

STATE FAIR PARK AMENDMENTS

2023 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott D. Sandall

House Sponsor: Mike Schultz

LONG TITLE

General Description:

This bill modifies provisions relating to the state fair park.

Highlighted Provisions:

This bill:

- ▶ provides for the dissolution of the Utah State Fair Corporation;
 - ▶ creates the State Fair Park Authority as a successor entity to the Utah State Fair Corporation, with similar but modified duties;
 - ▶ authorizes the Authority to impose a fair park rental facility tax and a resort communities tax;
 - ▶ makes property on state fair park land subject to the privilege tax and provides for revenue from the tax to be paid to the Authority;
 - ▶ modifies provisions relating to the operation, maintenance, construction, and modification of buildings and facilities on state fair park land;
 - ▶ authorizes the Authority to issue bonds and enacts provisions relating to the bonds;
- and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None



28 **Utah Code Sections Affected:**

29 AMENDS:

30 **11-36a-202**, as last amended by Laws of Utah 2022, Chapter 406

31 **59-4-101**, as last amended by Laws of Utah 2020, Chapter 105

32 **59-12-401**, as last amended by Laws of Utah 2021, Chapter 414

33 **63E-1-102**, as last amended by Laws of Utah 2022, Chapters 44 and 63

34 **63J-7-102**, as last amended by Laws of Utah 2022, Chapters 224, 451, and 456

35 **67-3-12**, as last amended by Laws of Utah 2022, Chapters 169, 205, and 274

36 ENACTS:

37 **11-68-401**, Utah Code Annotated 1953

38 **11-68-501**, Utah Code Annotated 1953

39 **11-68-502**, Utah Code Annotated 1953

40 **11-68-503**, Utah Code Annotated 1953

41 **11-68-504**, Utah Code Annotated 1953

42 **11-68-505**, Utah Code Annotated 1953

43 **11-68-506**, Utah Code Annotated 1953

44 RENUMBERS AND AMENDS:

45 **11-68-101**, (Renumbered from 63H-6-102, as last amended by Laws of Utah 2020,
46 Chapter 152)

47 **11-68-201**, (Renumbered from 63H-6-103, as last amended by Laws of Utah 2022,
48 Chapter 421)

49 **11-68-202**, (Renumbered from 63H-6-108, as last amended by Laws of Utah 2022,
50 Chapter 421)

51 **11-68-301**, (Renumbered from 63H-6-104, as last amended by Laws of Utah 2020,
52 Chapters 352 and 373)

53 **11-68-302**, (Renumbered from 63H-6-105, as renumbered and amended by Laws of
54 Utah 2011, Chapter 370)

55 **11-68-402**, (Renumbered from 63H-6-109, as enacted by Laws of Utah 2016, Chapter
56 301)

57 **11-68-403**, (Renumbered from 63H-6-107, as last amended by Laws of Utah 2016,
58 Chapter 301)

59 **11-68-601**, (Renumbered from 63H-6-106, as renumbered and amended by Laws of
60 Utah 2011, Chapter 370)

61 REPEALS:

62 **63H-6-101**, as last amended by Laws of Utah 2016, Chapter 301

63 **63H-6-201**, as enacted by Laws of Utah 2016, Chapter 301

64 **63H-6-202**, as enacted by Laws of Utah 2016, Chapter 301

65 **63H-6-203**, as enacted by Laws of Utah 2016, Chapter 301

66 **63H-6-204**, as enacted by Laws of Utah 2016, Chapter 301

67 **63H-6-205**, as enacted by Laws of Utah 2016, Chapter 301



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

70 Section 1. Section **11-36a-202** is amended to read:

71 **11-36a-202. Prohibitions on impact fees.**

72 (1) A local political subdivision or private entity may not:

73 (a) impose an impact fee to:

74 (i) cure deficiencies in a public facility serving existing development;

75 (ii) raise the established level of service of a public facility serving existing
76 development; or

77 (iii) recoup more than the local political subdivision's or private entity's costs actually
78 incurred for excess capacity in an existing system improvement;

79 (b) delay the construction of a school or charter school because of a dispute with the
80 school or charter school over impact fees; or

81 (c) impose or charge any other fees as a condition of development approval unless
82 those fees are a reasonable charge for the service provided.

83 (2) (a) Notwithstanding any other provision of this chapter, a political subdivision or
84 private entity may not impose an impact fee:

85 (i) on residential components of development to pay for a public safety facility that is a
86 fire suppression vehicle;

87 (ii) on a school district or charter school for a park, recreation facility, open space, or
88 trail;

89 (iii) on a school district or charter school unless:

90 (A) the development resulting from the school district's or charter school's
91 development activity directly results in a need for additional system improvements for which
92 the impact fee is imposed; and

93 (B) the impact fee is calculated to cover only the school district's or charter school's
94 proportionate share of the cost of those additional system improvements;

95 (iv) to the extent that the impact fee includes a component for a law enforcement
96 facility, on development activity for:

97 (A) the Utah National Guard;

98 (B) the Utah Highway Patrol; or

99 (C) a state institution of higher education that has its own police force;

100 (v) on development activity on ~~[the state]~~ fair park land, as defined in Section
101 ~~[63H-6-102]~~ 11-68-101; or

102 (vi) on development activity that consists of the construction of an internal accessory
103 dwelling unit, as defined in Section 10-9a-530, within an existing primary dwelling.

104 (b) (i) Notwithstanding any other provision of this chapter, a political subdivision or
105 private entity may not impose an impact fee on development activity that consists of the
106 construction of a school, whether by a school district or a charter school, if:

107 (A) the school is intended to replace another school, whether on the same or a different
108 parcel;

109 (B) the new school creates no greater demand or need for public facilities than the
110 school or school facilities, including any portable or modular classrooms that are on the site of
111 the replaced school at the time that the new school is proposed; and

112 (C) the new school and the school being replaced are both within the boundary of the
113 local political subdivision or the jurisdiction of the private entity.

114 (ii) If the imposition of an impact fee on a new school is not prohibited under
115 Subsection (2)(b)(i) because the new school creates a greater demand or need for public
116 facilities than the school being replaced, the impact fee shall be based only on the demand or
117 need that the new school creates for public facilities that exceeds the demand or need that the
118 school being replaced creates for those public facilities.

