

**Senator Curtis S. Bramble** proposes the following substitute bill:

**ENERGY AMENDMENTS**

2009 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Curtis S. Bramble**

House Sponsor: Roger E. Barrus

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**LONG TITLE**

**General Description:**

This bill creates the Utah Generated Renewable Energy Electricity Network Authority as an independent state agency.

**Highlighted Provisions:**

This bill:

- ▶ modifies provisions related to independent entities;
- ▶ enacts the Utah Generated Renewable Energy Electricity Network Authority Act,

including:

- creating the authority as an independent state agency;
  - defining terms;
  - providing for approval of qualifying transmission projects;
  - addressing powers and duties, including rulemaking authority;
  - authorizing bonding by the authority;
  - addressing annual budgets;
  - addressing audits;
  - providing a process related to dissolution; and
  - creating a board; and
- ▶ makes technical and conforming amendments.



26 **Monies Appropriated in this Bill:**

27 None

28 **Other Special Clauses:**

29 None

30 **Utah Code Sections Affected:**

31 **AMENDS:**

32 **63E-1-102**, as last amended by Laws of Utah 2008, Chapters 360 and 382

33 **ENACTS:**

34 **63H-2-101**, Utah Code Annotated 1953

35 **63H-2-102**, Utah Code Annotated 1953

36 **63H-2-201**, Utah Code Annotated 1953

37 **63H-2-202**, Utah Code Annotated 1953

38 **63H-2-203**, Utah Code Annotated 1953

39 **63H-2-204**, Utah Code Annotated 1953

40 **63H-2-301**, Utah Code Annotated 1953

41 **63H-2-302**, Utah Code Annotated 1953

42 **63H-2-401**, Utah Code Annotated 1953

43 **63H-2-402**, Utah Code Annotated 1953

44 **63H-2-403**, Utah Code Annotated 1953

45 **63H-2-404**, Utah Code Annotated 1953

46 **63H-2-501**, Utah Code Annotated 1953

47 **63H-2-502**, Utah Code Annotated 1953

48 **63H-2-503**, Utah Code Annotated 1953

49 **63H-2-504**, Utah Code Annotated 1953

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

52 Section 1. Section **63E-1-102** is amended to read:

53 **63E-1-102. Definitions.**

54 As used in this title:

55 (1) "Authorizing statute" means the statute creating an entity as an independent entity.

56 (2) "Committee" means the Retirement and Independent Entities Committee created in

57 Section 63E-1-201.

58 (3) "Independent corporation" means a corporation incorporated in accordance with  
59 Chapter 2, Independent Corporations Act.

60 (4) (a) "Independent entity" means an entity having a public purpose relating to the  
61 state or its citizens that is individually created by the state or is given by the state the right to  
62 exist and conduct its affairs as an:

63 (i) independent state agency; or

64 (ii) independent corporation.

65 (b) "Independent entity" includes the:

66 (i) Dairy Commission created in Title 4, Chapter 22, Dairy Promotion Act;

67 (ii) Heber Valley Railroad Authority created in Title 9, Chapter 3, Part 3, Heber Valley  
68 Historic Railroad Authority;

69 (iii) Utah Science Center Authority created in Title 9, Chapter 3, Part 4, Utah Science  
70 Center Authority;

71 (iv) Utah Housing Corporation created in Title 9, Chapter 4, Part 9, Utah Housing  
72 Corporation Act;

73 (v) Utah State Fair Corporation created in Title 9, Chapter 4, Part 11, Utah State Fair  
74 Corporation Act;

75 (vi) Workers' Compensation Fund created in Title 31A, Chapter 33, Workers'  
76 Compensation Fund;

77 (vii) Utah State Retirement Office created in Title 49, Chapter 11, Utah State  
78 Retirement Systems Administration;

79 (viii) School and Institutional Trust Lands Administration created in Title 53C,  
80 Chapter 1, Part 2, School and Institutional Trust Lands Administration;

81 (ix) Utah Communications Agency Network created in Title 63C, Chapter 7, Utah  
82 Communications Agency Network Act; ~~and~~

83 (x) Utah Generated Renewable Energy Electricity Network Authority created in Title  
84 63H, Chapter 2, Utah Generated Renewable Energy Electricity Network Authority Act; and

85 ~~(x)~~ (xi) Utah Capital Investment Corporation created in Title 63M, Chapter 1, Part  
86 12, Utah Venture Capital Enhancement Act.

