

Representative Brady Brammer proposes the following substitute bill:

UTAH LAKE AUTHORITY

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brady Brammer

Senate Sponsor: Michael K. McKell

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 director and prohibits board members and the executive director from receiving certain benefits;
- ▶ requires the authority board to adopt and implement a management plan for Utah Lake;
- ▶ authorizes the authority to enter into an agreement for the improvement of Utah Lake;



- 26 ▶ provides for the hiring of an executive director, defines the executive director's role,
27 and provides for the qualifications and duties of the executive director;
- 28 ▶ requires the attorney general to provide legal services to the lake authority;
- 29 ▶ provides a process for the adoption and amendment of a project area plan and a
30 project area budget;
- 31 ▶ provides for the Utah Lake Authority to be paid certain sales tax revenue and other
32 sources of revenue, and provides for the allowable uses of revenue;
- 33 ▶ authorizes the Utah Lake Authority to issue bonds and includes provisions related to
34 bonds;
- 35 ▶ requires the Utah Lake Authority board to adopt an annual budget and provides a
36 process for preparing and adopting or amending a budget;
- 37 ▶ requires the Utah Lake Authority to provide reports and requires the Authority to
38 comply with audit requirements; and
- 39 ▶ provides limits on the dissolution of the Utah Lake Authority and requirements if a
40 dissolution occurs.

41 **Money Appropriated in this Bill:**

42 None

43 **Other Special Clauses:**

44 None

45 **Utah Code Sections Affected:**

46 AMENDS:

47 **59-12-205**, as last amended by Laws of Utah 2021, Chapter 281

48 **63J-1-602.2**, as last amended by Laws of Utah 2021, Chapters 179, 344, 412, 421, and
49 424

50 ENACTS:

51 **11-65-101**, Utah Code Annotated 1953

52 **11-65-102**, Utah Code Annotated 1953

53 **11-65-103**, Utah Code Annotated 1953

54 **11-65-201**, Utah Code Annotated 1953

55 **11-65-202**, Utah Code Annotated 1953

56 **11-65-203**, Utah Code Annotated 1953

Part 1. General Provisions

11-65-101. 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:

(a) defined by recorded boundary settlement agreements between private landowners and the Division of Forestry, Fire, and State Lands; and

(b) that separates privately owned land from Utah Lake sovereign land.

(5) "Lake authority land" means land on the lake side of the lake authority boundary.

(6) "Management" means work to coordinate and facilitate the improvement of Utah Lake, including work to enhance the long-term viability and health of Utah Lake and to produce economic, aesthetic, recreational, environmental, and other benefits for the state, consistent with the strategies, policies, and objectives described in this chapter.

(7) "Management plan" means a plan to conceptualize, design, facilitate, coordinate, 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 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 a project area.

(11) "Project area plan" means a written plan that, after the plan's effective date, manages activity within a project area 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

119 district, interlocal cooperation entity, community reinvestment agency, or other political
120 subdivision of the state.

121 (13) "Publicly owned infrastructure and improvements":

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

123 (i) benefit the public; and

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

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

126 (b) includes:

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

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

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

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

133 (14) "Sovereign land" means land:

134 (a) lying below the ordinary high water mark of a navigable body of water at the date
135 of statehood; and

136 (b) owned by the state by virtue of the state's sovereignty.

137 (15) "Utah Lake" includes all waters of Utah Lake and all land, whether or not
138 submerged under water, within the lake authority boundary.

139 (16) "Voting member" means an individual appointed as a member of the board under
140 Subsection [11-65-302\(2\)](#).

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

142 **11-65-102. Severability.**

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

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

147 **11-65-103. Nonlapsing funds.**

148 Money the lake authority receives from legislative appropriations is nonlapsing.

149 Section 4. 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 Utah Constitution, Article XI, Section 8, 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 applicable federal, state, and local government entities, property owners, owners of water rights, private parties, and stakeholders to encourage, facilitate, and implement the management of Utah Lake.

(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, environmental, recreational, and other benefit that can come from the management of Utah Lake.

(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

181 Commission functions to the lake authority, to the extent consistent with this chapter; and

182 (ii) take all necessary actions to dissolve the Utah Lake Commission no later than May
183 1, 2023.

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

186 (d) (i) As part of the transition from the Utah Lake Commission to the lake authority,
187 the lake authority shall offer an employee of the Utah Lake Commission employment with the
188 lake authority in the same or a comparable position and with the same or comparable
189 compensation as the employee had as an employee of the Utah Lake Commission.

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

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

196 Section 5. Section 11-65-202 is enacted to read:

197 **11-65-202. Lake authority powers and duties.**

198 (1) (a) The lake authority has land use authority over publicly owned land within the
199 lake authority boundary.

200 (b) The lake authority shall work with other government entities with jurisdiction over
201 sovereign land and the watershed affecting Utah Lake water to improve the quality of water
202 flowing into and out of Utah Lake, subject to and consistent with Title 19, Environmental
203 Quality Code, and Title 73, Water and Irrigation.

204 (c) The lake authority may make recommendations and provide advice to an adjacent
205 political subdivision relating to issues affecting both the lake authority and the adjacent
206 political subdivision.

207 (d) The lake authority has no jurisdictional control or power over:

208 (i) another political subdivision, except as provided in an agreement between the lake
209 authority and the other political subdivision;

210 (ii) the regulation of water quality;

211 (iii) water rights;

212 (iv) water collection, storage, or delivery;
213 (v) a project for water collection, storage, or delivery; and
214 (vi) water facilities that the lake authority does not own.
215 (2) The lake authority may coordinate the efforts of all applicable state and local
216 government entities, property owners, owners of water rights, and other private parties, and
217 other stakeholders to:
218 (a) develop and implement a management plan for Utah Lake, including:
219 (i) an environmental sustainability component, developed in conjunction with the
220 Department of Environmental Quality and the Division of Wildlife Resources incorporating
221 strategies and best management practices to meet applicable federal and state standards,
222 including:
223 (A) water quality monitoring and reporting; and
224 (B) strategies that use the best available technology and practices to mitigate
225 environmental impacts from management and uses on Utah Lake;
226 (ii) strategies that enhance the aesthetic qualities and recreational use and enjoyment of
227 Utah Lake; and
228 (iii) strategies that enhance economic development in communities adjacent to Utah
229 Lake;
230 (b) plan and facilitate the management of Utah Lake uses; and
231 (c) manage any land owned or leased by the lake authority that is not sovereign land.
232 (3) The lake authority has primary responsibility and authority for the management of
233 Utah Lake, subject to and in accordance with this chapter.
234 (4) The lake authority may:
235 (a) engage in education efforts to encourage and facilitate:
236 (i) the improvement of water and environmental quality;
237 (ii) the use of Utah Lake for recreation;
238 (iii) the improvement of economic development on Utah Lake; and
239 (iv) other management of Utah Lake consistent with the policies and objectives
240 described in Subsection (2);
241 (b) facilitate and provide funding for the management of Utah Lake, including the
242 development of publicly owned infrastructure and improvements and other infrastructure and

