

Senator Scott K. Jenkins proposes the following substitute bill:

LOCAL GOVERNMENT FEASIBILITY AND

ECONOMIC IMPACT STUDIES

2004 GENERAL SESSION

STATE OF UTAH

Sponsor: Scott K. Jenkins

LONG TITLE

General Description:

This bill modifies the provisions related to municipalities, counties, and special districts to require a study before the municipality, county, or special district may expend monies on facilities or services.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires a study before the approval of the expenditure of monies for facilities or services;
- ▶ requires the hiring of a feasibility consultant to conduct the study;
- ▶ establishes what is to be included in a study; and
- ▶ provides for a hearing on a study.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:



26 10-1-119, Utah Code Annotated 1953
27 17-15-28, Utah Code Annotated 1953
28 17A-1-104, Utah Code Annotated 1953

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

31 Section 1. Section 10-1-119 is enacted to read:

32 **10-1-119. Feasibility and economic impact study.**

33 (1) As used in this section:

34 (a) "Facility" means any building, structure, or other improvement on real property.

35 (b) "Feasibility consultant" means a person with expertise in the processes and
36 economics of local government.

37 (2) The legislative body of a municipality shall obtain a feasibility and economic
38 impact study meeting the requirements of Subsection (3) before the legislative body of a
39 municipality may approve the expenditure of monies for:

40 (a) the construction, acquisition, lease, or operation of a facility:

41 (i) (A) that the municipality has not constructed, acquired, leased, or operated before
42 May 3, 2004; or

43 (B) for which the municipality has not expended monies before May 3, 2004, including
44 monies for the planning of the facility; and

45 (ii) that is not directly related to a facility:

46 (A) that the municipality constructed, acquired, leased, or operated before May 3,
47 2004; or

48 (B) for which the municipality has expended monies before May 3, 2004; or

49 (b) the provision of a service:

50 (i) (A) that the municipality has not provided before May 3, 2004; or

51 (B) for which the municipality has not expended monies before May 3, 2004, including
52 monies for the planning of the service; and

53 (ii) that is not directly related to a service:

54 (A) that the municipality provided before May 3, 2004; or

55 (B) for which the municipality has expended monies before May 3, 2004.

56 (3) (a) A municipality shall hire a feasibility consultant to conduct a feasibility and

57 economic impact study required by Subsection (2) and require the feasibility consultant to:

58 (i) complete the feasibility study in accordance with this section;

59 (ii) submit to the municipality's legislative body by no later than 180 days from the date
60 the feasibility consultant is hired to conduct the feasibility study:

61 (A) the full written results of the feasibility study; and

62 (B) a summary of the results that is no longer than one page in length; and

63 (iii) attend a public hearing described in Subsection (4) to:

64 (A) present the feasibility study results; and

65 (B) respond to questions from the public.

66 (b) (i) A feasibility and economic impact study required by Subsection (2) for a facility
67 shall include:

68 (A) for the first five years that the municipality will operate a facility described in

69 Subsection (2) a projection of:

70 (I) revenue; and

71 (II) expenses;

72 (B) whether the facility described in Subsection (2) meets a need that cannot be met by
73 facilities operated by private persons;

74 (C) whether one or more facilities similar to the facility described in Subsection (2) are
75 operated by private persons within 15 miles of the facility described in Subsection (2); and

76 (D) if the facility is operated by the municipality, what economic impacts will be
77 experienced by:

78 (I) the facilities operated by private persons described in Subsection (3)(b)(i)(C); and

79 (II) the general market in which the facility described in Subsection (2) will operate.

