

HB0364S01 compared with HB0364

~~deleted text~~ shows text that was in HB0364 but was deleted in HB0364S01.

inserted text shows text that was not in HB0364 but was inserted into HB0364S01.

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Representative Brady Brammer proposes the following substitute bill:

UTAH LAKE AUTHORITY

2021 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brady Brammer

Senate Sponsor: _____

LONG TITLE

General Description:

This bill enacts provisions relating to the Utah Lake Authority.

Highlighted Provisions:

This bill:

- ▶ creates the Utah Lake Authority;
- ▶ defines the status of the Utah Lake Authority and provides for the Authority's purposes, powers, duties, policies, and objectives;
- ▶ establishes a board to govern the Utah Lake Authority and provides for board membership, appointment, terms, duties, and responsibilities;
- ▶ authorizes the board to appoint nonvoting members, board officers, and advisory committees;
- ▶ prohibits certain individuals from serving as a member of the board or executive

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director and prohibits board members and the executive director from receiving certain benefits;

- ▶ provides for the hiring of an executive director, defines the executive director's role, and provides for the qualifications and duties of the executive director;
- ▶ requires the attorney general to provide legal services to the lake authority;
- ▶ provides a process for the adoption and amendment of a project area plan and a project area budget;
- ▶ provides for the Utah Lake Authority to be paid certain sales tax revenue and other sources of revenue, and provides for the allowable uses of revenue;
- ▶ authorizes the Utah Lake Authority to issue bonds and includes provisions related to bonds;
- ▶ requires the Utah Lake Authority board to adopt an annual budget and provides a process for preparing and adopting or amending a budget;
- ▶ requires the Utah Lake Authority to provide reports and requires the Authority to comply with audit requirements;
- ▶ provides limits on the dissolution of the Utah Lake Authority and requirements if a dissolution occurs; and
- ▶ repeals provisions relating to the authority of the Division of Forestry, Fire, and State Lands for the restoration of Utah Lake and gives some of that authority to the Utah Lake Authority.

Money Appropriated in this Bill:

None

Other Special Clauses:

~~{ None }~~ This bill provides a coordination clause.

Utah Code Sections Affected:

AMENDS:

59-12-205, as last amended by Laws of Utah 2019, Chapters 17, 136, and 399

63I-1-263, as last amended by Laws of Utah 2020, Chapters 82, 152, 154, 199, 230, 303, 322, 336, 354, 360, 375, 405 and last amended by Coordination Clause, Laws of Utah 2020, Chapter 360

63J-1-602.2, as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 20

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ENACTS:

11-65-101, Utah Code Annotated 1953
11-65-102, Utah Code Annotated 1953
11-65-103, Utah Code Annotated 1953
11-65-104, Utah Code Annotated 1953
11-65-201, Utah Code Annotated 1953
11-65-202, Utah Code Annotated 1953
11-65-203, Utah Code Annotated 1953
11-65-204, Utah Code Annotated 1953
11-65-205, Utah Code Annotated 1953
11-65-206, Utah Code Annotated 1953
11-65-207, Utah Code Annotated 1953
11-65-208, Utah Code Annotated 1953
11-65-301, Utah Code Annotated 1953
11-65-302, Utah Code Annotated 1953
11-65-303, Utah Code Annotated 1953
11-65-304, Utah Code Annotated 1953
11-65-305, Utah Code Annotated 1953
11-65-401, Utah Code Annotated 1953
11-65-402, Utah Code Annotated 1953
11-65-403, Utah Code Annotated 1953
11-65-404, Utah Code Annotated 1953
11-65-405, Utah Code Annotated 1953
11-65-501, Utah Code Annotated 1953
11-65-502, Utah Code Annotated 1953
11-65-503, Utah Code Annotated 1953
11-65-504, Utah Code Annotated 1953
11-65-505, Utah Code Annotated 1953
11-65-506, Utah Code Annotated 1953
11-65-601, Utah Code Annotated 1953
11-65-602, Utah Code Annotated 1953

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11-65-603, Utah Code Annotated 1953

11-65-604, Utah Code Annotated 1953

11-65-605, Utah Code Annotated 1953

11-65-606, Utah Code Annotated 1953

11-65-701, Utah Code Annotated 1953

~~{REPEALS:~~

~~65A-15-101, as enacted by Laws of Utah 2018, Chapter 381~~

~~65A-15-102, as enacted by Laws of Utah 2018, Chapter 381~~

~~65A-15-103, as enacted by Laws of Utah 2018, Chapter 381~~

~~65A-15-201, as enacted by Laws of Utah 2018, Chapter 381~~

~~65A-15-202, as enacted by Laws of Utah 2018, Chapter 381~~ Utah Code Sections

Affected by Coordination Clause:

11-65-208, Utah Code Annotated 1953

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

Section 1. Section 11-65-101 is enacted to read:

CHAPTER 65. UTAH LAKE AUTHORITY ACT

Part 1. General Provisions

11-65-101. Title.

This chapter is known as the "Utah Lake Authority Act."

Section 2. Section 11-65-102 is enacted to read:

11-65-102. Definitions.

As used in this chapter:

(1) "Adjacent political subdivision" means a political subdivision of the state with a boundary that abuts the lake authority boundary or includes lake authority land.

(2) "Board" means the lake authority's governing body, created in Section 11-65-301.

(3) "Lake authority" means the Utah Lake Authority, created in Section 11-65-201.

(4) "Lake authority boundary" means the boundary around Utah Lake defined by the line of compromise at 4,489 feet above sea level.

(5) "Lake authority land" means all land, whether or not submerged under the waters of Utah Lake, within the lake authority boundary and to which the state has acquired title.

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(6) "Management" means:

(a) work to rehabilitate and improve the quality of Utah Lake and the water of Utah Lake;

(b) the excavation, dredging, importation, movement, or other work on land to reconfigure the contours of land or of a lake bed;

(c) the demolition, construction, reconstruction, modification, expansion, or improvement of a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or other facility, including publicly owned infrastructure and improvements; and

(d) the planning of, arranging for, or participation in any of the activities listed in Subsection (6)(a), (b), or (c).

(7) "Management plan" means a plan to conceptualize, design, facilitate, encourage, and bring about the management of the lake authority land to achieve the policies and objectives described in Section 11-65-203.

(8) "Nonvoting member" means an individual appointed as a member of the board under Subsection 11-65-302(6) who does not have the power to vote on matters of lake authority business.

(9) "Project area" means an area that is identified in a project area plan as the area of lake authority land where the management described in the project area plan will occur.

(10) "Project area budget" means a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to the project area.

(11) "Project area plan" means a written plan that, after the plan's effective date, guides and controls management within a project area and within any adjacent areas that are included within the scope of a management plan.

(12) "Public entity" means:

(a) the state, including each department, division, or other agency of the state; or

(b) a county, city, town, metro township, school district, local district, special service district, interlocal cooperation entity, community reinvestment agency, or other political subdivision of the state.

(13) "Publicly owned infrastructure and improvements":

(a) means infrastructure, improvements, facilities, or buildings that:

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(i) benefit the public; and

(ii) (A) are owned by a public entity or a utility; or

(B) are publicly maintained or operated by a public entity;

(b) includes:

(i) facilities, lines, or systems that provide:

(A) water, chilled water, or steam; or

(B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy, microgrids, or telecommunications service; and

(ii) streets, roads, curbs, gutters, sidewalks, walkways, solid waste facilities, parking facilities, and public transportation facilities.

(14) "Voting member" means an individual appointed as a member of the board under Subsection 11-65-302(2).

Section 3. Section **11-65-103** is enacted to read:

11-65-103. Severability.

If a court determines that any provision of this chapter, or the application of any provision of this chapter, is invalid, the remainder of this chapter shall be given effect without the invalid provision or application.

Section 4. Section **11-65-104** is enacted to read:

11-65-104. Nonlapsing funds.

Money the lake authority receives from legislative appropriations is nonlapsing.

Section 5. Section **11-65-201** is enacted to read:

Part 2. Utah Lake Authority

11-65-201. Creation of Utah Lake Authority -- Status and purposes.

(1) Under the authority of Article XI, Section 8 of the Utah Constitution, there is created the Utah Lake Authority.

(2) The lake authority is:

(a) an independent, nonprofit, separate body corporate and politic, with perpetual succession;

(b) a political subdivision of the state; and

(c) a public corporation, as defined in Section 63E-1-102.

(3) (a) The statewide public purpose of the lake authority is to work in concert with

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applicable federal, state, and local government entities, property owners, owners of water rights, ~~and other~~ private parties, and ~~other~~ stakeholders to encourage, facilitate, and implement:

(i) the rehabilitation of Utah Lake and the waters of Utah Lake; and

(ii) the management of the lake authority land to maximize the long-term viability and health of Utah Lake and to produce economic, aesthetic, recreational, and other benefits for the state, consistent with the strategies, policies, and objectives described in this chapter.

