AMENDMENTS TO TRANSPORTATION PROVISIONS
2010 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Jerry W. Stevenson
House Sponsor: Bradley G. Last
LONG TITLE
General Description:
This bill modifies provisions relating to Public Transit Districts and the Department of
Transportation.
Highlighted Provisions:
This bill:
<ul> <li>provides definitions;</li> </ul>
<ul> <li>provides that a public transit district may:</li> </ul>
• establish, finance, develop, construct, improve, maintain, or operate a
transit-oriented development or transit-supportive development; and
• assist in the economic development of areas in proximity to a right-of-way, rail
line, station, platform, switchyard, terminal, or parking lot;
• increases the number of members on the board of trustees of a public transit district
with more than 200,000 people residing within the boundaries of the public transit
district and amends apportionment provisions relating to the board of trustees;
<ul> <li>repeals certain term limitation requirements for board of trustees members;</li> </ul>
• authorizes a board of trustees to appoint a chief executive officer in place of or in
addition to a general manager and allows the board of trustees to allocate duties
between the general manager and the chief executive officer;
<ul> <li>repeals certain public notice requirements relating to a public transit district bidding</li> </ul>
certain construction projects;

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28	<ul> <li>amends provisions relating to criminal background checks for public transit district</li> </ul>
29	employees;
30	<ul> <li>exempts a person working for or on behalf of a public transit district in connection</li> </ul>
31	with certain real estate transactions from licensure as a real estate professional;
32	<ul> <li>allows the Department of Transportation and a public transit district to directly pay</li> </ul>
33	real estate salespersons for certain real estate transactions;
34	<ul> <li>exempts a public transit pass issued by a public transit district from the requirement</li> </ul>
35	that a document may only be issued to a United States Citizen, a national, or a legal
36	permanent resident alien; and
37	<ul> <li>makes technical changes.</li> </ul>
38	Monies Appropriated in this Bill:
39	None
40	Other Special Clauses:
41	This bill provides an immediate effective date.
42	Utah Code Sections Affected:
43	AMENDS:
44	17B-2a-802, as last amended by Laws of Utah 2009, Chapter 364
45	17B-2a-804, as last amended by Laws of Utah 2008, Chapter 360
46	17B-2a-807, as last amended by Laws of Utah 2009, Chapter 364
47	17B-2a-808, as last amended by Laws of Utah 2008, Chapter 39
48	17B-2a-810, as last amended by Laws of Utah 2008, Chapter 39
49	17B-2a-811, as enacted by Laws of Utah 2007, Chapter 329
50	17B-2a-818, as last amended by Laws of Utah 2009, Chapter 13
51	17B-2a-825, as enacted by Laws of Utah 2009, Chapter 364
52	61-2-3, as last amended by Laws of Utah 2009, Chapter 356
53	61-2-10, as last amended by Laws of Utah 2009, Chapter 352
54	63G-11-102, as last amended by Laws of Utah 2009, Chapter 315
55	ENACTS:
56	17B-2a-819.5, Utah Code Annotated 1953
57	

58 Be it enacted by the Legislature of the state of Utah:

59	Section 1. Section <b>17B-2a-802</b> is amended to read:
60	17B-2a-802. Definitions.
61	As used in this part:
62	(1) "Appointing entity" means the person, county, unincorporated area of a county, or
63	municipality appointing a member to a public transit district board of trustees.
64	(2) (a) "Chief executive officer" means a person appointed by the board of trustees to
65	serve as chief executive officer.
66	(b) "Chief executive officer" shall enjoy all the rights, duties, and responsibilities
67	defined in Sections 17B-2a-810 and 17B-2a-811 and includes all rights, duties, and
68	responsibilities assigned to the general manager but prescribed by the board of trustees to be
69	fulfilled by the chief executive officer.
70	[(2)] (3) "Department" means the Department of Transportation created in Section
71	72-1-201.
72	(4) (a) "General manager" means a person appointed by the board of trustees to serve
73	as general manager.
74	(b) "General manager" shall enjoy all the rights, duties, and responsibilities defined in
75	Sections 17B-2a-810 and 17B-2a-811 prescribed by the board of trustees.
76	[(3)] (a) "Locally elected public official" means a person who holds an elected
77	position with a county or municipality.
78	(b) "Locally elected public official" does not include a person who holds an elected
79	position if the elected position is not with a county or municipality.
80	[(4)] (6) "Multicounty district" means a public transit district located in more than one
81	county.
82	[(5)] (7) "Operator" means a public entity or other person engaged in the transportation
83	of passengers for hire.
84	[(6)] (8) "Public transit" means the transportation of passengers only and their
85	incidental baggage by means other than:
86	(a) chartered bus;
87	(b) sightseeing bus;
88	(c) taxi; or
89	(d) other vehicle not on an individual passenger fare paying basis.

90	[(7)] (9) "Transit facility" means a transit vehicle, transit station, depot, passenger
91	loading or unloading zone, parking lot, or other facility:
92	(a) leased by or operated by or on behalf of a public transit district; and
93	(b) related to the public transit services provided by the district, including:
94	(i) railway or other right-of-way;
95	(ii) railway line; and
96	(iii) a reasonable area immediately adjacent to a designated stop on a route traveled by
97	a transit vehicle.
98	(10) "Transit-oriented development" means a mixed-use residential or commercial area
99	that is designed to maximize access to public transit.
100	[(8)] (11) "Transit vehicle" means a passenger bus, coach, railcar, van, or other vehicle
101	operated as public transportation by a public transit district.
102	Section 2. Section <b>17B-2a-804</b> is amended to read:
103	17B-2a-804. Additional public transit district powers.
104	(1) In addition to the powers conferred on a public transit district under Section
105	17B-1-103, a public transit district may:
106	(a) provide a public transit system for the transportation of passengers and their
107	incidental baggage;
108	(b) notwithstanding Subsection 17B-1-103(2)(g) and subject to Section 17B-2a-817,
109	levy and collect property taxes only for the purpose of paying:
110	(i) principal and interest of bonded indebtedness of the public transit district; or
111	(ii) a final judgment against the public transit district if:
112	(A) the amount of the judgment exceeds the amount of any collectable insurance or
113	indemnity policy; and
114	(B) the district is required by a final court order to levy a tax to pay the judgment;
115	(c) insure against:
116	(i) loss of revenues from damage to or destruction of some or all of a public transit
117	system from any cause;
118	(ii) public liability;
119	(iii) property damage; or
120	(iv) any other type of event, act, or omission;