87 (c) Notwithstanding this Subsection (4), "independent entity" does not include:

- 88 (i) the Public Service Commission of Utah created in Section 54-1-1;
- 89 (ii) an institution within the state system of higher education;
- 90 (iii) a city, county, or town;
- 91 (iv) a local school district;
- 92 (v) a local district under Title 17B, Limited Purpose Local Government Entities - Local
- 93 Districts; or

94 (vi) a special service district under Title 17D, Chapter 1, Special Service District Act.

95 (5) "Independent state agency" means an entity that is created by the state, but is  
 96 independent of the governor's direct supervisory control.

97 (6) "Monies held in trust" means monies maintained for the benefit of:

98 (a) one or more private individuals, including public employees;

99 (b) one or more public or private entities; or

100 (c) the owners of a quasi-public corporation.

101 (7) "Public corporation" means an artificial person, public in ownership, individually  
 102 created by the state as a body politic and corporate for the administration of a public purpose  
 103 relating to the state or its citizens.

104 (8) "Quasi-public corporation" means an artificial person, private in ownership,  
 105 individually created as a corporation by the state which has accepted from the state the grant of  
 106 a franchise or contract involving the performance of a public purpose relating to the state or its  
 107 citizens.

108 Section 2. Section **63H-2-101** is enacted to read:

109 **CHAPTER 2. UTAH GENERATED RENEWABLE ENERGY ELECTRICITY**  
 110 **NETWORK AUTHORITY ACT**

111 **Part 1. General Provisions**

112 **63H-2-101. Title.**

113 This chapter is known as the "Utah Generated Renewable Energy Electricity Network  
 114 Authority Act."

115 Section 3. Section **63H-2-102** is enacted to read:

116 **63H-2-102. Definitions.**

117 As used in this chapter:

118 (1) "Authority" means the Utah Generated Renewable Energy Electricity Network

119 Authority created in Section 63H-2-201.

120 (2) "Authority bond" means a bond issued by the authority in accordance with Part 4,

121 Bonding.

122 (3) "Board" means the board created under Section 63H-2-202.

123 (4) "Community" means the county, city, or town in which is located a qualifying  
124 transmission project financed by an authority bond.

125 (5) "Electric interlocal entity" means an interlocal entity defined in Section 11-13-103.

126 (6) "Independent state agency" is as defined in Section 63E-1-102.

127 (7) "Public entity" means:

128 (a) the United States or an agency of the United States;

129 (b) the state or an agency of the state;

130 (c) a political subdivision of the state or an agency of a political subdivision of the  
131 state;

132 (d) another state or an agency of that state; or

133 (e) a political subdivision of another state or an agency of that political subdivision.

134 (8) "Qualifying transmission project" means a transmission project approved by the  
135 board in accordance with Part 3, Qualifying Transmission Projects.

136 (9) "Record" means information that is:

137 (a) inscribed on a tangible medium; or

138 (b) (i) stored in an electronic or other medium; and

139 (ii) retrievable in perceivable form.

140 (10) "Related facility" means a facility related to the effective operation of a

141 transmission line although the facility is not directly a part of a transmission line, including:

142 (a) a substation; or

143 (b) an access road.

144 (11) "Renewable energy source" is as defined in Section 10-19-102.

145 (12) "Transmission project" means a project that is designed to:

146 (a) increase capacity for transmission of electric power or energy to an electric load:

147 (i) within this state; or

148 (ii) outside of the state; or

149 (b) otherwise increase the capability of an existing electric transmission line or related

150 facility to transmit electric power and energy from a renewal energy resource to an electric  
151 load:

152 (i) within this state; or

153 (ii) outside of the state.

154 (14) "Wholesale electrical cooperative" is as defined in Section 54-2-1.