(b) The duties and responsibilities of the lake authority under this chapter are beyond the scope and capacity of any local government entity, which has many other responsibilities and functions that appropriately command the attention and resources of the local government entity, and are not functions of purely local concern but are matters of regional and statewide concern, importance, interest, and impact, due to multiple factors, including:

(i) the importance and benefit to the region and state of a healthy, vibrant, and ecologically sound Utah Lake; and

(ii) the enormous potential for regional and statewide economic, aesthetic, recreational, and other benefit that can come from the rehabilitation of Utah Lake and its waters and the appropriate management of the lake authority land.

(c) The lake authority is the mechanism the state chooses to focus resources and efforts on behalf of the state to ensure that the regional and statewide interests, concerns, and purposes described in this Subsection (3) are properly addressed from more of a statewide perspective than any local government entity can provide.

(4) (a) The lake authority supplants and replaces the Utah Lake Commission, established by interlocal agreement.

(b) The Utah Lake Commission shall:

(i) cooperate with the lake authority to transition, as soon as practicable, Utah Lake Commission functions to the lake authority, to the extent consistent with this chapter; and

(ii) take all necessary actions to dissolve the Utah Lake Commission no later than May 1, 2022.

(c) The lake authority may, by majority vote of the board, succeed to the position of the Utah Lake Commission in any contract in which the Utah Lake Commission is a party.

(d) (i) As part of the transition from the Utah Lake Commission to the lake authority,

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the lake authority shall offer an employee of the Utah Lake Commission employment with the lake authority in the same or a comparable position and with the same or comparable compensation as the employee had as an employee of the Utah Lake Commission.

(ii) Subsection (4)(d)(i) may not be construed to affect the at-will status of an individual who becomes an employee of the lake authority.

(e) After the authority board is constituted, an advisory or technical committee established by the Utah Lake Commission shall continue to function under the direction of the board as a subcommittee of the lake authority until the board modifies or discontinues the subcommittee.

Section 6. Section **11-65-202** is enacted to read:

11-65-202. Lake authority powers and duties.

(1) (a) The lake authority has responsibility over planning and coordinating activities relating to the waters of Utah Lake and lake authority land, consistent with the Clean Water Act, 33 U.S.C. Sec. 1251 et seq., and Title 19, Chapter 5, Water Quality Act.

(b) The lake authority has exclusive land use authority over the lake authority land.

(c) The lake authority shall work with other government entities with jurisdiction over the watershed affecting Utah Lake water to preserve and enhance the quality of water flowing into and out of Utah Lake, subject to and consistent with Title 73, Water and Irrigation.

(d) The lake authority:

(i) may make recommendations and provide advice to an adjacent political subdivision relating to issues affecting both the lake authority and the adjacent political subdivision; and

(ii) has no jurisdictional control or power over an adjacent political subdivision except as provided in an agreement between the lake authority and the adjacent political subdivision.

(2) The lake authority ~~has exclusive jurisdiction, responsibility, and power to~~ may coordinate the efforts of all applicable state and local government entities, property owners, owners of water rights, and other private parties, and other stakeholders to:

(a) develop and implement a management plan for the lake authority land, including:

(i) an environmental sustainability component, developed in conjunction with the Utah Department of Environmental Quality, incorporating strategies and best practices to meet ~~for exceed~~ applicable federal and state standards, including:

(A) water quality monitoring and reporting; and

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(B) strategies that use the best available technology to mitigate environmental impacts from management and uses on the lake authority land;

(ii) strategies that preserve;

(A) upstream and downstream water use^{1,2};

(B) the use of appropriated water rights; and

(C) the quantity^{1,2} and quality of water in tributaries upstream of Utah Lake;

(iii) strategies that maximize the aesthetic qualities and recreational use and enjoyment of Utah Lake; and

(iv) strategies that maximize economic development on lake authority land;

(b) plan and facilitate the management of Utah Lake uses on lake authority land; and

(c) manage any land owned or leased by the lake authority.

(3) The lake authority may:

(a) develop, facilitate, oversee, and implement a plan for the restoration and rehabilitation of Utah Lake and its waters to:

(i) restore the clarity and quality of the water in Utah Lake;

(ii) conserve water resources in and around Utah Lake;

(iii) preserve the water storage and water supply functions of Utah Lake;

(iv) remove invasive plant and animal species, including phragmites and carp, from Utah Lake;

(v) restore littoral zone and other plant communities in and around Utah Lake;

(vi) restore and conserve native fish and other aquatic species in Utah Lake, including Bonneville cutthroat trout and June Sucker;

(vii) increase the suitability of Utah Lake and its surrounding areas for shore birds, waterfowl, and other avian species;

(viii) improve navigability of Utah Lake;

(ix) maximize, enhance, and ensure recreational access and opportunities on Utah Lake;

(x) in accordance with Article XVII, Section 1 of the Utah Constitution, preserve current water rights related to water associated with Utah Lake; and

(xi) otherwise improve the use of Utah Lake for residents and visitors;

(b) facilitate and bring about the management of uses on lake authority land, including

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engaging in marketing and business recruitment activities and efforts to encourage and facilitate:

(i) the improvement of water and environmental quality;

(ii) the use of Utah Lake and lake authority land for recreation;

(iii) the improvement of economic development on lake authority land; and

(iv) other development of the lake authority land consistent with the policies and objectives described in Subsection (2);

(c) facilitate and provide funding for the management of the lake authority land, including the development of publicly owned infrastructure and improvements and other infrastructure and improvements on or related to the lake authority land;

(d) engage in marketing activities and efforts to encourage and facilitate management of the lake authority land;

(e) apply for and take all other necessary actions to acquire any available federal funds to accomplish the policies and objectives described in Subsection (2);

(f) as the lake authority considers necessary or advisable to carry out any of its duties or responsibilities under this chapter:

(i) buy, obtain an option upon, or otherwise acquire any interest in real or personal property;

(ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or personal property; or

(iii) enter into a lease agreement on real or personal property, either as lessee or lessor;

(g) sue and be sued;

(h) enter into contracts generally;

(i) provide funding for the development of publicly owned infrastructure and improvements or other infrastructure and improvements on or related to the lake authority land;

(j) exercise powers and perform functions under a contract, as authorized in the contract;

(k) accept financial or other assistance from any public or private source for the lake authority's activities, powers, and duties, and expend any funds so received for any of the purposes of this chapter;

(l) borrow money, contract with, or accept financial or other assistance from the federal

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government, a public entity, or any other source for any of the purposes of this chapter and comply with any conditions of the loan, contract, or assistance;

(m) issue bonds to finance the undertaking of any management objectives of the lake authority, including bonds under this chapter, bonds under Chapter 17, Utah Industrial Facilities and Development Act, bonds under Chapter 42, Assessment Area Act, and bonds under Chapter 42a, Commercial Property Assessed Clean Energy Act;

(n) hire employees, including contract employees;

(o) transact other business and exercise all other powers provided for in this chapter;

(p) engage one or more consultants to advise or assist the lake authority in the performance of the lake authority's duties and responsibilities;

(q) work with adjacent political subdivisions and neighboring property owners and communities to mitigate potential negative impacts from the management of lake authority land;

(r) help to facilitate development in a municipality or community reinvestment agency whose boundary abuts the lake authority boundary if the development also benefits the lake authority or the management of lake authority land;

(s) own and operate one or more marina facilities if the lake authority considers the lake authority's ownership and operation to be necessary or desirable;

(t) subject to Subsection (4), own and operate publicly owned infrastructure and improvements in a project area outside the lake authority land; and

(u) exercise powers and perform functions that the lake authority is authorized by statute to exercise or perform.

(4) Notwithstanding Subsection (3)(u), the lake authority may not provide service through publicly owned infrastructure and improvements to an area outside the lake authority boundary.

(5) The lake authority may consult, coordinate, enter into agreements, or engage in mutually beneficial projects or other activities with a municipality, community reinvestment agency, or adjacent political subdivision, as the board considers appropriate.

(6) The lake authority shall:

(a) no later than December 31, 2021, prepare an accurate digital map of the lake authority boundary, subject to any later changes to the boundary enacted by the Legislature; and

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(b) maintain the digital map of the lake authority boundary that is easily accessible by the public.

(7) (a) The lake authority may establish a community enhancement program designed to address the impacts that management or uses within the lake authority boundary have on adjacent communities.

(b) (i) The lake authority may use lake authority money to support the community enhancement program and to pay for efforts to address the impacts described in Subsection (7)(a).

(ii) Lake authority money designated for use under Subsection (7)(b)(i) is exempt from execution or any other process in the collection of a judgment against or debt or other obligation of the lake authority arising out of the lake authority's activities with respect to the community enhancement program.