80 (ii) A feasibility and economic impact study required under Subsection (2) for the
81 provision of services shall include:

82 (A) for the first five years that the municipality will provide the services described in

83 Subsection (2) projections of:

84 (I) revenue; and

85 (II) expenses;

86 (B) whether provision of the services described in Subsection (2) meets a need that
87 cannot be met by services provided by private persons;

88 (C) whether one or more private persons provide services similar to the services
89 described in Subsection (2) within 15 miles of where the municipality would provide the
90 services described in Subsection (2); and

91 (D) if the municipality provides the services described in Subsection (2), what
92 economic impacts will be experienced by:

93 (I) the private persons providing services described in Subsection (3)(b)(ii)(C); and

94 (II) the general market in which the services described in Subsection (2) will be
95 provided by the municipality.

96 (4) (a) Upon completion of a feasibility and economic impact study meeting the
97 requirements of Subsection (3), the municipal legislative body shall at its next regular meeting
98 schedule at least one public hearing to be held:

99 (i) (A) not less than 20 days from the day on which the meeting at which the public
100 hearing is scheduled is held; and

101 (B) not more than 60 days from the day on which the meeting at which the public
102 hearing is scheduled is held; and

103 (ii) for the purpose of allowing the public to:

104 (A) become informed about the feasibility and economic impact study results;

105 (B) ask questions of the municipal legislative body about the results of the feasibility
106 and economic impact study; and

107 (C) ask questions of the feasibility consultant.

108 (b) (i) Except as provided in Subsection (4)(b)(ii), the municipality shall publish notice
109 of the public hearings required under this section at least once a week for three consecutive
110 weeks in a newspaper of general circulation in the municipality.

111 (ii) The last publication of notice required under Subsection (4)(b)(i) shall be at least
112 three days before the first public hearing required under Subsection (4)(a).

113 (iii) (A) If there is no newspaper of general circulation in the municipality, for each
114 1,000 residents, the municipality shall post at least one notice of the hearings in a conspicuous
115 place within the municipality that is likely to give notice of the hearings to the greatest number
116 of residents of the municipality.

117 (B) The municipality shall post the notices at least seven days before the public hearing
118 required under Subsection (4)(a) is held.

119 Section 2. Section **17-15-28** is enacted to read:

120 **17-15-28. Feasibility and economic impact study.**

121 (1) As used in this section:

122 (a) "Facility" means any building, structure, or other improvement on real property.

123 (b) "Feasibility consultant" means a person with expertise in the processes and
124 economics of local government.

125 (2) The legislative body of a county shall obtain a feasibility and economic impact
126 study meeting the requirements of Subsection (3) before the legislative body of a county may
127 approve the expenditure of monies for:

128 (a) the construction, acquisition, lease, or operation of a facility:

129 (i) (A) that the county has not constructed, acquired, leased, or operated before May 3,
130 2004; or

131 (B) for which the county has not expended monies before May 3, 2004, including
132 monies for the planning of the facility; and

133 (ii) that is not directly related to a facility:

134 (A) that the county constructed, acquired, leased, or operated before May 3, 2004; or

135 (B) for which the county has expended monies before May 3, 2004;

136 (b) the provision of a service:

137 (i) (A) that the county has not provided before May 3, 2004; or

138 (B) for which the county has not expended monies before May 3, 2004, including
139 monies for the planning of the service; and

140 (ii) that is not directly related to a service:

141 (A) that the county provided before May 3, 2004; or

142 (B) for which the county has expended monies before May 3, 2004.

143 (3) (a) A county shall hire a feasibility consultant to conduct a feasibility and economic
144 impact study required by Subsection (2) and require the feasibility consultant to:

145 (i) complete the feasibility study in accordance with this section;

146 (ii) submit to the county's legislative body by no later than 180 days from the date the
147 feasibility consultant is hired to conduct the feasibility study:

148 (A) the full written results of the feasibility study; and

149 (B) a summary of the results that is no longer than one page in length; and

150 (iii) attend a public hearing described in Subsection (4) to:
151 (A) present the feasibility study results; and
152 (B) respond to questions from the public.
153 (b) (i) A feasibility and economic impact study required by Subsection (2) for a facility
154 shall include:
155 (A) for the first five years that the county will operate a facility described in Subsection
156 (2) a projection of:
157 (I) revenue; and
158 (II) expenses;
159 (B) whether the facility described in Subsection (2) meets a need that cannot be met by
160 facilities operated by private persons;
161 (C) whether one or more facilities similar to the facility described in Subsection (2) are
162 operated by private persons within 15 miles of the facility described in Subsection (2); and
163 (D) if the facility is operated by the county, what economic impacts will be
164 experienced by:
165 (I) the facilities operated by private persons described in Subsection (3)(b)(i)(C); and
166 (II) the general market in which the facility described in Subsection (2) will operate.
167 (ii) A feasibility and economic impact study required under Subsection (2) for the
168 provision of services shall include:
169 (A) for the first five years that the county will provide the services described in
170 Subsection (2) projections of:
171 (I) revenue; and
172 (II) expenses;
173 (B) whether provision of the services described in Subsection (2) meets a need that
174 cannot be met by services provided by private persons;
175 (C) whether one or more private persons provide services similar to the services
176 described in Subsection (2) within 15 miles of where the county would provide the services
177 described in Subsection (2); and
178 (D) if the county provides the services described in Subsection (2), what economic
179 impacts will be experienced by:
180 (I) the private persons providing services described in Subsection (3)(b)(ii)(C); and

181 (II) the general market in which the services described in Subsection (2) will be
182 provided by the county.

183 (4) (a) Upon completion of a feasibility and economic impact study meeting the
184 requirements of Subsection (3), the county legislative body shall at its next regular meeting
185 schedule at least one public hearing to be held:

186 (i) (A) not less than 20 days from the day on which the meeting at which the public
187 hearing is scheduled is held; and

188 (B) not more than 60 days from the day on which the meeting at which the public
189 hearing is scheduled is held; and

190 (ii) for the purpose of allowing the public to:

191 (A) become informed about the feasibility and economic impact study results;

192 (B) ask questions of the county legislative body about the results of the feasibility and
193 economic impact study; and

194 (C) ask questions of the feasibility consultant.

195 (b) (i) Except as provided in Subsection (4)(b)(ii), the county shall publish notice of the
196 public hearings required under this section at least once a week for three consecutive weeks in
197 a newspaper of general circulation in the county.

198 (ii) The last publication of notice required under Subsection (4)(b)(i) shall be at least
199 three days before the first public hearing required under Subsection (4)(a).

200 (iii) (A) If there is no newspaper of general circulation in the county, for each 1,000
201 residents, the county shall post at least one notice of the hearings in a conspicuous place within
202 the county that is likely to give notice of the hearings to the greatest number of residents of the
203 county.

204 (B) The county shall post the notices at least seven days before the public hearing
205 required under Subsection (4)(a) is held.

206 Section 3. Section **17A-1-104** is enacted to read:

207 **17A-1-104. Feasibility and economic impact study.**

208 (1) As used in this section:

209 (a) "Facility" means any building, structure, or other improvement on real property.

210 (b) "Feasibility consultant" means a person with expertise in the processes and
211 economics of local government.

212 (2) The board of trustees or governing body of a special district shall obtain a
213 feasibility and economic impact study meeting the requirements of Subsection (3) before the
214 board of trustees or governing body of the special district may approve the expenditure of
215 monies for:

216 (a) the construction, acquisition, lease, or operation of a facility:

217 (i) (A) that the special district has not constructed, acquired, leased, or operated before
218 May 3, 2004; or

219 (B) for which the special district has not expended monies before May 3, 2004,
220 including monies for the planning of the facility; and

221 (ii) that is not directly related to a facility:

222 (A) that the special district constructed, acquired, leased, or operated before May 3,
223 2004; or

224 (B) for which the special district has expended monies before May 3, 2004; or

225 (b) the provision of a service:

226 (i) (A) that the special district has not provided before May 3, 2004; or

227 (B) for which the special district has not expended monies before May 3, 2004,
228 including monies for the planning of the service; and

229 (ii) that is not directly related to a service:

230 (A) that the special district provided before May 3, 2004; or

231 (B) for which the special district has expended monies before May 3, 2004.