243 improvements on or related to Utah Lake;

244 (c) engage in marketing activities and efforts to encourage and facilitate management
245 of Utah Lake;

246 (d) as determined by the board appropriate to accomplish or further the policies and
247 objectives described in Subsection (2):

248 (i) take all necessary actions to acquire any grants or other available funds from federal
249 or other governmental or private entities, including providing matching funds;

250 (ii) award grants of lake authority funds; or

251 (iii) provide waivers of financial obligations to the lake authority;

252 (e) as the lake authority considers necessary or advisable to carry out any of the lake
253 authority's duties or responsibilities under this chapter:

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

256 (ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real
257 property that is not sovereign land or any interest in personal property; or

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

259 (f) sue and be sued;

260 (g) enter into contracts generally;

261 (h) provide funding for the development of publicly owned infrastructure and
262 improvements or other infrastructure and improvements on or related to Utah Lake;

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

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

268 (k) borrow money, contract with, or accept financial or other assistance from the
269 federal government, a public entity, or any other source for any of the purposes of this chapter
270 and comply with any conditions of the loan, contract, or assistance;

271 (l) issue bonds to finance the undertaking of any management objectives of the lake
272 authority, including bonds under this chapter, bonds under Chapter 17, Utah Industrial
273 Facilities and Development Act, bonds under Chapter 42, Assessment Area Act, and bonds

274 under Chapter 42a, Commercial Property Assessed Clean Energy Act;

275 (m) hire employees, including contract employees;

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

277 (o) engage one or more consultants to advise or assist the lake authority in the

278 performance of the lake authority's duties and responsibilities;

279 (p) work with adjacent political subdivisions and neighboring property owners and

280 communities to mitigate potential negative impacts from the management of Utah Lake;

281 (q) help to facilitate development in a municipality or community reinvestment agency

282 whose boundary abuts the lake authority boundary if the development also benefits the lake

283 authority or the management of Utah Lake;

284 (r) subject to Subsection (5)(a), manage one or more marina facilities if the lake

285 authority considers the lake authority managing the marina facility to be necessary or desirable;

286 (s) subject to Subsection (5)(b), own and operate publicly owned infrastructure and

287 improvements in a project area outside the lake authority land; and

288 (t) exercise powers and perform functions that the lake authority is authorized by

289 statute to exercise or perform.

290 (5) (a) Notwithstanding Subsection (4)(r), the lake authority may not interfere with or
291 replace the management of a privately operated marina.

292 (b) Notwithstanding Subsection (4)(s), the lake authority may not provide service
293 through publicly owned infrastructure and improvements to an area outside the lake authority
294 boundary.

295 (c) The lake authority may not impair or affect:

296 (i) a right to store, use, exchange, release, or deliver water under a water right and
297 associated contract; or

298 (ii) a project or facility to store, release, and deliver water.

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

302 (7) The lake authority shall:

303 (a) no later than December 31, 2022, prepare an accurate digital map of the lake

304 authority boundary, subject to any later changes to the boundary enacted by the Legislature; and

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

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

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

313 (ii) Lake authority money designated for use under Subsection (8)(b)(i) is exempt from
314 execution or any other process in the collection of a judgment against or debt or other
315 obligation of the lake authority arising out of the lake authority's activities with respect to the
316 community enhancement program.

317 (c) On or before October 31, 2023, the lake authority shall report on the lake authority's
318 actions under this Subsection (8) to the Natural Resources, Agriculture, and Environment
319 Interim Committee of the Legislature.

320 Section 6. Section **11-65-203** is enacted to read:

321 **11-65-203. Policies and objectives of the lake authority -- Additional duties of the**
322 **lake authority.**

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

324 (a) protect and improve:

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

327 (ii) the beneficial and public trust uses of Utah Lake;

328 (iii) Utah Lake's environmental quality; and

329 (iv) the quality of Utah Lake's lakebed and sediments;

330 (b) enhance the recreational opportunities afforded by Utah Lake;

331 (c) enhance long-term economic benefits to the area, the region, and the state;

332 (d) respect and maintain sensitivity to the unique natural environment of areas in and
333 around the lake authority boundary;

334 (e) improve air quality and minimize resource use;

335 (f) comply with existing land use and other agreements and arrangements between

336 property owners and applicable governmental authorities;

337 (g) promote and encourage management and uses that are compatible with or

338 complement the public trust and uses in areas in proximity to Utah Lake;

339 (h) take advantage of Utah Lake's strategic location and other features that make Utah

340 Lake attractive:

341 (i) to residents for recreational purposes;

342 (ii) for tourism and leisure; and

343 (iii) for business opportunities;

344 (i) encourage the development and use of cost-efficient renewable energy in project
345 areas;

346 (j) as consistent with applicable public trust, support and promote land uses on land
347 within the lake authority boundary and land in adjacent political subdivisions that generate
348 economic development, including rural economic development;

349 (k) respect and not interfere with water rights or the operation of water facilities or
350 water projects associated with Utah Lake;

351 (l) respect and maintain sensitivity to the unique Native American history, historical
352 sites, and artifacts within and around the lake authority boundary; and

353 (m) protect the ability of the Provo airport to operate and grow, consistent with
354 applicable environmental regulations, recognizing the significant state investment in the airport
355 and the benefits that a thriving airport provides to the quality of life and the economy.

