituent entities that has in writing requested a copy; and

90 ~~[(b)]~~ (ii) each of its customer agencies that has in writing requested a copy.

91 (b) Within 30 days after it is presented to the board, the board of a public transit district  
92 -serving a population of more than 200,000 people shall send a copy of its annual audit report  
93 to:

94 (i) each of its constituent entities; and

95 (ii) each of its customer agencies that has in writing requested a copy.

96 (2) Each constituent entity and each customer agency that received the audit report  
97 shall review the audit report submitted by the district and, if necessary, request a meeting with  
98 the independent special district board to discuss the audit report.

99 (3) At the meeting, the special district board shall:

100 (a) answer any questions about the audit report; and

101 (b) discuss their plans to implement suggestions made by the auditor.

102 Section 3. Section **17A-2-1038** is amended to read:

103 **17A-2-1038. Board of trustees -- Appointment -- Apportionment -- Qualifications**  
104 **-- Quorum -- Compensation -- Terms.**

105 (1) (a) All powers, privileges, and duties vested in any incorporated district shall be  
106 performed by a board of trustees.

107 (b) The board may delegate the exercise of any duty to any of the offices created under  
108 this part.

109 (2) If 200,000 people or fewer reside within the district boundaries:

110 (a) the board of trustees shall consist of trustees appointed by the legislative bodies of  
111 each municipality, county, or unincorporated area within any county on the basis of one trustee  
112 for each full unit of regularly scheduled passenger routes proposed to be served by the district  
113 in each municipality or unincorporated area within any county in the following calendar year;

114 (b) the number of service miles comprising a unit shall be determined jointly by the  
115 legislative bodies of the municipalities or counties comprising the district;

116 (c) trustees shall be appointed and added to the board or omitted from the board at the  
117 time scheduled routes are changed, or as municipalities, counties, or unincorporated areas of  
118 counties annex to or withdraw from the district using the same appointment procedures; and

119 (d) municipalities, counties, and unincorporated areas of counties in which regularly  
120 scheduled passenger routes proposed to be served by the district in the following calendar year  
121 is less than a full unit, as defined in Subsection (2)(a), may combine with any other similarly  
122 situated municipality or unincorporated area to form a whole unit and may appoint one trustee  
123 for each whole unit formed.

124 (3) If more than 200,000 people reside within the district boundaries, the board of  
125 trustees shall consist of 15 trustees appointed as described under Subsections (4) and (5).

126 (4) (a) Except as provided under Subsections (4)(b) and (c), the board shall apportion  
127 members to each county within the district ~~[based on]~~ using an average of:

128 ~~[(i) from the effective date of this act until the apportionment following the year 2000~~  
129 ~~decennial United States Census Bureau report, the proportion of population included in the~~  
130 ~~district and residing within each county, rounded to the nearest 1/15 of the total transit district~~  
131 ~~population; and]~~

132 ~~[(ii) beginning with the first apportionment following the year 2000 decennial United~~  
133 ~~States Census Bureau report, an average of:]~~

134 ~~[(A)]~~ (i) the proportion of population included in the district and residing within each  
135 county, rounded to the nearest 1/15 of the total transit district population; and

136 ~~[(B)]~~ (ii) the proportion of transit sales and use tax collected from areas included in the  
137 district and within each county, rounded to the nearest 1/15 of the total transit sales and use tax  
138 collected for the transit district.

139 (b) The board shall join an entire or partial county not apportioned a member under this  
140 subsection with an adjacent county for representation. The combined apportionment basis  
141 included in the district of both counties shall be used for the apportionment.

142 (c) If rounding to the nearest 1/15 of the total transit district apportionment basis under  
143 Subsection (4)(a) results in an apportionment of:

144 (i) more than 15 members, the county or combination of counties with the smallest  
145 additional fraction of a whole member proportion shall have one less member apportioned to it;  
146 or

147 (ii) less than 15 members, the county or combination of counties with the largest  
148 additional fraction of a whole member proportion shall have one more member apportioned to  
149 it.

