

Representative Justin L. Fawson proposes the following substitute bill:

LOCAL GOVERNMENT BOND AMENDMENTS

2017 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Deidre M. Henderson

House Sponsor: Justin L. Fawson

LONG TITLE

General Description:

This bill amends provisions regarding required information related to a proposed bond.

Highlighted Provisions:

This bill:

- ▶ addresses the order in which a governing body must state the property tax cost of a bond on a ballot proposition and a voter information pamphlet; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a coordination clause.

Utah Code Sections Affected:

AMENDS:

11-14-202, as last amended by Laws of Utah 2014, Chapter 325

11-14-206, as last amended by Laws of Utah 2010, Chapter 388

Utah Code Sections Affected by Coordination Clause:

11-14-202, as last amended by Laws of Utah 2014, Chapter 325



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

27 Section 1. Section 11-14-202 is amended to read:

28 **11-14-202. Notice of election -- Contents -- Publication -- Mailing.**

29 (1) The governing body shall ensure that notice of the election is provided:

30 (a) once per week during three consecutive weeks by publication in a newspaper
31 having general circulation in the local political subdivision in accordance with Section
32 11-14-316, the first publication occurring not less than 21 nor more than 35 days before the
33 election;

34 (b) on a website, if available, in accordance with Section 45-1-101 for the three weeks
35 that immediately precede the election; and

36 (c) in a local political subdivision where there is no newspaper of general circulation,
37 by posting notice of the bond election in at least five public places in the local political
38 subdivision at least 21 days before the election.

39 (2) When the debt service on the bonds ~~[to be issued]~~ the governing body intends to
40 issue will increase the property tax imposed upon the average value of a residence by an
41 amount that is greater than or equal to \$15 per year, the governing body shall prepare and mail
42 either a voter information pamphlet or a notification described in Subsection (6):

43 (a) at least 15 days but not more than 45 days before the bond election;

44 (b) to each household containing a registered voter who is eligible to vote on the
45 bonds; and

46 (c) that includes the information required by Subsections (3) and (4).

47 (3) The governing body shall ensure that the notice and voter information pamphlet
48 required by this section [shall] include in the following order:

49 (a) the date and place of the election;

50 (b) the hours during which the polls will be open; and

51 (c) the title and text of the ballot proposition, including the property tax cost of the
52 bond described in Subsection 11-14-206(2)(a).

53 (4) The governing body shall ensure that the voter information pamphlet required by
54 this section [shall include] includes:

55 (a) the information required by Subsection (3); and

56 (b) an explanation of the property tax impact, if any, of the issuance of the bonds,

57 which may be based on information the governing body determines to be useful, including:

- 58 (i) expected debt service on the bonds to be issued;
- 59 (ii) a description of the purpose, remaining principal balance, and maturity date of any
- 60 outstanding general obligation bonds of the issuer;
- 61 (iii) funds other than property taxes available to pay debt service on general obligation
- 62 bonds;
- 63 (iv) timing of expenditures of bond proceeds;
- 64 (v) property values; and
- 65 (vi) any additional information that the governing body determines may be useful to
- 66 explain the property tax impact of issuance of the bonds.

67 (5) The governing body shall pay the costs associated with the notice required by this
68 section.

69 (6) (a) The governing body may mail a notice printed on a postage prepaid,
70 preaddressed return form that a person may use to request delivery of a voter information
71 pamphlet by mail.

72 (b) The governing body shall ensure that the notice described in Subsection (6)(a)
73 [~~shall include~~] includes:

- 74 (i) the website upon which the voter information pamphlet is available; and
- 75 (ii) the phone number a voter may call to request delivery of a voter information
- 76 pamphlet by mail.

77 (7) A local school board shall comply with the voter information pamphlet
78 requirements described in Section [53A-18-102](#).

79 Section 2. Section **11-14-206** is amended to read:

80 **11-14-206. Ballots -- Submission of ballot language -- Form and contents.**

81 (1) At least 75 days before the election, the governing body shall prepare and submit to
82 the election officer:

- 83 (a) a ballot title for the bond proposition that includes the name of the local political
- 84 subdivision issuing the bonds and the word "bond"; and
- 85 (b) a ballot proposition that meets the requirements of Subsection (2).

86 (2) (a) The governing body shall ensure that the ballot proposition [~~shall include~~]
87 includes:

- 88 (i) the maximum principal amount of the bonds;
- 89 (ii) the maximum number of years from the issuance of the bonds to final maturity;
- 90 (iii) the general purpose for which the bonds are to be issued; and
- 91 (iv) if issuance of the bonds will require the increase of the property tax imposed upon
- 92 the average value of a residence by an amount that is greater than or equal to \$15 per year, the
- 93 following information in substantially the following form and in the following order:

94 "PROPERTY TAX COST OF BONDS:

95 If the bonds are issued as planned, [if applicable: without regard to the taxes currently
96 levied for outstanding bonds that will reduce over time,] an annual property tax to pay debt
97 service on the bonds will be required over a period of ____ years in the estimated amount of
98 \$____ ~~[on a]~~ (insert the average value of a residence in the taxing entity rounded to the nearest
99 thousand dollars) on a residence and in the estimated amount of \$____ on a business property
100 having the same value.

101 [If applicable] If there are other outstanding bonds, an otherwise scheduled tax
102 decrease may not occur if these bonds are issued.