356 (2) In fulfilling the lake authority's duties and responsibilities relating to the
357 management of Utah Lake and to achieve and implement the management policies and
358 objectives under Subsection (1), the lake authority shall:

359 (a) work to identify funding sources, including federal, state, and local government
360 funding and private funding, for capital improvement projects in and around Utah Lake;

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

364 (c) consult and coordinate with other applicable governmental entities to improve and
365 enhance transportation and other infrastructure and facilities in order to maximize the potential
366 of Utah Lake to attract, retain, and service users who will help enhance the long-term economic

367 benefit to the state; and

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

370 (3) The lake authority shall respect:

371 (a) a permit issued by a governmental entity applicable to Utah Lake;

372 (b) a governmental entity's easement or other interest affecting Utah Lake;

373 (c) an agreement between governmental entities, including between a state agency and
374 the federal government, relating to Utah Lake; and

375 (d) the public trust doctrine as applicable to land within the lake authority boundary.

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

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

380 (ii) includes building or project designs that minimize negative impacts to the June
381 Sucker, avian species, and other wildlife;

382 (iii) mitigates traffic congestion; or

383 (iv) uses high efficiency building construction and operation.

384 (b) In consultation with the municipality in which management is expected to occur
385 and applicable state agencies, the lake authority shall establish minimum mitigation and
386 environmental standards for management occurring on land within the lake authority boundary.

387 Section 7. Section **11-65-204** is enacted to read:

388 **11-65-204. Management plan.**

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

391 (b) The lake authority may not begin to implement a management plan until April 1,
392 2023.

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

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

396 (b) work cooperatively with and receive input from the Division of Forestry, Fire, and
397 State Lands; and

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

400 (3) A management plan shall:

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

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

404 (ii) overall plan for the management of Utah Lake, including an anticipated timetable
405 and any anticipated phases of management;

406 (b) accommodate and advance, without sacrificing the policies and objectives stated in
407 Section [11-65-203](#), the compatible interests of adjacent political subdivisions;

408 (c) describe in general terms how the lake authority anticipates cooperating with
409 adjacent political subdivisions to pursue mutually beneficial goals in connection with the
410 management of Utah Lake;

411 (d) identify the anticipated sources of revenue for implementing the management plan;
412 and

413 (e) be consistent with management planning conducted by the Division of Forestry,
414 Fire, and State Lands, to pursue the objectives of:

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

416 (ii) not interfering with water rights or with water storage or water supply functions of
417 Utah Lake;

418 (iii) removing invasive plant and animal species, including phragmites and carp, from
419 Utah Lake;

420 (iv) improving littoral zone and other plant communities in and around Utah Lake;

421 (v) improving and conserving native fish and other aquatic species in Utah Lake;

422 (vi) cooperating in the June Sucker Recovery Implementation Program;

423 (vii) increasing the suitability of Utah Lake and Utah Lake's surrounding areas for
424 shore birds, waterfowl, and other avian species;

425 (viii) improving navigability of Utah Lake;

426 (ix) enhancing and ensuring recreational access to and opportunities on Utah Lake; and

427 (x) otherwise improving the use of Utah Lake for residents and visitors.

428 (4) A management plan may not interfere with or impair:

- 429 (a) a water right;
- 430 (b) a water project; or
- 431 (c) the management of Utah Lake necessary for the use or operation of a water facility
- 432 associated with Utah Lake.

433 (5) (a) Before adopting a management plan, the board shall:

434 (i) provide a copy of the proposed management plan to:

435 (A) the executive director of the Department of Natural Resources;

436 (B) the executive director of the Department of Environmental Quality;

437 (C) the state engineer; and

438 (D) each adjacent political subdivision; and

439 (ii) post a copy of the proposed management plan on the Utah Public Notice Website
440 created in Section [63A-16-601](#).

441 (b) Comments or suggestions relating to the proposed management plan may be
442 submitted to the board within the deadline established under Subsection (5)(c).

443 (c) The board shall establish a deadline for submitting comments or suggestions to the
444 proposed management plan that is at least 30 days after the board provides a copy of the
445 proposed management plan under Subsection (5)(a)(i).

446 (d) Before adopting a management plan, the board shall consider comments and
447 suggestions that are submitted by the deadline established under Subsection (5)(c).

448 Section 8. Section **11-65-205** is enacted to read:

449 **11-65-205. Project for the improvement of Utah Lake -- Role of the Division of**
450 **Forestry, Fire, and State Lands -- Allowing the use of Utah Lake in exchange for the**
451 **implementation of an improvement project.**

452 (1) As used in this section:

453 (a) "Division" means the Division of Forestry, Fire, and State Lands created in Section
454 [65A-1-4](#).

455 (b) "Improvement project" means a project for the improvement of Utah Lake as
456 determined by the board.

457 (c) "Improvement project agreement" means an agreement under which an
458 improvement project contractor agrees to undertake an improvement project.

459 (d) "Improvement project contractor" means a person who executes a legally binding

460 improvement project agreement with the lake authority.

461 (2) (a) Subject to Subsection (2)(b), the lake authority is substituted in the place of the
462 division with respect to the management of Utah Lake.

463 (b) Subsection (2)(a) does not affect the division's role and responsibility relating to:

464 (i) the administration and issuance of permits, leases, rights of entry, or easements; or

465 (ii) the disposal of lake authority land.

466 (3) The lake authority may enter into an improvement project agreement if:

467 (a) the lake authority finds that the improvement project will fulfill the purposes listed
468 in Subsection [11-65-202](#)(4)(a);

469 (b) the proposed improvement project is consistent with the public trust doctrine and
470 the provisions of this chapter;

471 (c) the improvement project contractor obtains necessary permitting authorization from
472 the division to construct or implement the improvement project on lake authority land; and

473 (d) at least 30 days before entering into the improvement project agreement, the lake
474 authority provides notice of the lake authority's intention to enter into the improvement project
475 agreement to each person that has requested notice under Subsection [11-65-402](#)(2)(c) of the
476 lake authority's intention to enter into the improvement project agreement.

477 (4) (a) An improvement project agreement may include a provision allowing the
478 division to permit a use of Utah Lake, consistent with the public trust doctrine, in exchange for
479 the implementation of the improvement project agreement, as provided in this Subsection (4).

480 (b) (i) If provided for in an improvement project agreement, the lake authority may
481 recommend that the division allow the use of Utah Lake in exchange for the implementation of
482 the improvement project agreement.

