

**JOINT RESOLUTION AMENDING THE UTAH
CONSTITUTION - STOCK SUBSCRIPTIONS**

2008 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: David Clark

Senate Sponsor: Lyle W. Hillyard

LONG TITLE

General Description:

This joint resolution of the Legislature proposes to amend the Utah Constitution to amend a provision relating to the subscription to stock.

Highlighted Provisions:

This resolution proposes to amend the Utah Constitution to:

- ▶ authorize the state to subscribe to stock using funds in the permanent State School Fund and funds derived from federal land grants designated in the Enabling Act, except as limited by statute.

Special Clauses:

This resolution directs the lieutenant governor to submit this proposal to voters.

This resolution provides a contingent effective date of January 1, 2009 for this proposal.

Utah Constitution Sections Affected:

AMENDS:

ARTICLE VI, SECTION 29

Be it resolved by the Legislature of the state of Utah, two-thirds of all members elected to each of the two houses voting in favor thereof:

Section 1. It is proposed to amend Utah Constitution Article VI, Section 29, to read:

Article VI, Section 29. [Lending public credit and subscribing to stock or bonds



28 **forbidden -- Exceptions.]**

29 (1) Neither the State nor any county, city, town, school district, or other political
30 subdivision of the State may lend its credit or, except as provided in [~~Subsection~~] Subsections
31 (2) and (3), subscribe to stock or bonds in aid of any private individual or corporate enterprise
32 or undertaking.

33 (2) Except as otherwise provided by statute, the State or a public institution of
34 post-secondary education may acquire an equity interest in a private business entity as
35 consideration for the sale, license, or other transfer to the private business entity of intellectual
36 property developed in whole or in part by the State or the public institution of post-secondary
37 education, and may hold or dispose of the equity interest.

38 (3) Except as limited by statute, the State may subscribe to stock with:

39 (a) funds in the permanent State School Fund established in Article X, Section 5; and

40 (b) funds derived from federal land grants designated in Sections 8 and 12 of the
41 Enabling Act of the State.

42 Section 2. **Submittal to voters.**

43 The lieutenant governor is directed to submit this proposed amendment to the voters of
44 the state at the next regular general election in the manner provided by law.

45 Section 3. **Effective date.**

46 If the amendment proposed by this joint resolution is approved by a majority of those
47 voting on it at the next regular general election, the amendment shall take effect on January 1,
48 2009.

Legislative Review Note
as of 2-5-08 5:10 PM

Office of Legislative Research and General Counsel

Fiscal Note**H.J.R. 12 - Joint Resolution Amending the Utah Constitution - Stock Subscriptions**

2008 General Session

State of Utah

State Impact

Enactment of this bill will require an appropriation of \$14,700 one-time from the General Fund to the Lieutenant Governor for costs associated with submitting the proposed amendment to voters.

	<u>FY 2008 Approp.</u>	<u>FY 2009 Approp.</u>	<u>FY 2010 Approp.</u>	<u>FY 2008 Revenue</u>	<u>FY 2009 Revenue</u>	<u>FY 2010 Revenue</u>
General Fund, One-Time	\$0	\$14,700	\$0	\$0	\$0	\$0
Total	\$0	\$14,700	\$0	\$0	\$0	\$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.