

1 **ENERGY AMENDMENTS**

2 2009 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Curtis S. Bramble**

5 House Sponsor: Roger E. Barrus

7 **LONG TITLE**

8 **General Description:**

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

11 **Highlighted Provisions:**

12 This bill:

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

15 including:

- 16 • defining terms;
17 • creating the authority as an independent state agency;
18 • creating a board;
19 • addressing powers and duties, including rulemaking authority;
20 • providing a process related to dissolution;
21 • providing for prioritization of transmission projects and approval of qualifying
22 transmission projects;
23 • authorizing bonding by the authority;
24 • addressing fiscal years and annual budgets;
25 • addressing audits; and
26 • addressing application of other statutes; and
27 ▶ makes technical and conforming amendments.

28 **Monies Appropriated in this Bill:**

29 None

30 **Other Special Clauses:**

31 None

32 **Utah Code Sections Affected:**

33 AMENDS:

34 **63E-1-102**, as last amended by Laws of Utah 2008, Chapters 360 and 382

35 ENACTS:

36 **63H-2-101**, Utah Code Annotated 1953

37 **63H-2-102**, Utah Code Annotated 1953

38 **63H-2-201**, Utah Code Annotated 1953

39 **63H-2-202**, Utah Code Annotated 1953

40 **63H-2-203**, Utah Code Annotated 1953

41 **63H-2-204**, Utah Code Annotated 1953

42 **63H-2-301**, Utah Code Annotated 1953

43 **63H-2-302**, Utah Code Annotated 1953

44 **63H-2-401**, Utah Code Annotated 1953

45 **63H-2-402**, Utah Code Annotated 1953

46 **63H-2-403**, Utah Code Annotated 1953

47 **63H-2-404**, Utah Code Annotated 1953

48 **63H-2-501**, Utah Code Annotated 1953

49 **63H-2-502**, Utah Code Annotated 1953

50 **63H-2-503**, Utah Code Annotated 1953

51 **63H-2-504**, Utah Code Annotated 1953

52

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

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

55 **63E-1-102. Definitions.**

56 As used in this title:

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

58 (2) "Committee" means the Retirement and Independent Entities Committee created in
59 Section 63E-1-201.

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

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

65 (i) independent state agency; or

66 (ii) independent corporation.

67 (b) "Independent entity" includes the:

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

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

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

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

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

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

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

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

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

85 (x) Utah Generated Renewable Energy Electricity Network Authority created in Title

86 63H, Chapter 2, Utah Generated Renewable Energy Electricity Network Authority Act; and
87 [~~(x)~~] (xi) Utah Capital Investment Corporation created in Title 63M, Chapter 1, Part
88 12, Utah Venture Capital Enhancement Act.

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

90 (i) the Public Service Commission of Utah created in Section 54-1-1;

91 (ii) an institution within the state system of higher education;

92 (iii) a city, county, or town;

93 (iv) a local school district;

94 (v) a local district under Title 17B, Limited Purpose Local Government Entities -

95 Local Districts; or

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

97 (5) "Independent state agency" means an entity that is created by the state, but is

98 independent of the governor's direct supervisory control.

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

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

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

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

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

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

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

111 **CHAPTER 2. UTAH GENERATED RENEWABLE ENERGY ELECTRICITY**

112 **NETWORK AUTHORITY ACT**

113 **Part 1. General Provisions**

114 **63H-2-101. Title.**

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

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

118 **63H-2-102. Definitions.**

119 As used in this chapter:

120 (1) "Authority" means the Utah Generated Renewable Energy Electricity Network
121 Authority created in Section 63H-2-201.

122 (2) "Authority bond" means a bond issued by the authority in accordance with Part 4,
123 Bonding.

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

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

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

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

129 (7) "Public entity" means:

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

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

132 (c) a political subdivision of the state or an agency of a political subdivision of the
133 state;

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

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

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

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

139 (a) inscribed on a tangible medium; or

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

141 (ii) retrievable in perceivable form.

142 (10) "Related facility" means a facility related to the effective operation of a
143 transmission line although the facility is not directly a part of a transmission line, including:

144 (a) a substation; or

145 (b) an access road.

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

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

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

149 (i) within this state; or

150 (ii) outside of the state; or

151 (b) otherwise increase the capability of an existing electric transmission line or related
152 facility to transmit electric power and energy from a renewable energy resource to an electric
153 load:

154 (i) within this state; or

155 (ii) outside of the state.

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

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

158 **Part 2. Organization or Dissolution**

159 **63H-2-201. Creation of Utah Generated Renewable Energy Electricity Network**

160 **Authority.**

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

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

164 (a) sue and be sued;

165 (b) enter into contracts generally;

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

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

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

172 (A) a public entity; or

173 (B) any other source; and

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

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

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

178 (i) a contract employee; and

179 (ii) legal counsel;

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

182 (h) enter into an agreement with a public entity related to a qualifying transmission
183 project;

184 (i) if none of the authority's net earnings inure to the benefit of a private entity, use
185 monies available to the authority:

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

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

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

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

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

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

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

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

198 **63H-2-202. Authority board.**

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

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

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

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

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

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

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

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

214 (e) one member of the general public.