483 (ii) In making a recommendation under Subsection (4)(b)(i), the lake authority shall
484 consider:

485 (A) the potential benefit to the citizens of the state from execution of an improvement
486 project, the desirability of the proposed use of Utah Lake and the surrounding areas as a result
487 of the improvement project, and the enhancement of the usability and enjoyment of Utah Lake
488 and lake authority land that will accrue to the public because of the improvement project;

489 (B) the potential detriment to appropriated water rights in Utah Lake, in upstream
490 tributaries, and downstream of Utah Lake;

491 (C) the potential that the improvement project presents for additional revenue to state
492 and local government entities;

493 (D) the enhancement to state property resulting from the proposed use of Utah Lake
494 allowed to be used in exchange for the execution of the improvement project;

495 (E) the proposed timetable for completion of the improvement project;

496 (F) the ability of the improvement project contractor to execute and complete the
497 improvement project satisfactorily; and

498 (G) the effects of the improvement project on lake ecology, including the ability to
499 avoid or mitigate negative impacts to wetlands and to migratory birds, fish species, and other
500 wildlife.

501 (c) The division shall issue a permit for the use of Utah Lake in accordance with a
502 recommendation under Subsection (4)(b)(i) if:

503 (i) the authority makes a recommendation under Subsection (4)(b)(i); and

504 (ii) the division finds the proposed use to be consistent with:

505 (A) management plans applicable to Utah Lake; and

506 (B) the public trust doctrine.

507 (d) Nothing in this Subsection (4) may be construed to allow the disposition of title to
508 any land within the lake authority boundary in exchange for the implementation of an
509 improvement project.

510 Section 9. Section **11-65-206** is enacted to read:

511 **11-65-206. Applicability of other law -- Cooperation of state and local**
512 **governments -- Authority of other agencies not affected -- Attorney general to provide**
513 **legal services.**

514 (1) The lake authority is subject to and governed by Sections [63E-2-106](#), [63E-2-107](#),
515 [63E-2-108](#), [63E-2-109](#), [63E-2-110](#), and [63E-2-111](#), but is not otherwise subject to or governed
516 by Title 63E, Independent Entities Code.

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

521 (3) Nothing in this chapter may be construed to affect or impair:

522 (a) the authority of the Department of Environmental Quality, created in Section
523 19-1-104, to regulate under Title 19, Environmental Quality Code, consistent with the purposes
524 of this chapter; or

525 (b) the authority of the Division of Wildlife Resources, created in Section 23-14-1, to
526 regulate under Title 23, Wildlife Resources Code of Utah, consistent with the purposes of this
527 chapter.

528 (4) In accordance with Utah Constitution, Article XVII, Section 1, nothing in this
529 chapter may be construed to override, supersede, interfere with, or modify:

530 (a) any water right in the state;

531 (b) the operation of a water facility or project; or

532 (c) the role or authority of the state engineer.

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

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

541 (6) Nothing in this chapter may be construed to allow the authority to:

542 (a) consider an application for the disposal of land within the lake authority boundary
543 under Title 65A, Chapter 15, Utah Lake Restoration Act; or

544 (b) issue bonding or other financing for a project under Title 65A, Chapter 15, Utah
545 Lake Restoration Act.

546 (7) The attorney general shall provide legal services to the board.

547 Section 10. Section 11-65-301 is enacted to read:

548 **Part 3. Lake Authority Board**

549 **11-65-301. Utah Lake Authority board -- Delegation of power.**

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

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

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

556 (4) To consult with and advise the board in the performance of the board's duties in
557 fulfilling the purposes of the lake authority, the board shall appoint:

558 (a) one or more advisory committees;

559 (b) one or more technical committees;

560 (c) one or more local government groups; and

561 (d) one or more stakeholder groups.

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

563 **11-65-302. Number of board members -- Appointment -- Vacancies.**

564 (1) The lake authority's board shall consist of 15 members, as provided in Subsection

565 (2).

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

568 (b) The president of the Senate shall appoint as one board member an individual who
569 holds office as a member of the Senate and whose Senate district includes an area within Utah
570 County.

571 (c) The speaker of the House of Representatives shall appoint as one board member an
572 individual who holds office as a member of the House of Representatives and whose House of
573 Representatives district includes an area within Utah County.

574 (d) The legislative body of Utah County shall appoint a member of the legislative body
575 of Utah County as a board member.

576 (e) (i) The Utah County Council of Governments shall appoint eight board members, at
577 least one of whom shall be an individual selected from among individuals designated by
578 chambers of commerce in Utah County, each of which may recommend an individual for
579 appointment to the board.

580 (ii) A member appointed by the Utah County Council of Governments, except a
581 member appointed as designated by a chamber of commerce in Utah County, shall hold an
582 elective office in Utah County or a municipality within Utah County.

583 (iii) At least four of the members appointed by the Utah County Council of

584 Governments shall be elected officials from municipalities immediately adjacent to the lake
585 authority boundary.

586 (iv) The initial members appointed by the Utah County Council of Governments shall
587 include:

588 (A) an individual designated by the legislative body of the city of Lehi;

589 (B) an individual designated by the legislative body of the city of Lindon;

590 (C) an individual designated by the legislative body of the city of Spanish Fork;

591 (D) an individual who is an elected officer of the city of Provo, designated by the
592 mayor of the city of Provo;

593 (E) an individual who is an elected officer of the city of Orem, designated by the
594 legislative body of the city of Orem;

595 (F) an individual who is an elected officer of the city of Vineyard, designated by the
596 legislative body of the city of Vineyard; and

597 (G) an individual who is an elected officer of the city of Saratoga Springs, designated
598 by the legislative body of the city of Saratoga Springs.

599 (f) The executive director of the Department of Natural Resources shall appoint one
600 board member.

601 (g) The executive director of the Department of Environmental Quality shall appoint
602 one board member.

603 (3) Appointments required under Subsection (2) shall be made no later than June 1,
604 2022.

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

607 (b) An individual appointed to fill a vacancy shall serve the remaining unexpired term
608 of the member whose vacancy the individual is filling.

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

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

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

617 (8) The board:

618 (a) may appoint one or more advisory committees that may include individuals from
619 impacted public entities, community organizations, environmental organizations, business
620 organizations, or other organizations or associations; and

621 (b) shall appoint an advisory committee to advise on:

622 (i) water rights, water projects, and water facilities associated with Utah Lake; and

623 (ii) recreation and avian and other wildlife activities on Utah Lake.