150 (5) (a) If the unincorporated area of a county is at least 1/15 of the district's population,  
151 the county executive, with the advice and consent of the county legislative body, shall appoint  
152 one trustee to represent each 1/15 of the district's population within a county's unincorporated  
153 area population.

154 (b) If a municipality's population is at least 1/15 of the district's population, the chief  
155 municipal executive, with the advice and consent of the municipal legislative body, shall  
156 appoint one trustee to represent each 1/15 of the district's population within a municipality.

157 (c) The number of trustees appointed from a county and municipalities within a county  
158 under Subsections (5)(a) and (b) shall be subtracted from the county's total member  
159 apportionment under Subsection (4).

160 (d) If the entire county is within the district, the remaining trustees for the county shall  
161 represent the county or combination of counties if Subsection (4)(b) applies, or the  
162 municipalities within the county.

163 (e) If the entire county is not within the district, and the county is not joined with  
164 another county under Subsection (4)(b), the remaining trustees for the county shall represent a  
165 municipality or combination of municipalities.

166 (f) Except as provided under Subsections (5)(a) and (b), trustees representing counties,  
167 combinations of counties if Subsection (4)(b) applies, or municipalities within the county shall  
168 be designated and appointed by a simple majority of the chief executives of the municipalities  
169 within the county or combinations of counties if Subsection (4)(b) applies. The appointments  
170 shall be made by joint written agreement of the appointing municipalities, with the consent and  
171 approval of the county legislative body of the county that has at least 1/15 of the district's  
172 apportionment basis.

173 (g) Trustees representing a municipality or combination of municipalities shall be  
174 designated and appointed by the chief executive officer of the municipality or simple majority  
175 of chief executive officers of municipalities with the consent of the legislative body of the  
176 municipality or municipalities.

177 (h) The appointment of trustees shall be made without regard to partisan political  
178 affiliation from among citizens in the community.

179 (i) Each trustee shall be a bona fide resident of the municipality, county, or  
180 unincorporated area or areas which the trustee is to represent for at least six months before the

181 date of appointment, and must continue in that residency to remain qualified to serve as a  
182 trustee.

183 ~~[(j) (i) Each trustee whose term has not expired and is serving on the effective date of  
184 this act shall continue to serve as a trustee until the expiration of the term for which the trustee  
185 was appointed, subject to the term limitations under which the trustee was initially appointed.]~~

186 ~~[(ii) Beginning on the effective date of this act, any vacancy for which the successor  
187 has not taken the oath of office shall be filled in the following order:]~~

188 ~~[(A) by a municipality eligible to make an appointment under Subsection (5)(b);]~~

189 ~~[(B) by a county eligible to make an appointment for its unincorporated area under  
190 Subsection (5)(a); and]~~

191 ~~[(C) as otherwise provided under this section.]~~

192 ~~[(k) (j) (i) All population figures used under this section shall be derived from the  
193 most recent official census or census estimate of the United States Bureau of the Census.~~

194 ~~(ii) If population estimates are not available from the United States Bureau of Census,  
195 population figures shall be derived from the estimate from the Utah Population Estimates  
196 Committee.~~

197 ~~(iii) All transit sales and use tax totals shall be obtained from the Tax Commission.~~

198 ~~[(4) (k) [After the initial apportionment immediately following the effective date of  
199 this act, the] The board shall be apportioned as provided under this section in conjunction with  
200 the decennial United States Census Bureau report every ten years.~~

201 ~~(i) As soon as practicable following the receipt of the population estimates under this  
202 Subsection (5)(k), the district shall reapportion representation on the board of trustees in  
203 accordance with this section.~~

204 ~~(ii) The board shall adopt by resolution a schedule reflecting the current and proposed  
205 apportionment.~~

206 ~~(iii) Upon adoption of the resolution, the board shall forward a copy of the resolution  
207 to each of its constituent entities as defined under Section 17A-1-501.~~

208 ~~(iv) The appointing entities gaining a new board member shall appoint a new member  
209 within 30 days following receipt of the resolution.~~

210 ~~(v) The appointing entities losing a board member shall inform the board of which  
211 member currently serving on the board will step down upon appointment of a new member~~

212 under Subsection (5)(k)(iv).

