

1 **INCORPORATION ELECTION AMENDMENTS**

2 2014 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Jon Cox**

5 Senate Sponsor: Kevin T. Van Tassell

7 **LONG TITLE**

8 **General Description:**

9 This bill amends provisions related to an election held to determine the incorporation of
10 a city or town.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ authorizes a county to hold a local special election on the proposed incorporation of
- 14 a city or town;
- 15 ▶ amends the definitions of "incorporation election" and "incorporation petition"; and
- 16 ▶ makes technical corrections.

17 **Money Appropriated in this Bill:**

18 None

19 **Other Special Clauses:**

20 None

21 **Utah Code Sections Affected:**

22 AMENDS:

23 **10-2-111**, as last amended by Laws of Utah 2012, Chapter 359

24 **10-2-127**, as enacted by Laws of Utah 2012, Chapter 359

25 **20A-1-203**, as last amended by Laws of Utah 2013, Chapters 320 and 415

26 **20A-11-101**, as last amended by Laws of Utah 2013, Chapters 86, 170, 318, and 420

27 **20A-11-1203**, as last amended by Laws of Utah 2008, Chapter 225

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

30 Section 1. Section **10-2-111** is amended to read:

31 **10-2-111. Incorporation election.**

32 [~~(1) (a) At the next regular general election date under Section **20A-1-201** more than~~
33 ~~60 days after the county legislative body's receipt of the certified petition or certified modified~~
34 ~~petition under Subsection **10-2-110**(1)(b)(i), the county legislative body shall hold an election~~
35 ~~on the proposed incorporation.]~~

36 (1) (a) Upon receipt of a certified petition under Subsection **10-2-110**(1)(b)(i) or a
37 certified modified petition under Subsection **10-2-110**(3), the county legislative body shall
38 determine and set an election date for the incorporation election that is:

- 39 (i) (A) on a general election date under Section **20A-1-201**; or
 - 40 (B) on a local special election date under Section **20A-1-203**; and
 - 41 (ii) at least 65 days after the day that the legislative body receives the certified petition.
- 42 (b) Unless a person is a registered voter who resides, as defined in Section **20A-1-102**,
- 43 within the boundaries of the proposed city, the person may not vote on the proposed
- 44 incorporation.

45 (2) (a) The county clerk shall publish notice of the election:

- 46 (i) in a newspaper of general circulation within the area proposed to be incorporated at
 - 47 least once a week for three successive weeks; and
 - 48 (ii) in accordance with Section **45-1-101** for three weeks.
- 49 (b) The notice required by Subsection (2)(a) shall contain:
- 50 (i) a statement of the contents of the petition;
 - 51 (ii) a description of the area proposed to be incorporated as a city;
 - 52 (iii) a statement of the date and time of the election and the location of polling places;

53 and

- 54 (iv) the feasibility study summary under Subsection **10-2-106**(3)(b) and a statement
- 55 that a full copy of the study is available for inspection and copying at the office of the county
- 56 clerk.

57 (c) The last publication of notice required under Subsection (2)(a) shall occur at least

58 one day but no more than seven days before the election.

59 (d) (i) In accordance with Subsection (2)(a)(i), if there is no newspaper of general
60 circulation within the proposed city, the county clerk shall post at least one notice of the
61 election per 1,000 population in conspicuous places within the proposed city that are most
62 likely to give notice of the election to the voters of the proposed city.

63 (ii) The clerk shall post the notices under Subsection (2)(d)(i) at least seven days before
64 the election under Subsection (1).

65 (3) If a majority of those casting votes within the area boundaries of the proposed city
66 vote to incorporate as a city, the area shall incorporate.

67 Section 2. Section **10-2-127** is amended to read:

68 **10-2-127. Incorporation of town -- Election to incorporate -- Ballot form.**

69 ~~[(1) (a) At the next regular general election, as defined in Section 20A-1-102, more~~
70 ~~than 60 days after the public hearing described in Section 10-2-126, the county legislative~~
71 ~~body shall hold an election on the proposed incorporation unless prohibited under the~~
72 ~~provisions of Section 10-2-126.]~~

73 (1) (a) Upon receipt of a certified petition under Subsection 10-2-110(1)(b)(i) or a
74 certified modified petition under Subsection 10-2-110(3), the county legislative body shall
75 determine and set an election date for the incorporation election that is:

76 (i) (A) on a general election date under Section 20A-1-201; or

77 (B) on a local special election date under Section 20A-1-203; and

78 (ii) at least 65 days after the day that the legislative body receives the certified petition.

