

Representative John Dougall proposes the following substitute bill:

**LITIGATION FUND RESTRICTED ACCOUNT
FOR HIGHWAY PROJECTS**

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Sheldon L. Killpack

House Sponsor: John Dougall

LONG TITLE

General Description:

This bill creates a restricted account to be used to fund litigation expenses for highway projects.

Highlighted Provisions:

This bill:

- ▶ creates a restricted account;
- ▶ establishes the account's revenue sources and use;
- ▶ authorizes the Division of Finance to:
 - create subaccounts in the restricted account; and
 - apportion interest and donations to the subaccounts;
- ▶ provides intent language for the appropriation;
- ▶ provides that monies not spent from the subaccounts be appropriated by the

Legislature to the LeRay McAllister Critical Land Conservation Fund; and

- ▶ creates an exception to the statutory cap on the LeRay McAllister Critical Land Conservation Fund so that all of those appropriations can be deposited in the fund.

Monies Appropriated in this Bill:

This bill appropriates:



26 ▶ ~~H~~→ [\$6,000,000] \$5,000,000 ←~~H~~ one-time to the Litigation Fund for Highway Projects
26a Account.

27 **Other Special Clauses:**

28 This bill takes effect on July 1, 2007.

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **11-38-301**, as last amended by Chapter 278, Laws of Utah 2006

32 ENACTS:

33 **67-5-22**, Utah Code Annotated 1953



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

36 Section 1. Section **11-38-301** is amended to read:

37 **11-38-301. LeRay McAllister Critical Land Conservation Fund.**

38 (1) There is created a restricted special revenue fund entitled the "LeRay McAllister
39 Critical Land Conservation Fund," consisting of:

- 40 (a) money appropriated or otherwise made available by the Legislature;
- 41 (b) contributions of money, property, or equipment from federal agencies, political
42 subdivisions of the state, persons, or corporations; and
- 43 (c) proceeds that a department chooses to place into the fund from the sale of surplus
44 land under Subsection (2).

45 (2) The Department of Administrative Services, the Department of Agriculture and
46 Food, the Department of Natural Resources, and the Department of Transportation may place
47 proceeds from the sale of surplus land into the fund.

48 (3) ~~The~~ (a) Except as provided in Subsection (3)(b), the total amount of money in the
49 fund may not exceed \$6,000,000.

50 (b) Monies deposited into the fund under the authority of Section 67-5-22 are not
51 subject to the cap established in Subsection (3)(a).

52 Section 2. Section **67-5-22** is enacted to read:

53 **67-5-22. Litigation Fund for Highway Projects Account.**

54 (1) There is created within the General Fund a restricted account known as the
55 Litigation Fund for Highway Projects Account.

56 (2) The Litigation Fund for Highway Projects Account consists of:

57 (a) appropriations made to the account by the Legislature;

58 (b) transfers to the account from highway project funds as approved by the

59 Transportation Commission;

60 (c) any donations made to the account; and

61 (d) interest on account monies.

62 (3) (a) Upon appropriation by the Legislature, the attorney general shall use monies
 63 from the account to pay litigation expenses for defending legal actions filed against the state
 64 that challenge highway projects.

65 (b) The Legislature intends that monies in the account be appropriated for a project's
 66 litigation expenses before appropriating funds for litigation expenses from any other source.

67 (4) The Division of Finance shall:

68 (a) establish subaccounts within the Litigation Fund for Highway Projects Account to
 69 hold monies appropriated by the Legislature for litigation expenses for different highway
 70 projects;

71 (b) apportion donations received equally among subaccounts unless the donor directs
 72 that the donation:

73 (i) be used to defend a specific legal action; or

74 (ii) be deposited into a specific subaccount; and

75 (c) apportion interest between subaccounts proportionally based upon the balance of
 76 each subaccount.

77 (5) When some or all of the money appropriated to fund litigation expenses for a
 78 particular highway project is not expended, the Legislature shall:

79 (a) appropriate those unused monies to the LeRay McAllister Critical Land
 80 Conservation fund created by Section 11-38-301; or

81 (b) return the money to the donor.

82 **Section 3. Appropriation.**

83 (1) (a) There is appropriated from the General Fund for fiscal year 2007-08 only,

84 ~~Ĥ~~→ [\$6,000,000] \$5,000,000 ←~~Ĥ~~ to the Transportation Investment Fund of 2005.

85 (b) There is appropriated from the Transportation Investment Fund of 2005 for fiscal
 86 year 2007-2008 only, ~~Ĥ~~→ [\$6,000,000] \$5,000,000 ←~~Ĥ~~ to the Litigation Fund for Highway Projects

86a Account to

87 capitalize the account.

88 (2) It is the intent of the Legislature that the Division of Finance deposit \$5,000,000
89 into a subaccount entitled "Mountain View Corridor ~~H→~~ . ~~←H~~ " ~~H→~~ [and deposit \$1,000,000 into a
89a subaccount
90 entitled "Other Highway Corridors."] ~~←H~~

91 Section 4. **Effective date.**

92 This bill takes effect on July 1, 2007.

Fiscal Note**S.B. 240 1st Sub. (Green) - Litigation Fund Restricted Account for Highway
Projects - As Amended**

2007 General Session

State of Utah

State Impact

Enactment of this bill will create a new General Fund restricted account called the Litigation Fund for Highway Projects Account and will appropriate \$5,000,000 from one-time General Funds for FY 2008 to the Transportation Investment Fund, and then \$5,000,000 from one-time Transportation Investment Funds to the new restricted account.

	<u>FY 2007</u> <u>Approp.</u>	<u>FY 2008</u> <u>Approp.</u>	<u>FY 2009</u> <u>Approp.</u>	<u>FY 2007</u> <u>Revenue</u>	<u>FY 2008</u> <u>Revenue</u>	<u>FY 2009</u> <u>Revenue</u>
General Fund, One-Time	\$0	\$5,000,000	\$0	\$0	\$0	\$0
General Fund Restricted	\$0	\$0	\$0	\$0	\$5,000,000	\$0
Total	\$0	\$5,000,000	\$0	\$0	\$5,000,000	\$0

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.