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

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

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

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

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

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

225 (3) The governor shall appoint a member of the board to be the chair of the board,

226 except that the member appointed as chair must be the member appointed under Subsection
227 (1)(a).

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

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

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

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

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

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

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

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

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

247 **63H-2-203. Powers of the board and authority -- Officers.**

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

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

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

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

252 (b) determine the policies of the authority.

253 (3) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,

254 the board may make rules necessary to implement this chapter.

255 (4) The board may:

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

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

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

261 **63H-2-204. Dissolution of authority.**

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

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

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

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

268 (a) an outstanding bonded indebtedness;

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

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

271 (3) Upon the dissolution of the authority:

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

275 (b) the authority shall deposit its records with the state auditor, to be retained for the
276 time period determined by the state auditor; and

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

278 (4) The authority shall pay the expenses of dissolution and winding up the affairs of
279 the authority.

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

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

283 **Part 3. Qualifying Transmission Projects**

284 **63H-2-301. Prioritization of transmission projects.**

285 (1) The board shall review the location and availability of renewable energy sources
286 servicing electric loads in the state.

287 (2) The board shall:

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

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

291 (i) location;

292 (ii) supporting potential renewable energy source development;

293 (iii) feasibility of development; and

294 (iv) economic development factors; and

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

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

299 **63H-2-302. Approval of qualifying transmission project.**

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

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

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

306 (i) existing;

307 (ii) under construction;

308 (iii) planned; or

309 (iv) foreseeable;

- 310 (c) is supported by a business case for providing the revenue necessary to:
- 311 (i) service an authority bond issued to finance the transmission project; and
- 312 (ii) finance the construction and operation of a transmission project;
- 313 (d) is supported by a transmission project plan related to:
- 314 (i) engineering;
- 315 (ii) environmental issues;
- 316 (iii) energy production;
- 317 (iv) load capacity; and
- 318 (v) any other issue related to the building and operation of a transmission line; and

- 319 (e) complies with the regulations of the following regarding the building of a
- 320 transmission line or connection:
- 321 (i) the Federal Energy Regulatory Commission;
- 322 (ii) the North American Electric Reliability Council; and
- 323 (iii) the Public Service Commission of Utah.

324 (2) This chapter may not be used to compel interconnection to or use of a transmission
 325 or interconnection line or facility that belongs to another person.

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

327 **Part 4. Bonding**

328 **63H-2-401. Resolution authorizing issuance of authority bond -- Characteristics**
 329 **of bond.**

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

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

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

- 336 (i) issued in one or more series; and
- 337 (ii) sold:

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

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

365 **63H-2-402. Sources from which an authority bond may be made payable --**

366 **Authority powers regarding authority bond.**

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

368 (a) the income and revenues related to a qualifying transmission project financed with
369 the proceeds of the authority bond;

370 (b) the income and revenues from a public or private source under Subsection
371 63H-2-201(2)(c);

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

374 (d) authority revenues generally; or

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

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

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

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

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

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

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

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

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

390 (4) (a) An authority bond:

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

393 (ii) does not constitute a charge against the general credit or taxing powers of the state

394 or any of the state's political subdivisions.

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

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

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

401 (5) An authority bond is fully negotiable.

402 (6) An authority bond is:

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

404 (b) together with interest on the authority bond and income from the authority bond,
405 exempt from state taxes except the corporate franchise tax.

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

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

410 **63H-2-403. Purchaser of an authority bond.**

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

413 (a) a person;

414 (b) a political subdivision of the state;

415 (c) another entity; or

416 (d) a public or private officer.

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

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

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

422 **63H-2-404. Obligee rights -- Board may confer other rights.**

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

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

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

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

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

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

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

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

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

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

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

443 (I) a qualifying transmission project; and

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

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

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

449 (A) may:

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

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

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

455 (B) shall:

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

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

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

461 **Part 5. General Operational Requirements**

462 **63H-2-501. Fiscal year.**

463 The authority's fiscal year is the period:

464 (1) beginning on July 1; and

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

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

467 **63H-2-502. Annual authority budget -- Auditor forms -- Requirement to file**
468 **form.**

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

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

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

476 (b) Before holding the public hearing required by this Subsection (2), the board shall
477 post notice of the public hearing on the Utah Public Notice Website created under Section

478 63F-1-701 no less than 14 days before the day on which the public hearing is to be held.

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

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

482 (b) the outstanding bonds and related expenses;

483 (c) legal fees; and

484 (d) administrative costs, including:

485 (i) rent;

486 (ii) supplies;

487 (iii) other materials; and

488 (iv) salaries of authority personnel.

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

491 (a) the State Tax Commission; and

492 (b) the state auditor.

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

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

497 (i) holding a public hearing; and

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

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

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

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

504 **63H-2-503. Audits.**

505 (1) The state auditor may audit or contract with an independent certified public

506 accountant to audit the books and accounts of the authority, including compliance with this
507 chapter.

508 (2) The authority shall reimburse the state auditor from the authority's available
509 moneys for the actual and necessary costs of an audit conducted under Subsection (1).

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

511 **63H-2-504. Relation to other state statutes.**

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

514 (2) The authority is subject to:

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

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

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

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

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

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

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

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

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

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

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