79 (b) Unless a person is a registered voter who resides, as defined in Section 20A-1-102,
80 within the boundaries of the proposed town, the person may not vote on the proposed
81 incorporation.

82 (2) (a) The county clerk shall publish notice of the election:

83 (i) in a newspaper of general circulation, within the area proposed to be incorporated,
84 at least once a week for three successive weeks; and

85 (ii) in accordance with Section 45-1-101 for three weeks.

86 (b) The notice required by Subsection (2)(a) shall contain:
87 (i) a statement of the contents of the petition;
88 (ii) a description of the area proposed to be incorporated as a town;
89 (iii) a statement of the date and time of the election and the location of polling places;

90 and

91 (iv) the county Internet website address, if applicable, and the address of the county
92 office where the feasibility study is available for review.

93 (c) The last publication of notice required under Subsection (2)(a) shall occur at least
94 one day but no more than seven days before the election.

95 (d) (i) In accordance with Subsection (2)(a)(i), if there is no newspaper of general
96 circulation within the proposed town, the county clerk shall post at least one notice of the
97 election per 100 population in conspicuous places within the proposed town that are most
98 likely to give notice of the election to the voters of the proposed town.

99 (ii) The clerk shall post the notices under Subsection (2)(d)(i) at least seven days before
100 the election under Subsection (1)(a).

101 (3) The ballot at the incorporation election shall pose the incorporation question
102 substantially as follows:

103 Shall the area described as (insert a description of the proposed town) be incorporated
104 as the town of (insert the proposed name of the proposed town)?

105 (4) The ballot shall provide a space for the voter to answer yes or no to the question in
106 Subsection (3).

107 (5) If a majority of those casting votes within the area boundaries of the proposed town
108 vote to incorporate as a town, the area shall incorporate.

109 Section 3. Section **20A-1-203** is amended to read:

110 **20A-1-203. Calling and purpose of special elections -- Two-thirds vote**
111 **limitations.**

112 (1) Statewide and local special elections may be held for any purpose authorized by
113 law.

114 (2) (a) Statewide special elections shall be conducted using the procedure for regular
115 general elections.

116 (b) Except as otherwise provided in this title, local special elections shall be conducted
117 using the procedures for regular municipal elections.

118 (3) The governor may call a statewide special election by issuing an executive order
119 that designates:

120 (a) the date for the statewide special election; and

121 (b) the purpose for the statewide special election.

122 (4) The Legislature may call a statewide special election by passing a joint or
123 concurrent resolution that designates:

124 (a) the date for the statewide special election; and

125 (b) the purpose for the statewide special election.

126 (5) (a) The legislative body of a local political subdivision may call a local special
127 election only for:

128 (i) a vote on a bond or debt issue;

129 (ii) a vote on a voted local levy authorized by Section 53A-16-110 or 53A-17a-133;

130 (iii) an initiative authorized by Chapter 7, Part 5, Local Initiatives - Procedures;

131 (iv) a referendum authorized by Chapter 7, Part 6, Local Referenda - Procedures;

132 (v) if required or authorized by federal law, a vote to determine whether or not Utah's
133 legal boundaries should be changed;

134 (vi) a vote authorized or required by Title 59, Chapter 12, Sales and Use Tax Act;

135 (vii) a vote to elect members to school district boards for a new school district and a
136 remaining school district, as defined in Section 53A-2-117, following the creation of a new
137 school district under Section 53A-2-118.1;

138 (viii) an election of town officers of a newly incorporated town under Section
139 10-2-128;

140 (ix) an election of officers for a new city under Section 10-2-116;