(c) On or before October 31, 2022, the lake authority shall report on the lake authority's actions under this Subsection (7) to:

(i) the Infrastructure and General Government Appropriations Subcommittee of the Legislature;

(ii) the Natural Resources, Agriculture, and Environmental Quality Appropriations Subcommittee of the Legislature; and

(iii) the Natural Resources, Agriculture, and Environment Interim Committee of the Legislature.

(8) A marina facility owned by the lake authority is subject to a privilege tax under Title 59, Chapter 4, Privilege Tax.

Section 7. Section **11-65-203** is enacted to read:

11-65-203. Policies and objectives of the lake authority -- Additional duties of the lake authority.

(1) The policies and objectives of the lake authority are to:

(a) (i) protect and improve:

(A) the quality of Utah Lake's water, consistent with the Clean Water Act, 33 U.S.C. Sec. 1251 et seq., and Title 19, Chapter 5, Water Quality Act;

(B) the beneficial uses of the water of Utah Lake; and

(C) Utah Lake's environmental quality; and

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- (ii) the quality of Utah Lake's lakebed and sediments;
- (b) maximize the recreational opportunities afforded by Utah Lake, ~~consistent with existing appropriated water rights in Utah Lake, in tributaries to Utah Lake, and in waters downstream from Utah Lake;~~
- (c) maximize long-term economic benefits to the area, the region, and the state;
- (d) respect and maintain sensitivity to the unique natural environment of areas in and around the lake authority boundary;
- (e) improve air quality and minimize resource use;
- (f) ~~{respect}~~comply with existing land use and other agreements and arrangements between property owners and applicable governmental authorities;
- (g) promote and encourage management and uses that are compatible with or complement uses in areas in proximity to lake authority land;
- (h) take advantage of the lake authority land's strategic location and other features that make the lake authority land attractive:
 - (i) to residents for recreational purposes;
 - (ii) for tourism and leisure;
 - (iii) for business opportunities; and
 - (iv) for meeting housing needs;
- (i) encourage the development and use of cost-efficient renewable energy in project areas;
- (j) support and promote land uses on the lake authority land and land in ~~{other lake authority project areas}~~ adjacent political subdivisions that generate economic development, including rural economic development; ~~{ and }~~
- (k) respect and maintain water rights associated with Utah Lake ~~{,}~~; and
 - (1) protect and preserve all appropriated water rights in the waters of Utah Lake, in waters tributary to Utah Lake, and in waters downstream from Utah Lake.
 - (2) In fulfilling its duties and responsibilities relating to the management of the lake authority land and to achieve and implement the management policies and objectives under Subsection (1), the lake authority shall:
 - (a) work to identify funding sources, including federal, state, and local government funding and private funding, for capital improvement projects in and around the lake authority

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land;

(b) review and identify land use and zoning policies and practices to recommend to land use policymakers and administrators of adjoining municipalities that are consistent with and will help to achieve the policies and objectives stated in Subsection (1);

(c) consult and coordinate with other applicable governmental entities to improve and enhance transportation and other infrastructure and facilities in order to maximize the potential of the lake authority land to attract, retain, and service users who will help maximize the long-term economic benefit to the state; and

(d) pursue policies that the board determines are designed to avoid or minimize negative environmental impacts of management.

(3) The lake authority shall respect:

(a) a permit issued by a governmental entity applicable to lake authority land;

(b) a governmental entity's easement or other interest affecting lake authority land; and

(c) an agreement between governmental entities, including between a state agency and the federal government, relating to lake authority land.

(4) (a) The lake authority may use lake authority money to encourage, incentivize, fund, or require development that:

(i) mitigates noise, air pollution, light pollution, surface and groundwater pollution, and other negative environmental impacts;

(ii) mitigates traffic congestion; or

(iii) uses high efficiency building construction and operation.

(b) In consultation with the municipality in which management is expected to occur, the lake authority shall establish minimum mitigation and environmental standards for management occurring on lake authority land.

Section 8. Section **11-65-204** is enacted to read:

11-65-204. Management plan.

(1) (a) The board shall prepare, adopt, and, subject to Subsection (1)(b), implement a management plan.

(b) The lake authority may not begin to implement a management plan until April 1, 2022.

(2) In preparing a management plan, the board shall:

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(a) consult with and seek and consider input from the legislative or governing body of each adjacent political subdivision; and

(b) consider how the interests of adjacent political subdivisions would be affected by implementation of the management plan.

(3) A management plan shall:

(a) describe in general terms the lake authority's:

(i) vision and plan for achieving and implementing the policies and objectives stated in Section 11-65-203; and

(ii) overall plan for the management of lake authority land, including an anticipated timetable and any anticipated phases of management;

(b) accommodate and advance, ~~{as much as reasonably possible}~~ without sacrificing the policies and objectives stated in Section 11-65-203, the compatible interests of adjacent political subdivisions;

(c) describe in general terms how the lake authority anticipates cooperating with adjacent political subdivisions to pursue mutually beneficial goals in connection with the management of lake authority land; and

(d) identify the anticipated sources of revenue for implementing the management plan.

(4) (a) Before adopting a management plan, the board shall provide a copy of the proposed management plan to each adjacent political subdivision.

(b) An adjacent political subdivision may submit to the board comments or suggestions relating to the proposed management plan.

(c) The board shall establish a deadline for submitting comments or suggestions under Subsection (4)(b) that is at least 30 days after the board provides a copy of the proposed management plan under Subsection (4)(a).

(d) Before adopting a management plan, the board shall consider comments and suggestions that are submitted by the deadline established under Subsection (4)(c).

Section 9. Section **11-65-205** is enacted to read:

11-65-205. Succeeding to Division of Forestry, Fire, and State Lands in lake restoration project.

(1) As used in this section:

(a) "Division" means the Division of Forestry, Fire, and State Lands created in Section

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65A-1-4.

(b) "Restoration project" means a project for the comprehensive restoration of Utah Lake, as provided in Laws of Utah 2018, Chapter 381.

(c) "Restoration project agreement" means an agreement under which a restoration project contractor agrees to undertake a restoration project.

(d) "Restoration project contractor" means a person who executes a legally binding restoration project agreement with the lake authority.

(2) (a) The lake authority:

(~~fa~~i) subject to Subsection (2)(b), is substituted in the place of the division with respect to efforts and proceedings undertaken by the division for the establishment of a restoration project agreement; and

(~~fb~~ii) may enter into a restoration project agreement if:

(~~fi~~A) the lake authority finds that the restoration project will fulfill the purposes of the restoration project listed in Subsection 11-65-202(3)(a); and

(~~fi~~B) the restoration project agreement is consistent with the provisions of this chapter.

(b) In cooperation and consultation with the lake authority, the division shall continue in the division's current role with respect to permit applications and requests for proposal submitted before May 5, 2021 related to the lake authority land.

(3) (a) To the extent consistent with applicable provisions of the Utah Constitution and subject to Subsection (4), a restoration project agreement may provide for the lake authority to dispose of lake authority land as compensation for the execution of a restoration project under the restoration project agreement.

(b) In determining whether to agree to the disposition of lake authority land in exchange for the execution of a restoration project, the lake authority shall consider:

(i) the potential benefit to the citizens of the state from execution of a restoration project, the desirability of the proposed use of Utah Lake and the surrounding areas as a result of the restoration project, and the enhancement in the usability and enjoyment of Utah Lake and lake authority land that will accrue to the public because of the restoration project;

(ii) the potential detriment to appropriated water rights in the waters of Utah Lake, in upstream tributaries, and downstream of Utah Lake;

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(~~iii~~) the potential that the restoration project presents for additional revenue to state and local government entities;

(~~iv~~) the ability of the proposed use of the lake authority land given in exchange for the execution of the restoration project to enhance state property adjacent to the lake authority land;

(~~v~~) the proposed timetable for completion of the restoration project; and

(~~vi~~) the ability of the restoration project contractor to execute and complete the restoration project satisfactorily.

(4) (a) Any disposition of lake authority land pursuant to a restoration project agreement under Subsection (3) is subject to the approval of the Legislative Management Committee, as provided in this Subsection (4).

(b) Upon the work under a restoration project agreement reaching an applicable benchmark under the restoration project agreement for the disposition of lake authority land, the lake authority shall notify the Legislative Management Committee and request approval for the disposition.

(c) The Legislative Management Committee shall approve the disposition of lake authority land if the lake authority demonstrates that:

(i) the disposition:

(A) is consistent with the terms of the restoration project agreement; and

(B) preserves and protects appropriated water rights and storage capacity in Utah Lake;
and

(ii) the restoration project has fulfilled or is adequately fulfilling the purposes of the restoration project listed in Subsection 11-65-202(3)(a).

(5) Upon the lake authority transferring ownership of lake authority land to a private party in exchange for and in furtherance of the execution of a restoration project, the land becomes subject to, as applicable:

(a) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act; or

(b) Title 17, Chapter 27a, County Land Use, Development, and Management Act.

Section 10. Section **11-65-206** is enacted to read:

11-65-206. Recommendation to the Legislature.