213 (6) (a) Except the initial trustees, the terms of office of the trustees shall be [~~three~~] two  
214 years or until their successors are appointed, qualified, seated, and have taken the oath of  
215 office.

216 (b) At the first meeting of the initial trustees held after July 1, 2004, the directors shall  
217 designate by the drawing of lots [~~1/3~~] for 1/2 of their number to serve for one-year terms[~~1/3~~]  
218 and for 1/2 for two-year terms[~~and 1/3 for three-year terms~~].

219 (c) A trustee may not be appointed for more than [~~two~~] three successive full terms.

220 (7) (a) Vacancies shall be filled by the official appointing the member creating the  
221 vacancy for the unexpired term, unless the official fails to fill the vacancy within 90 days.

222 (b) If the appointing official under Subsection (2) does not fill the vacancy within 90  
223 days, the board of trustees of the authority shall fill the vacancy.

224 (c) If the appointing official under Subsection (5) does not fill the vacancy within 90  
225 days, the governor, with the advice and consent of the Senate, shall fill the vacancy.

226 (8) (a) Each trustee may cast one vote on all questions, orders, resolutions, and  
227 ordinances coming before the board of trustees.

228 (b) A majority of all members of the board of trustees are a quorum for the transaction  
229 of business.

230 (c) The affirmative vote of a majority of all trustees present at any meeting at which a  
231 quorum was initially present shall be necessary and, except as otherwise provided, is sufficient  
232 to carry any order, resolution, ordinance, or proposition before the board of trustees.

233 (9) The district shall pay to each trustee:

234 (a) an attendance fee of \$50 per board or committee meeting attended, not to exceed  
235 \$200 in any calendar month to any trustee; and

236 (b) reasonable mileage and expenses necessarily incurred to attend board or committee  
237 meetings.

238 (10) (a) Members of the initial board of trustees shall convene at the time and place  
239 fixed by the chief executive officer of the entity initiating the proceedings.

240 (b) Immediately upon convening, the board of trustees shall elect from its membership  
241 a president, vice president, and secretary who shall serve for a period of two years or until their  
242 successors shall be elected and qualified.



243 (11) At the time of a trustee's appointment or during a trustee's tenure in office, a  
244 trustee may not hold[: ~~(a) any elected public office with the United States, the state, or any~~  
245 ~~political subdivision of either; or (b)] any employment, except as an independent contractor or or  
246 elected public official, with a county or municipality within the district.~~

247 Section 4. Section **17A-2-1051** is amended to read:

248 **17A-2-1051. Members of board subject to recall.**

249 (1) (a) [Every] A member of the board of trustees of a district [shall be] is subject to  
250 recall [for cause] at any time by the governing body of the municipality, county, or  
251 unincorporated county area from which [he] the member is appointed[, and any].

252 (b) A recall of a member of the board of trustees shall be made in the same manner as  
253 original appointment including any agreements, consents, and approvals provided under the  
254 original appointment under Section 17A-2-1038.

255 (c) The appointing entities shall provide written notice to the member of the board of  
256 trustees being recalled.

257 (2) Upon written notice to the board, a member [upon notice] may resign [his] the  
258 board member's position as trustee.

259 (3) If a member of the board is recalled or resigns under this section, the vacancy shall  
260 be filled in accordance with Subsection 17A-2-1038(7).

261 Section 5. Section **17A-2-1060.1** is enacted to read:

262 **17A-2-1060.1. Transit districts to submit agendas and minutes of board meetings.**

263 (1) The board shall submit to each constituent entity as defined in Section 17A-1-501:

264 (a) a copy of the board agenda and a notice of the location and time of the board  
265 meeting within the same time frame provided to members of the board prior to the meeting;  
266 and

267 (b) a copy of the minutes of board meetings within five working days following  
268 approval of the minutes.

269 (2) The board may submit notices, agendas, and minutes by electronic mail if agreed to  
270 by the constituent entity as defined under Section 17A-2-501.