155 Section 4. Section **63H-2-201** is enacted to read:

156 **Part 2. Organization or Dissolution**

157 **63H-2-201. Creation of Utah Generated Renewable Energy Electricity Network**

158 **Authority.**

159 (1) There is created an independent state agency known as the "Utah Generated  
160 Renewable Energy Electricity Network Authority."

161 (2) Subject to Section 63H-2-203, the authority may:

162 (a) sue and be sued;

163 (b) enter into contracts generally;

164 (c) (i) accept financial or other assistance from a public or private source for the  
165 authority's activities, powers, and duties; and

166 (ii) expend monies received under Subsection (2)(c)(i) for a qualifying transmission  
167 project;

168 (d) (i) for the purpose of studying a qualifying transmission project, borrow money or  
169 accept financial or other assistance from:

170 (A) a public entity; or

171 (B) any other source; and

172 (ii) comply with a condition of a loan or assistance described in Subsection (2)(d)(i);

173 (e) in accordance with Part 4, Bonding, issue one or more bonds to finance a qualifying  
174 transmission project;

175 (f) hire one or more employees, including:

176 (i) a contract employee; and

177 (ii) legal counsel;

178 (g) enter into a partnership agreement with a business entity related to a qualifying  
179 transmission project;

180 (h) enter into an agreement with a public entity related to a qualifying transmission

181 project;

182 (i) if none of the authority's net earnings inure to the benefit of a private entity, use  
183 monies available to the authority;

184 (i) for administrative, overhead, legal, or other operating expenses of the authority; and

185 (ii) to pay the principal and interest on an authority bond;

186 (j) create one or more subsidiaries to engage in an activity that the authority may  
187 engage in under this chapter;

188 (k) transact other business related to a qualifying transmission project;

189 (l) acquire, own, lease, or sell real property or personal property related to a qualifying  
190 transmission project; or

191 (m) exercise a power provided for in this chapter.

192 (3) Unless expressly provided in this chapter, the state is not liable for an obligation,  
193 expense, debt, or liability of the authority.

194 Section 5. Section **63H-2-202** is enacted to read:

195 **63H-2-202. Authority board.**

196 (1) There is created a board of the authority that consists of seven members, appointed  
197 by the governor, except that the governor shall appoint:

198 (a) one member from the Governor's Office of Economic Development;

199 (b) three members from a public utility or electric interlocal entity that operates electric  
200 transmission facilities within the state as follows:

201 (i) one member is to be appointed from recommendations from an investor-owned  
202 electric corporation that operates in this state;

203 (ii) one member is to be appointed from recommendations from a wholesale electrical  
204 cooperative in the state; and

205 (iii) one member is to be appointed from recommendations from an electric interlocal  
206 entity;

207 (c) one member of the School and Institutional Trust Lands Board of Trustees created  
208 in Section 53C-1-202;

209 (d) one representative of a business entity that produces a renewable energy source; and

210 (e) one member of the general public.

211 (2) (a) The term of a board member is four years.

212 (b) Notwithstanding Subsection (2)(a), the governor shall, at the time of appointment  
213 or reappointment, adjust the length of terms to ensure that the terms of board members are  
214 staggered so that approximately half of the board is appointed every two years.

215 (c) The governor may remove a member of the board for cause.

216 (d) The governor shall fill a vacancy in the board in the same manner under this section  
217 as the appointment of the member whose vacancy is being filled.

218 (e) An individual appointed to fill a vacancy shall serve the remaining unexpired term  
219 of the member whose vacancy the individual is filling.

220 (f) A board member shall serve until a successor is appointed and qualified.

221 (3) The governor shall appoint a member of the board to be the chair of the board,  
222 except that the member appointed as chair must be the member appointed under Subsection  
223 (1)(a).

224 (4) (a) Four members of the board is a quorum for conducting board business.

225 (b) A majority vote of the quorum present is required for an action to be taken by the  
226 board.

227 (5) (a) The board shall meet at least quarterly on a date the board sets.

228 (b) The chair of the board or any two members of the board may call additional  
229 meetings.

230 (6) (a) (i) A member who is not a government employee may not receive compensation  
231 or benefits for the member's service, but may receive per diem and expenses incurred in the  
232 performance of the member's official duties at the rates established by the Division of Finance  
233 under Sections 63A-3-106 and 63A-3-107.