121	(d) acquire, contract for, lease, construct, own, operate, control, or use:
122	(i) a right-of-way, rail line, monorail, bus line, station, platform, switchyard, terminal,
123	parking lot, or any other facility necessary or convenient for public transit service; or
124	(ii) any structure necessary for access by persons and vehicles;
125	(e) (i) hire, lease, or contract for the supplying or management of a facility, operation,
126	equipment, service, employee, or management staff of an operator; and
127	(ii) provide for a sublease or subcontract by the operator upon terms that are in the
128	public interest;
129	(f) operate feeder bus lines and other feeder services as necessary;
130	(g) accept a grant, contribution, or loan, directly through the sale of securities or
131	equipment trust certificates or otherwise, from the United States, or from a department,
132	instrumentality, or agency of the United States, to:
133	(i) establish, finance, <u>develop</u> , construct, improve, maintain, or operate transit facilities
134	[and], equipment, and transit-oriented development or transit-supportive development; or
135	(ii) study and plan transit facilities in accordance with any legislation passed by
136	Congress;
137	(h) cooperate with and enter into an agreement with the state or an agency of the state
138	to establish transit facilities and equipment or to study or plan transit facilities;
139	(i) issue bonds as provided in and subject to Chapter 1, Part 11, Local District Bonds,
140	to carry out the purposes of the district;
141	(j) from bond proceeds or any other available funds, reimburse the state or an agency of
142	the state for an advance or contribution from the state or state agency; [and]
143	(k) do anything necessary to avail itself of any aid, assistance, or cooperation available
144	under federal law, including complying with labor standards and making arrangements for
145	employees required by the United States or a department, instrumentality, or agency of the
146	United States[-]; and
147	(1) assist in the economic development of areas in proximity to a right-of-way, rail line,
148	station, platform, switchyard, terminal, or parking lot, which may include:
149	(i) investing in a project as a limited partner or lender, with limited liabilities; or
150	(ii) the subordination of an ownership interest in real property owned by the public
151	transit district.

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152	(2) A public transit district may be funded from any combination of federal, state, or
153	local funds.
154	(3) A public transit district may not acquire property by eminent domain.
155	Section 3. Section 17B-2a-807 is amended to read:
156	17B-2a-807. Public transit district board of trustees Appointment
157	Apportionment Qualifications Quorum Compensation Terms.
158	(1) (a) If 200,000 people or fewer reside within the boundaries of a public transit
159	district, the board of trustees shall consist of members appointed by the legislative bodies of
160	each municipality, county, or unincorporated area within any county on the basis of one
161	member for each full unit of regularly scheduled passenger routes proposed to be served by the
162	district in each municipality or unincorporated area within any county in the following calendar
163	year.
164	(b) For purposes of determining membership under Subsection (1)(a), the number of
165	service miles comprising a unit shall be determined jointly by the legislative bodies of the
166	municipalities or counties comprising the district.
167	(c) The board of trustees of a public transit district under this Subsection (1) may
168	include a member that is a commissioner on the Transportation Commission created in Section
169	72-1-301 and appointed as provided in Subsection (11), who shall serve as a nonvoting, ex
170	officio member.
171	(d) Members appointed under this Subsection (1) shall be appointed and added to the
172	board or omitted from the board at the time scheduled routes are changed, or as municipalities,
173	counties, or unincorporated areas of counties annex to or withdraw from the district using the
174	same appointment procedures.
175	(e) For purposes of appointing members under this Subsection (1), municipalities,
176	counties, and unincorporated areas of counties in which regularly scheduled passenger routes
177	proposed to be served by the district in the following calendar year is less than a full unit, as
178	defined in Subsection (1)(b), may combine with any other similarly situated municipality or
179	unincorporated area to form a whole unit and may appoint one member for each whole unit
180	formed.
181	(2) (a) Subject to Section 17B-2a-807.5, if more than 200,000 people reside within the
182	boundaries of a public transit district, the board of trustees shall consist of:

183	(i) [ <del>10</del> ] <u>11</u> members:
184	(A) appointed as described under this Subsection (2); or
185	(B) retained in accordance with Section 17B-2a-807.5;
186	(ii) three members appointed as described in Subsection (4); and
187	(iii) one voting member appointed as provided in Subsection (11).
188	(b) Except as provided in Subsections (2)(c) and (d), the board shall apportion voting
189	members to each county within the district using an average of:
190	(i) the proportion of population included in the district and residing within each county,
191	rounded to the nearest $[\frac{1}{10}]$ $\frac{1}{11}$ of the total transit district population; and
192	(ii) the cumulative proportion of transit sales and use tax collected from areas included
193	in the district and within each county, rounded to the nearest $[1/10]$ $1/11$ of the total cumulative
194	transit sales and use tax collected for the transit district.
195	(c) The board shall join an entire or partial county not apportioned a voting member
196	under this Subsection (2) with an adjacent county for representation. The combined
197	apportionment basis included in the district of both counties shall be used for the
198	apportionment.
199	(d) (i) If rounding to the nearest $[\frac{1}{10}] \frac{1}{11}$ of the total public transit district
200	apportionment basis under Subsection (2)(b) results in an apportionment of more than [10] $\underline{11}$
201	members, the county or combination of counties with the smallest additional fraction of a
202	whole member proportion shall have one less member apportioned to it.
203	(ii) If rounding to the nearest $[\frac{1}{10}] \frac{1}{11}$ of the total public transit district
204	apportionment basis under Subsection (2)(b) results in an apportionment of less than $[10]$ $11$
205	members, the county or combination of counties with the largest additional fraction of a whole
206	member proportion shall have one more member apportioned to it.
207	(e) If the population in the unincorporated area of a county is at least $[1/10 \text{ of the}]$
208	district's population] 140,000, the county executive, with the advice and consent of the county
209	legislative body, shall appoint one voting member to represent [each 1/10 of] the [district's]
210	population within a county's unincorporated area [population].
211	(f) If a municipality's population is at least 160,000, the chief municipal executive,
212	with the advice and consent of the municipal legislative body, shall appoint one voting member
213	to represent the population within a municipality.