141 (x) a vote on a municipality providing cable television services or public

- 142 telecommunications services under Section 10-18-204;
- 143 (xi) a vote to create a new county under Section 17-3-1;
- 144 (xii) a vote on the creation of a study committee under Sections 17-52-202 and
- 145 17-52-203.5; [or]
- 146 (xiii) a vote on a special property tax under Section 53A-16-110[-];
- 147 (xiv) a vote on the incorporation of a city in accordance with Section 10-2-111; or
- 148 (xv) a vote on the incorporation of a town in accordance with Section 10-2-127.
- 149 (b) The legislative body of a local political subdivision may call a local special election
- 150 by adopting an ordinance or resolution that designates:
- 151 (i) the date for the local special election as authorized by Section 20A-1-204; and
- 152 (ii) the purpose for the local special election.
- 153 (c) A local political subdivision may not call a local special election unless the
- 154 ordinance or resolution calling a local special election under Subsection (5)(b) is adopted by a
- 155 two-thirds majority of all members of the legislative body, if the local special election is for:
- 156 (i) a vote on a bond or debt issue as described in Subsection (5)(a)(i);
- 157 (ii) a vote on a voted leeway or levy program as described in Subsection (5)(a)(ii); or
- 158 (iii) a vote authorized or required for a sales tax issue as described in Subsection
- 159 (5)(a)(vi).
- 160 Section 4. Section 20A-11-101 is amended to read:
- 161 **20A-11-101. Definitions.**
- 162 As used in this chapter:
- 163 (1) "Address" means the number and street where an individual resides or where a
- 164 reporting entity has its principal office.
- 165 (2) "Ballot proposition" includes initiatives, referenda, proposed constitutional
- 166 amendments, and any other ballot propositions submitted to the voters that are authorized by
- 167 the Utah Code Annotated 1953.
- 168 (3) "Candidate" means any person who:
- 169 (a) files a declaration of candidacy for a public office; or

170 (b) receives contributions, makes expenditures, or gives consent for any other person to
171 receive contributions or make expenditures to bring about the person's nomination or election
172 to a public office.

173 (4) "Chief election officer" means:

174 (a) the lieutenant governor for state office candidates, legislative office candidates,
175 officeholders, political parties, political action committees, corporations, political issues
176 committees, state school board candidates, judges, and labor organizations, as defined in
177 Section 20A-11-1501; and

178 (b) the county clerk for local school board candidates.

179 (5) (a) "Contribution" means any of the following when done for political purposes:

180 (i) a gift, subscription, donation, loan, advance, or deposit of money or anything of
181 value given to the filing entity;

182 (ii) an express, legally enforceable contract, promise, or agreement to make a gift,
183 subscription, donation, unpaid or partially unpaid loan, advance, or deposit of money or
184 anything of value to the filing entity;

185 (iii) any transfer of funds from another reporting entity to the filing entity;

186 (iv) compensation paid by any person or reporting entity other than the filing entity for
187 personal services provided without charge to the filing entity;

188 (v) remuneration from:

189 (A) any organization or its directly affiliated organization that has a registered lobbyist;
190 or

191 (B) any agency or subdivision of the state, including school districts; and

192 (vi) goods or services provided to or for the benefit of the filing entity at less than fair
193 market value.

194 (b) "Contribution" does not include:

195 (i) services provided without compensation by individuals volunteering a portion or all
196 of their time on behalf of the filing entity;

197 (ii) money lent to the filing entity by a financial institution in the ordinary course of

198 business; or

199 (iii) goods or services provided for the benefit of a candidate or political party at less
200 than fair market value that are not authorized by or coordinated with the candidate or political
201 party.

202 (6) "Coordinated with" means that goods or services provided for the benefit of a
203 candidate or political party are provided:

204 (a) with the candidate's or political party's prior knowledge, if the candidate or political
205 party does not object;

206 (b) by agreement with the candidate or political party;

207 (c) in coordination with the candidate or political party; or

208 (d) using official logos, slogans, and similar elements belonging to a candidate or
209 political party.