234 (ii) A member who is not a government employee may decline to receive per diem and  
235 expenses for the member's service.

236 (b) (i) A state government officer or employee member who does not receive salary,  
237 per diem, or expenses from the agency the member represents for the member's service may  
238 receive per diem and expenses incurred in the performance of the member's official duties at  
239 the rates established by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

240 (ii) A state government officer or employee member may decline to receive per diem  
241 and expenses for the member's service.

242 Section 6. Section **63H-2-203** is enacted to read:



243 **63H-2-203. Powers of the board and authority -- Officers.**

244 (1) (a) The authority is governed by the board.

245 (b) Only the board may exercise a power of the authority.

246 (2) Subject to the other provisions of this chapter, the board shall:

247 (a) manage and conduct the activities of the authority; and

248 (b) determine the policies of the authority.

249 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
250 board may make rules necessary to implement this chapter.

251 (4) The board may:

252 (a) appoint one or more officers and employees required for the performance of the  
253 board's duties under this chapter; and

254 (b) fix and determine the qualifications and duties of an officer or employee described  
255 in Subsection (4)(a).

256 Section 7. Section **63H-2-204** is enacted to read:

257 **63H-2-204. Dissolution of authority.**

258 (1) Subject to the other provisions of this section, the board may dissolve the authority:

259 (a) if the board determines that the authority can no longer comply with the  
260 requirements of this chapter; and

261 (b) by a vote of at least five members of the board.

262 (2) The authority may not be dissolved if the authority has any of the following:

263 (a) an outstanding bonded indebtedness;

264 (b) an unpaid loan, indebtedness, or advance; or

265 (c) a legally binding contractual obligation with a person other than the state.

266 (3) Upon the dissolution of the authority:

267 (a) the Governor's Office of Economic Development shall publish a notice of  
268 dissolution in a newspaper of general circulation in each county in which a qualifying  
269 transmission project is located;

270 (b) the authority shall deposit its record with the state auditor, to be retained for the  
271 time period determined by the state auditor; and

272 (c) the assets of the authority shall revert to the state.

273 (4) The authority shall pay the expenses of dissolution and winding up the affairs of the

274 authority.

275 (5) If a dissolution under this section is part of a privatization of the authority, the  
276 dissolution is subject to Title 63E, Chapter 1, Part 4, Privatization of Independent Entities.

277 Section 8. Section **63H-2-301** is enacted to read:

278 **Part 3. Qualifying Transmission Projects**

279 **63H-2-301. Prioritization of transmission projects.**

280 (1) The board shall review the location and availability of renewable energy sources  
281 serving electric loads in the state.

282 (2) The board shall:

283 (a) determine if there is adequate transmission infrastructure and capacity to bring  
284 renewable energy sources to market;

285 (b) prioritize transmission projects on the basis of:

286 (i) location;

287 (ii) supporting potential renewable energy source development;

288 (iii) feasibility of development; and

289 (iv) economic development factors; and

290 (c) provide available funding to develop energy resource plans to provide for  
291 connecting to transmission lines a renewable energy source, including development of an  
292 integrated resource plan.

293 Section 9. Section **63H-2-302** is enacted to read:

294 **63H-2-302. Approval of qualifying transmission project.**

295 (1) To approve a qualifying transmission project, the board shall determine that the  
296 transmission project:

297 (a) contributes to the economy of the state and the one or more communities where the  
298 transmission project is located;

299 (b) is strategically situated to maximize connections to a renewable energy source  
300 project located in the state that is:

301 (i) existing;

302 (ii) under construction;

303 (iii) planned; or

304 (iv) foreseeable;

305 (c) is supported by a business case for providing the revenue necessary to:  
 306 (i) service an authority bond issued to finance the transmission project; and  
 307 (ii) finance the construction and operation of a transmission project;  
 308 (d) is supported by a transmission project plan related to:  
 309 (i) engineering;  
 310 (ii) environmental issues;  
 311 (iii) energy production;  
 312 (iv) load capacity; and  
 313 (v) any other issue related to the building and operation of a transmission line; and  
 314 (e) complies with the regulations of the following regarding the building of a  
 315 transmission line or connection:  
 316 (i) the Federal Energy Regulatory Commission;  
 317 (ii) the North American Electric Reliability Council; and  
 318 (iii) the Public Service Commission of Utah.  
 319 (2) This chapter may not be used to compel interconnection to or use of a transmission  
 320 or interconnection line or facility that belongs to another person.