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(g) (i) The number of voting members appointed from a county and municipalities
within a county under Subsections (2)(e) and (f) shall be subtracted from the county's total
voting member apportionment under this Subsection (2).

(ii) Notwithstanding Subsections (2)(1) and (10), no more than one voting memberappointed by an appointing entity may be a locally elected public official.

(h) If the entire county is within the district, the remaining voting members for the
county shall represent the county or combination of counties, if Subsection (2)(c) applies, or
the municipalities within the county.

(i) If the entire county is not within the district, and the county is not joined with
another county under Subsection (2)(c), the remaining voting members for the county shall
represent a municipality or combination of municipalities.

(j) (i) Except as provided under Subsections (2)(e) and (f), voting members
representing counties, combinations of counties if Subsection (2)(c) applies, or municipalities
within the county shall be designated and appointed by a simple majority of the chief
executives of the municipalities within the county or combinations of counties if Subsection
(2)(c) applies.

(ii) The appointments shall be made by joint written agreement of the appointing
municipalities, with the consent and approval of the county legislative body of the county that
has at least [1/10] 1/11 of the district's apportionment basis.

(k) Voting members representing a municipality or combination of municipalities shall
 be designated and appointed by the chief executive officer of the municipality or simple
 majority of chief executive officers of municipalities with the consent of the legislative body of
 the municipality or municipalities.

(1) The appointment of voting members shall be made without regard to partisanpolitical affiliation from among citizens in the community.

(m) Each voting member shall be a bona fide resident of the municipality, county, or
unincorporated area or areas which the voting member is to represent for at least six months
before the date of appointment, and must continue in that residency to remain qualified to serve
as a voting member.

(n) (i) All population figures used under this section shall be derived from the most
 recent official census or census estimate of the United States Bureau of the Census.

245	(ii) If population estimates are not available from the United States Bureau of Census,
246	population figures shall be derived from the estimate from the Utah Population Estimates
247	Committee.
248	(iii) All transit sales and use tax totals shall be obtained from the State Tax
249	Commission.
250	(o) (i) The board shall be apportioned as provided under this section in conjunction
251	with the decennial United States Census Bureau report every 10 years.
252	(ii) Within 120 days following the receipt of the population estimates under this
253	Subsection (2)(o), the district shall reapportion representation on the board of trustees in
254	accordance with this section.
255	(iii) The board shall adopt by resolution a schedule reflecting the current and proposed
256	apportionment.
257	(iv) Upon adoption of the resolution, the board shall forward a copy of the resolution to
258	each of its constituent entities as defined under Section 17B-1-701.
259	(v) The appointing entities gaining a new board member shall appoint a new member
260	within 30 days following receipt of the resolution.
261	(vi) The appointing entities losing a board member shall inform the board of which
262	member currently serving on the board will step down:
263	(A) upon appointment of a new member under Subsection (2)(o)(v); or
264	(B) in accordance with Section 17B-2a-807.5.
265	(3) Upon the completion of an annexation to a public transit district under Chapter 1,
266	Part 4, Annexation, the annexed area shall have a representative on the board of trustees on the
267	same basis as if the area had been included in the district as originally organized.
268	(4) In addition to the voting members appointed in accordance with Subsection (2), the
269	board shall consist of three voting members appointed as follows:
270	(a) one member appointed by the speaker of the House of Representatives;
271	(b) one member appointed by the president of the Senate; and
272	(c) one member appointed by the governor.
273	(5) (a) Except as provided in Section 17B-2a-807.5, the terms of office of the voting
274	members of the board shall be four years or until a successor is appointed, qualified, seated,
275	and has taken the oath of office.

276	(b) [ <del>(i)</del> ] A voting member may not be appointed for more than three successive full
277	terms [regardless of the appointing entity that appoints the voting member].
278	[ <del>(ii) A person:</del> ]
279	[(A) may serve no more than 12 years on a public transit district board of trustees
280	described in Subsection (2)(a) regardless of the appointing entity that appoints the member;
281	and]
282	[(B) that has served 12 years on a public transit district board of trustees described in
283	Subsection (2)(a) is ineligible for reappointment to a public transit board of trustees described
284	in Subsection (2)(a).]
285	(6) (a) Vacancies for voting members shall be filled by the official appointing the
286	member creating the vacancy for the unexpired term, unless the official fails to fill the vacancy
287	within 90 days.
288	(b) If the appointing official under Subsection (1) does not fill the vacancy within 90
289	days, the board of trustees of the authority shall fill the vacancy.
290	(c) If the appointing official under Subsection (2) does not fill the vacancy within 90
291	days, the governor, with the advice and consent of the Senate, shall fill the vacancy.
292	(7) (a) Each voting member may cast one vote on all questions, orders, resolutions, and
293	ordinances coming before the board of trustees.
294	(b) A majority of all voting members of the board of trustees are a quorum for the
295	transaction of business.
296	(c) The affirmative vote of a majority of all voting members present at any meeting at
297	which a quorum was initially present shall be necessary and, except as otherwise provided, is
298	sufficient to carry any order, resolution, ordinance, or proposition before the board of trustees.
299	(8) Each public transit district shall pay to each voting member:
300	(a) an attendance fee of \$50 per board or committee meeting attended, not to exceed
301	\$200 in any calendar month to any voting member; and
302	(b) reasonable mileage and expenses necessarily incurred to attend board or committee
303	meetings.
304	(9) (a) Members of the initial board of trustees shall convene at the time and place
305	fixed by the chief executive officer of the entity initiating the proceedings.
306	(b) The board of trustees shall elect from its voting membership a chair, vice chair, and