210 (7) (a) "Corporation" means a domestic or foreign, profit or nonprofit, business
211 organization that is registered as a corporation or is authorized to do business in a state and
212 makes any expenditure from corporate funds for:

213 (i) the purpose of expressly advocating for political purposes; or

214 (ii) the purpose of expressly advocating the approval or the defeat of any ballot
215 proposition.

216 (b) "Corporation" does not mean:

217 (i) a business organization's political action committee or political issues committee; or

218 (ii) a business entity organized as a partnership or a sole proprietorship.

219 (8) "County political party" means, for each registered political party, all of the persons
220 within a single county who, under definitions established by the political party, are members of
221 the registered political party.

222 (9) "County political party officer" means a person whose name is required to be
223 submitted by a county political party to the lieutenant governor in accordance with Section
224 [20A-8-402](#).

225 (10) "Detailed listing" means:

- 226 (a) for each contribution or public service assistance:
- 227 (i) the name and address of the individual or source making the contribution or public
- 228 service assistance;
- 229 (ii) the amount or value of the contribution or public service assistance; and
- 230 (iii) the date the contribution or public service assistance was made; and
- 231 (b) for each expenditure:
- 232 (i) the amount of the expenditure;
- 233 (ii) the person or entity to whom it was disbursed;
- 234 (iii) the specific purpose, item, or service acquired by the expenditure; and
- 235 (iv) the date the expenditure was made.
- 236 (11) (a) "Donor" means a person that gives money, including a fee, due, or assessment
- 237 for membership in the corporation, to a corporation without receiving full and adequate
- 238 consideration for the money.
- 239 (b) "Donor" does not include a person that signs a statement that the corporation may
- 240 not use the money for an expenditure or political issues expenditure.
- 241 (12) "Election" means each:
- 242 (a) regular general election;
- 243 (b) regular primary election; and
- 244 (c) special election at which candidates are eliminated and selected.
- 245 (13) "Electioneering communication" means a communication that:
- 246 (a) has at least a value of \$10,000;
- 247 (b) clearly identifies a candidate or judge; and
- 248 (c) is disseminated through the Internet, newspaper, magazine, outdoor advertising
- 249 facility, direct mailing, broadcast, cable, or satellite provider within 45 days of the clearly
- 250 identified candidate's or judge's election date.
- 251 (14) (a) "Expenditure" means:
- 252 (i) any disbursement from contributions, receipts, or from the separate bank account
- 253 required by this chapter;

254 (ii) a purchase, payment, donation, distribution, loan, advance, deposit, gift of money,
255 or anything of value made for political purposes;

256 (iii) an express, legally enforceable contract, promise, or agreement to make any
257 purchase, payment, donation, distribution, loan, advance, deposit, gift of money, or anything of
258 value for political purposes;

259 (iv) compensation paid by a filing entity for personal services rendered by a person
260 without charge to a reporting entity;

261 (v) a transfer of funds between the filing entity and a candidate's personal campaign
262 committee; or

263 (vi) goods or services provided by the filing entity to or for the benefit of another
264 reporting entity for political purposes at less than fair market value.

265 (b) "Expenditure" does not include:

266 (i) services provided without compensation by individuals volunteering a portion or all
267 of their time on behalf of a reporting entity;

268 (ii) money lent to a reporting entity by a financial institution in the ordinary course of
269 business; or

270 (iii) anything listed in Subsection (14)(a) that is given by a reporting entity to
271 candidates for office or officeholders in states other than Utah.

272 (15) "Federal office" means the office of President of the United States, United States
273 Senator, or United States Representative.

274 (16) "Filing entity" means the reporting entity that is required to file a financial
275 statement required by this chapter or Chapter 12, Part 2, Judicial Retention Elections.

276 (17) "Financial statement" includes any summary report, interim report, verified
277 financial statement, or other statement disclosing contributions, expenditures, receipts,
278 donations, or disbursements that is required by this chapter or Chapter 12, Part 2, Judicial
279 Retention Elections.

280 (18) "Governing board" means the individual or group of individuals that determine the
281 candidates and committees that will receive expenditures from a political action committee,

282 political party, or corporation.

283 (19) "Incorporation" means the process established by Title 10, Chapter 2, Part 1,
284 Incorporation, by which a geographical area becomes legally recognized as a city or town.