624 Section 12. Section **11-65-303** is enacted to read:

625 **11-65-303. Term of board members -- Quorum -- Compensation.**

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

628 (a) one of the two members appointed under Subsection [11-65-302\(2\)\(a\)](#), as designated
629 by the governor;

630 (b) four of the eight members appointed under Subsection [11-65-302\(2\)\(e\)](#), as
631 designated by the Utah County Council of Governments; and

632 (c) the members appointed under Subsections [11-65-302\(2\)\(f\)](#) and [\(g\)](#).

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

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

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

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

641 (i) Sections [63A-3-106](#) and [63A-3-107](#); and

642 (ii) rules made by the Division of Finance according to Sections [63A-3-106](#) and
643 [63A-3-107](#).

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

646 Section 13. Section **11-65-304** is enacted to read:

647 **11-65-304. Limitations on board members and executive director.**

648 (1) As used in this section:

649 (a) "Direct financial benefit":

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

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

652 and

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

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

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

656 (2) An individual may not serve as a voting member of the board or as executive

657 director if the individual or a family member of the individual owns an interest in, is directly

658 affiliated with, or is an employee or officer of a private firm, private company, or other private

659 entity that the individual reasonably believes is likely to participate in or receive a direct

660 financial benefit from the management of Utah Lake.

661 (3) Before taking office as a voting member of the board or accepting employment as

662 executive director, an individual shall submit to the lake authority a statement verifying that the

663 individual's service as a board member or employment as executive director does not violate

664 Subsection (2).

665 (4) (a) A voting member or nonvoting member of the board or an employee of the lake

666 authority may not receive a direct financial benefit from the management of Utah Lake.

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

668 (i) expense reimbursements;

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

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

671 (5) Nothing in this section may be construed to affect the application or effect of any

672 other code provision applicable to a board member or employee relating to ethics or conflicts

673 of interest.

674 Section 14. Section **11-65-305** is enacted to read:

675 **11-65-305. Executive director.**

676 (1) (a) The director of the Utah Lake Commission shall be the initial full-time

677 executive director of the authority.

678 (b) Subsection (1)(a) does not affect the status of the executive director as an at-will
679 employee.

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

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

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

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

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

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

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

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

693 Section 15. Section **11-65-306** is enacted to read:

694 **11-65-306. Development of standards and criteria to measure progress toward**
695 **achieving lake authority policies and objectives -- Annual report.**

696 (1) The board shall develop standards and criteria by which to measure:

697 (a) the condition of Utah Lake as of 2022; and

698 (b) the extent to which efforts of the lake authority improve the condition of Utah Lake
699 and achieve the policies and objectives of Section [11-65-203](#).

700 (2) In developing the standards and criteria, the board shall consult with and consider
701 recommendations by:

702 (a) the Department of Environmental Quality;

703 (b) the Division of Water Quality;

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

705 (d) the Division of Wildlife Resources;

706 (e) the Division of State Parks;

707 (f) the Division of Recreation;

708 (g) the Division of Water Resources;
709 (h) the Division of Water Rights; and
710 (i) the Department of Agriculture and Food.
711 (3) Beginning in 2023, the board shall produce an annual report that explains the
712 degree to which efforts of the lake authority are improving the condition of Utah Lake and
713 achieving the policies and objectives of Section [11-65-203](#), in accordance with the standards
714 and criteria developed under this section.

715 Section 16. Section **11-65-401** is enacted to read:

716 **Part 4. Project Area Plan and Budget**

717 **11-65-401. Preparation of project area plan -- Required contents of project area**
718 **plan.**

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

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

722 (i) prepare a draft project area plan;

723 (ii) give notice as required under Subsection [11-65-402\(2\)](#);

724 (iii) hold the public meetings required under Subsection [11-65-402\(1\)](#) at least 30 days
725 apart; and

726 (iv) after holding the required public meetings and subject to Subsection (1)(c), adopt
727 the draft project area plan as the project area plan.

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

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

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

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

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

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

739 project area plan;

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

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

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

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

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

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

746 and

747 (iv) carrying out the project area plan will promote the purposes of the lake authority,

748 as stated in Section 11-65-203.

749 Section 17. Section 11-65-402 is enacted to read:

750 **11-65-402. Public meeting to consider and discuss draft project area plan -- Notice**

751 **-- Adoption of plan.**

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

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

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

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

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

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

761 (b) provide notice of the public meeting to a public entity that has entered into an
762 agreement with the lake authority for sharing property tax revenue; and

763 (c) provide email notice of the public meeting to each person who has submitted a
764 written request to the board to receive email notice of a public meeting under this section.

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

767 Section 18. Section 11-65-403 is enacted to read:

768 **11-65-403. Notice of project area plan adoption -- Effective date of plan --**

769 **Contesting the formation of the plan.**

770 (1) Upon the board's adoption of a project area plan, the board shall provide notice as
771 provided in Subsection (2) by publishing or causing to be published legal notice as required by
772 Section [45-1-101](#).

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

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

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

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

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

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

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

788 (a) the State Tax Commission;

789 (b) the Utah Geospatial Resource Center created in Section [63A-16-505](#); and

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

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

794 Section 19. Section **11-65-404** is enacted to read:

795 **11-65-404. Amendment to a project area plan.**

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

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

800 (3) An amendment to a project area plan does not affect the base taxable value

801 determination for property already within the project area before the amendment.

802 Section 20. Section **11-65-405** is enacted to read:

803 **11-65-405. Project area budget.**

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

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

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

811 Section 21. Section **11-65-501** is enacted to read:

812 **Part 5. Lake Authority Bonds**

813 **11-65-501. Resolution authorizing issuance of lake authority bonds --**

814 **Characteristics of bonds.**

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

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

821 (b) Bonds issued under this part shall bear the date, be payable at the time, bear interest
822 at the rate, be in the denomination and in the form, carry the conversion or registration
823 privileges, have the rank or priority, be executed in the manner, be subject to the terms of
824 redemption or tender, with or without premium, be payable in the medium of payment and at
825 the place, and have other characteristics as provided in the lake authority resolution authorizing
826 the issuance of the bonds or the trust indenture under which the bonds are issued.