(1) The lake authority shall work with adjacent political subdivisions to develop

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recommendations to present to the Legislature.

(2) The recommendations developed under this section shall address:

(a) how the lake authority management plan should coordinate with the land use and development plans of adjacent political subdivisions;

(b) alternatives for the authority to generate revenue to fund lake authority operations, including:

(i) taxing authority;

(ii) the ability to impose fees ~~{, including waste water fees, storm water fees, or lake fees}~~ and how to make any fee proportionate and equitable to individuals and entities affected by the fee;

(iii) the ability to receive a portion of property tax revenue ~~{on adjacent}~~ from land ~~{within}~~ in adjacent political subdivisions through agreement or otherwise; and

(iv) the sharing of revenue with ~~{adjacent}~~ other political subdivisions; and

(c) potential proposals to encourage the participation of adjacent political subdivisions in a coordinated plan for the management of lake authority land and adjacent land in adjacent political subdivisions.

(3) No later than November 30, 2021, the board shall present the recommendations developed under this section to the Natural Resources, Agriculture, and Environment Interim Committee and the Revenue and Taxation Interim Committee.

Section 11. Section **11-65-207** is enacted to read:

11-65-207. Applicability of other law -- Cooperation of state and local governments -- Authority of other agencies not affected -- Attorney general to provide legal services.

(1) The lake authority is subject to and governed by Sections 63E-2-106, 63E-2-107, 63E-2-108, 63E-2-109, 63E-2-110, and 63E-2-111, but is not otherwise subject to or governed by Title 63E, Independent Entities Code.

(2) A department, division, or other agency of the state and a political subdivision of the state shall, upon the board's request, cooperate with the lake authority to provide the support, information, or other assistance reasonably necessary to help the lake authority fulfill its duties and responsibilities under this chapter.

(3) Nothing in this chapter may be construed to affect or impair the authority of the

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Department of Environmental Quality, created in Section 19-1-104, to regulate under Title 19, Environmental Quality Code, consistent with the purposes of this chapter.

(4) ~~{Nothing}~~ In accordance with Article XVII, Section 1 of the Utah Constitution, nothing in this chapter may be construed to override, supersede, or modify:

- (a) any water right in the state; or
- (b) the role or authority of the state engineer.

(5) (a) Except as otherwise explicitly provided, nothing in this chapter may be construed to authorize the lake authority to interfere with or take the place of another governmental entity in that entity's process of considering a request for a license, permit, or other regulatory or governmental permission for an action relating to water of Utah Lake or land within the lake authority boundary.

(b) The lake authority shall respect and, if applicable and within the lake authority's powers, implement a license, permit, or other regulatory or governmental permission described in Subsection (5)(a).

~~{5}~~6 The attorney general shall provide legal services to the lake authority and board.

Section 12. Section **11-65-208** is enacted to read:

11-65-208. Recommendations for lake authority role and functions.

(1) As used in this section:

(a) "Applicable state agency" means a department, division, or other agency of state government that, in the absence of the authority granted to the lake authority under this chapter, has authority or jurisdiction over the water, wildlife, land, recreation, or environment associated with the lake authority land.

(b) "Applicable state agency" includes:

- (i) the Department of Environmental Quality;
- (ii) the Division of Forestry, Fire, and State Lands;
- (iii) the Division of Wildlife Resources;
- (iv) the Division of Parks and Recreation;
- (v) the Division of Water Resources; ~~{and}~~
- (vi) the Division of Water Rights ~~{,}~~; and
- (vii) the Department of Agriculture and Food.

(2) The lake authority and applicable state agencies shall:

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(a) consult, cooperate, and work together to develop recommendations to present to the Legislative Management Committee, as provided in this section; and

(b) present the recommendations to the Legislative Management Committee no later than November 30, ~~2021~~2023.

(3) In developing recommendations under this section, the lake authority and applicable state agencies shall consider and work together to implement the intent of the Legislature, as expressed in this chapter, to establish the lake authority as the central focal point and repository of responsibility and authority for advancing and achieving the policies and objectives stated in Section 11-65-203.

(4) The recommendations developed under Subsection (2) shall address how best to prudently consolidate in the lake authority, as much as possible, the authority now held and functions now performed by applicable state agencies in order to advance and achieve the policies and objectives listed in Section 11-65-203 to the greatest extent possible, without sacrificing benefits to the public derived from the performance of functions by the various applicable state agencies in their specific areas of expertise and responsibility.

Section 13. Section **11-65-301** is enacted to read:

Part 3. Lake Authority Board

11-65-301. Utah Lake Authority board -- Delegation of power.

(1) The lake authority shall be governed by a board which shall manage and conduct the business and affairs of the lake authority and shall determine all questions of lake authority policy.

(2) All powers of the lake authority are exercised through the board or, as provided in Section 11-65-305, the executive director.

(3) The board may by resolution delegate powers to lake authority staff.

Section 14. Section **11-65-302** is enacted to read:

11-65-302. Number of board members -- Appointment -- Vacancies.

(1) The lake authority's board shall consist of ~~13~~14 members, as provided in Subsection (2).

(2) (a) The governor shall appoint two board members, at least one of whom shall be from the Governor's Office of Economic Development.

(b) The president of the Senate shall appoint one board member.

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(c) The speaker of the House of Representatives shall appoint one board member.

(d) The legislative body of Utah County shall appoint one board member.

(e) (i) The Utah County Council of Governments shall appoint ~~two~~four board members, at least one of whom shall be an individual designated by a chamber of commerce in Utah County.

(ii) The initial members appointed by the Utah County Council of Governments shall be:

(A) an individual designated by the legislative body of ~~the city of~~ Lehi ~~{ City }; { and };~~

(B) an individual designated by the legislative body of ~~the city of~~ Lindon ~~{ City };~~

~~{f} The~~ C) an individual designated by the legislative body of the city of Springville; and

~~{D} an individual designated by the~~ Utah Valley Chamber of Commerce ~~{ shall appoint one member }.~~

~~{g}f~~ The ~~{legislative body}~~ mayor of the city of Provo shall appoint one board member.

~~{h}g~~ The legislative body of the city of Orem shall appoint one board member.

~~{i}h~~ The legislative body of the city of Vineyard shall appoint one board member.

~~{j}i~~ The legislative body of the city of ~~{American Fork}~~ Saratoga Springs shall appoint one board member.

~~{k}j~~ The ~~{legislative body}~~ executive director of the ~~{city}~~ Department of ~~{Saratoga Springs}~~ Natural Resources shall appoint one board member.

(3) Appointments required under Subsection (2) shall be made no later than June 1, 2021.

(4) (a) A vacancy in the board shall be filled in the same manner under this section as the appointment of the member whose vacancy is being filled.

(b) A person appointed to fill a vacancy shall serve the remaining unexpired term of the member whose vacancy the person is filling.

(5) A member of the board appointed by the governor, president of the Senate, or speaker of the House of Representatives serves at the pleasure of and may be removed and replaced at any time, with or without cause, by the governor, president of the Senate, or speaker of the House of Representatives, respectively.

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(6) The lake authority may appoint nonvoting members of the board and set terms for those nonvoting members.

(7) Upon a vote of a majority of all board members, the board may appoint a board chair and any other officer of the board.

(8) The board:

(a) may appoint one or more advisory committees that may include individuals from impacted public entities, community organizations, environmental organizations, business organizations, or other organizations or associations~~f.t.~~; and

(b) shall appoint an advisory committee to advise on recreation and water fowl activities on Utah Lake.

Section 15. Section **11-65-303** is enacted to read:

11-65-303. Term of board members -- Quorum -- Compensation.

(1) The term of a board member appointed under Subsection 11-65-302(2) is four years, except that the initial term is two years for:

(a) one of the two members appointed under Subsection 11-65-302(2)(a), as designated by the governor;

(b) ~~one~~two of the ~~two~~four members appointed under Subsection 11-65-302(2)(e), as designated by the Utah County Council of Governments; and

(c) the members appointed under Subsections 11-65-302(2)(c), ~~(f)g~~d, ~~(f)h~~g, and ~~(f)k~~i).

(2) Each board member shall serve until a successor is duly appointed and qualified.

(3) A board member may serve multiple terms if duly appointed to serve each term under Subsection 11-65-302(2).

(4) A majority of board members constitutes a quorum, and the action of a majority of a quorum constitutes action of the board.

(5) (a) A board member who is not a legislator may not receive compensation or benefits for the member's service on the board, but may receive per diem and reimbursement for travel expenses incurred as a board member as allowed in:

(i) Sections 63A-3-106 and 63A-3-107; and

(ii) rules made by the Division of Finance according to Sections 63A-3-106 and 63A-3-107.

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(b) Compensation and expenses of a board member who is a legislator are governed by Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3, Legislator Compensation.

Section 16. Section **11-65-304** is enacted to read:

11-65-304. Limitations on board members and executive director.