119 (c) Notwithstanding any other provision of this chapter, a political subdivision or
120 private entity may impose an impact fee for a road facility on the state only if and to the extent

121 that:

- 122 (i) the state's development causes an impact on the road facility; and
 123 (ii) the portion of the road facility related to an impact fee is not funded by the state or
 124 by the federal government.

125 (3) Notwithstanding any other provision of this chapter, a local political subdivision
 126 may impose and collect impact fees on behalf of a school district if authorized by Section
 127 [11-36a-206](#).

128 Section 2. Section **11-68-101**, which is renumbered from Section 63H-6-102 is
 129 renumbered and amended to read:

130 CHAPTER 68. STATE FAIR PARK AUTHORITY ACT

131 Part 1. General Provisions

132 ~~[63H-6-102].~~ **11-68-101. Definitions.**

133 As used in this chapter:

134 (1) "Authority" means the State Fair Park Authority, created in Section [11-68-201](#).

135 ~~[(+)]~~ (2) "Board" means the authority board [of directors of the corporation], created in
 136 Section [11-68-301](#).

137 ~~[(2)]~~ (3) "Business related experience" means at least three years of professional
 138 experience in business administration, marketing, advertising, economic development, or a
 139 related field.

140 ~~[(3)]~~ (4) "Capital development projects" means the same as [~~capital development~~
 141 ~~project, as~~ that term defined in Section [63A-5b-401](#).

142 ~~[(4)]~~ "Capital improvements" means the same as that term is defined in Section
 143 [63A-5b-401](#).]

144 ~~[(5)]~~ "Corporation" means the Utah State Fair Corporation created by this chapter.]

145 ~~[(6)]~~ "Corporation bond" means a bond issued by the corporation in accordance with
 146 Part 2, Bonding Authority.]

147 (5) "Development" means:

148 (a) the demolition, construction, reconstruction, modification, expansion, or
 149 improvement of a building, utility, infrastructure, landscape, parking lot, park, trail,
 150 recreational amenity, or other facility; and

151 (b) the planning of, arranging for, or participation in any of the activities listed in

152 Subsection (5)(a).

153 ~~[(7)]~~ (6) "Division" means the Division of Facilities Construction and Management
154 created in Section [63A-5b-301](#).

155 ~~[(8)]~~ (7) "Executive director" means the executive director hired by the board [~~in~~
156 ~~accordance with Section [63H-6-105](#)~~] under Section [11-68-302](#).

157 (8) "Fair corporation" means the Utah State Fair Corporation, created by Laws of Utah
158 1995, Chapter 260.

159 (9) (a) [~~"State fair park"~~] "Fair park land" means the property owned by the state
160 located at:

161 (i) 155 North 1000 West, Salt Lake City, Utah, consisting of approximately 50 acres;

162 (ii) 1139 West North Temple, Salt Lake City, Utah, consisting of approximately 10.5
163 acres; and

164 (iii) 1220 West North Temple, Salt Lake City, Utah, consisting of approximately two
165 acres.

166 [~~(b) "State fair park" includes each building and each improvement on the property~~
167 ~~described in Subsection (9)(a) that is owned by the state.~~]

168 (b) "Fair park land" includes any land acquired by the authority under Subsection
169 [11-68-201\(6\)\(a\)\(i\)](#).

170 Section 3. Section **11-68-201**, which is renumbered from Section 63H-6-103 is
171 renumbered and amended to read:

Part 2. Utah State Fair Park Authority

173 [~~63H-6-103~~]. **11-68-201. State Fair Park Authority -- Legal status --**

Powers.

175 (1) There is created [~~an independent public nonprofit corporation known as the "Utah~~
176 ~~State Fair Corporation."~~] the State Fair Park Authority.

177 [~~(2) The board shall file articles of incorporation for the corporation with the Division~~
178 ~~of Corporations and Commercial Code.~~]

179 [~~(3) The corporation, subject to this chapter, has all powers and authority permitted~~
180 ~~nonprofit corporations by law.~~]

181 (2) The authority is:

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

183 succession;
184 **(b) a political subdivision of the state; and**
185 **(c) a public corporation, as defined in Section [63E-1-102](#).**
186 **(3) (a) The fair corporation is dissolved and ceases to exist, subject to any winding**
187 **down and other actions necessary for a transition to the authority.**
188 **(b) The authority:**
189 **(i) replaces and is the successor to the fair corporation;**
190 **(ii) succeeds to all rights, obligations, privileges, immunities, and assets of the fair**
191 **corporation; and**
192 **(iii) shall fulfill and perform all contractual and other obligations of the fair**
193 **corporation.**
194 **(c) The board shall take all actions necessary and appropriate to wind down the affairs**
195 **of the fair corporation as quickly as practicable and to make a transition from the fair**
196 **corporation to the authority.**
197 **(4) The [~~corporation~~] authority shall:**
198 **(a) manage, supervise, and control:**
199 **(i) all activities relating to the annual exhibition described in Subsection (4)(j); and**
200 **(ii) except as otherwise provided by statute, all state expositions, including setting the**
201 **time, place, and purpose of any state exposition;**
202 **(b) for public entertainment, displays, and exhibits or similar events held at the state**
203 **fair park:**
204 **(i) provide, sponsor, or arrange the events;**
205 **(ii) publicize and promote the events; and**
206 **(iii) secure funds to cover the cost of the exhibits from:**
207 **(A) private contributions;**
208 **(B) public appropriations;**
209 **(C) admission charges; and**
210 **(D) other lawful means;**
211 **(c) acquire and designate exposition sites;**
212 **(d) use generally accepted accounting principles in accounting for the [~~corporation's~~]**
213 **authority's assets, liabilities, and operations;**

214 (e) seek corporate sponsorships for the state fair park or for individual buildings or
215 facilities [~~within the~~] on fair park land;

216 (f) work with county and municipal governments, the Salt Lake Convention and
217 Visitor's Bureau, the Utah [~~Travel Council~~] Office of Tourism, and other entities to develop
218 and promote expositions and the use of [~~the state~~] fair park land;

219 (g) develop and maintain a marketing program to promote expositions and the use of
220 [~~the state~~] fair park land;