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

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

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

- 832 (a) the legality of the resolution or proceeding;
- 833 (b) any bonds that may be authorized by the resolution or proceeding; or
- 834 (c) any provisions made for the security and payment of the bonds.
- 835 (6) (a) A person may contest the matters set forth in Subsection (5) by filing a verified
- 836 written complaint, within 30 days after the publication under Subsection (5), in the district
- 837 court of the county in which the person resides.

838 (b) A person may not contest the matters set forth in Subsection (5), or the regularity,

839 formality, or legality of the resolution or proceeding, for any reason, after the 30-day period for

840 contesting provided in Subsection (6)(a).

841 Section 22. Section **11-65-502** is enacted to read:

842 **11-65-502. Sources from which bonds may be made payable -- Lake authority**

843 **powers regarding bonds.**

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

845 payable from:

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

847 (b) the income and revenues of certain designated projects whether or not they were

848 financed in whole or in part with the proceeds of the bonds;

849 (c) the income, proceeds, revenues, property, and funds the lake authority derives from

850 or holds in connection with the lake authority's undertaking and carrying out management of

851 lake authority land;

852 (d) lake authority revenues generally;

853 (e) a contribution, loan, grant, or other financial assistance from the federal

854 government or a public entity in aid of the lake authority; or

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

856 through (e).

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

858 (a) pledge all or any part of the lake authority's gross or net rents, fees, or revenues to

859 which the lake authority then has the right or to which the lake authority may thereafter acquire

860 a right; and

861 (b) make the covenants and take the action that may be necessary, convenient, or

862 desirable to secure the lake authority's bonds, or, except as otherwise provided in this chapter,

863 that will tend to make the bonds more marketable, even though such covenants or actions are
864 not specifically enumerated in this chapter.

865 Section 23. Section **11-65-503** is enacted to read:

866 **11-65-503. Purchase of lake authority bonds.**

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

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

872 Section 24. Section **11-65-504** is enacted to read:

873 **11-65-504. Those executing bonds not personally liable -- Limitation of**
874 **obligations under bonds -- Negotiability.**

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

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

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

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

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

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

887 Section 25. Section **11-65-505** is enacted to read:

888 **11-65-505. Obligee rights -- Board may confer other rights.**

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

892 (a) by mandamus, suit, action, or other proceeding, compel the lake authority and the
893 lake authority's board, officers, agents, or employees to perform every term, provision, and

894 covenant contained in any contract of the lake authority with or for the benefit of the obligee,
895 and require the lake authority to carry out the covenants and agreements of the lake authority
896 and to fulfill all duties imposed on the lake authority by this part; and

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

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

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

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

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

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

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

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

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

920 Section 26. Section **11-65-506** is enacted to read:

921 **11-65-506. Bonds exempt from taxes -- Lake authority may purchase its own**
922 **bonds.**

923 (1) A bond issued by the lake authority under this part is issued for an essential public
924 and governmental purpose and is, together with interest on and income from the bond, exempt

925 from all state taxes except the corporate franchise tax.

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

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

931 Section 27. Section **11-65-601** is enacted to read:

932 **Part 6. Lake Authority Budget, Reporting, and Audits**

933 **11-65-601. Annual lake authority budget -- Fiscal year -- Public hearing required**
934 **-- Auditor forms -- Requirement to file annual budget.**

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

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

940 (3) The lake authority's fiscal year shall be the period from July 1 to the following June
941 30.

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

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

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

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

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

952 (b) legal fees; and

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

955 (6) Within 30 days after adopting an annual budget, the board shall file a copy of the

956 annual budget with the auditor of each county in which lake authority land is located, the State
957 Tax Commission, and the state auditor.

958 Section 28. Section **11-65-602** is enacted to read:

959 **11-65-602. Amending the lake authority annual budget.**

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

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

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

966 Section 29. Section **11-65-603** is enacted to read:

967 **11-65-603. Lake authority report.**

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

971 (1) an accounting of how lake authority funds have been spent, including funds spent
972 on the environmental sustainability component of the lake authority management plan under
973 Subsection [11-65-202\(2\)\(a\)](#);

974 (2) an update about the progress of the management and implementation of the lake
975 authority management plan under Subsection [11-65-202\(2\)\(a\)](#), including the development and
976 implementation of the environmental sustainability component of the plan; and

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

979 Section 30. Section **11-65-604** is enacted to read:

980 **11-65-604. Audit requirements.**

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

984 Section 31. Section **11-65-605** is enacted to read:

985 **11-65-605. Audit report.**

986 (1) The lake authority shall, within 180 days after the end of the lake authority's fiscal

987 year, file a copy of the audit report with the county auditor and the state auditor.

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

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

991 (b) the actual amount expended for:

992 (i) acquisition of property;

993 (ii) site improvements or site preparation costs;

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

995 (iv) administrative costs of the lake authority.

996 Section 32. Section **11-65-606** is enacted to read:

997 **11-65-606. Lake authority chief financial officer is a public treasurer -- Certain**
998 **lake authority funds are public funds.**

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

1000 (a) is a public treasurer, as defined in Section [51-7-3](#); and

1001 (b) shall invest the lake authority funds specified in Subsection (2) as provided in that
1002 subsection.

1003 (2) Notwithstanding Subsection [63E-2-110\(2\)\(a\)](#), appropriations that the lake authority
1004 receives from the state:

1005 (a) are public funds; and

1006 (b) shall be invested as provided in Title 51, Chapter 7, State Money Management Act.

1007 Section 33. Section **11-65-701** is enacted to read:

1008 **Part 7. Lake Authority Dissolution**

1009 **11-65-701. Dissolution of lake authority -- Restrictions -- Notice of dissolution --**
1010 **Disposition of lake authority property -- Lake authority records -- Dissolution expenses.**

1011 (1) The lake authority may not be dissolved unless the lake authority has no
1012 outstanding bonded indebtedness, other unpaid loans, indebtedness, or advances, and no legally
1013 binding contractual obligations with persons or entities other than the state.

1014 (2) Upon the dissolution of the lake authority:

1015 (a) the Governor's Office of Economic Opportunity shall publish a notice of dissolution
1016 as required in Section [45-1-101](#); and

1017 (b) all title to property owned by the lake authority vests in the state.

1018 (3) The books, documents, records, papers, and seal of the dissolved lake authority
1019 shall be deposited for safekeeping and reference with the state auditor.

1020 (4) The lake authority shall pay all expenses of the deactivation and dissolution.