321 Section 10. Section **63H-2-401** is enacted to read:

322 **Part 4. Bonding**

323 **63H-2-401. Resolution authorizing issuance of authority bond -- Characteristics**  
324 **of bond.**

325 (1) (a) The authority may issue a bond subject to the requirements of this part to  
326 finance, in whole or in part, a qualifying transmission project.

327 (b) The authority may not issue a bond under this part unless before the issuance of the  
328 bond, the board adopts a resolution authorizing the issuance of the bond.

329 (2) (a) If provided in a resolution authorizing the issuance of an authority bond or in  
330 the trust indenture under which the authority bond is issued, an authority bond may be:

331 (i) issued in one or more series; and

332 (ii) sold:

333 (A) at a public or private sale; and

334 (B) in the manner provided in the resolution or indenture.

335 (b) An authority bond shall:

- 336 (i) bear the date provided in the resolution authorizing the issuance of the authority
- 337 bond or the trust indenture under which the authority bond is issued;
- 338 (ii) be payable at the time provided in the resolution authorizing the issuance of the
- 339 authority bond or the trust indenture under which the authority bond is issued;
- 340 (iii) bear interest at the rate provided in the resolution authorizing the issuance of the
- 341 authority bond or the trust indenture under which the authority bond is issued;
- 342 (iv) be in the denomination and in the form provided in the resolution authorizing the
- 343 issuance of the authority bond or the trust indenture under which the authority bond is issued;
- 344 (v) carry the conversion or registration privileges provided in the resolution authorizing
- 345 the issuance of the authority bond or the trust indenture under which the authority bond is
- 346 issued;
- 347 (vi) have the rank or priority as provided in the resolution authorizing the issuance of
- 348 the authority bond or the trust indenture under which the authority bond is issued;
- 349 (vii) be executed in the manner as provided in the resolution authorizing the issuance
- 350 of the authority bond or the trust indenture under which the authority bond is issued;
- 351 (viii) be subject to the terms of redemption or tender, with or without premium, as
- 352 provided in the resolution authorizing the issuance of the authority bond or the trust indenture
- 353 under which the authority bond is issued;
- 354 (ix) be payable in the medium of payment and at the place as provided in the resolution
- 355 authorizing the issuance of the authority bond or the trust indenture under which the authority
- 356 bond is issued; and
- 357 (x) have other characteristics as provided in the resolution authorizing the issuance of
- 358 the authority bond or the trust indenture under which the authority bond is issued.

359 Section 11. Section **63H-2-402** is enacted to read:

360 **63H-2-402. Sources from which an authority bond may be made payable --**

361 **Authority powers regarding authority bond.**

362 (1) The principal and interest on an authority bond may be made payable from:

363 (a) the income and revenues related to a qualifying transmission project financed with

364 the proceeds of the authority bond;

365 (b) the income and revenues from a public or private source under Subsection

366 63H-2-201(2)(c);

367 (c) a contribution, loan, grant, or other financial assistance from a public entity or other  
368 source under Subsection 63H-2-201(2)(d);

369 (d) authority revenues generally; or

370 (e) monies derived from a combination of the methods listed in Subsections (1)(a)  
371 through (d).

372 (2) In connection with the issuance of an authority bond, the authority may:

373 (a) pledge all or any part of the authority's gross or net revenues to which the authority:

374 (i) has a right that exists at issuance of the authority bond; or

375 (ii) may have a right that comes into existence after issuance of the authority bond; and

376 (b) even if a covenant or action is not specifically enumerated in this chapter, make a  
377 covenant or take an action that:

378 (i) may be necessary, convenient, or desirable to secure the authority bond; or

379 (ii) except as otherwise provided in this chapter, will tend to make the authority bond  
380 more marketable.