307	secretary.
308	(c) The members elected under Subsection (9)(b) shall serve for a period of two years
309	or until their successors shall be elected and qualified.
310	(d) On or after January 1, 2011, a locally elected public official is not eligible to serve
311	as the chair, vice chair, or secretary of the board of trustees.
312	(10) Except as otherwise authorized under Subsection (2)(g) and Section
313	17B-2a-807.5, at the time of a voting member's appointment or during a voting member's
314	tenure in office, a voting member may not hold any employment, except as an independent
315	contractor or locally elected public official, with a county or municipality within the district.
316	(11) The Transportation Commission created in Section 72-1-301:
317	(a) for a public transit district serving a population of 200,000 people or fewer, may
318	appoint a commissioner of the Transportation Commission to serve on the board of trustees as
319	a nonvoting, ex officio member; and
320	(b) for a public transit district serving a population of more than 200,000 people, shall
321	appoint a commissioner of the Transportation Commission to serve on the board of trustees as
322	a voting member.
323	(12) (a) (i) Each member of the board of trustees of a public transit district is subject to
324	recall at any time by the legislative body of the county or municipality from which the member
325	is appointed.
326	(ii) Each recall of a board of trustees member shall be made in the same manner as the
327	original appointment.
328	(iii) The legislative body recalling a board of trustees member shall provide written
329	notice to the member being recalled.
330	(b) Upon providing written notice to the board of trustees, a member of the board may
331	resign from the board of trustees.
332	(c) Except as provided in Section 17B-2a-807.5, if a board member is recalled or
333	resigns under this Subsection (12), the vacancy shall be filled as provided in Subsection (6).
334	Section 4. Section 17B-2a-808 is amended to read:
335	17B-2a-808. Public transit district board of trustees powers and duties
336	Adoption of ordinances, resolutions, or orders Effective date of ordinances.
337	(1) The powers and duties of a board of trustees of a public transit district stated in this

338 section are in addition to the powers and duties stated in Section 17B-1-301. 339 (2) The board of trustees of each public transit district shall: 340 (a) appoint and fix the salary of a general manager, a chief executive officer, or both, as 341 provided in Section 17B-2a-811; 342 (b) determine the transit facilities that the district should acquire or construct; 343 (c) supervise and regulate each transit facility that the district owns and operates, 344 including: 345 (i) fixing rates, fares, rentals, and charges and any classifications of rates, fares, rentals, 346 and charges; and 347 (ii) making and enforcing rules, regulations, contracts, practices, and schedules for or 348 in connection with a transit facility that the district owns or controls; 349 (d) control the investment of all funds assigned to the district for investment, including 350 funds: 351 (i) held as part of a district's retirement system; and 352 (ii) invested in accordance with the participating employees' designation or direction 353 pursuant to an employee deferred compensation plan established and operated in compliance 354 with Section 457 of the Internal Revenue Code; 355 (e) invest all funds according to the procedures and requirements of Title 51, Chapter 356 7, State Money Management Act; 357 (f) if a custodian is appointed under Subsection (3)(d), pay the fees for the custodian's 358 services from the interest earnings of the investment fund for which the custodian is appointed; 359 (g) (i) cause an annual audit of all district books and accounts to be made by an 360 independent certified public accountant; 361 (ii) as soon as practicable after the close of each fiscal year, submit to the chief 362 administrative officer and legislative body of each county and municipality with territory 363 within the district a financial report showing: 364 (A) the result of district operations during the preceding fiscal year; and 365 (B) the district's financial status on the final day of the fiscal year; and 366 (iii) supply copies of the report under Subsection (2)(g)(ii) to the general public upon 367 request in a quantity that the board considers appropriate; 368 (h) report at least annually to the Transportation Commission created in Section

02-18-10 10:27 AM 369 72-1-301 the district's short-term and long-range public transit plans, including the transit 370 portions of applicable regional transportation plans adopted by a metropolitan planning 371 organization established under 23 U.S.C. Sec. 134; 372 (i) direct the internal auditor appointed under Section 17B-2a-810 to conduct audits 373 that the board of trustees determines to be the most critical to the success of the organization; 374 and 375 (j) hear audit reports for audits conducted in accordance with Subsection (2)(i). 376 (3) A board of trustees of a public transit district may: 377 (a) subject to Subsection (5), make and pass ordinances, resolutions, and orders that 378 are: 379 (i) not repugnant to the United States Constitution, the Utah Constitution, or the 380 provisions of this part; and 381 (ii) necessary for: 382 (A) the government and management of the affairs of the district; 383 (B) the execution of district powers; and 384 (C) carrying into effect the provisions of this part; 385 (b) provide by resolution, under terms and conditions the board considers fit, for the 386 payment of demands against the district without prior specific approval by the board, if the 387 payment is: 388 (i) for a purpose for which the expenditure has been previously approved by the board; 389 (ii) in an amount no greater than the amount authorized; and 390 (iii) approved by the general manager or other officer or deputy as the board prescribes; 391 (c) (i) hold public hearings and subpoena witnesses; and 392 (ii) appoint district officers to conduct a hearing and require the officers to make 393 findings and conclusions and report them to the board; and 394 (d) appoint a custodian for the funds and securities under its control, subject to 395 Subsection (2)(f). 396 (4) A member of the board of trustees of a public transit district or a hearing officer 397 designated by the board may administer oaths and affirmations in a district investigation or 398 proceeding. 399 (5) (a) The vote of the board of trustees on each ordinance shall be by roll call vote

