

1                   **DEPARTMENT OF COMMUNITY AND CULTURE**

2                                   **AMENDMENTS**

3   2006 GENERAL SESSION

4   STATE OF UTAH

5                                   **Chief Sponsor: Peter C. Knudson**

6   House Sponsor: Sheryl L. Allen

7   Cosponsors:

                                  Karen Hale

  John W. Hickman

8   Dan R. Eastman

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10 **LONG TITLE**

11 **General Description:**

12           This bill modifies provisions of the Department of Community and Culture related to  
13 the composition of the Utah Housing Corporation's board of trustees and the  
14 distribution formula for Community Services Block Grant funds received by the State  
15 Community Services Office.

16 **Highlighted Provisions:**

17           This bill:

18           ▶ provides that one of the three ex officio trustees on the Utah Housing Corporation's  
19 board of trustees shall be the executive director of the Department of Community  
20 and Culture or the executive director's designee;

21           ▶ modifies the distribution formula for federal Community Services Block Grant  
22 funds received by the State Community Services Office; and

23           ▶ makes certain technical changes.

24 **Monies Appropriated in this Bill:**

25           None

26 **Other Special Clauses:**

27           None



28 **Utah Code Sections Affected:**

29 AMENDS:

30 **9-4-904**, as last amended by Chapter 148, Laws of Utah 2005

31 **9-4-1405**, as enacted by Chapter 286, Laws of Utah 2000



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

34 Section 1. Section **9-4-904** is amended to read:

35 **9-4-904. Creation -- Trustees -- Terms -- Vacancies -- Chair -- Powers -- Quorum**  
36 **-- Per diem and expenses.**

37 (1) (a) There is created an independent body politic and corporate, constituting a public  
38 corporation, known as the "Utah Housing Corporation."

39 (b) The corporation may also be known and do business as the:

40 (i) Utah Housing Finance Association; and

41 (ii) Utah Housing Finance Agency in connection with any contract entered into when  
42 that was the corporation's legal name.

43 (c) Any other entity may not use the names described in Subsections (1)(a) and (b)  
44 without the express approval of the corporation.

45 (2) The corporation shall be governed by a board of trustees composed of the following  
46 nine trustees:

47 (a) three ex officio trustees who shall be:

48 (i) the executive director of the Department of Community and Culture or the  
49 executive director's designee;

50 (ii) the commissioner of the Department of Financial Institutions or [his] the  
51 commissioner's designee; and

52 (iii) the state treasurer or [his] the treasurer's designee; and

53 (b) six public trustees, being private citizens of the state, as follows:

54 (i) two people representing the mortgage lending industry;

55 (ii) two people representing the home building and real estate industry; and

56 (iii) two people representing the public at large.

57 (3) The governor shall:

58 (a) appoint the six public trustees of the corporation with the consent of the Senate; and

59 (b) ensure that:

60 (i) the six public trustees are from different counties and are residents of Utah; and

61 (ii) not more than three of the public trustees belong to the same political party.

62 (4) (a) Except as required by Subsection (4)(b), the six public trustees shall be

63 appointed to terms of office of four years each.

64 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the

65 time of appointment or reappointment, adjust the length of terms to ensure that the terms of

66 corporation trustees are staggered so that approximately half of the board is appointed every

67 two years.

68 (5) (a) Any of the six public trustees of the corporation may be removed from office for

69 cause either by the governor or by an affirmative vote of any six trustees of the corporation.

70 (b) When a vacancy occurs in the board of trustees for any reason, the replacement

71 shall be appointed for the unexpired term.

72 (c) Each public trustee shall hold office for the term of ~~[his]~~ appointment and until

73 ~~[his]~~ the trustee's successor has been appointed and qualified.

74 (d) Any public trustee is eligible for reappointment but may not serve more than two

75 full consecutive terms.

76 (6) (a) The governor shall select the chair of the corporation.

77 (b) The trustees shall elect from among their number a vice chair and other officers

78 they may determine.

79 (7) (a) Five trustees of the corporation constitute a quorum for transaction of business.

80 (b) An affirmative vote of at least five trustees is necessary for any action to be taken

81 by the corporation.

82 ~~[(b)]~~ (c) A vacancy in the board of trustees may not impair the right of a quorum to

83 exercise all rights and perform all duties of the corporation.

84 (8) (a) (i) Trustees who are not government employees may not receive compensation

85 or benefits for their services, but may receive a reasonable per diem and reimbursement

86 expenses incurred in the performance of the trustee's official duties at the rates established by

87 the board of trustees.

88 (ii) Trustees may decline to receive per diem and expenses for their service.

89 (b) (i) State government officer and employee trustees who do not receive salary, per

90 diem, or expenses from their agency for their service may receive per diem and expenses  
91 incurred in the performance of their official duties from the corporation at the rates established  
92 by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

93 (ii) State government officer and employee trustees may decline to receive per diem  
94 and expenses for their service.

95 Section 2. Section **9-4-1405** is amended to read:

96 **9-4-1405. Distribution of Community Services Block Grant funds.**

97 Community Services Block Grant funds received by the office shall be distributed as  
98 follows:

99 (1) 90% to community action agencies;

100 (2) 5% to:

101 (a) organizations with a statewide focus to accomplish specific objectives that  
102 complement the Community Services Block Grant poverty programs; ~~and~~

103 (b) provide training and technical assistance for grantees of Community Block Grant  
104 funds; or

105 (c) supplement anti-poverty projects; and

106 (3) 5% to~~[-(a)]~~ reimburse costs incurred by the office in administration of this part~~[-]~~.

107 ~~[(b) provide training and technical assistance to grantees of Community Services Block~~  
108 ~~Grant funds; or]~~

109 ~~[(c) supplement anti-poverty projects.]~~

**Legislative Review Note**

**as of 11-10-05 9:49 AM**

Based on a limited legal review, this legislation has not been determined to have a high probability of being held unconstitutional.

**Office of Legislative Research and General Counsel**

**Interim Committee Note**

**as of 12-21-05 11:00 AM**

The Workforce Services and Community and Economic Development Interim Committee recommended this bill.