285 (20) "Incorporation election" means the election authorized by Section [10-2-111](#) or
286 [10-2-127](#).

287 (21) "Incorporation petition" means a petition authorized by Section [10-2-109](#) or
288 [10-2-125](#).

289 (22) "Individual" means a natural person.

290 (23) "Interim report" means a report identifying the contributions received and
291 expenditures made since the last report.

292 (24) "Legislative office" means the office of state senator, state representative, speaker
293 of the House of Representatives, president of the Senate, and the leader, whip, and assistant
294 whip of any party caucus in either house of the Legislature.

295 (25) "Legislative office candidate" means a person who:

296 (a) files a declaration of candidacy for the office of state senator or state representative;

297 (b) declares oneself to be a candidate for, or actively campaigns for, the position of
298 speaker of the House of Representatives, president of the Senate, or the leader, whip, and
299 assistant whip of any party caucus in either house of the Legislature; or

300 (c) receives contributions, makes expenditures, or gives consent for any other person to
301 receive contributions or make expenditures to bring about the person's nomination, election, or
302 appointment to a legislative office.

303 (26) "Major political party" means either of the two registered political parties that
304 have the greatest number of members elected to the two houses of the Legislature.

305 (27) "Officeholder" means a person who holds a public office.

306 (28) "Party committee" means any committee organized by or authorized by the
307 governing board of a registered political party.

308 (29) "Person" means both natural and legal persons, including individuals, business
309 organizations, personal campaign committees, party committees, political action committees,

310 political issues committees, and labor organizations, as defined in Section 20A-11-1501.

311 (30) "Personal campaign committee" means the committee appointed by a candidate to
312 act for the candidate as provided in this chapter.

313 (31) "Personal use expenditure" has the same meaning as provided under Section
314 20A-11-104.

315 (32) (a) "Political action committee" means an entity, or any group of individuals or
316 entities within or outside this state, a major purpose of which is to:

317 (i) solicit or receive contributions from any other person, group, or entity for political
318 purposes; or

319 (ii) make expenditures to expressly advocate for any person to refrain from voting or to
320 vote for or against any candidate or person seeking election to a municipal or county office.

321 (b) "Political action committee" includes groups affiliated with a registered political
322 party but not authorized or organized by the governing board of the registered political party
323 that receive contributions or makes expenditures for political purposes.

324 (c) "Political action committee" does not mean:

325 (i) a party committee;

326 (ii) any entity that provides goods or services to a candidate or committee in the regular
327 course of its business at the same price that would be provided to the general public;

328 (iii) an individual;

329 (iv) individuals who are related and who make contributions from a joint checking
330 account;

331 (v) a corporation, except a corporation a major purpose of which is to act as a political
332 action committee; or

333 (vi) a personal campaign committee.

334 (33) "Political convention" means a county or state political convention held by a
335 registered political party to select candidates.

336 (34) (a) "Political issues committee" means an entity, or any group of individuals or
337 entities within or outside this state, a major purpose of which is to:

338 (i) solicit or receive donations from any other person, group, or entity to assist in
339 placing a ballot proposition on the ballot, assist in keeping a ballot proposition off the ballot, or
340 to advocate that a voter refrain from voting or vote for or vote against any ballot proposition;

341 (ii) make expenditures to expressly advocate for any person to sign or refuse to sign a
342 ballot proposition or incorporation petition or refrain from voting, vote for, or vote against any
343 proposed ballot proposition or an incorporation in an incorporation election; or

344 (iii) make expenditures to assist in qualifying or placing a ballot proposition on the
345 ballot or to assist in keeping a ballot proposition off the ballot.

346 (b) "Political issues committee" does not mean:

347 (i) a registered political party or a party committee;

348 (ii) any entity that provides goods or services to an individual or committee in the
349 regular course of its business at the same price that would be provided to the general public;

350 (iii) an individual;

351 (iv) individuals who are related and who make contributions from a joint checking
352 account; or

353 (v) a corporation, except a corporation a major purpose of which is to act as a political
354 issues committee.