221 (h) in accordance with provisions of this [~~part~~] chapter, operate and maintain [~~the state~~]
222 state-owned buildings and facilities on fair park land, including the physical appearance and
223 structural integrity of [~~the state fair park and the~~] those buildings [~~located at the state fair park~~]
224 and facilities;

225 (i) prepare an economic development plan for the [~~state~~] fair park land;

226 (j) hold an annual exhibition on fair park land that:

227 (i) is called the state fair or a similar name;

228 (ii) promotes and highlights agriculture throughout the state;

229 (iii) includes expositions of livestock, poultry, agricultural, domestic science,
230 horticultural, floricultural, mineral and industrial products, manufactured articles, and domestic
231 animals that, in the [~~corporation's~~] board's opinion, will best stimulate agricultural, industrial,
232 artistic, and educational pursuits and the sharing of talents among the people of [~~Utah~~] the
233 state;

234 (iv) includes the award of premiums for the best specimens of the exhibited articles
235 and animals;

236 (v) permits competition by livestock exhibited by citizens of other states and territories
237 of the United States; and

238 (vi) is arranged according to plans approved by the board;

239 (k) fix the conditions of entry to the annual exhibition described in Subsection (4)(j);

240 and

241 (l) publish a list of premiums that will be awarded at the annual exhibition described in
242 Subsection (4)(j) for the best specimens of exhibited articles and animals.

243 (5) In addition to the annual exhibition described in Subsection (4)(j), the [~~corporation~~]
244 authority may hold other exhibitions of livestock, poultry, agricultural, domestic science,

245 horticultural, floricultural, mineral and industrial products, manufactured articles, and domestic
 246 animals that, in the corporation's opinion, will best stimulate agricultural, industrial, artistic,
 247 and educational pursuits and the sharing of talents among the people of [~~Utah~~] the state.

248 (6) The [~~corporation~~] authority may:

249 (a) employ advisers, consultants, and agents, including financial experts and
 250 independent legal counsel, and fix their compensation;

251 (b) (i) participate in the state's Risk Management Fund created under Section
 252 63A-4-201 or any captive insurance company created by the risk manager; or

253 (ii) procure insurance against any loss in connection with the [~~corporation's~~] authority's
 254 property and other assets[~~, including mortgage loans~~];

255 (c) receive and accept aid or contributions of money, property, labor, or other things of
 256 value from any source, including any grants or appropriations from any department, agency, or
 257 instrumentality of the United States or [~~Utah~~] the state;

258 (d) hold, use, loan, grant, and apply that aid and those contributions to carry out the
 259 purposes of the [~~corporation~~] authority, subject to the conditions, if any, upon which the aid
 260 and contributions [~~were~~] are made;

261 (e) enter into management agreements with any person or entity for the performance of
 262 the [~~corporation's~~] authority's functions or powers;

263 (f) establish [~~whatever~~] accounts and procedures [~~as~~] that are necessary to budget,
 264 receive, [~~and~~] disburse, account for, and audit all funds received, appropriated, or generated;

265 (g) subject to Subsection (8), lease any of the state-owned buildings or facilities [~~at the~~
 266 state] located on fair park land;

267 (h) sponsor events as approved by the board; [~~and~~]

268 (i) acquire any interest in real property that the board considers necessary or advisable
 269 to further a purpose of the authority or facilitate the authority's fulfillment of a duty under this
 270 chapter; and

271 [~~(i)~~] (j) enter into one or more agreements to develop the [~~state~~] fair park land.

272 [~~(7)(a) Except as provided in Subsection (7)(c), as an independent agency of Utah, the~~
 273 ~~corporation is exempt from:~~]

274 [(i) Title 51, Chapter 5, Funds Consolidation Act;]

275 [(ii) Title 51, Chapter 7, State Money Management Act;]

276 ~~[(iii) Title 63A, Utah Government Operations Code;]~~
 277 ~~[(iv) Title 63J, Chapter 1, Budgetary Procedures Act; and]~~
 278 ~~[(v) Title 63A, Chapter 17, Utah State Personnel Management Act.]~~
 279 ~~[(b) The board shall adopt policies parallel to and consistent with:]~~
 280 (7) The authority shall comply with:
 281 ~~[(i)]~~ (a) Title 51, Chapter 5, Funds Consolidation Act;
 282 ~~[(ii)]~~ (b) Title 51, Chapter 7, State Money Management Act;
 283 ~~[(iii) Title 63A, Utah Government Operations Code; and]~~
 284 ~~[(iv) Title 63J, Chapter 1, Budgetary Procedures Act.]~~
 285 ~~[(c) The corporation shall comply with:]~~
 286 ~~[(i)]~~ (c) Title 52, Chapter 4, Open and Public Meetings Act;
 287 ~~[(ii)]~~ (d) Title 63G, Chapter 2, Government Records Access and Management Act;
 288 ~~[(iii)]~~ (e) the provisions of Section [67-3-12](#);
 289 ~~[(iv)]~~ (f) Title 63G, Chapter 6a, Utah Procurement Code, except for a procurement for:
 290 ~~[(A)]~~ (i) entertainment provided at the state fair park;
 291 ~~[(B)]~~ (ii) judges for competitive exhibits; or
 292 ~~[(C)]~~ (iii) sponsorship of an event ~~[at the state]~~ on fair park land; and
 293 ~~[(v)]~~ (g) the legislative approval requirements for ~~[new facilities]~~ capital development
 294 projects established in Section [63A-5b-404](#).
 295 (8) (a) Before the ~~[corporation]~~ authority executes a lease described in Subsection
 296 (6)(g) with a term of 10 or more years, the ~~[corporation]~~ authority shall:
 297 (i) submit the proposed lease to the division for the division's approval or rejection; and
 298 (ii) if the division approves the proposed lease, submit the proposed lease to the
 299 Executive Appropriations Committee for the Executive Appropriation Committee's review and
 300 recommendation in accordance with Subsection (8)(b).
 301 (b) The Executive Appropriations Committee shall review a proposed lease submitted
 302 in accordance with Subsection (8)(a) and recommend to the ~~[corporation]~~ authority that the
 303 ~~[corporation]~~ authority:
 304 (i) execute the proposed ~~[sublease]~~ lease, either as proposed or with changes
 305 recommended by the Executive Appropriations Committee; or
 306 (ii) reject the proposed ~~[sublease]~~ lease.

