

TRUTH IN BONDING

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Gregory H. Hughes

Senate Sponsor: Howard A. Stephenson

LONG TITLE

General Description:

This bill requires certain information be included in ballot propositions for bond elections.

Highlighted Provisions:

This bill:

► requires that the ballot proposition for bond elections include information about property tax increases required to service the bonds.

Monies Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

11-14-206, as last amended by Chapter 83, Laws of Utah 2006

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

Section 1. Section **11-14-206** is amended to read:

11-14-206. Ballots -- Submission of ballot language -- Form and contents.

(1) At least 75 days before the election, the governing body shall prepare and submit to the election officer:



28 (a) a ballot title for the bond proposition that includes the name of the local political
29 subdivision issuing the bonds and the word "bond" or an identification of the type of bonds;
30 and

31 (b) a ballot proposition that meets the requirements of Subsection (2).

32 (2) (a) The ballot proposition shall include:

33 (i) the maximum principal amount of the bonds;

34 (ii) the maximum number of years from the issuance of the bonds to final maturity;

35 [~~and~~]

36 (iii) the general purpose for which the bonds are to be issued~~[-]; and~~

37 (iv) if issuance of the bonds will require the increase of the property tax imposed upon
38 the average value of a residence by an amount that is greater than or equal to \$15 per year, the
39 following information in substantially the following form:

40 "NOTICE OF PROPERTY TAX INCREASE DUE TO BOND ISSUANCE

41 The (name of the taxing entity) passage of the proposition means that the tax on a

42 (insert the average value of a residence in the taxing entity rounded to the nearest

43 thousand dollars) residence would increase from \$ _____ to \$ _____, which is

44 \$ _____ per year.

45 Passage of the proposition means that the tax on a (insert the value of a business having

46 the same value as the average value of a residence in the taxing entity) business would

47 increase from \$ _____ to \$ _____, which is \$ _____ per year."

48 (b) The purpose of the bonds may be stated in general terms and need not specify the
49 particular projects for which the bonds are to be issued or the specific amount of bond proceeds
50 to be expended for each project.

51 (c) If the bonds are to be payable in part from tax proceeds and in part from the
52 operating revenues of the local political subdivision, or from any combination of tax proceeds
53 and operating revenues, the bond proposition shall indicate those payment sources, but need
54 not specify how the bonds are to be divided between those sources of payment.

55 (d) (i) The bond proposition shall be followed by the words, "For the issuance of
56 bonds" and "Against the issuance of bonds," with appropriate boxes in which the voter may
57 indicate his choice.

58 (ii) Nothing in Subsection (2)(d)(i) prohibits the addition of descriptive information

59 about the bonds.

60 (3) If a bond proposition is submitted to a vote on the same day as any other election
61 held in the local political subdivision calling the bond election, the bond proposition may be
62 combined with the candidate ballot in a manner consistent with Section 20A-6-301,
63 20A-6-303, or 20A-6-402.

64 (4) The ballot form shall comply with the requirements of Title 20A, Chapter 6, Ballot
65 Form.

Legislative Review Note
as of 1-29-07 4:38 PM

Office of Legislative Research and General Counsel

H.B. 393 - Truth in Bonding

Fiscal Note

2007 General Session

State of Utah

State Impact

Enactment of this bill will not require additional appropriations.

Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.