400	with each affirmative and negative vote recorded.
401	(b) (i) Subject to Subsection (5)(b)(ii), the board of trustees may adopt a resolution or
402	order by voice vote.
403	(ii) The vote of the board of trustees on a resolution or order shall be by roll call vote if
404	a member of the board so demands.
405	(c) (i) Except as provided in Subsection (5)(c)(ii), the board of trustees of a public
406	transit district may not adopt an ordinance unless it is:
407	(A) introduced at least a day before the board of trustees adopts it; or
408	(B) mailed by registered mail, postage prepaid, to each member of the board of trustees
409	at least five days before the day upon which the ordinance is presented for adoption.
410	(ii) Subsection (5)(c)(i) does not apply if the ordinance is adopted by a unanimous vote
411	of all board members present at a meeting at which at least 3/4 of all board members are
412	present.
413	(d) Each ordinance adopted by a public transit district's board of trustees shall take
414	effect upon adoption, unless the ordinance provides otherwise.
415	Section 5. Section <b>17B-2a-810</b> is amended to read:
416	17B-2a-810. Officers of a public transit district.
417	(1) (a) The officers of a public transit district shall consist of:
418	(i) the members of the board of trustees;
419	(ii) a [president] chair and vice [president] chair, appointed by the board of trustees,
420	subject to Subsection (1)[ <del>(b)</del> ](c);
421	(iii) a secretary, appointed by the board of trustees;
422	(iv) a general manager, appointed by the board of trustees as provided in Section
423	17B-2a-811[;], whose duties may be allocated by the board of trustees, at the board of trustees'
424	discretion, to a chief executive officer, or both;
425	(v) a chief executive officer appointed by the board of trustees, as provided in Section
426	<u>17B-2a-811;</u>
427	[(v)] (vi) a general counsel, appointed by the board of trustees, subject to Subsection
428	(1)[ <del>(c)</del> ]( <u>d</u> );
429	[(vi)] (vii) a treasurer, appointed as provided in Section 17B-1-633;
430	[(viii)] (viii) a comptroller, appointed by the board of trustees, subject to Subsection

431	(1)[(d)](e);
432	[(viii)] (ix) an internal auditor, appointed by the board of trustees, subject to
433	Subsection $(1)[(e)](f)$ ; and
434	[(ix)] (x) other officers, assistants, and deputies that the board of trustees considers
435	necessary.
436	(b) The board of trustees may, at its discretion, appoint a president, who shall also be
437	considered an officer of a public transit district.
438	[(b)] (c) The district [president] chair and vice [president] chair shall be members of
439	the board of trustees.
440	[(c)] (d) The person appointed as general counsel shall:
441	(i) be admitted to practice law in the state; and
442	(ii) have been actively engaged in the practice of law for at least seven years next
443	preceding the appointment.
444	[(d)] (e) The person appointed as comptroller shall have been actively engaged in the
445	practice of accounting for at least seven years next preceding the appointment.
446	[(e)] (f) The person appointed as internal auditor shall be a licensed certified internal
447	auditor or certified public accountant with at least five years experience in the auditing or
448	public accounting profession, or the equivalent, prior to appointment.
449	(2) (a) The district's general manager or chief executive officer, as the board prescribes,
450	shall appoint all officers and employees not specified in Subsection (1).
451	(b) Each officer and employee appointed by the district's general manager or chief
452	executive officer serves at the pleasure of the appointing general manager or chief executive
453	officer.
454	(3) The board of trustees shall by ordinance or resolution fix the compensation of all
455	district officers and employees, except as otherwise provided in this part.
456	(4) (a) Each officer appointed by the board of trustees or by the district's general
457	manager or chief executive officer shall take the oath of office specified in Utah Constitution
458	Article IV, Section 10.
459	(b) Each oath under Subsection (4)(a) shall be subscribed and filed with the district
460	secretary no later than 15 days after the commencement of the officer's term of office.
461	Section 6. Section <b>17B-2a-811</b> is amended to read:

<ul> <li>district.</li> <li>(1) (a) The board of trustees of a public transit district shall appoint a person as a general manager.</li> <li>(b) The board of trustees of a public transit district may, at its discretion, appoint a</li> </ul>
general manager.
(b) The board of trustees of a public transit district may, at its discretion, appoint a
person as a chief executive officer.
(c) The board of trustees of a public transit district shall allocate the responsibilities
defined in Subsection (2) between the general manager and the chief executive officer, if the
board of trustees appoints a chief executive officer.
(d) The chief executive officer shall have the same rights allocated to the general
manager under Subsections (3) and (4).
[(b)] (e) The appointment of a general manager, chief executive officer, or both, shall
be by the affirmative vote of a majority of all members of the board of trustees.
[(c)] (f) The board's appointment of a person as general manager, chief executive
officer, or both, shall be based on the person's qualifications, with special reference to the
person's actual experience in or knowledge of accepted practices with respect to the duties of
the office.
[(d)] (g) A person appointed as general manager or chief executive officer of a public
transit district is not required to be a resident of the state at the time of appointment.
(2) [Each] A general manager or chief executive officer of a public transit district shall
have the following responsibilities as allocated by the board of trustees:
(a) be a full-time officer and devote full time to the district's business;
(b) ensure that all district ordinances are enforced;
(c) prepare and submit to the board of trustees, as soon as practical but not less than 45
days after the end of each fiscal year, a complete report on the district's finances and
administrative activities for the preceding year;
(d) keep the board of trustees advised as to the district's needs;
(e) prepare or cause to be prepared all plans and specifications for the construction of
district works;
(f) cause to be installed and maintained a system of auditing and accounting that
completely shows the district's financial condition at all times; and

(g) attend meetings of the board of trustees.
(3) A general manager of a public transit district:
(a) serves at the pleasure of the board of trustees;
(b) holds office for an indefinite term;
(c) may be removed by the board of trustees upon the adoption of a resolution by the
affirmative vote of a majority of all members of the board, subject to Subsection (5);
(d) has full charge of:
(i) the acquisition, construction, maintenance, and operation of district facilities; and
(ii) the administration of the district's business affairs;
(e) is entitled to participate in the deliberations of the board of trustees as to any matter
before the board; and
(f) may not vote at a meeting of the board of trustees.
(4) The board of trustees may not reduce the general manager's salary below the
amount fixed at the time of original appointment unless:
(a) the board adopts a resolution by a vote of a majority of all members; and
(b) if the general manager demands in writing, the board gives the general manager the
opportunity to be publicly heard at a meeting of the board before the final vote on the
resolution reducing the general manager's salary.
(5) (a) Before adopting a resolution providing for a general manager's removal as
provided in Subsection (3)(c), the board shall, if the manager makes a written demand:
(i) give the general manager a written statement of the reasons alleged for the general
manager's removal; and
(ii) allow the general manager to be publicly heard at a meeting of the board of
trustees.
(b) Notwithstanding Subsection (5)(a), the board of trustees of a public transit district
may suspend a general manager from office pending and during a hearing under Subsection
(5)(a)(ii).
(6) The action of a board of trustees suspending or removing a general manager or
reducing the general manager's salary is final.
Section 7. Section <b>17B-2a-818</b> is amended to read:
17B-2a-818. Requirements applicable to public transit district contracts.