307 (9) (a) Subject to Subsection (9)(b), a department, division, or other instrumentality of
 308 the state and a political subdivision of the state shall cooperate with the authority to the fullest
 309 extent possible to provide whatever support, information, or other assistance the authority
 310 requests that is reasonably necessary to help the authority fulfill the authority's duties and
 311 responsibilities under this chapter.

312 (b) The division shall provide assistance and resources to the authority as the division
 313 director determines is appropriate.

314 Section 4. Section **11-68-202**, which is renumbered from Section 63H-6-108 is
 315 renumbered and amended to read:

316 ~~[63H-6-108].~~ **11-68-202. Operation of the state-owned buildings and**
 317 **facilities on fair park land -- New construction and modification of existing facilities --**
 318 **Liability insurance -- Obligations of the authority.**

319 (1) The ~~[corporation]~~ authority shall:

320 (a) operate and maintain ~~[the state]~~ state-owned buildings and facilities on fair park
 321 land in accordance with the facility maintenance standards approved by the division;

322 (b) pay for all costs associated with operating and maintaining ~~[the state fair park]~~
 323 state-owned buildings and facilities on fair park land;

324 ~~[(c) obtain approval from the division before the corporation commences capital~~
 325 ~~developments or capital improvements on the state fair park that involve:]~~

326 ~~[(i) a construction project that costs more than \$250,000; or]~~

327 ~~[(ii) the construction of a new building that costs more than \$1,000,000;]~~

328 ~~[(d) obtain a building permit from the division before commencing an activity that~~
 329 ~~requires a building permit;]~~

330 ~~[(e) ensure that:]~~

331 ~~[(i) any design plan related to the state fair park satisfies any applicable design~~
 332 ~~standards established by the division; and]~~

333 ~~[(ii) construction performed on the state fair park satisfies any applicable construction~~
 334 ~~standards established by the division;]~~

335 ~~[(f) for any new construction project on the state fair park that costs \$250,000 or more:]~~

336 ~~[(i) notify the division before commencing the new construction project; and]~~

337 ~~[(ii) coordinate with the division regarding review of design plans and construction~~

338 management;]

339 ~~[(g)]~~ (c) obtain approval from the division before ~~[the corporation makes]~~ making any
340 alteration or addition to the water system, heating system, plumbing system, air conditioning
341 system, or electrical system of a state-owned building or facility on fair park land;

342 ~~[(h) obtain approval from the division before the corporation demolishes a building or~~
343 ~~facility on the state fair park;]~~

344 ~~[(i)]~~ (d) keep the ~~[state]~~ fair park land and all state-owned buildings and facilities on
345 fair park land fully insured to protect against loss or damage by fire, vandalism, or malicious
346 mischief;

347 ~~[(j)]~~ (e) in accordance with Subsection (3), at the ~~[corporation's]~~ authority's expense,
348 and for the mutual benefit of the division, maintain general public liability insurance in an
349 amount equal to at least \$1,000,000 through one or more companies that are:

350 (i) licensed to do business in the state;

351 (ii) selected by the ~~[corporation]~~ authority; and

352 (iii) approved by the division and the Division of Risk Management;

353 ~~[(k)]~~ (f) ensure that the division is an additional insured with primary coverage on each
354 insurance policy that the ~~[corporation]~~ authority obtains in accordance with this section;

355 ~~[(l)]~~ (g) give the division notice at least 30 days before the day on which the
356 ~~[corporation]~~ authority cancels any insurance policy that the ~~[corporation]~~ authority obtains in
357 accordance with this section; and

358 ~~[(m)]~~ (h) if any lien that is not invalid under Section 38-1a-103 is recorded or filed
359 against the state fair park as a result of an act or omission of the ~~[corporation]~~ authority, cause
360 the lien to be satisfied or ~~[cancelled]~~ released within 10 days after the day on which the
361 ~~[corporation]~~ authority receives notice of the lien.

362 ~~[(2) At least 90 calendar days before demolition work begins, the division shall notify~~
363 ~~the State Historic Preservation Office of any division plan to demolish a facility on the state~~
364 ~~fair park;]~~

365 (2) (a) As used in this Subsection (2):

366 (i) "Existing facility modification" means an alteration, repair, or improvement to an
367 existing state-owned building or facility on fair park land.

368 (ii) "Major project" means new construction or an existing facility modification that

369 costs, regardless of the funding source, over \$100,000.

370 (iii) "Minor project" means new construction or an existing facility modification that
371 costs, regardless of the funding source, \$100,000 or less.

372 (iv) "New construction" means the design and construction of a new state-owned or
373 privately owned building or facility on fair park land.

374 (b) (i) The director of the division shall exercise direct supervision over a major
375 project.

376 (ii) Notwithstanding Subsection (2)(b)(i), the director of the division may delegate
377 control over a major project to the authority on a project-by-project basis.

378 (iii) With respect to a delegation of control under Subsection (2)(b)(ii), the director of
379 the division may:

380 (A) impose terms and conditions on the delegation that the director considers necessary
381 or advisable to protect the interests of the state; and

382 (B) revoke the delegation and assume control of the design, construction, or other
383 aspect of a delegated project if the director considers the revocation and assumption of control
384 to be necessary to protect the interests of the state.

385 (iv) If a major project over which the division exercises direct supervision includes the
386 demolition of a building or other facility on fair park land, the division shall, at least 90 days
387 before demolition work begins, notify the State Historic Preservation Office of the division's
388 demolition plan.

389 (c) Subject to Subsection (2)(d), the authority may exercise direct supervision over a
390 minor project.

391 (d) With respect to a minor project over which the authority exercises direct
392 supervision, the authority shall:

393 (i) obtain the division's approval before commencing the new construction or existing
394 facility modification;

395 (ii) obtain a building permit from the division before commencing the new
396 construction or existing facility modification, if a building permit is required;

397 (iii) comply with the division's forms and contracts and the division's design,
398 construction, alteration, repair, improvement, and code inspection standards;

399 (iv) notify the division before commencing the new construction or existing facility

400 modification;

401 (v) coordinate with the division regarding the review of design plans and management
402 of the new construction or existing facility modification project; and

403 (vi) at least 90 days before the beginning of any demolition of a building or facility on
404 the fair park land, notify the division and the State Historic Preservation Office of the proposed
405 demolition.