1021 Section 34. Section **59-12-205** is amended to read:

1022 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**
1023 **tax revenue -- Determination of population.**

1024 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
1025 **59-12-204**, a county, city, or town shall adopt amendments to the county's, city's, or town's
1026 sales and use tax ordinances:

1027 (a) within 30 days of the day on which the state makes an amendment to an applicable
1028 provision of Part 1, Tax Collection; and

1029 (b) as required to conform to the amendments to Part 1, Tax Collection.

1030 (2) Except as provided in Subsections (3) through (5) and subject to Subsection (6):

1031 (a) 50% of each dollar collected from the sales and use tax authorized by this part shall
1032 be distributed to each county, city, and town on the basis of the percentage that the population
1033 of the county, city, or town bears to the total population of all counties, cities, and towns in the
1034 state; and

1035 (b) (i) except as provided in Subsections (2)(b)(ii) [~~and~~], (iii), and (iv), 50% of each
1036 dollar collected from the sales and use tax authorized by this part shall be distributed to each
1037 county, city, and town on the basis of the location of the transaction as determined under
1038 Sections **59-12-211** through **59-12-215**;

1039 (ii) 50% of each dollar collected from the sales and use tax authorized by this part
1040 within a project area described in a project area plan adopted by the military installation
1041 development authority under Title 63H, Chapter 1, Military Installation Development
1042 Authority Act, shall be distributed to the military installation development authority created in
1043 Section **63H-1-201**; [~~and~~]

1044 (iii) 50% of each dollar collected from the sales and use tax authorized by this part
1045 within a project area under Title 11, Chapter 58, Utah Inland Port Authority Act, shall be
1046 distributed to the Utah Inland Port Authority, created in Section **11-58-201**[~~;~~]; and

1047 (iv) 50% of each dollar collected from the sales and use tax authorized by this part
1048 within the lake authority boundary, as defined in Section **11-65-101**, shall be distributed to the

1049 Utah Lake Authority, created in Section [11-65-201](#), beginning the next full calendar quarter
1050 following the creation of the Utah Lake Authority.

1051 (3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall
1052 distribute annually to a county, city, or town the distribution required by this Subsection (3) if:

1053 (i) the county, city, or town is a:

1054 (A) county of the third, fourth, fifth, or sixth class;

1055 (B) city of the fifth class; or

1056 (C) town;

1057 (ii) the county, city, or town received a distribution under this section for the calendar
1058 year beginning on January 1, 2008, that was less than the distribution under this section that the
1059 county, city, or town received for the calendar year beginning on January 1, 2007;

1060 (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located
1061 within the unincorporated area of the county for one or more days during the calendar year
1062 beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,
1063 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North
1064 American Industry Classification System of the federal Executive Office of the President,
1065 Office of Management and Budget; or

1066 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
1067 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during
1068 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry
1069 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the
1070 2002 North American Industry Classification System of the federal Executive Office of the
1071 President, Office of Management and Budget; and

1072 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment
1073 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for
1074 one or more days during the calendar year beginning on January 1, 2008, was not the holder of
1075 a direct payment permit under Section [59-12-107.1](#); or

1076 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
1077 (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a
1078 city or town for one or more days during the calendar year beginning on January 1, 2008, was
1079 not the holder of a direct payment permit under Section [59-12-107.1](#).

1080 (b) The commission shall make the distribution required by this Subsection (3) to a
1081 county, city, or town described in Subsection (3)(a):
1082 (i) from the distribution required by Subsection (2)(a); and
1083 (ii) before making any other distribution required by this section.
1084 (c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by
1085 multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.
1086 (ii) For purposes of Subsection (3)(c)(i):
1087 (A) the numerator of the fraction is the difference calculated by subtracting the
1088 distribution a county, city, or town described in Subsection (3)(a) received under this section
1089 for the calendar year beginning on January 1, 2008, from the distribution under this section that
1090 the county, city, or town received for the calendar year beginning on January 1, 2007; and
1091 (B) the denominator of the fraction is \$333,583.
1092 (d) A distribution required by this Subsection (3) is in addition to any other distribution
1093 required by this section.
1094 (4) (a) As used in this Subsection (4):
1095 (i) "Eligible county, city, or town" means a county, city, or town that:
1096 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection (4)(b)
1097 equal to the amount described in Subsection (4)(b)(ii); and
1098 (B) does not impose a sales and use tax under Section [59-12-2103](#) on or before July 1,
1099 2016.
1100 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
1101 distributions an eligible county, city, or town received from a tax imposed in accordance with
1102 this part for fiscal year 2004-05.
1103 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax
1104 imposed in accordance with this part equal to the greater of:
1105 (i) the payment required by Subsection (2); or
1106 (ii) the minimum tax revenue distribution.
1107 (5) (a) For purposes of this Subsection (5):
1108 (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to
1109 1.8% of the participating local government's tax revenue distribution amount under Subsection
1110 (2)(a) for the previous fiscal year.

1111 (ii) "Participating local government" means a county or municipality, as defined in
1112 Section 10-1-104, that is not an eligible municipality or grant eligible entity certified in
1113 accordance with Section 35A-16-307.

1114 (b) For revenue collected from the tax authorized by this part that is distributed on or
1115 after January 1, 2019, the commission, before making a tax revenue distribution under
1116 Subsection (2)(a) to a participating local government, shall:

1117 (i) subtract one-twelfth of the annual local contribution for each participating local
1118 government from the participating local government's tax revenue distribution under
1119 Subsection (2)(a); and

1120 (ii) deposit the amount described in Subsection (5)(b)(i) into the Homeless Shelter
1121 Cities Mitigation Restricted Account created in Section 35A-16-304.

1122 (c) For a participating local government that qualifies to receive a distribution
1123 described in Subsection (3) or (4), the commission shall apply the provisions of this Subsection
1124 (5) after the commission applies the provisions of Subsections (3) and (4).

1125 (6) (a) Population figures for purposes of this section shall be based on the most recent
1126 official census or census estimate of the United States Bureau of the Census.

1127 (b) If a needed population estimate is not available from the United States Bureau of
1128 the Census, population figures shall be derived from the estimate from the Utah Population
1129 Committee.

1130 (c) The population of a county for purposes of this section shall be determined only
1131 from the unincorporated area of the county.