355 (35) (a) "Political issues contribution" means any of the following:

356 (i) a gift, subscription, unpaid or partially unpaid loan, advance, or deposit of money or
357 anything of value given to a political issues committee;

358 (ii) an express, legally enforceable contract, promise, or agreement to make a political
359 issues donation to influence the approval or defeat of any ballot proposition;

360 (iii) any transfer of funds received by a political issues committee from a reporting
361 entity;

362 (iv) compensation paid by another reporting entity for personal services rendered
363 without charge to a political issues committee; and

364 (v) goods or services provided to or for the benefit of a political issues committee at
365 less than fair market value.

366 (b) "Political issues contribution" does not include:
367 (i) services provided without compensation by individuals volunteering a portion or all
368 of their time on behalf of a political issues committee; or
369 (ii) money lent to a political issues committee by a financial institution in the ordinary
370 course of business.

371 (36) (a) "Political issues expenditure" means any of the following:
372 (i) any payment from political issues contributions made for the purpose of influencing
373 the approval or the defeat of:

374 (A) a ballot proposition; or
375 (B) an incorporation petition or incorporation election;

376 (ii) a purchase, payment, distribution, loan, advance, deposit, or gift of money made for
377 the express purpose of influencing the approval or the defeat of:

378 (A) a ballot proposition; or
379 (B) an incorporation petition or incorporation election;

380 (iii) an express, legally enforceable contract, promise, or agreement to make any
381 political issues expenditure;

382 (iv) compensation paid by a reporting entity for personal services rendered by a person
383 without charge to a political issues committee; or

384 (v) goods or services provided to or for the benefit of another reporting entity at less
385 than fair market value.

386 (b) "Political issues expenditure" does not include:

387 (i) services provided without compensation by individuals volunteering a portion or all
388 of their time on behalf of a political issues committee; or

389 (ii) money lent to a political issues committee by a financial institution in the ordinary
390 course of business.

391 (37) "Political purposes" means an act done with the intent or in a way to influence or
392 tend to influence, directly or indirectly, any person to refrain from voting or to vote for or
393 against any candidate or a person seeking a municipal or county office at any caucus, political

394 convention, or election.

395 (38) (a) "Poll" means the survey of a person regarding the person's opinion or
396 knowledge of an individual who has filed a declaration of candidacy for public office, or of a
397 ballot proposition that has legally qualified for placement on the ballot, which is conducted in
398 person or by telephone, facsimile, Internet, postal mail, or email.

399 (b) "Poll" does not include:

400 (i) a ballot; or

401 (ii) an interview of a focus group that is conducted, in person, by one individual, if:

402 (A) the focus group consists of more than three, and less than thirteen, individuals; and

403 (B) all individuals in the focus group are present during the interview.

404 (39) "Primary election" means any regular primary election held under the election
405 laws.

406 (40) "Public office" means the office of governor, lieutenant governor, state auditor,
407 state treasurer, attorney general, state or local school board member, state senator, state
408 representative, speaker of the House of Representatives, president of the Senate, and the leader,
409 whip, and assistant whip of any party caucus in either house of the Legislature.

410 (41) (a) "Public service assistance" means the following when given or provided to an
411 officeholder to defray the costs of functioning in a public office or aid the officeholder to
412 communicate with the officeholder's constituents:

413 (i) a gift, subscription, donation, unpaid or partially unpaid loan, advance, or deposit of
414 money or anything of value to an officeholder; or

415 (ii) goods or services provided at less than fair market value to or for the benefit of the
416 officeholder.

417 (b) "Public service assistance" does not include:

418 (i) anything provided by the state;

419 (ii) services provided without compensation by individuals volunteering a portion or all
420 of their time on behalf of an officeholder;

421 (iii) money lent to an officeholder by a financial institution in the ordinary course of

422 business;

423 (iv) news coverage or any publication by the news media; or

424 (v) any article, story, or other coverage as part of any regular publication of any
425 organization unless substantially all the publication is devoted to information about the
426 officeholder.