406 (3) The general public liability insurance described in Subsection ~~[(1)(j)]~~ (1)(e) shall:

407 (a) insure against any claim for personal injury, death, or property damage that occurs
408 ~~[at the state]~~ on fair park land; and

409 (b) be a blanket policy that covers all activities of the ~~[corporation]~~ authority.

410 ~~[(4) The division shall administer any capital improvements on the state fair park that~~
411 ~~cost more than \$250,000.]~~

412 ~~[(5)]~~ (4) Upon 24 hours notice to the ~~[corporation]~~ board, the division may enter the
413 ~~[state]~~ fair park land to inspect ~~[the state]~~ any facility on fair park land and make any repairs
414 that the division determines necessary.

415 ~~[(6) If the corporation no longer operates as an independent public nonprofit~~
416 ~~corporation as described in this chapter, the state shall assume the responsibilities of the~~
417 ~~corporation under any contract that is:]~~

418 ~~[(a) in effect as of the day on which the status of the corporation changes, and]~~

419 ~~[(b) for the lease, construction, or development of a building or facility on the state fair~~
420 ~~park.]~~

421 ~~[(7)]~~ (5) (a) A debt or obligation contracted by the ~~[corporation]~~ authority is a debt or
422 obligation of the ~~[corporation]~~ authority and not of the state.

423 (b) The state is not liable and assumes no responsibility for any debt or obligation
424 ~~[described in Subsection (7)(a), unless the Legislature expressly:]~~ of the authority.

425 ~~[(i) authorizes the corporation to contract for the debt or obligation; and]~~

426 ~~[(ii) accepts liability or assumes responsibility for the debt or obligation.]~~

427 ~~[(8) The provisions of this section apply notwithstanding any contrary provision in~~
428 ~~Title 63A, Chapter 5b, Administration of State Facilities.]~~

429 Section 5. Section **11-68-301**, which is renumbered from Section 63H-6-104 is
430 renumbered and amended to read:

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Part 3. Authority Governance

~~[63H-6-104].~~ 11-68-301. Board -- Membership -- Term -- Quorum --

Vacancies -- Duties.

(1) The [~~corporation~~] authority is governed by a board [~~of directors~~].

(2) The board is composed of [~~members as follows~~]:

(a) the director of the Division of Facilities Construction and Management or the director's designee;

(b) the commissioner of agriculture and food or the commissioner's designee;

(c) two members, appointed by the president of the Senate:

(i) who have business related experience; and

(ii) of whom only one may be a legislator, in accordance with Subsection (3)(e);

(d) two members, appointed by the speaker of the House:

(i) who have business related experience; and

(ii) of whom only one may be a legislator, in accordance with Subsection (3)(e);

(e) five members, of whom only one may be a legislator, in accordance with Subsection (3)(e), appointed by the governor with the advice and consent of the Senate in accordance with Title 63G, Chapter 24, Part 2, Vacancies as follows:

(i) two members who represent agricultural interests;

(ii) two members who have business related experience; and

(iii) one member who is recommended by the Utah Farm Bureau Federation;

(f) one member, appointed by the mayor of Salt Lake City with the advice and consent of the Senate, who is a resident of the neighborhood located adjacent to the [~~state~~] fair park land;

(g) a representative of Salt Lake County, if Salt Lake County is party to an executed lease agreement with the [~~corporation~~] authority; and

(h) a representative of the Days of '47 Rodeo.

(3) (a) (i) Except as provided in Subsection (3)(a)(ii), a board member appointed under Subsection (2)(c), (d), (e), or (f) shall serve a term that expires on the December 1 four years after the year that the board member was appointed.

(ii) In making appointments to the board, the president of the Senate, the speaker of the House, the governor, and the mayor of Salt Lake City shall ensure that the terms of

462 approximately 1/4 of the appointed board members expire each year.

463 (b) Except as provided in Subsection (3)(c), appointed board members serve until their
464 successors are appointed and qualified.

465 (c) (i) If an appointed board member is absent from three consecutive board meetings
466 without excuse, that member's appointment is terminated, the position is vacant, and the
467 individual who appointed the board member shall appoint a replacement.

468 (ii) The president of the Senate, the speaker of the House, the governor, or the mayor of
469 Salt Lake City, as applicable, may remove an appointed member of the board at will.

470 (d) The president of the Senate, the speaker of the House, the governor, or the mayor of
471 Salt Lake City, as appropriate, shall fill any vacancy that occurs on the board for any reason by
472 appointing an individual in accordance with the procedures described in this section for the
473 unexpired term of the vacated member.

474 (e) No more than a combined total of two legislators may be appointed under
475 Subsections (2)(c), (d), and (e).

476 (4) The governor shall select the board's chair.

477 (5) A majority of the members of the board is a quorum for the transaction of business.

478 (6) The board may elect a vice chair and any other board offices.

479 (7) The board may create one or more subcommittees to advise the board on any issue
480 related to the state fair park.

481 (8) A member described in Subsection (2)(e) shall comply with the conflict of interest
482 provisions described in Title 63G, Chapter 24, Part 3, Conflicts of Interest.

483 Section 6. Section **11-68-302**, which is renumbered from Section 63H-6-105 is
484 renumbered and amended to read:

485 ~~[63H-6-105].~~ **11-68-302. Executive director.**

486 (1) (a) The board shall:

487 (i) hire an executive director for the ~~[corporation]~~ authority as provided in this

488 ~~[subsection]~~ Subsection (1)(a);

489 (ii) conduct a national search to find applicants for the position of executive director;

490 and

491 (iii) establish the salary, benefits, and other compensation of the executive director.

492 (b) The board may appoint an interim director while searching for a permanent

493 executive director.

494 (c) The executive director serves at the pleasure of the board and may be terminated by
495 the board at will.

496 (d) The executive director is an employee of the [corporation] authority.

497 (e) The executive director may not be a member of the board.