232 (3) (a) A special district shall hire a feasibility consultant to conduct a feasibility and
233 economic impact study required by Subsection (2) and require the feasibility consultant to:

234 (i) complete the feasibility study in accordance with this section;

235 (ii) submit to the special district's board of trustees or governing body by no later than
236 180 days from the date the feasibility consultant is hired to conduct the feasibility study:

237 (A) the full written results of the feasibility study; and

238 (B) a summary of the results that is no longer than one page in length; and

239 (iii) attend a public hearing described in Subsection (4) to:

240 (A) present the feasibility study results; and

241 (B) respond to questions from the public.

242 (b) (i) A feasibility and economic impact study required by Subsection (2) for a facility

243 shall include:

244 (A) for the first five years that the special district will operate a facility described in

245 Subsection (2) a projection of:

246 (I) revenue; and

247 (II) expenses;

248 (B) whether the facility described in Subsection (2) meets a need that cannot be met by

249 facilities operated by private persons;

250 (C) whether one or more facilities similar to the facility described in Subsection (2) are

251 operated by private persons within 15 miles of the facility described in Subsection (2); and

252 (D) if the facility is operated by the special district, what economic impacts will be

253 experienced by:

254 (I) the facilities operated by private persons described in Subsection (3)(b)(i)(C); and

255 (II) the general market in which the facility described in Subsection (2) will operate.

256 (ii) A feasibility and economic impact study required under Subsection (2) for the

257 provision of services shall include:

258 (A) for the first five years that the special district will provide the services described in

259 Subsection (2) projections of:

260 (I) revenue; and

261 (II) expenses;

262 (B) whether provision of the services described in Subsection (2) meets a need that

263 cannot be met by services provided by private persons;

264 (C) whether one or more private persons provide services similar to the services

265 described in Subsection (2) within 15 miles of where the special district would provide the

266 services described in Subsection (2); and

267 (D) if the special district provides the services described in Subsection (2), what

268 economic impacts will be experienced by:

269 (I) the private persons providing services described in Subsection (3)(b)(ii)(C); and

270 (II) the general market in which the services described in Subsection (2) will be

271 provided by the special district.

272 (4) (a) Upon completion of a feasibility and economic impact study meeting the

273 requirements of Subsection (3), the special district board of trustees or governing body shall at

274 its next regular meeting schedule at least one public hearing to be held:

275 (i) (A) not less than 20 days from the day on which the meeting at which the public
276 hearing is scheduled is held; and

277 (B) not more than 60 days from the day on which the meeting at which the public
278 hearing is scheduled is held; and

279 (ii) for the purpose of allowing the public to:

280 (A) become informed about the feasibility and economic impact study results;

281 (B) ask questions of the special district's board of trustees or governing body about the
282 results of the feasibility and economic impact study; and

283 (C) ask questions of the feasibility consultant.

284 (b) (i) Except as provided in Subsection (4)(b)(ii), the special district shall publish
285 notice of the public hearings required under this section at least once a week for three
286 consecutive weeks in a newspaper of general circulation in the special district.

287 (ii) The last publication of notice required under Subsection (4)(b)(i) shall be at least
288 three days before the first public hearing required under Subsection (4)(a).

289 (iii) (A) If there is no newspaper of general circulation in the special district, for each
290 1,000 residents, the special district shall post at least one notice of the hearings in a
291 conspicuous place within the special district that is likely to give notice of the hearings to the
292 greatest number of residents of the special district.

293 (B) The special district shall post the notices at least seven days before the public
294 hearing required under Subsection (4)(a) is held.