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**STATE LAND ACQUISITION**

2008 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: John W. Hickman**

House Sponsor: David Clark

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**LONG TITLE**

**General Description:**

This bill authorizes the Board of Business and Economic Development to purchase contracts for the sale of land under certain circumstances.

**Highlighted Provisions:**

This bill:

- ▶ authorizes the Board of Business and Economic Development to purchase contracts for the sale of land;
- ▶ requires the board to obtain an evaluation of the purchaser of the land before buying the contract;
- ▶ establishes criteria that should be evaluated as part of the evaluation; and
- ▶ prohibits the board from purchasing a contract if the last payment due under the contract is more than seven years from the date that the board buys the contract.

**Monies Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**63-38f-303**, as last amended by Laws of Utah 2006, Chapter 52

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

29 Section 1. Section **63-38f-303** is amended to read:

30 **63-38f-303. Board duties and powers.**

31 (1) The board shall:

32 (a) promote and encourage the economic, commercial, financial, industrial,  
33 agricultural, and civic welfare of the state;

34 (b) do all lawful acts for the development, attraction, and retention of businesses,  
35 industries, and commerce within the state;

36 (c) promote and encourage the expansion and retention of businesses, industries, and  
37 commerce located in the state;

38 (d) support the efforts of local government and regional nonprofit economic  
39 development organizations to encourage expansion or retention of businesses, industries, and  
40 commerce located in the state;

41 (e) do other acts not specifically enumerated in this chapter, if the acts are for the  
42 betterment of the economy of the state;

43 (f) work in conjunction with companies and individuals located or doing business  
44 within the state to secure favorable rates, fares, tolls, charges, and classification for  
45 transportation of persons or property by:

46 (i) railroad;

47 (ii) motor carrier; or

48 (iii) other common carriers;

49 (g) recommend policies, priorities, and objectives to the office regarding the assistance,  
50 retention, or recruitment of business, industries, and commerce in the state; and

51 (h) recommend how any money or program administered by the office or its divisions  
52 for the assistance, retention, or recruitment of businesses, industries, and commerce in the state  
53 shall be administered, so that the money or program is equitably available to all areas of the  
54 state unless federal or state law requires or authorizes the geographic location of a recipient of  
55 the money or program to be considered in the distribution of the money or administration of the  
56 program.

57 (2) The board may:

58 (a) in furtherance of the authority granted under Subsection (1)(f), appear as a party

59 litigant on behalf of individuals or companies located or doing business within the state in  
60 proceedings before regulatory commissions of the state, other states, or the federal government  
61 having jurisdiction over such matters; and

62 (b) make, amend, or repeal rules for the conduct of its business consistent with this part  
63 and in accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act.

64 (3) (a) When monies are appropriated or otherwise made available to the office by the  
65 Legislature for the purchase of a contract for the sale of land, the board may purchase the  
66 contract if the board makes a finding that the purchase of the contract promotes a statewide  
67 public interest such as promoting ease of interstate or intrastate travel or advancing economic  
68 development.

69 (b) Before purchasing a contract, the board shall:

70 (i) contract with a qualified person or entity to prepare a report evaluating the  
71 purchaser of the land;

72 (ii) ensure that the report evaluates:

73 (A) the purchaser's financial ability to pay the money to complete the purchase on the  
74 date that the final payment is due under the contract;

75 (B) whether or not the security underlying the contract is adequate to protect the state if  
76 the purchaser defaults;

77 (C) the purchaser's balance sheet and general credit-worthiness;

78 (D) environmental issues affecting the property under federal or state law; and

79 (E) any other items that will assist the board in determining whether or not to purchase  
80 the contract; and

81 (iii) ensure that the state has or will have a properly perfected security interest in the  
82 property that is the subject of the purchase.

83 (c) The board may not purchase a contract under this Subsection (3) if the date of the  
84 last payment owed by the land purchaser under the contract is more than seven years from the  
85 date that the board purchases the contract.

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**Legislative Review Note**  
as of 2-22-08 11:30 AM

**Office of Legislative Research and General Counsel**

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**S.B. 298 - State Land Acquisition**

**Fiscal Note**

2008 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**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.

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