498 (2) The executive director shall:

499 (a) act as the executive officer of the board and the [corporation] authority;

500 (b) administer, manage, and direct the affairs and activities of the [corporation]
501 authority in accordance with the policies and under the control and direction of the board;

502 (c) keep the board, the governor, the Legislature, and its agencies, and other affected
503 officers, associations, and groups informed about the operations of the [corporation] authority;

504 (d) recommend to the board any necessary or desirable changes in the statutes
505 governing the [corporation] authority;

506 (e) recommend to the board an annual administrative budget covering the operations of
507 the [corporation] authority and, upon approval, submit the budget to the governor and the
508 Legislature for their examination and approval;

509 (f) after approval, direct and control the subsequent expenditures of the budget;

510 (g) employ, within the limitations of the budget, staff personnel and consultants to
511 accomplish the purpose of the [corporation] authority, and establish [their] the qualifications,
512 duties, and compensation of the staff personnel and consultants;

513 (h) keep in convenient form all records and accounts of the [corporation] authority,
514 including those necessary for the administration of the [state] fair park land;

515 (i) in cooperation with the board, create:

516 (i) business plans for the [corporation] authority;

517 (ii) a financial plan for the [corporation] authority that projects self-sufficiency for the
518 [corporation] authority within two years; and

519 (iii) a master plan for the [state] fair park land;

520 (j) approve all accounts for:

521 (i) salaries;

522 (ii) allowable expenses of the [corporation] authority and its employees and
523 consultants; and

524 (iii) expenses incidental to the operation of the [corporation] authority; and
525 (k) perform other duties as directed by the board.

526 Section 7. Section 11-68-401 is enacted to read:

527 **Part 4. Authority Revenues**

528 **11-68-401. Fair park rental facility tax.**

529 (1) As used in this section:

530 (a) "Fair park rental facility tax" means a tax imposed under this section on a provider.

531 (b) "Provider" means a person that charges a rental charge for the use of a rental
532 facility provided by the person.

533 (c) (i) "Rental charge" means the amount paid to or charged by a provider as rent for a
534 rental facility.

535 (ii) "Rental charge":

536 (A) includes an amount paid to or charged by the provider for a service provided in
537 conjunction with the rental of the rental facility; and

538 (B) excludes an amount paid to or charged by the provider that is not part of the rental
539 rate for the rental facility.

540 (d) "Rental facility" means a tourist home, hotel, motel, or trailer court facility that is:

541 (i) located on fair park land; and

542 (ii) regularly rented for less than 30 consecutive days.

543 (2) (a) The authority may impose a fair park rental facility tax on a provider.

544 (b) The maximum amount the authority may impose as a fair park rental facility tax is
545 15% of the rental charge.

546 (3) A provider may recover from a customer an amount equal to the fair park rental
547 facility tax if the provider includes the amount as a separate item on the customer billing of the
548 rental charge.

549 (4) If the authority imposes a fair park rental facility tax, no governmental entity,
550 including the authority, may impose a tax on the rental charge under:

551 (a) Title 59, Chapter 12, Sales and Use Tax Act; or

552 (b) Title 59, Chapter 28, State Transient Room Tax Act.

553 (5) Except as provided in Subsections (6) and (7), the fair park rental facility tax shall
554 be administered, collected, and enforced in accordance with:

555 (a) the same procedures used to administer, collect, and enforce a tax under:
556 (i) Title 59, Chapter 12, Part 1, Tax Collection; or
557 (ii) Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act; and
558 (b) Title 59, Chapter 1, General Taxation Policies.
559 (6) The location of a rental charge transaction shall be determined in accordance with
560 Sections 59-12-211 through 59-12-215.
561 (7) (a) A tax under this section is not subject to Section 59-12-107.1 or 59-12-123 or
562 Subsections 59-12-205(2) through (5).
563 (b) The exemptions described in Sections 59-12-104, 59-12-104.1, and 59-12-104.6 do
564 not apply to a fair park rental facility tax.
565 (8) The State Tax Commission shall:
566 (a) except as provided in Subsection (8)(b), distribute the revenue collected from the
567 fair park rental facility tax to the authority; and
568 (b) retain and deposit an administrative charge in accordance with Section 59-1-306
569 from revenue the commission collects from the fair park rental facility tax.
570 (9) If the authority imposes or repeals a fair park rental facility tax or changes the rate
571 of a fair park rental facility tax:
572 (a) the authority shall provide written notice to the State Tax Commission stating:
573 (i) that the authority will impose, repeal, or change a fair park rental facility tax;
574 (ii) the effective date of the imposition, repeal, or change of the tax, as provided in
575 Subsection (9)(b); and
576 (iii) the rate of the tax, if the authority imposes or changes the rate of the tax; and
577 (b) the imposition, repeal, or change takes effect on the first day of the calendar quarter
578 next following the 90-day period beginning on the date the State Tax Commission receives the
579 notice described in Subsection (9)(a) from the authority.
580 (10) The authority may share a portion of the revenue from the fair park rental facility
581 tax with a municipality in which the rental facility that generates the fair park rental facility tax
582 is located.
583 Section 8. Section **11-68-402**, which is renumbered from Section 63H-6-109 is
584 renumbered and amended to read:
585 **[63H-6-109]. 11-68-402. Tax -- Exemption -- Tax equivalent payment.**

586 (1) The possession or beneficial use of property [~~within the state~~] on fair park land is
 587 [~~exempt from taxation under~~] subject to Title 59, Chapter 4, Privilege Tax.

588 [~~(2) (a) Any agreement between the corporation and a person to develop property~~
 589 ~~within the state fair park shall provide that the person shall, in accordance with Title 59,~~
 590 ~~Chapter 3, Tax Equivalent Property Act, make a tax equivalent payment as defined in Section~~
 591 ~~59-3-102 to the corporation each year.]~~

592 (2) (a) All revenue from a privilege tax under Subsection (1) shall be paid to the
 593 authority.

594 (b) The [~~corporation~~] authority shall deposit all revenue collected under Subsection
 595 (2)(a) into the Utah State Fair Fund created in Section [~~63H-6-107~~] 11-68-403.

596 Section 9. Section **11-68-403**, which is renumbered from Section 63H-6-107 is
 597 renumbered and amended to read:

598 [~~63H-6-107~~]. **11-68-403. Enterprise fund -- Creation -- Revenue -- Uses.**

599 (1) (a) There is created an enterprise fund entitled the Utah State Fair Fund.

600 (b) The executive director shall administer the fund under the direction of the board.