381 (3) A member of the board or other person executing an authority bond is not liable  
382 personally on the authority bond.

383 (4) (a) An authority bond:

384 (i) is not a general obligation or liability of the state or any of the state's political  
385 subdivisions; and

386 (ii) does not constitute a charge against the general credit or taxing powers of the state  
387 or any of the state's political subdivisions.

388 (b) An authority bond is not payable out of monies or properties other than those of the  
389 authority pledged for the payment of the bond.

390 (c) A community, the state, or a political subdivision of the state may not be liable on  
391 an authority bond.

392 (d) An authority bond does not constitute indebtedness within the meaning of a  
393 constitutional or statutory debt limitation.

394 (5) An authority bond is fully negotiable.

395 (6) An authority bond is:

396 (a) issued for an essential public and governmental purpose; and

397 (b) together with interest on the authority bond and income from the authority bond,

398 exempt from state taxes except the corporate franchise tax.

399 (7) Nothing in this section may be construed to limit the right of an obligee to pursue a  
400 remedy for the enforcement of a pledge or lien given under this part by the authority on the  
401 authority's rents, fees, grants, properties, or revenues.

402 Section 12. Section **63H-2-403** is enacted to read:

403 **63H-2-403. Purchaser of an authority bond.**

404 (1) The following may purchase an authority bond with funds owned or controlled by  
405 the purchaser:

406 (a) a person;

407 (b) a political subdivision of the state;

408 (c) another entity; or

409 (d) a public or private officer.

410 (2) Nothing in this section or Section 63H-2-402 may be construed to relieve a  
411 purchaser of an authority bond of a duty to exercise reasonable care in selecting securities.

412 (3) The authority may purchase its own authority bond at a price that the board  
413 determines.

414 Section 13. Section **63H-2-404** is enacted to read:

415 **63H-2-404. Obligee rights -- Board may confer other rights.**

416 (1) In addition to a right that is conferred on an obligee of an authority bond under this  
417 chapter and subject to contractual restrictions binding on the obligee, an obligee may:

418 (a) by mandamus, suit, action, or other proceeding:

419 (i) compel the authority and its board, officers, agents, or employees to perform every  
420 term, provision, and covenant contained in a contract of the authority with or for the benefit of  
421 the obligee; and

422 (ii) require the authority to carry out the covenants and agreements of the authority and  
423 to fulfill the duties imposed on the authority by this part; and

424 (b) by suit, action, or proceeding in equity, enjoin an act or things that may be unlawful  
425 or violate the rights of the obligee.

426 (2) (a) In a resolution authorizing the issuance of an authority bond or in a trust  
427 indenture, mortgage, lease, or other contract, the board may confer upon an obligee holding or  
428 representing a specified amount in an authority bond, a right described in Subsection (2)(b):

429 (i) to accrue upon the happening of an event or default prescribed in the resolution,  
430 indenture, mortgage, lease, or other contract; and

431 (ii) to be exercised by suit, action, or proceeding in a court of competent jurisdiction.

432 (b) (i) A right that the board may confer under Subsection (2)(a) is a right to:

433 (A) cause possession of all or part of a qualifying transmission project to be  
434 surrendered to an obligee;

435 (B) obtain the appointment of a receiver of all or part of:

436 (I) a qualifying transmission project; and

437 (II) the rents and profits from a qualifying transmission project; and

438 (C) require the authority, its board, and its employees to account as if the authority,  
439 board, and employees were the trustees of an express trust.

440 (ii) If a receiver is appointed through the exercise of a right granted under Subsection  
441 (2)(b)(i)(B), the receiver:

442 (A) may:

443 (I) enter and take possession of a qualifying transmission project or any part of the  
444 qualifying transmission project;

445 (II) operate and maintain the qualifying transmission project; and

446 (III) collect and receive the fees, rents, revenues, or other charges arising from the  
447 qualifying transmission project after the receiver's appointment; and

448 (B) shall:

449 (I) keep money collected as receiver for the authority in one or more separate accounts;  
450 and

451 (II) apply the monies collected as receiver pursuant to the authority obligations as the  
452 court directs.