103 The foregoing information is only an estimate and is not a limit on the amount of taxes
104 that the governing body may be required to levy in order to pay debt service on the bonds. The
105 governing body is obligated to levy taxes to the extent provided by law in order to pay the
106 bonds."

107 (b) The governing body may state the purpose of the bonds ~~[may be stated]~~ in general
108 terms and need not specify the particular projects for which the governing body intends to issue
109 the bonds ~~[are to be issued]~~ or the specific amount of bond proceeds ~~[to be expended]~~ that the
110 governing body intends to expend for each project.

111 (c) If the governing body intends that the bonds ~~[are to]~~ be payable in part from tax
112 proceeds and in part from the operating revenues of the local political subdivision, or from any
113 combination of tax proceeds and operating revenues, the ~~[bond proposition]~~ governing body
114 may indicate those payment sources on the bond proposition, but need not specify how the
115 governing body intends to divide the bonds ~~[are to be divided]~~ between those sources of
116 payment.

117 (d) (i) The governing body shall ensure that the bond proposition ~~[shall be]~~ is followed
118 by the words, "For the issuance of bonds" and "Against the issuance of bonds," with

119 appropriate boxes in which the voter may indicate [~~his~~] the voter's choice.

120 (ii) Nothing in Subsection (2)(d)(i) prohibits the addition of descriptive information
121 about the bonds.

122 (3) If a bond proposition is submitted to a vote on the same day as any other election
123 held in the local political subdivision calling the bond election, the governing body or an
124 election officer may combine the bond proposition [~~may be combined~~] with the candidate
125 ballot in a manner consistent with Section 20A-6-301, 20A-6-303, or 20A-6-402.

126 (4) The governing body shall ensure that the ballot form [~~shall comply~~] complies with
127 the requirements of Title 20A, Chapter 6, Ballot Form.

128 Section 3. **Coordinating S.B. 150 with H.B. 218 -- Technical amendment.**

129 If this S.B. 150 and H.B. 218, Poll Location Amendments, both pass and become law,
130 and S.B. 128, Election Day Notification Amendments does not pass and become law, it is the
131 intent of the Legislature that the Office of Legislative Research and General Counsel prepare
132 the Utah Code database for publication by amending Section 11-14-202 to read:

133 **"11-14-202. Notice of election -- Contents -- Publication -- Mailing.**

134 (1) The governing body shall ensure that notice of the election is provided:

135 (a) once per week during three consecutive weeks by publication in a newspaper
136 having general circulation in the local political subdivision in accordance with Section
137 11-14-316, the first publication occurring not less than 21 nor more than 35 days before the
138 election;

139 (b) on a website, if available, in accordance with Section 45-1-101 for the three weeks
140 that immediately precede the election; and

141 (c) in a local political subdivision where there is no newspaper of general circulation,
142 by
143 posting notice of the bond election in at least five public places in the local political
144 subdivision at least 21 days before the election.

145 (2) When the debt service on the bonds to be issued will increase the property tax
146 imposed upon the average value of a residence by an amount that is greater than or equal to \$15
147 per year, the governing body shall prepare and mail either a voter information pamphlet or a
148 notification described in Subsection (6):

149 (a) at least 15 days but not more than 45 days before the bond election;

150 (b) to each household containing a registered voter who is eligible to vote on the
151 bonds; and

152 (c) that includes the information required by Subsections (3) and (4).

153 ~~[(3) The notice and voter information pamphlet required by this section]~~

154 (3) (a) Except as provided in Subsection (3)(b), the notice described in Subsection (1)
155 shall include, in the following order:

156 ~~[(a)]~~ (i) the date [and place] of the election;

157 ~~[(b)]~~ (ii) the hours during which the polls will be open; [and]

158 (iii) the location of each polling place or the address of a website that lists the location
159 of each polling place; and

160 ~~[(c)]~~ (iv) the title and text of the ballot proposition, including the property tax cost of
161 the bond described in Subsection [11-14-206\(2\)\(a\)](#).

162 (b) The notice described in Subsection (3)(a) is not required to include information
163 regarding an additional:

164 (i) early voting polling place designated, for which notice is provided in accordance
165 with Subsection [20A-3-603\(2\)](#); or

166 (ii) election day voting center designated for which notice is provided, in accordance
167 with Subsection [20A-3-703\(2\)](#).

168 (4) The voter information pamphlet required by this section shall include:

169 (a) the information required by Subsection (3); and

170 (b) an explanation of the property tax impact, if any, of the issuance of the bonds,
171 which may be based on information the governing body determines to be useful, including:

172 (i) expected debt service on the bonds to be issued;

173 (ii) a description of the purpose, remaining principal balance, and maturity date of any
174 outstanding general obligation bonds of the issuer;

175 (iii) funds other than property taxes available to pay debt service on general obligation
176 bonds;

177 (iv) timing of expenditures of bond proceeds;

178 (v) property values; and

179 (vi) any additional information that the governing body determines may be useful to
180 explain the property tax impact of issuance of the bonds.

181 (5) The governing body shall pay the costs associated with the notice required by this
182 section.

183 (6) (a) The governing body may mail a notice printed on a postage prepaid,
184 preaddressed return form that a person may use to request delivery of a voter information
185 pamphlet by mail.

186 (b) The notice described in Subsection (6)(a) shall include:

187 (i) the website upon which the voter information pamphlet is available; and

188 (ii) the phone number a voter may call to request delivery of a voter information
189 pamphlet by mail.

190 (7) A local school board shall comply with the voter information pamphlet
191 requirements described in Section [53A-18-102](#)."