524	[(1) If the expenditure required to construct district facilities or works exceeds:]
525	[(a) \$25,000, the construction shall be let as provided in Title 63G, Chapter 6, Utah
526	Procurement Code; and]
527	(1) A public transit district shall comply with the applicable provisions of Title 63G,
528	Chapter 6, Utah Procurement Code.
529	[(b)] (2) If construction of a district facility or work exceeds \$750,000, the construction
530	shall be let as provided in:
531	[(i)] (a) Title 63G, Chapter 6, Utah Procurement Code; and
532	[ <del>(ii)</del> ] <u>(b)</u> Section 17B-2a-818.5.
533	[(2) (a) The board of trustees of a public transit district shall advertise each bid or
534	proposal through public notice as the board determines.]
535	[(b) A notice under Subsection (2)(a) may:]
536	[(i) include publication in:]
537	[(A) a newspaper of general circulation in the district;]
538	[(B) a trade journal; or]
539	[(C) other method determined by the board; and]
540	[(ii) be made at least once, not less than 10 days before the expiration of the period
541	within which bids or proposals are received.]
542	[(3) (a) The board of trustees may, in its discretion:]
543	[(i) reject any or all bids or proposals; and]
544	[(ii) readvertise or give notice again.]
545	[(b) If, after rejecting bids or proposals, the board of trustees determines and declares
546	by a two-thirds vote of all members present that in the board's opinion the supplies, equipment,
547	and materials may be purchased at a lower price in the open market, the board may purchase
548	the supplies, equipment, and materials in the open market, notwithstanding any provisions
549	requiring contracts, bids, proposals, advertisement, or notice.]
550	[(4) The board of trustees of a public transit district may let a contract without
551	advertising for or inviting bids if:]
552	[(a) the board finds, upon a two-thirds vote of all members present, that a repair,
553	alteration, or other work or the purchase of materials, supplies, equipment, or other property is
554	of urgent necessity; or]

555	[(b) the district's general manager certifies by affidavit that there is only one source for
556	the required supplies, equipment, materials, or construction items.]
557	[(5) If a public transit district retains or withholds any payment on a contract with a
558	private contractor to construct facilities under this section, the board shall retain or withhold
559	and release the payment as provided in Section 13-8-5.]
560	Section 8. Section 17B-2a-819.5 is enacted to read:
561	<b><u>17B-2a-819.5.</u></b> Exemption from state licensure.
562	In accordance with Section 61-2-3, an employee or authorized agent working under the
563	oversight of a public transit district when engaging in an act on behalf of a public transit district
564	in accordance with Title 17B, Chapter 1, Part 1, General Provisions, or Title 17B, Chapter 2a,
565	Part 8, Public Transit District Act, related to one or more of the following is exempt from
566	licensure under Title 61, Chapter 2, Division of Real Estate:
567	(1) acquiring real property;
568	(2) disposing of real property:
569	(3) providing services that constitute property management, as defined in Section
570	<u>61-2-2; or</u>
571	(4) leasing of real property.
572	Section 9. Section <b>17B-2a-825</b> is amended to read:
573	17B-2a-825. Criminal background checks authorized Employment eligibility.
574	(1) A public transit district may require an individual described in Subsection (2) to:
575	(a) submit a fingerprint card in a form acceptable to the public transit district; and
576	(b) consent to a fingerprint background check by:
577	(i) the Utah Bureau of Criminal Identification; and
578	(ii) the Federal Bureau of Investigation.
579	(2) A person shall comply with the requirements of Subsection (1) if the person:
580	(a) is applying for or continuing employment with the public transit district:
581	(i) working in a safety-sensitive position or other position that may affect:
582	(A) the safety or well-being of patrons of the public transit district; or
583	(B) the safety or security of the transit buildings, stations, platforms, railways, bus
584	systems, and transit vehicles;
585	(ii) handling personally identifiable information, financial information, or other

586	sensitive information including personal health information;
587	(iii) working in security-sensitive areas; or
588	(iv) handling security-sensitive information, including information system
589	technologies; or
590	(b) is seeking access to designated security-sensitive areas.
591	(3) A public transit district may use the information obtained in accordance with this
592	section only for one or more of the following purposes:
593	(a) to determine whether or not an individual is convicted of:
594	(i) a felony under federal or state law within the last 10 years;
595	(ii) a violation of a federal law, state law, or local ordinance concerning the sale,
596	manufacture, distribution, warehousing, adulteration, or transportation of an alcoholic
597	beverage;
598	(iii) a crime involving moral turpitude; or
599	(iv) two or more convictions for a violation of driving under the influence of alcohol,
600	any drug, or the combined influence of alcohol and any drug;
601	(b) to determine whether or not an individual has accurately disclosed the person's
602	criminal history on an application or document filed with the public transit district;
603	(c) to approve or deny an application for employment with the public transit district; or
604	(d) to take disciplinary action against an employee of the public transit district,
605	including possible termination of employment.
606	(4) A person is not eligible for employment with a public transit district in a capacity
607	described in Subsection (2) if the person has been convicted of any of the offenses described in
608	Subsection (3).
609	Section 10. Section 61-2-3 is amended to read:
610	61-2-3. Exempt persons and transactions.
611	(1) (a) Except as provided in Subsection (1)(b), a license under this chapter is not
612	required for:
613	(i) a person who as owner or lessor performs the acts described in Subsection
614	61-2-2(12) with reference to property owned or leased by that person;
615	(ii) a regular salaried employee of the owner or lessor of real estate who, with reference
616	to nonresidential real estate owned or leased by the employer, performs the acts enumerated in