453 Section 14. Section **63H-2-501** is enacted to read:

454 **Part 5. General Operational Requirements**

455 **63H-2-501. Fiscal year.**

456 The authority's fiscal year is the period:

457 (1) beginning on July 1; and

458 (2) ending on June 30 of the following calendar year.

459 Section 15. Section **63H-2-502** is enacted to read:

460 **63H-2-502. Annual authority budget -- Auditor forms -- Requirement to file form.**

461 (1) (a) The authority shall prepare an annual budget of revenues and expenditures for  
462 the authority for each fiscal year.

463 (b) Before June 22 of each year and subject to the other provisions of this section, the  
464 board shall adopt an annual budget of revenues and expenditures of the authority for the  
465 immediately following fiscal year.

466 (2) (a) Before adopting an annual budget, the board shall hold a public hearing on the  
467 annual budget.

468 (b) Before holding the public hearing required by this Subsection (2), the board shall  
469 post notice of the public hearing on the Utah Public Notice Website created under Section  
470 63F-1-701 no less than 14 days before the day on which the public hearing is to be held.

471 (3) The state auditor shall prescribe the budget forms and the categories to be contained  
472 in each annual budget of the authority, including:

473 (a) revenues and expenditures for the budget year;

474 (b) the outstanding bonds and related expenses;

475 (c) legal fees; and

476 (d) administrative costs, including:

477 (i) rent;

478 (ii) supplies;

479 (iii) other materials; and

480 (iv) salaries of authority personnel.

481 (4) Within 30 days after adopting an annual budget, the board shall file a copy of the  
482 annual budget with:

483 (a) the State Tax Commission; and

484 (b) the state auditor.

485 (5) (a) Subject to Subsection (5)(b), the board may by resolution amend an annual  
486 budget of the authority.

487 (b) The board may make an amendment of an annual budget that would increase total  
488 expenditures of the authority only after:

489 (i) holding a public hearing; and

490 (ii) before holding the public hearing required by this Subsection (5)(b), posting notice



491 of the public hearing on the Utah Public Notice Website created under Section 63F-1-701 no  
 492 less than 14 days before the day on which the public hearing is to be held.

493 (6) The authority may not make expenditures in excess of the total expenditures  
 494 established in the annual budget as it is adopted or amended.

495 Section 16. Section **63H-2-503** is enacted to read:

496 **63H-2-503. Audits.**

497 **§→ [The authority shall comply with the audit requirements of Title 51, Chapter 2a,**  
 498 **Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local**  
 499 **Entities Act.]**

499a **(1) The state auditor may audit or contract with an independent certified public**  
 499b **accountant to audit the books and accounts of the authority, including compliance with this**  
 499c **chapter.**

499d **(2) The authority shall reimburse the state auditor from the authority's available moneys for**  
 499e **the actual and necessary costs of an audit conducted under Subsection (1).** ←§

500 Section 17. Section **63H-2-504** is enacted to read:

501 **63H-2-504. Relation to other state statutes.**

502 (1) The authority is subject to review by the Retirement and Independent Entities  
 503 Committee in accordance with Title 63E, Chapter 1, Independent Entities Act.

504 (2) The authority is subject to:

505 (a) Title 51, Chapter 5, Funds Consolidation Act;

506 (b) Title 51, Chapter 7, State Money Management Act;

507 (c) Title 52, Chapter 4, Open and Public Meetings Act;

508 (d) Title 63A, Utah Administrative Services Code;

509 (e) Title 63G, Chapter 2, Government Records Access and Management Act;

510 (f) Title 63G, Chapter 3, Utah Administrative Rulemaking Act;

511 (g) Title 63G, Chapter 4, Administrative Procedures Act;

512 (h) Title 63G, Chapter 6, Utah Procurement Code;

513 (i) Title 63J, Chapter 1, Budgetary Procedures Act;

514 (j) Title 63J, Chapter 2, Revenue Procedures and Control Act; and

515 (k) Title 67, Chapter 19, Utah State Personnel Management Act.

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**S.B. 76 3rd Sub. (Ivory) - Energy Amendments**

**Fiscal Note**

2009 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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