1132 Section 35. Section 63J-1-602.2 is amended to read:

1133 **63J-1-602.2. List of nonlapsing appropriations to programs.**

1134 Appropriations made to the following programs are nonlapsing:

1135 (1) The Legislature and the Legislature's committees.

1136 (2) The State Board of Education, including all appropriations to agencies, line items,
1137 and programs under the jurisdiction of the State Board of Education, in accordance with
1138 Section 53F-9-103.

1139 (3) The Percent-for-Art Program created in Section 9-6-404.

1140 (4) The LeRay McAllister Critical Land Conservation Program created in Section
1141 11-38-301.

- 1142 (5) The Utah Lake Authority created in Section [11-65-201](#).
- 1143 [~~(5)~~] (6) Dedicated credits accrued to the Utah Marriage Commission as provided
1144 under Subsection [17-16-21\(2\)\(d\)\(ii\)](#).
- 1145 [~~(6)~~] (7) The Trip Reduction Program created in Section [19-2a-104](#).
- 1146 [~~(7)~~] (8) The Division of Wildlife Resources for the appraisal and purchase of lands
1147 under the Pelican Management Act, as provided in Section [23-21a-6](#).
- 1148 [~~(8)~~] (9) The emergency medical services grant program in Section [26-8a-207](#).
- 1149 [~~(9)~~] (10) The primary care grant program created in Section [26-10b-102](#).
- 1150 [~~(10)~~] (11) Sanctions collected as dedicated credits from Medicaid provider under
1151 Subsection [26-18-3\(7\)](#).
- 1152 [~~(11)~~] (12) The Utah Health Care Workforce Financial Assistance Program created in
1153 Section [26-46-102](#).
- 1154 [~~(12)~~] (13) The Rural Physician Loan Repayment Program created in Section
1155 [26-46a-103](#).
- 1156 [~~(13)~~] (14) The Opiate Overdose Outreach Pilot Program created in Section [26-55-107](#).
- 1157 [~~(14)~~] (15) Funds that the Department of Alcoholic Beverage Control retains in
1158 accordance with Subsection [32B-2-301\(9\)\(a\)](#) or (b).
- 1159 [~~(15)~~] (16) The General Assistance program administered by the Department of
1160 Workforce Services, as provided in Section [35A-3-401](#).
- 1161 [~~(16)~~] (17) The Utah National Guard, created in Title 39, Militia and Armories.
- 1162 [~~(17)~~] (18) The State Tax Commission under Section [41-1a-1201](#) for the:
1163 (a) purchase and distribution of license plates and decals; and
1164 (b) administration and enforcement of motor vehicle registration requirements.
- 1165 [~~(18)~~] (19) The Search and Rescue Financial Assistance Program, as provided in
1166 Section [53-2a-1102](#).
- 1167 [~~(19)~~] (20) The Motorcycle Rider Education Program, as provided in Section [53-3-905](#).
- 1168 [~~(20)~~] (21) The Utah Board of Higher Education for teacher preparation programs, as
1169 provided in Section [53B-6-104](#).
- 1170 [~~(21)~~] (22) The Medical Education Program administered by the Medical Education
1171 Council, as provided in Section [53B-24-202](#).
- 1172 [~~(22)~~] (23) The Division of Services for People with Disabilities, as provided in

- 1173 Section [62A-5-102](#).
- 1174 ~~[(23)]~~ [\(24\)](#) The Division of Fleet Operations for the purpose of upgrading underground
1175 storage tanks under Section [63A-9-401](#).
- 1176 ~~[(24)]~~ [\(25\)](#) The Utah Seismic Safety Commission, as provided in Section [63C-6-104](#).
- 1177 ~~[(25)]~~ [\(26\)](#) Appropriations to the Division of Technology Services for technology
1178 innovation as provided under Section [63A-16-903](#).
- 1179 ~~[(26)]~~ [\(27\)](#) The Office of Administrative Rules for publishing, as provided in Section
1180 [63G-3-402](#).
- 1181 ~~[(27)]~~ [\(28\)](#) The Colorado River Authority of Utah, created in Title 63M, Chapter 14,
1182 Colorado River Authority of Utah Act.
- 1183 ~~[(28)]~~ [\(29\)](#) The Governor's Office of Economic Opportunity to fund the Enterprise
1184 Zone Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.
- 1185 ~~[(29)]~~ [\(30\)](#) Appropriations to fund the Governor's Office of Economic Opportunity's
1186 Rural Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural
1187 Employment Expansion Program.
- 1188 ~~[(30)]~~ [\(31\)](#) Appropriations to fund programs for the Jordan River Recreation Area as
1189 described in Section [65A-2-8](#).
- 1190 ~~[(31)]~~ [\(32\)](#) The Division of Human Resource Management user training program, as
1191 provided in Section [63A-17-106](#).
- 1192 ~~[(32)]~~ [\(33\)](#) A public safety answering point's emergency telecommunications service
1193 fund, as provided in Section [69-2-301](#).
- 1194 ~~[(33)]~~ [\(34\)](#) The Traffic Noise Abatement Program created in Section [72-6-112](#).
- 1195 ~~[(34)]~~ [\(35\)](#) The money appropriated from the Navajo Water Rights Negotiation
1196 Account to the Division of Water Rights, created in Section [73-2-1.1](#), for purposes of
1197 participating in a settlement of federal reserved water right claims.
- 1198 ~~[(35)]~~ [\(36\)](#) The Judicial Council for compensation for special prosecutors, as provided
1199 in Section [77-10a-19](#).
- 1200 ~~[(36)]~~ [\(37\)](#) A state rehabilitative employment program, as provided in Section
1201 [78A-6-210](#).
- 1202 ~~[(37)]~~ [\(38\)](#) The Utah Geological Survey, as provided in Section [79-3-401](#).
- 1203 ~~[(38)]~~ [\(39\)](#) The Bonneville Shoreline Trail Program created under Section [79-5-503](#).

1204 [~~39~~] (40) Adoption document access as provided in Sections [78B-6-141](#), [78B-6-144](#),
1205 and [78B-6-144.5](#).

1206 [~~40~~] (41) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent
1207 Defense Commission.

1208 [~~41~~] (42) The program established by the Division of Facilities Construction and
1209 Management under Section [63A-5b-703](#) under which state agencies receive an appropriation
1210 and pay lease payments for the use and occupancy of buildings owned by the Division of
1211 Facilities Construction and Management.