601 (2) The fund consists of money generated from the following revenue sources:

602 (a) lease payments from person or entities leasing [~~the state~~] any part of the fair park
 603 land or any other facilities owned by the [~~corporation~~] authority;

604 (b) revenue received from any expositions or other events wholly or partially sponsored
 605 by the [~~corporation~~] authority;

606 (c) aid or contributions of money, property, labor, or other things of value from any
 607 source, including any grants or appropriations from any department, agency, or instrumentality
 608 of the United States or [~~Utah~~] the state;

609 (d) appropriations made to the fund by the Legislature;

610 (e) revenue received under [~~an agreement described in Subsection 63H-6-109(2)~~] a
 611 privilege tax; and

612 (f) any other income obtained by the [~~corporation~~] authority.

613 (3) (a) The fund shall earn interest.

614 (b) All interest earned on fund money shall be deposited into the fund.

615 (4) The executive director may use fund money to operate, maintain, and support the

616 Utah [~~state fair, the state~~] State Fair, the fair park land, and other expositions sponsored by the

617 ~~[corporation]~~ authority.

618 Section 10. Section **11-68-501** is enacted to read:

619 **Part 5. Authority Bonds**

620 **11-68-501. Authority may issue bonds -- Resolution authorizing issuance of**
621 **authority bonds -- Characteristics of bonds.**

622 (1) The authority may issue bonds as provided in this part.

623 (2) The authority may not issue bonds under this part unless the board first:

624 (a) adopts a parameters resolution that sets forth:

625 (i) the maximum:

626 (A) amount of the bonds;

627 (B) term; and

628 (C) interest rate; and

629 (ii) the expected security for the bonds; and

630 (b) submits the parameters resolution for review and recommendation to the State

631 Finance Review Commission created in Section [63C-25-201](#).

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

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

642 (4) Upon the board's adoption of a resolution providing for the issuance of bonds, the
643 board may provide for the publication of the resolution:

644 (a) in a newspaper having general circulation in the authority's boundaries; and

645 (b) as required in Section [45-1-101](#).

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

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

649 (a) the legality of the resolution or proceeding;

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

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

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

655 (b) A person may not contest the matters set forth in Subsection (6), or the regularity,
656 formality, or legality of the resolution or proceeding, for any reason, after the 30-day period for
657 contesting provided in Subsection (7)(a).

658 (8) No later than 60 days after the closing day of any bonds, the authority shall report
659 the bonds issuance, including the amount of the bonds, terms, interest rate, and security, to:

660 (a) the Executive Appropriations Committee; and

661 (b) the State Finance Review Commission created in Section [63C-25-201](#).

662 Section 11. Section **11-68-502** is enacted to read:

663 **11-68-502. Sources from which bonds may be made payable -- Authority powers**
664 **regarding bonds.**

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

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

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

671 (c) the income, revenues, proceeds, and funds the authority derives from or holds in
672 connection with the authority undertaking and carrying out development;

673 (d) property tax;

674 (e) fair park accommodations tax;

675 (f) fair park community tax;

676 (g) authority revenues generally;

677 (h) a contribution, loan, grant, or other financial assistance from the federal
678 government or a public entity in aid of the development; or

679 (i) funds derived from any combination of the sources listed in Subsections (1)(a)
680 through (h).

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

682 (i) pledge all or any part of the authority's gross or net rents, fees, or revenues to which
683 the authority's right then exists or may thereafter come into existence; and

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

688 (b) The authority may not use all or any portion of the fair park land as collateral for
689 any bonds or encumber the fair park land by mortgage, deed of trust, or otherwise as collateral
690 for any bonds.

691 Section 12. Section **11-68-503** is enacted to read:

692 **11-68-503. Authority to purchase agency bonds.**

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

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

698 Section 13. Section **11-68-504** is enacted to read:

699 **11-68-504. Those executing bonds not personally liable -- Limitation of**
700 **obligations under bonds -- Negotiability.**

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

703 (2) (a) A bond issued by the authority is not an obligation or liability of the state or any
704 of the state's political subdivisions, except the authority, and does not constitute a charge
705 against the general credit or taxing powers of the state or other political subdivisions of the
706 state.

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

709 (c) The state and any political subdivision of the state, other than the authority, may not

710 be liable on a bond issued by the authority.

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

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

714 Section 14. Section **11-68-505** is enacted to read:

715 **11-68-505. Obligee rights -- Board may confer other rights.**

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

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

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

726 (2) In a board resolution authorizing the issuance of bonds or in a trust indenture, lease,
727 or other contract, the board may confer upon an obligee holding or representing a specified
728 amount in bonds, certain rights to receive the income, revenues, proceeds, funds, fees, rents,
729 grants, or taxes.

730 Section 15. Section **11-68-506** is enacted to read:

731 **11-68-506. Bonds exempt from taxes -- Authority may purchase its own bonds.**

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

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

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

740 Section 16. Section **11-68-601**, which is renumbered from Section 63H-6-106 is

741 renumbered and amended to read:

742 **Part 6. Authority Reporting**

743 ~~[63H-6-106].~~ **11-68-601. Financial reports -- Audit -- Surety bonds.**

744 (1) (a) The [~~corporation~~] authority shall, following the close of each fiscal year, submit
745 an annual report of [~~its~~] the authority's activities for the preceding year to the governor and the
746 Legislature.

747 (b) The report shall contain:

748 (i) a complete operating report detailing the [~~corporation's~~] authority's activities; and

749 (ii) financial statements of the [~~corporation~~] authority audited by a certified public
750 accountant according to generally accepted auditing standards.

751 (2) (a) At least once a year, the state auditor shall:

752 (i) audit the books and accounts of the [~~corporation~~] authority; or

753 (ii) contract with a nationally recognized independent certified public accountant to
754 conduct the audit and review the audit report when [~~it~~] the audit is completed.

755 (b) The [~~corporation~~] authority shall reimburse the state auditor for the costs of the
756 audit.

757 (c) If the audit is conducted by an independent auditor, the independent auditor shall
758 submit a copy of the audit to the state auditor for review within 90 days after the end of the
759 fiscal year covered by the audit.

760 (3) (a) The [~~corporation~~] authority shall maintain a surety bond in the penal sum of
761 \$25,000 for each member of the board.