(1) As used in this section:

(a) "Direct financial benefit":

(i) means any form of financial benefit that accrues to an individual directly, including:

(A) compensation, commission, or any other form of a payment or increase of money;

and

(B) an increase in the value of a business or property; and

(ii) does not include a financial benefit that accrues to the public generally.

(b) "Family member" means a parent, spouse, sibling, child, or grandchild.

(2) An individual may not serve as a voting member of the board or as executive director if the individual or a family member of the individual owns an interest in, is directly affiliated with, or is an employee or officer of a private firm, private company, or other private entity that the individual reasonably believes is likely to participate in or receive a direct financial benefit from the management of the lake authority land.

(3) Before taking office as a voting member of the board or accepting employment as executive director, an individual shall submit to the lake authority a statement verifying that the individual's service as a board member or employment as executive director does not violate Subsection (2).

(4) (a) A voting member or nonvoting member of the board or an employee of the lake authority may not receive a direct financial benefit from the management of lake authority land.

(b) For purposes of Subsection (4)(a), a direct financial benefit does not include:

(i) expense reimbursements;

(ii) per diem pay for board member service, if applicable; or

(iii) an employee's compensation or benefits from employment with the lake authority.

(5) Nothing in this section may be construed to affect the application or effect of any other code provision applicable to a board member or employee relating to ethics or conflicts of interest.

Section 17. Section **11-65-305** is enacted to read:

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11-65-305. Executive director.

(1) On or before December 31, ~~2021~~2022, the board shall hire a full-time executive director.

(2) (a) The executive director is the chief executive officer of the lake authority.

(b) The role of the executive director is to:

(i) manage and oversee the day-to-day operations of the lake authority;

(ii) fulfill the executive and administrative duties and responsibilities of the lake authority; and

(iii) perform other functions, as directed by the board.

(3) The executive director shall have the education, experience, and training necessary to perform the executive director's duties in a way that maximizes the potential for successfully achieving and implementing the strategies, policies, and objectives stated in Section 11-65-203.

(4) An executive director is an at-will employee who serves at the pleasure of the board and may be removed by the board at any time.

(5) The board shall establish the duties, compensation, and benefits of an executive director.

Section 18. Section **11-65-401** is enacted to read:

Part 4. Project Area Plan and Budget

11-65-401. Preparation of project area plan -- Required contents of project area plan.

(1) (a) The lake authority board's adoption of a project area plan is governed by this part.

(b) In order to adopt a project area plan, the lake authority board shall:

(i) prepare a draft project area plan;

(ii) give notice as required under Subsection 11-65-402(2);

(iii) hold ~~at least one~~the public ~~meeting, as~~meetings required under Subsection 11-65-402(1) ~~at least 30 days apart~~; and

(iv) after holding ~~at least one~~the required public ~~meeting~~meetings and subject to Subsection (1)(c), adopt the draft project area plan as the project area plan.

~~(c) (i) The lake authority board may not adopt the project area plan until at least 30 days after the last public meeting under Section 11-65-402.~~

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(~~f~~ii) Before adopting a draft project area plan as the project area plan, the lake authority board may make modifications to the draft project area plan that the board considers necessary or appropriate.

(d) (i) A lease or development agreement that the lake authority enters before the creation of a project area shall provide that the board is not required to create a project area.

(ii) The lake authority may not be required to pay any amount or incur any loss or penalty for the board's failure to create a project area.

(2) Each project area plan and draft project area plan shall contain:

(a) a legal description of the boundary of the project area that is the subject of the project area plan;

(b) the lake authority's purposes and intent with respect to the project area;

(c) a description of any management proposed to occur within the project area; and

(d) the board's findings and determination that:

(i) there is a need to effectuate a public purpose;

(ii) there is a public benefit to the proposed management project;

(iii) it is economically sound and feasible to adopt and carry out the project area plan;

and

(iv) carrying out the project area plan will promote the purposes of the lake authority, as stated in Section 11-65-203.

Section 19. Section **11-65-402** is enacted to read:

11-65-402. Public meeting to consider and discuss draft project area plan -- Notice -- Adoption of plan.

(1) The lake authority board shall hold at least ~~one~~two public ~~meeting~~meetings to:

(a) receive public comment on the draft project area plan; and

(b) consider and discuss the draft project area plan.

(2) At least 10 days before holding a public meeting under Subsection (1), the lake authority board shall:

(a) (i) post notice of the public meeting on the Utah Public Notice Website created in Section 63F-1-701; and

(ii) maintain the posting on the Utah Public Notice Website until the day of the public meeting; and

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(b) provide notice of the public meeting to:

~~(i) a taxing entity, and~~

~~(ii) a municipality that is located within one-half mile of the proposed project area;~~ a public entity that has entered into an agreement with the lake authority for sharing property tax revenue.

(3) Following consideration and discussion of the project area plan, the board may adopt the draft project area plan as the project area plan.

Section 20. Section **11-65-403** is enacted to read:

11-65-403. Notice of project area plan adoption -- Effective date of plan --

Contesting the formation of the plan.

(1) Upon the board's adoption of a project area plan, the board shall provide notice as provided in Subsection (1)(b) by publishing or causing to be published legal notice as required by Section 45-1-101.

(2) (a) A notice under Subsection (1) shall include:

(i) the board resolution adopting the project area plan or a summary of the resolution;
and

(ii) a statement that the project area plan is available for general public inspection and the hours for inspection.

(b) The statement required under Subsection (2)(a)(ii) may be included in the board resolution or summary described in Subsection (2)(a)(i).

(3) The project area plan becomes effective on the date designated in the board resolution adopting the project area plan.

(4) The lake authority shall make the adopted project area plan available to the general public at the lake authority's office during normal business hours.

(5) Within 10 days after the day on which a project area plan is adopted that establishes a project area, or after an amendment to a project area plan is adopted under which the boundary of a project area is modified, the lake authority shall send notice of the establishment or modification of the project area and an accurate map or plat of the project area to:

(a) the State Tax Commission;

(b) the Automated Geographic Reference Center created in Section 63F-1-506; and

(c) the assessor and recorder of each county where the project area is located.

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(6) A legal action or other challenge to a project area plan or a project area described in a project area plan is barred unless brought within ~~30~~90 days after the effective date of the project area plan.

Section 21. Section **11-65-404** is enacted to read:

11-65-404. Amendment to a project area plan.

(1) The lake authority may amend a project area plan by following the same procedure under this part as applies to the adoption of a project area plan.

(2) The provisions of this part apply to the lake authority's adoption of an amendment to a project area plan to the same extent as they apply to the adoption of a project area plan.

(3) An amendment to a project area plan does not affect the base taxable value determination for property already within the project area before the amendment.

Section 22. Section **11-65-405** is enacted to read:

11-65-405. Project area budget.

(1) Before the lake authority may use authority funds to implement the management plan, the authority board shall prepare and adopt a project area budget.

(2) The lake authority board may amend an adopted project area budget as and when the lake authority board considers an amendment appropriate.

(3) If the lake authority adopts a budget under Part 6, Authority Budget and Reports, that also meets the requirements of this part, the lake authority need not separately adopt a budget under this part.

Section 23. Section **11-65-501** is enacted to read:

Part 5. Lake Authority Bonds

11-65-501. Resolution authorizing issuance of lake authority bonds --

Characteristics of bonds.

(1) The lake authority may not issue bonds under this part unless the board first adopts a resolution authorizing issuance of the bonds.

(2) (a) As provided in the lake authority resolution authorizing the issuance of bonds under this part or the trust indenture under which the bonds are issued, bonds issued under this part may be issued in one or more series and may be sold at public or private sale and in the manner provided in the resolution or indenture.

(b) Bonds issued under this part shall bear the date, be payable at the time, bear interest

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at the rate, be in the denomination and in the form, carry the conversion or registration privileges, have the rank or priority, be executed in the manner, be subject to the terms of redemption or tender, with or without premium, be payable in the medium of payment and at the place, and have other characteristics as provided in the lake authority resolution authorizing the issuance of the bonds or the trust indenture under which the bonds are issued.

(3) Upon the board's adoption of a resolution providing for the issuance of bonds, the board may provide for the publication of the resolution as required in Section 45-1-101.

(4) In lieu of publishing the entire resolution, the board may publish notice of bonds that contains the information described in Subsection 11-14-316(2).

(5) For a period of 30 days after the publication, any person in interest may contest:

(a) the legality of the resolution or proceeding;

(b) any bonds that may be authorized by the resolution or proceeding; or

(c) any provisions made for the security and payment of the bonds.

(6) (a) A person may contest the matters set forth in Subsection (5) by filing a verified written complaint, within 30 days after the publication under Subsection (5), in the district court of the county in which the person resides.

(b) A person may not contest the matters set forth in Subsection (5), or the regularity, formality, or legality of the resolution or proceeding, for any reason, after the 30-day period for contesting provided in Subsection (6)(a).