427 (42) "Publicly identified class of individuals" means a group of 50 or more individuals
428 sharing a common occupation, interest, or association that contribute to a political action
429 committee or political issues committee and whose names can be obtained by contacting the
430 political action committee or political issues committee upon whose financial statement the
431 individuals are listed.

432 (43) "Receipts" means contributions and public service assistance.

433 (44) "Registered lobbyist" means a person registered under Title 36, Chapter 11,
434 Lobbyist Disclosure and Regulation Act.

435 (45) "Registered political action committee" means any political action committee that
436 is required by this chapter to file a statement of organization with the Office of the Lieutenant
437 Governor.

438 (46) "Registered political issues committee" means any political issues committee that
439 is required by this chapter to file a statement of organization with the Office of the Lieutenant
440 Governor.

441 (47) "Registered political party" means an organization of voters that:

442 (a) participated in the last regular general election and polled a total vote equal to 2%
443 or more of the total votes cast for all candidates for the United States House of Representatives
444 for any of its candidates for any office; or

445 (b) has complied with the petition and organizing procedures of Chapter 8, Political
446 Party Formation and Procedures.

447 (48) (a) "Remuneration" means a payment:

448 (i) made to a legislator for the period the Legislature is in session; and

449 (ii) that is approximately equivalent to an amount a legislator would have earned

450 during the period the Legislature is in session in the legislator's ordinary course of business.

451 (b) "Remuneration" does not mean anything of economic value given to a legislator by:

452 (i) the legislator's primary employer in the ordinary course of business; or

453 (ii) a person or entity in the ordinary course of business:

454 (A) because of the legislator's ownership interest in the entity; or

455 (B) for services rendered by the legislator on behalf of the person or entity.

456 (49) "Reporting entity" means a candidate, a candidate's personal campaign committee,
457 a judge, a judge's personal campaign committee, an officeholder, a party committee, a political
458 action committee, a political issues committee, a corporation, or a labor organization, as
459 defined in Section [20A-11-1501](#).

460 (50) "School board office" means the office of state school board or local school board.

461 (51) (a) "Source" means the person or entity that is the legal owner of the tangible or
462 intangible asset that comprises the contribution.

463 (b) "Source" means, for political action committees and corporations, the political
464 action committee and the corporation as entities, not the contributors to the political action
465 committee or the owners or shareholders of the corporation.

466 (52) "State office" means the offices of governor, lieutenant governor, attorney general,
467 state auditor, and state treasurer.

468 (53) "State office candidate" means a person who:

469 (a) files a declaration of candidacy for a state office; or

470 (b) receives contributions, makes expenditures, or gives consent for any other person to
471 receive contributions or make expenditures to bring about the person's nomination, election, or
472 appointment to a state office.

473 (54) "Summary report" means the year end report containing the summary of a
474 reporting entity's contributions and expenditures.

475 (55) "Supervisory board" means the individual or group of individuals that allocate
476 expenditures from a political issues committee.

477 Section 5. Section **20A-11-1203** is amended to read:

478 **20A-11-1203. Public entity prohibited from expending public funds on certain**
479 **electoral matters.**

480 (1) Unless specifically required by law, a public entity may not make an expenditure
481 from public funds for political purposes or to influence a ballot proposition.

482 (2) Nothing in this chapter prohibits a public official from speaking, campaigning,
483 contributing personal money, or otherwise exercising the public official's individual First
484 Amendment rights for political purposes.

485 (3) Nothing in this chapter prohibits a public entity from providing factual information
486 about a ballot proposition to the public, so long as the information grants equal access to both
487 the opponents and proponents of the ballot proposition.

488 (4) Nothing in this chapter prohibits a public entity from the neutral encouragement of
489 voters to vote.

490 ~~[(5) Nothing in this chapter prohibits a public entity from preparing information~~
491 ~~analyzing the pros and cons of a ballot proposition when requested to do so by the public~~
492 ~~entity's governing body.]~~

493 ~~[(6)]~~ (5) Nothing in this chapter prohibits an elected official from campaigning or
494 advocating for or against a ballot proposition.

495 ~~[(7)]~~ (6) A violation of this section does not invalidate an otherwise valid election.