

1                                   **COUNTY ASSISTANCE TO NONPROFIT**

2   **ENTITIES**

3   2006 GENERAL SESSION

4   STATE OF UTAH

5   **Chief Sponsor: David L. Thomas**

6   House Sponsor: Brad L. Dee

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8   **LONG TITLE**

9   **General Description:**

10                   This bill modifies provisions relating to counties' authority to provide services or  
11 assistance to or waive fees from nonprofit entities.

12   **Highlighted Provisions:**

13                   This bill:

14                   ▶ requires counties to receive fair and adequate consideration for services or  
15 assistance provided to or fees waived on behalf of a nonprofit entity, and defines  
16 what that consideration may be.

17   **Monies Appropriated in this Bill:**

18                   None

19   **Other Special Clauses:**

20                   None

21   **Utah Code Sections Affected:**

22   AMENDS:

23                   **17-50-303**, as last amended by Chapter 105, Laws of Utah 2005

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

26                   Section 1. Section **17-50-303** is amended to read:

27                   **17-50-303. County may not give or lend credit -- County may borrow in**



28 **anticipation of revenues -- Assistance to nonprofit entities.**

29 (1) A county may not give or lend its credit to or in aid of any person or corporation,  
30 or, except as provided in Subsection (3), appropriate money in aid of any private enterprise.

31 (2) (a) A county may borrow money in anticipation of the collection of taxes and other  
32 county revenues in the manner and subject to the conditions of Title 11, Chapter 14, Local  
33 Government Bonding Act.

34 (b) A county may incur indebtedness under Subsection (2)(a) for any purpose for which  
35 funds of the county may be expended.

36 ~~[(3) After first holding a public hearing, a county may provide services or give other  
37 nonmonetary property or assistance to or waive fees required to be paid by a nonprofit entity,  
38 whether or not the county receives consideration in return.]~~

39 (3) (a) A county may not provide services or monetary or nonmonetary assistance to or  
40 waive fees required to be paid by a nonprofit entity unless the county receives fair and adequate  
41 consideration in return.

42 (b) Consideration paid to a county under Subsection (3)(a) may:

43 (i) be nonmonetary; and

44 (ii) include anything that in the judgment of the county legislative body contributes to  
45 the safety, health, prosperity, moral well-being, peace, order, comfort, or convenience of county  
46 inhabitants.

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**Legislative Review Note**  
**as of 6-14-05 10:35 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**