Section 24. Section **11-65-502** is enacted to read:

11-65-502. Sources from which bonds may be made payable -- Lake authority powers regarding bonds.

(1) The principal and interest on bonds issued by the lake authority may be made payable from:

(a) the income and revenues of the projects financed with the proceeds of the bonds;

(b) the income and revenues of certain designated projects whether or not they were financed in whole or in part with the proceeds of the bonds;

(c) the income, proceeds, revenues, property, and funds the lake authority derives from or holds in connection with its undertaking and carrying out management of lake authority land;

(d) lake authority revenues generally;

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(e) a contribution, loan, grant, or other financial assistance from the federal government or a public entity in aid of the lake authority; or

(f) funds derived from any combination of the methods listed in Subsections (1)(a) through (e).

(2) In connection with the issuance of lake authority bonds, the lake authority may:

(a) pledge all or any part of the lake authority's gross or net rents, fees, or revenues to which the lake authority then has the right or to which the lake authority may thereafter acquire a right;

(b) encumber by mortgage, deed of trust, or otherwise all or any part of the lake authority's real or personal property, then owned or thereafter acquired; and

(c) make the covenants and take the action that may be necessary, convenient, or desirable to secure the lake authority's bonds, or, except as otherwise provided in this chapter, that will tend to make the bonds more marketable, even though such covenants or actions are not specifically enumerated in this chapter.

Section 25. Section **11-65-503** is enacted to read:

11-65-503. Purchase of lake authority bonds.

(1) Any person, firm, corporation, association, political subdivision of the state, or other entity or public or private officer may purchase bonds issued by the lake authority under this part with funds owned or controlled by the purchaser.

(2) Nothing in this section may be construed to relieve a purchaser of lake authority bonds of any duty to exercise reasonable care in selecting securities.

Section 26. Section **11-65-504** is enacted to read:

11-65-504. Those executing bonds not personally liable -- Limitation of obligations under bonds -- Negotiability.

(1) A member of the board or other person executing a lake authority bond is not liable personally on the bond.

(2) (a) A bond issued by the lake authority is not a general obligation or liability of the state or any of the state's political subdivisions and does not constitute a charge against the general credit or taxing powers of the state or any of the state's political subdivisions.

(b) A bond issued by the lake authority is not payable out of any funds or properties other than those of the lake authority.

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(c) The state and the state's political subdivisions are not and may not be held liable on a bond issued by the lake authority.

(d) A bond issued by the lake authority does not constitute indebtedness within the meaning of any constitutional or statutory debt limitation.

(3) A bond issued by the lake authority under this part is fully negotiable.

Section 27. Section **11-65-505** is enacted to read:

11-65-505. Obligee rights -- Board may confer other rights.

(1) In addition to all other rights that are conferred on an obligee of a bond issued by the lake authority under this part, and subject to contractual restrictions binding on the obligee, an obligee may:

(a) by mandamus, suit, action, or other proceeding, compel the lake authority and the lake authority's board, officers, agents, or employees to perform every term, provision, and covenant contained in any contract of the lake authority with or for the benefit of the obligee, and require the lake authority to carry out the covenants and agreements of the lake authority and to fulfill all duties imposed on the lake authority by this part; and

(b) by suit, action, or proceeding in equity, enjoin any acts or things that may be unlawful or violate the rights of the obligee.

(2) (a) In a board resolution authorizing the issuance of bonds or in a trust indenture, mortgage, lease, or other contract, the board may confer upon an obligee holding or representing a specified amount in bonds, the rights described in Subsection (2)(b), to accrue upon the happening of an event or default prescribed in the resolution, indenture, mortgage, lease, or other contract, and to be exercised by suit, action, or proceeding in any court of competent jurisdiction.

(b) (i) The rights that the board may confer under Subsection (2)(a) are the rights to:

(A) cause possession of all or part of a development project to be surrendered to an obligee;

(B) obtain the appointment of a receiver of all or part of a lake authority's development project and of the rents and profits from it; and

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

(ii) If a receiver is appointed through the exercise of a right granted under Subsection

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(2)(b)(i)(B), the receiver:

(A) may enter and take possession of the development project or any part of the development project, operate and maintain the development project, and collect and receive all fees, rents, revenues, or other charges arising from the development project after the receiver's appointment; and

(B) shall keep money collected as receiver for the lake authority in separate accounts and apply the money pursuant to the lake authority obligations as the court directs.

Section 28. Section **11-65-506** is enacted to read:

11-65-506. Bonds exempt from taxes -- Lake authority may purchase its own bonds.

(1) A bond issued by the lake authority under this part is issued for an essential public and governmental purpose and is, together with interest on and income from the bond, exempt from all state taxes except the corporate franchise tax.

(2) The lake authority may purchase the lake authority's own bonds at a price that the board determines.

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

Section 29. Section **11-65-601** is enacted to read:

Part 6. Lake Authority Budget, Reporting, and Audits

11-65-601. Annual lake authority budget -- Fiscal year -- Public hearing required -- Auditor forms -- Requirement to file annual budget.

(1) The board shall prepare and adopt for the lake authority an annual budget of revenues and expenditures for each fiscal year.

(2) An annual lake authority budget shall be adopted before June 22, except that the lake authority's initial budget shall be adopted as soon as reasonably practicable after the organization of the board and the beginning of lake authority operations.

(3) The lake authority's fiscal year shall be the period from July 1 to the following June 30.

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

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(b) The lake authority shall provide notice of the public hearing on the annual budget by publishing notice on the Utah Public Notice Website created in Section 63F-1-701, for at least one week immediately before the public hearing.

(c) The lake authority shall make the annual budget available for public inspection at least three days before the date of the public hearing.

(5) The state auditor shall prescribe the budget forms and the categories to be contained in each lake authority budget, including:

(a) revenues and expenditures for the budget year;

(b) legal fees; and

(c) administrative costs, including rent, supplies, and other materials, and salaries of lake authority personnel.

(6) Within 30 days after adopting an annual budget, the board shall file a copy of the annual budget with the auditor of each county in which lake authority land is located, the State Tax Commission, and the state auditor.

Section 30. Section **11-65-602** is enacted to read:

11-65-602. Amending the lake authority annual budget.

(1) The board may by resolution amend an annual lake authority budget.

(2) An amendment of the annual lake authority budget that would increase the total expenditures may be made only after a public hearing following notice published as required for initial adoption of the annual budget.

(3) The lake authority may not make expenditures in excess of the total expenditures established in the annual budget as the budget is adopted or amended.

Section 31. Section **11-65-603** is enacted to read:

11-65-603. Lake authority report.

Before November 30 of each year, the board shall present a report to the Executive Appropriations Committee of the Legislature, as the Executive Appropriations Committee directs, that includes:

(1) an accounting of how lake authority funds have been spent, including funds spent on the environmental sustainability component of the lake authority ~~business~~ management plan under Subsection 11-65-202(2)(a);

(2) an update about the progress of the management and implementation of the lake

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authority management plan under Subsection 11-65-202(2)(a), including the development and implementation of the environmental sustainability component of the plan; and

(3) an explanation of the lake authority's progress in achieving the policies and objectives described in Section 11-65-203.

Section 32. Section **11-65-604** is enacted to read:

11-65-604. Audit requirements.

The lake authority shall comply with the audit requirements of Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local Entities Act.

Section 33. Section **11-65-605** is enacted to read:

11-65-605. Audit report.

(1) The lake authority shall, within 180 days after the end of the lake authority's fiscal year, file a copy of the audit report with the county auditor and the state auditor.

(2) Each audit report under Subsection (1) shall include:

(a) the outstanding principal amount of bonds issued or other loans incurred to finance the costs associated with the lake authority's projects; and

(b) the actual amount expended for:

(i) acquisition of property;

(ii) site improvements or site preparation costs;

(iii) installation of public utilities or other public improvements; and

(iv) administrative costs of the lake authority.

Section 34. Section **11-65-606** is enacted to read:

11-65-606. Lake authority chief financial officer is a public treasurer -- Certain lake authority funds are public funds.

(1) The lake authority's chief financial officer:

(a) is a public treasurer, as defined in Section 51-7-3; and

(b) shall invest the lake authority funds specified in Subsection (2) as provided in that subsection.

(2) Notwithstanding Subsection 63E-2-110(2)(a), appropriations that the lake authority receives from the state:

(a) are public funds; and

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(b) shall be invested as provided in Title 51, Chapter 7, State Money Management Act.
Section 35. Section **11-65-701** is enacted to read:

Part 7. Lake Authority Dissolution

**11-65-701. Dissolution of lake authority -- Restrictions -- Notice of dissolution --
Disposition of lake authority property -- Lake authority records -- Dissolution expenses.**

(1) The lake authority may not be dissolved unless the lake authority has no
outstanding bonded indebtedness, other unpaid loans, indebtedness, or advances, and no legally
binding contractual obligations with persons or entities other than the state.