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617 Subsections 61-2-2(12)(a) and (b); 618 (iii) a regular salaried employee of the owner of real estate who performs property 619 management services with reference to real estate owned by the employer, except that the 620 employee may only manage property for one employer; 621 (iv) a person who performs property management services for the apartments at which 622 that person resides in exchange for free or reduced rent on that person's apartment; 623 (v) a regular salaried employee of a condominium homeowners' association who 624 manages real property subject to the declaration of condominium that established the 625 homeowners' association, except that the employee may only manage property for one 626 condominium homeowners' association; and 627 (vi) a regular salaried employee of a licensed property management company who 628 performs support services, as prescribed by rule, for the property management company. 629 (b) Subsection (1)(a) does not exempt from licensing: 630 (i) an employee engaged in the sale of properties regulated under: 631 (A) Title 57, Chapter 11, Utah Uniform Land Sales Practices Act; and 632 (B) Title 57, Chapter 19, Timeshare and Camp Resort Act; 633 (ii) an employee engaged in the sale of cooperative interests regulated under Title 57, 634 Chapter 23, Real Estate Cooperative Marketing Act; or 635 (iii) a person whose interest as an owner or lessor is obtained by that person or 636 transferred to that person for the purpose of evading the application of this chapter, and not for 637 any other legitimate business reason. 638 (2) A license under this chapter is not required for: 639 (a) an isolated transaction by a person holding a duly executed power of attorney from 640 the owner; 641 (b) services rendered by an attorney in performing the attorney's duties as an attorney; 642 (c) a receiver, trustee in bankruptcy, administrator, executor, or a person acting under 643 order of any court; 644 (d) a trustee or employee of a trustee under a deed of trust or a will; 645 (e) a public utility, officer of a public utility, or regular salaried employee of a public 646 utility, unless performance of any of the acts set out in Subsection 61-2-2(12) is in connection 647 with the sale, purchase, lease, or other disposition of real estate or investment in real estate

648	unrelated to the principal business activity of that public utility;
649	(f) a regular salaried employee or authorized agent working under the oversight of the
650	Department of Transportation when performing an act on behalf of the Department of
651	Transportation in connection with one or more of the following:
652	(i) the acquisition of real property pursuant to Section 72-5-103;
653	(ii) the disposal of real property pursuant to Section 72-5-111;
654	(iii) services that constitute property management; or
655	(iv) the leasing of real property;
656	(g) a regular salaried employee of a county, city, or town when performing an act on
657	behalf of the county, city, or town:
658	(i) in accordance with:
659	(A) if a regular salaried employee of a city or town:
660	(I) Title 10, Utah Municipal Code; or
661	(II) Title 11, Cities, Counties, and Local Taxing Units; and
662	(B) if a regular salaried employee of a county:
663	(I) Title 11, Cities, Counties, and Local Taxing Units; and
664	(II) Title 17, Counties; and
665	(ii) in connection with one or more of the following:
666	(A) the acquisition of real property, including by eminent domain;
667	(B) the disposal of real property;
668	(C) services that constitute property management; or
669	(D) the leasing of real property[-]: or
670	(h) a regular salaried employee or authorized agent working under the oversight of a
671	public transit district as defined in Title 17B, Chapter 2a, Part 8, Public Transit District Act,
672	when performing an act on behalf of the public transit district in accordance with Title 17B,
673	Chapter 1, Part 1, General Provisions, and Title 17B, Chapter 2a, Part 8, Public Transit District
674	Act, in connection with one or more of the following:
675	(i) the acquisition of real property;
676	(ii) the disposal of real property;
677	(iii) services that constitute property management; or
678	(iv) the leasing of real property.

679	(3) A license under this chapter is not required for a person registered to act as a
680	broker-dealer, agent, or investment adviser under the Utah and federal securities laws in the
681	sale or the offer for sale of real estate if:
682	(a) (i) the real estate is a necessary element of a "security" as that term is defined by the
683	Securities Act of 1933 and the Securities Exchange Act of 1934; and
684	(ii) the security is registered for sale:
685	(A) pursuant to the Securities Act of 1933; or
686	(B) by Title 61, Chapter 1, Utah Uniform Securities Act; or
687	(b) (i) it is a transaction in a security for which a Form D, described in 17 C.F.R. Sec.
688	239.500, has been filed with the Securities and Exchange Commission pursuant to Regulation
689	D, Rule 506, 17 C.F.R. Sec. 230.506; and
690	(ii) the selling agent and the purchaser are not residents of this state.
691	Section 11. Section 61-2-10 is amended to read:
692	61-2-10. Restriction on commissions Affiliation with more than one broker
693	Specialized licenses Designation of agents or brokers.
694	(1) (a) Except as provided in Subsection (1)(b), an associate broker or sales agent may
695	not accept valuable consideration for the performance of an act specified in this chapter from a
696	person except the principal broker with whom the associate broker or sales agent is affiliated
697	and licensed.
698	(b) An associate broker or sales agent may receive valuable consideration for the
699	performance of an act specified in this chapter from a person other than the principal broker
700	with whom the associate broker or sales agent is affiliated if:
701	(i) $(A)$ the valuable consideration is paid with a payment instrument prepared by a title
702	insurance agent;
703	[(ii)] (B) the title insurance agent provides the payment instrument to the principal
704	broker;
705	[(iii)] (C) the title insurance agent complies with the written instructions of the
706	principal broker:
707	[(A)] (I) in preparing the payment instrument; and
708	[(B)] (II) delivering the payment instrument to the principal broker; and
709	[(iv)] (D) the principal broker directly delivers the payment instrument to the associate

710	broker or sales agent[-]; or
711	(ii) the payment to the associate broker or sales agent is made:
712	(A) by the Department of Transportation for services rendered pursuant to Section
713	72-5-103 or 72-5-111 or for related property management or leasing services; or
714	(B) by a public transit district as defined in Title 17B, Chapter 2a, Part 8, Public
715	Transit District Act, for services rendered pursuant to Section 17B-1-103 or 17B-2a-804 or for
716	related property management or leasing services.
717	(c) The commission, with the concurrence of the division, shall make rules in
718	accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act:
719	(i) defining what constitutes a "payment instrument" for purposes of this Subsection
720	(1); or
721	(ii) the form and contents of the written instructions required by Subsection (1)(b),
722	including providing that the contents of the written instructions indicate that the payment
723	instrument process is an assignment to the associate broker or sales agent by the principal
724	broker of a portion of the consideration the title insurance agent is obligated to pay the
725	principal broker.
726	(2) An inactive associate broker or sales agent may not conduct a real estate transaction
727	until the inactive associate broker or sales agent becomes affiliated with a licensed principal
728	broker and submits the required documentation to the division. An inactive principal broker
729	may not conduct a real estate transaction until the principal broker's license is activated with
730	the division.
731	(3) A sales agent or associate broker may not affiliate with more than one principal
732	broker at the same time.
733	(4) (a) Except as provided by rule, a principal broker may not be responsible for more
734	than one real estate brokerage at the same time.
735	(b) (i) In addition to issuing principal broker, associate broker, and sales agent licenses
736	authorizing the performance of all of the acts set forth in Subsection 61-2-2(12), the division
737	may issue specialized sales licenses and specialized property management licenses with the
738	scope of practice limited to the specialty.
739	(ii) An individual may hold a specialized license in addition to a license to act as a
740	principal broker, an associate broker, or a sales agent.

741	(iii) The commission may adopt rules pursuant to Title 63G, Chapter 3, Utah
742	Administrative Procedures Act, for the administration of this Subsection (4), including:
743	(A) prelicensing and postlicensing education requirements;
744	(B) examination requirements;
745	(C) affiliation with real estate brokerages or property management companies; and
746	(D) other licensing procedures.
747	(c) An individual may not be a principal broker of a brokerage and a sales agent or
748	associate broker for a different brokerage at the same time.
749	(5) An owner, purchaser, lessor, or lessee who engages the services of a principal
750	broker may designate which sales agents or associate brokers affiliated with that principal
751	broker will also represent that owner, purchaser, lessor, or lessee in the purchase, sale, lease, or
752	exchange of real estate, or in exercising an option relating to real estate.
753	Section 12. Section <b>63G-11-102</b> is amended to read:
754	63G-11-102. Creation of identity documents Issuance to citizens, nationals, and
755	legal permanent resident aliens Exceptions.
756	(1) The following entities may create, publish, or otherwise manufacture an
757	identification document, identification card, or identification certificate and possess an
758	engraved plate or other device for the printing of an identification document:
759	(a) a federal, state, or local government agency for employee identification, which is
760	designed to identify the bearer as an employee;
761	(b) a federal, state, or local government agency for purposes authorized or required by
762	law or a legitimate purpose consistent with the duties of the agency, including such documents
763	as voter identification cards, identification cards, passports, birth certificates, and Social
764	Security cards; and
765	(c) a public school or state or private educational institution to identify the bearer as an
766	administrator, faculty member, student, or employee.
767	(2) The name of the issuing entity shall be clearly printed upon the face of the
768	identification document.
769	(3) Except as otherwise provided in Subsections (4) and (5) or by federal law, an entity
770	providing an identity document, card, or certificate under Subsection (1)(b) or (c) shall issue
771	the document, card, or certificate only to:

772	(a) a United States citizen;
773	(b) a national; or
774	(c) a legal permanent resident alien.
775	(4) (a) Subsection (3) does not apply to an applicant for an identification document
776	who presents, in person, valid documentary evidence of the applicant's:
777	(i) unexpired immigrant or nonimmigrant visa status for admission into the United
778	States;
779	(ii) pending or approved application for asylum in the United States;
780	(iii) admission into the United States as a refugee;
781	(iv) pending or approved application for temporary protected status in the United
782	States;
783	(v) approved deferred action status; or
784	(vi) pending application for adjustment of status to legal permanent resident or
785	conditional resident.
786	(b) (i) An entity listed in Subsection (1)(b) or (c) may issue a Subsection (1)(b) or (c)
787	identification document to an applicant who satisfies the requirements of Subsection (4)(a).
788	(ii) Except as otherwise provided by federal law, the document is valid only:
789	(A) during the period of time of the individual's authorized stay in the United States; or
790	(B) for one year from the date of issuance if there is no definite end to the individual's
791	period of authorized stay.
792	(iii) An entity issuing an identification document under this Subsection (4) shall clearly
793	indicate on the document:
794	(A) that it is temporary; and
795	(B) its expiration date.
796	(c) An individual may renew a document issued under this Subsection (4) only upon
797	presentation of valid documentary evidence that the status by which the individual originally
798	qualified for the identification document has been extended by the United States Citizenship
799	and Immigration Services or other authorized agency of the United States Department of
800	Homeland Security.
801	(5) (a) Subsection (3) does not apply to an identification document issued under
802	Subsection (1)(c) that [is only]:

803	(i) is only valid for use on the educational institution's campus or facility; and
804	(ii) includes a statement of the restricted use conspicuously printed upon the face of the
805	identification document.
806	(b) Subsection (3) does not apply to a license certificate, driving privilege card, or
807	identification card issued or renewed under Title 53, Chapter 3, Uniform Driver License Act.
808	(c) Subsection (3) does not apply to a public transit pass issued by a public transit
809	district as defined in Title 17B, Chapter 2a, Part 8, Public Transit District Act, that:
810	(i) is only valid for use on the public transit system; and
811	(ii) includes a statement of the restricted use conspicuously printed on the face of the
812	public transit pass.
813	(6) This section shall be enforced without regard to race, religion, gender, ethnicity, or
814	national origin.
815	Section 13. Effective date.
816	If approved by two-thirds of all the members elected to each house, this bill takes effect
817	upon approval by the governor, or the day following the constitutional time limit of Utah
818	Constitution Article VII, Section 8, without the governor's signature, or in the case of a veto,
819	the date of veto override.

Legislative Review Note as of 2-17-10 9:50 AM

Office of Legislative Research and General Counsel

#### S.B. 272 - Amendments to Transportation Provisions

## **Fiscal Note**

2010 General Session

State of Utah

#### **State Impact**

Enactment of this bill will not require additional appropriations.

#### Individual, Business and/or Local Impact

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals or businesses. Certain local service districts may incur costs and accrue benefits under the bill.

2/24/2010, 12:02:26 PM, Lead Analyst: Bleazard, M./Attny: SCH

Office of the Legislative Fiscal Analyst