(2) Upon the dissolution of the lake authority:

(a) the Governor's Office of Economic Development shall publish a notice of
dissolution as required in Section 45-1-101; and

(b) all title to property owned by the lake authority vests in the state.

(3) The books, documents, records, papers, and seal of the dissolved lake authority
shall be deposited for safekeeping and reference with the state auditor.

(4) The lake authority shall pay all expenses of the deactivation and dissolution.

Section 36. Section **59-12-205** is amended to read:

**59-12-205. Ordinances to conform with statutory amendments -- Distribution of
tax revenue -- Determination of population.**

(1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
59-12-204, a county, city, or town shall adopt amendments to the county's, city's, or town's
sales and use tax ordinances:

(a) within 30 days of the day on which the state makes an amendment to an applicable
provision of Part 1, Tax Collection; and

(b) as required to conform to the amendments to Part 1, Tax Collection.

(2) Except as provided in Subsections (3) through (5) and subject to Subsection (6):

(a) 50% of each dollar collected from the sales and use tax authorized by this part shall
be distributed to each county, city, and town on the basis of the percentage that the population
of the county, city, or town bears to the total population of all counties, cities, and towns in the
state; and

(b) (i) except as provided in Subsections (2)(b)(ii) ~~[and]~~, (iii), and (iv), 50% of each
dollar collected from the sales and use tax authorized by this part shall be distributed to each

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county, city, and town on the basis of the location of the transaction as determined under Sections 59-12-211 through 59-12-215;

(ii) 50% of each dollar collected from the sales and use tax authorized by this part within a project area described in a project area plan adopted by the military installation development authority under Title 63H, Chapter 1, Military Installation Development Authority Act, shall be distributed to the military installation development authority created in Section 63H-1-201; ~~and~~

(iii) 50% of each dollar collected from the sales and use tax authorized by this part within a project area under Title 11, Chapter 58, Utah Inland Port Authority Act, shall be distributed to the Utah Inland Port Authority, created in Section 11-58-201~~[-]; and~~

~~(iv) 50% of each dollar collected from the sales and use tax authorized by this part within a project area under Title 11, Chapter 65, Utah Lake Authority Act;~~ the lake authority boundary, as defined in Section 11-65-102, shall be distributed to the Utah Lake Authority, created in Section 11-65-201, beginning the next full calendar quarter following the creation of the Utah Lake Authority.

(3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall distribute annually to a county, city, or town the distribution required by this Subsection (3) if:

(i) the county, city, or town is a:

(A) county of the third, fourth, fifth, or sixth class;

(B) city of the fifth class; or

(C) town;

(ii) the county, city, or town received a distribution under this section for the calendar year beginning on January 1, 2008, that was less than the distribution under this section that the county, city, or town received for the calendar year beginning on January 1, 2007;

(iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located within the unincorporated area of the county for one or more days during the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget; or

(B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection

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(3)(a)(i)(C), the city or town had located within the city or town for one or more days during the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North American Industry Classification System of the federal Executive Office of the President, Office of Management and Budget; and

(iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for one or more days during the calendar year beginning on January 1, 2008, was not the holder of a direct payment permit under Section 59-12-107.1; or

(B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a city or town for one or more days during the calendar year beginning on January 1, 2008, was not the holder of a direct payment permit under Section 59-12-107.1.

(b) The commission shall make the distribution required by this Subsection (3) to a county, city, or town described in Subsection (3)(a):

(i) from the distribution required by Subsection (2)(a); and

(ii) before making any other distribution required by this section.

(c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.

(ii) For purposes of Subsection (3)(c)(i):

(A) the numerator of the fraction is the difference calculated by subtracting the distribution a county, city, or town described in Subsection (3)(a) received under this section for the calendar year beginning on January 1, 2008, from the distribution under this section that the county, city, or town received for the calendar year beginning on January 1, 2007; and

(B) the denominator of the fraction is \$333,583.

(d) A distribution required by this Subsection (3) is in addition to any other distribution required by this section.

(4) (a) As used in this Subsection (4):

(i) "Eligible county, city, or town" means a county, city, or town that:

(A) for fiscal year 2012-13, received a tax revenue distribution under Subsection (4)(b) equal to the amount described in Subsection (4)(b)(ii); and

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(B) does not impose a sales and use tax under Section 59-12-2103 on or before July 1, 2016.

(ii) "Minimum tax revenue distribution" means the total amount of tax revenue distributions an eligible county, city, or town received from a tax imposed in accordance with this part for fiscal year 2004-05.

(b) An eligible county, city, or town shall receive a tax revenue distribution for a tax imposed in accordance with this part equal to the greater of:

- (i) the payment required by Subsection (2); or
- (ii) the minimum tax revenue distribution.

(5) (a) For purposes of this Subsection (5):

(i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to 1.8% of the participating local government's tax revenue distribution amount under Subsection (2)(a) for the previous fiscal year.

(ii) "Participating local government" means a county or municipality, as defined in Section 10-1-104, that is not an eligible municipality or grant eligible entity certified in accordance with Section 35A-8-609.

(b) For revenue collected from the tax authorized by this part that is distributed on or after January 1, 2019, the commission, before making a tax revenue distribution under Subsection (2)(a) to a participating local government, shall:

(i) subtract one-twelfth of the annual local contribution for each participating local government from the participating local government's tax revenue distribution under Subsection (2)(a); and

(ii) deposit the amount described in Subsection (5)(b)(i) into the Homeless Shelter Cities Mitigation Restricted Account created in Section 35A-8-606.

(c) For a participating local government that qualifies to receive a distribution described in Subsection (3) or (4), the commission shall apply the provisions of this Subsection (5) after the commission applies the provisions of Subsections (3) and (4).

(6) (a) Population figures for purposes of this section shall be based on the most recent official census or census estimate of the United States Bureau of the Census.

(b) If a needed population estimate is not available from the United States Bureau of the Census, population figures shall be derived from the estimate from the Utah Population

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Committee.

(c) The population of a county for purposes of this section shall be determined only from the unincorporated area of the county.

Section 37. Section 63I-1-263 is amended to read:

63I-1-263. Repeal dates, Titles 63A to 63N.

(1) In relation to the Utah Transparency Advisory Board, on January 1, 2025:

(a) Subsection 63A-1-201(1) is repealed;

(b) Subsection 63A-1-202(2)(c), the language "using criteria established by the board" is repealed;

(c) Section 63A-1-203 is repealed;

(d) Subsections 63A-1-204(1) and (2), the language "After consultation with the board, and" is repealed; and

(e) Subsection 63A-1-204(1)(b), the language "using the standards provided in Subsection 63A-1-203(3)(c)" is repealed.

(2) Subsection 63A-5b-405(5), relating to prioritizing and allocating capital improvement funding, is repealed July 1, 2024.

(3) Section 63A-5b-1003, State Facility Energy Efficiency Fund, is repealed July 1, 2023.

(4) Sections 63A-9-301 and 63A-9-302, related to the Motor Vehicle Review Committee, are repealed July 1, 2023.

(5) Title 63C, Chapter 4a, Constitutional and Federalism Defense Act, is repealed July 1, 2028.

(6) Title 63C, Chapter 6, Utah Seismic Safety Commission, is repealed January 1, 2025.

(7) Title 63C, Chapter 12, Snake Valley Aquifer Advisory Council, is repealed July 1, 2024.

(8) Title 63C, Chapter 17, Point of the Mountain Development Commission Act, is repealed July 1, 2021.

(9) Title 63C, Chapter 18, Behavioral Health Crisis Response Commission, is repealed July 1, 2023.

(10) Title 63C, Chapter 21, Outdoor Adventure Commission, is repealed July 1, 2025.

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- (11) Title 63F, Chapter 2, Data Security Management Council, is repealed July 1, 2025.
- (12) Section 63G-6a-805, which creates the Purchasing from Persons with Disabilities Advisory Board, is repealed July 1, 2026.
- (13) Title 63G, Chapter 21, Agreements to Provide State Services, is repealed July 1, 2025.
- (14) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1, 2024.
- (15) Title 63H, Chapter 8, Utah Housing Corporation Act, is repealed July 1, 2026.
- (16) Subsection 63J-1-602.1(14), Nurse Home Visiting Restricted Account is repealed July 1, 2026.
- (17) (a) Subsection 63J-1-602.1(58), relating to the Utah Statewide Radio System Restricted Account, is repealed July 1, 2022.
- (b) When repealing Subsection 63J-1-602.1(58), the Office of Legislative Research and General Counsel shall, in addition to the office's authority under Subsection 36-12-12(3), make necessary changes to subsection numbering and cross references.
- (18) Subsection 63J-1-602.2(4), referring to dedicated credits to the Utah Marriage Commission, is repealed July 1, 2023.
- (19) Subsection 63J-1-602.2~~(5)~~(7), referring to the Trip Reduction Program, is repealed July 1, 2022.
- (20) Subsection 63J-1-602.2~~(25)~~(26), related to the Utah Seismic Safety Commission, is repealed January 1, 2025.
- (21) Title 63J, Chapter 4, Part 5, Resource Development Coordinating Committee, is repealed July 1, 2027.
- (22) Subsection 63J-4-608(3), which creates the Federal Land Application Advisory Committee, is repealed on July 1, 2021.
- (23) In relation to the Utah Substance Use and Mental Health Advisory Council, on January 1, 2023:
- (a) Sections 63M-7-301, 63M-7-302, 63M-7-303, 63M-7-304, and 63M-7-306 are repealed;
- (b) Section 63M-7-305, the language that states "council" is replaced with

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"commission";

(c) Subsection 63M-7-305(1) is repealed and replaced with:

"(1) "Commission" means the Commission on Criminal and Juvenile Justice."; and

(d) Subsection 63M-7-305(2) is repealed and replaced with:

"(2) The commission shall:

(a) provide ongoing oversight of the implementation, functions, and evaluation of the Drug-Related Offenses Reform Act; and

(b) coordinate the implementation of Section 77-18-1.1 and related provisions in Subsections 77-18-1(5)(b)(iii) and (iv)."

(24) The Crime Victim Reparations and Assistance Board, created in Section 63M-7-504, is repealed July 1, 2027.

(25) Title 63M, Chapter 7, Part 6, Utah Council on Victims of Crime, is repealed July 1, 2022.

(26) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1, 2021.

(27) Subsection 63N-1-301(4)(c), related to the Talent Ready Utah Board, is repealed January 1, 2023.

(28) Title 63N, Chapter 1, Part 5, Governor's Economic Development Coordinating Council, is repealed July 1, 2024.

(29) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed July 1, 2028.

(30) Section 63N-2-512 is repealed July 1, 2021.

(31) (a) Title 63N, Chapter 2, Part 6, Utah Small Business Jobs Act, is repealed January 1, 2021.

(b) Section 59-9-107 regarding tax credits against premium taxes is repealed for calendar years beginning on or after January 1, 2021.

(c) Notwithstanding Subsection (31)(b), an entity may carry forward a tax credit in accordance with Section 59-9-107 if:

(i) the person is entitled to a tax credit under Section 59-9-107 on or before December 31, 2020; and

(ii) the qualified equity investment that is the basis of the tax credit is certified under Section 63N-2-603 on or before December 31, 2023.

(32) Subsections 63N-3-109(2)(e) and 63N-3-109(2)(f)(i) are repealed July 1, 2023.

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(33) Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program, is repealed July 1, 2023.

(34) Title 63N, Chapter 7, Part 1, Board of Tourism Development, is repealed July 1, 2025.

(35) Title 63N, Chapter 9, Part 2, Outdoor Recreational Infrastructure Grant Program, is repealed January 1, 2023.

(36) Title 63N, Chapter 12, Part 5, Talent Ready Utah Center, is repealed January 1, 2023.

Section ~~(37)~~38. Section **63J-1-602.2** is amended to read:

63J-1-602.2. List of nonlapsing appropriations to programs.

Appropriations made to the following [programs] are nonlapsing:

(1) The Legislature and the Legislature's committees.
(2) The State Board of Education, including all appropriations to agencies, line items, and programs under the jurisdiction of the State Board of Education, in accordance with Section 53F-9-103.

(3) The Percent-for-Art Program created in Section 9-6-404.

(4) The LeRay McAllister Critical Land Conservation Program created in Section 11-38-301.

(5) The Utah Lake Authority created in Section 11-65-201.

~~[(5)]~~ (6) Dedicated credits accrued to the Utah Marriage Commission as provided under Subsection 17-16-21(2)(d)(ii).

~~[(6)]~~ (7) The Trip Reduction Program created in Section 19-2a-104.

~~[(7)]~~ (8) The Division of Wildlife Resources for the appraisal and purchase of lands under the Pelican Management Act, as provided in Section 23-21a-6.

~~[(8)]~~ (9) The emergency medical services grant program in Section 26-8a-207.

~~[(9)]~~ (10) The primary care grant program created in Section 26-10b-102.

~~[(10)]~~ (11) Sanctions collected as dedicated credits from Medicaid provider under Subsection 26-18-3(7).

~~[(11)]~~ (12) The Utah Health Care Workforce Financial Assistance Program created in Section 26-46-102.

~~[(12)]~~ (13) The Rural Physician Loan Repayment Program created in Section

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26-46a-103.

~~[(13)]~~ (14) The Opiate Overdose Outreach Pilot Program created in Section 26-55-107.

~~[(14)]~~ (15) Funds that the Department of Alcoholic Beverage Control retains in accordance with Subsection 32B-2-301(8)(a) or (b).

~~[(15)]~~ (16) The General Assistance program administered by the Department of Workforce Services, as provided in Section 35A-3-401.

~~[(16)]~~ (17) A new program or agency that is designated as nonlapsing under Section 36-24-101.

~~[(17)]~~ (18) The Utah National Guard, created in Title 39, Militia and Armories.

~~[(18)]~~ (19) The State Tax Commission under Section 41-1a-1201 for the:

(a) purchase and distribution of license plates and decals; and

(b) administration and enforcement of motor vehicle registration requirements.

~~[(19)]~~ (20) The Search and Rescue Financial Assistance Program, as provided in Section 53-2a-1102.

~~[(20)]~~ (21) The Motorcycle Rider Education Program, as provided in Section 53-3-905.

~~[(21)]~~ (22) The Utah Board of Higher Education for teacher preparation programs, as provided in Section 53B-6-104.

~~[(22)]~~ (23) The Medical Education Program administered by the Medical Education Council, as provided in Section 53B-24-202.

~~[(23)]~~ (24) The Division of Services for People with Disabilities, as provided in Section 62A-5-102.

~~[(24)]~~ (25) The Division of Fleet Operations for the purpose of upgrading underground storage tanks under Section 63A-9-401.

~~[(25)]~~ (26) The Utah Seismic Safety Commission, as provided in Section 63C-6-104.

~~[(26)]~~ (27) Appropriations to the Department of Technology Services for technology innovation as provided under Section 63F-4-202.

~~[(27)]~~ (28) The Office of Administrative Rules for publishing, as provided in Section 63G-3-402.

~~[(28)]~~ (29) The Governor's Office of Economic Development to fund the Enterprise Zone Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.

~~[(29)]~~ (30) Appropriations to fund the Governor's Office of Economic Development's

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Rural Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion Program.

~~[(30)]~~ (31) Appropriations to fund programs for the Jordan River Recreation Area as described in Section 65A-2-8.

~~[(31)]~~ (32) The Department of Human Resource Management user training program, as provided in Section 67-19-6.

~~[(32)]~~ (33) A public safety answering point's emergency telecommunications service fund, as provided in Section 69-2-301.

~~[(33)]~~ (34) The Traffic Noise Abatement Program created in Section 72-6-112.

~~[(34)]~~ (35) The Judicial Council for compensation for special prosecutors, as provided in Section 77-10a-19.

~~[(35)]~~ (36) A state rehabilitative employment program, as provided in Section 78A-6-210.

~~[(36)]~~ (37) The Utah Geological Survey, as provided in Section 79-3-401.

~~[(37)]~~ (38) The Bonneville Shoreline Trail Program created under Section 79-5-503.

~~[(38)]~~ (39) Adoption document access as provided in Sections 78B-6-141, 78B-6-144, and 78B-6-144.5.

~~[(39)]~~ (40) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent Defense Commission.

~~[(40)]~~ (41) The program established by the Division of Facilities Construction and Management under Section 63A-5b-703 under which state agencies receive an appropriation and pay lease payments for the use and occupancy of buildings owned by the Division of Facilities Construction and Management.

Section ~~{38}~~ **Repealer:**

~~— This bill repeals:~~

~~— Section 65A-15-101, Title:~~

~~— Section 65A-15-102, Definitions:~~

~~— Section 65A-15-103, Legislative findings:~~

~~— Section 65A-15-201, Division authority to dispose of sovereign land in exchange for Utah Lake restoration project -- Criteria:~~

~~— Section 65A-15-202, Status of state lands after a change in ownership:~~

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39. Coordinating H.B. 364 with H.B. 346 -- Substantive and technical amendment.

If this H.B. 364 and H.B. 346, Natural Resources Entities Amendments, both pass and become law, it is the intent of the Legislature that the Office of Legislative Research and General Counsel shall prepare the Utah Code database for publication by amending Subsection 11-65-208(1)(b), as enacted in this H.B. 364, to read:

"(b) "Applicable state agency" includes:

(i) the Department of Environmental Quality;

(ii) the Division of Forestry, Fire, and State Lands;

(iii) the Division of Wildlife Resources;

(iv) the Division of Parks;

(v) the Division of Recreation;

(vi) the Division of Water Resources;

(vii) the Division of Water Rights; and

(viii) the Department of Agriculture and Food."