762 (b) The [~~corporation~~] authority shall maintain a surety bond in the penal sum of
763 \$50,000 for the executive director.

764 (c) The [~~corporation~~] authority shall ensure that each surety bond is:

765 (i) conditioned upon the faithful performance of the duties of office to which [~~it~~] the
766 surety bond attaches;

767 (ii) issued by a surety company authorized to transact business in [~~Utah~~] the state as a
768 surety; and

769 (iii) filed in the office of the State Treasurer.

770 (d) The [~~corporation~~] authority shall pay the cost of the surety bonds.

771 Section 17. Section ~~59-4-101~~ is amended to read:

772 **59-4-101. Tax basis -- Exceptions -- Assessment and collection -- Designation of**
773 **person to receive notice.**

774 (1) (a) Except as provided in Subsections (1)(b), (1)(c), and (3), a tax is imposed on the
775 possession or other beneficial use enjoyed by any person of any real or personal property that is
776 exempt for any reason from taxation, if that property is used in connection with a business
777 conducted for profit.

778 (b) Any interest remaining in the state in state lands after subtracting amounts paid or
779 due in part payment of the purchase price as provided in Subsection 59-2-1103(2)(b)(i) under a
780 contract of sale is subject to taxation under this chapter regardless of whether the property is
781 used in connection with a business conducted for profit.

782 (c) The tax imposed under Subsection (1)(a) does not apply to property exempt from
783 taxation under Section 59-2-1114.

784 (2) (a) The tax imposed under this chapter is the same amount that the ad valorem
785 property tax would be if the possessor or user were the owner of the property.

786 (b) The amount of any payments that are made in lieu of taxes is credited against the
787 tax imposed on the beneficial use of property owned by the federal government.

788 (3) A tax is not imposed under this chapter on the following:

789 (a) the use of property that is a concession in, or relative to, the use of a public airport,
790 park, fairground, or similar property that is available as a matter of right to the use of the
791 general public;

792 (b) the use or possession of property by a religious, educational, or charitable
793 organization;

794 (c) the use or possession of property if the revenue generated by the possessor or user
795 of the property through its possession or use of the property inures only to the benefit of a
796 religious, educational, or charitable organization and not to the benefit of any other person;

797 (d) the possession or other beneficial use of public land occupied under the terms of an
798 agricultural lease or permit issued by the United States or this state;

799 (e) the use or possession of any lease, permit, or easement unless the lease, permit, or
800 easement entitles the lessee or permittee to exclusive possession of the premises to which the
801 lease, permit, or easement relates;

802 (f) the use or possession of property by a public agency, as defined in Section

803 [11-13-103](#), to the extent that the ownership interest of the public agency in that property is
804 subject to a fee in lieu of ad valorem property tax under Section [11-13-302](#); or

805 (g) the possession or beneficial use of public property as a tollway by a private entity
806 through a tollway development agreement as defined in Section [72-6-202](#).

807 (4) For purposes of Subsection (3)(e):

808 (a) every lessee, permittee, or other holder of a right to remove or extract the mineral
809 covered by the holder's lease, right permit, or easement, except from brines of the Great Salt
810 Lake, is considered to be in possession of the premises, regardless of whether another party has
811 a similar right to remove or extract another mineral from the same property; and

812 (b) a lessee, permittee, or holder of an easement still has exclusive possession of the
813 premises if the owner has the right to enter the premises, approve leasehold improvements, or
814 inspect the premises.

815 (5) A tax imposed under this chapter is assessed to the possessors or users of the
816 property on the same forms, and collected and, subject to Subsection [11-68-402\(2\)](#), distributed
817 at the same time and in the same manner, as taxes assessed owners, possessors, or other
818 claimants of property that is subject to ad valorem property taxation. The tax is not a lien
819 against the property, and no tax-exempt property may be attached, encumbered, sold, or
820 otherwise affected for the collection of the tax.

821 (6) (a) (i) Except as provided in Subsection (6)(a)(ii), if a governmental entity is
822 required under this chapter to send information or notice to a person, the governmental entity
823 shall send the information or notice to:

824 (A) the person required under the applicable provision of this chapter; and

825 (B) each person designated in accordance with Subsection (6)(b) by the person
826 described in Subsection (6)(a)(i)(A).

827 (ii) If a governmental entity is required under Section [59-2-919.1](#) or [59-2-1317](#) to send
828 information or notice to a person, the governmental entity shall send the information or notice
829 to:

830 (A) the person required under the applicable section; or

831 (B) one person designated in accordance with Subsection (6)(b) by the person
832 described in Subsection (6)(a)(ii)(A).

833 (b) (i) A person to whom a governmental entity is required under this chapter to send

834 information or notice may designate a person to receive the information or notice in accordance
835 with Subsection (6)(a).

836 (ii) To make a designation described in Subsection (6)(b)(i), the person shall submit a
837 written request to the governmental entity on a form prescribed by the commission.

838 (c) A person who makes a designation described in Subsection (6)(b) may revoke the
839 designation by submitting a written request to the governmental entity on a form prescribed by
840 the commission.

841 (7) Sections [59-2-301.1](#) through [59-2-301.7](#) apply for purposes of assessing a tax under
842 this chapter.

843 Section 18. Section **59-12-401** is amended to read:

844 **59-12-401. Resort communities tax authority for cities, towns, military**
845 **installation development authority, and state fair park authority -- Base -- Rate --**
846 **Collection fees.**

847 (1) As used in this section:

848 (a) "Development authority" means the Military Installation Development Authority,
849 created in Section [63H-1-201](#).

850 (b) "Fair park authority" means the State Fair Park Authority, created in Section
851 [11-68-201](#).

852 (c) "Qualifying entity" means:

853 (i) a city or town in which the transient room capacity, as defined in Section [59-12-405](#),
854 is equal to or greater than 66% of the city or town's permanent census population;

855 (ii) the development authority; or

856 (iii) the fair park authority.

857 (d) "Tax area" means:

858 (i) for a city or town, the area within the boundary of the city or town;

859 (ii) for the development authority, the area within a project area:

860 (A) described in a project area plan adopted by the development authority under Title
861 [63H](#), Chapter 1, Military Installation Development Authority Act; and

862 (B) in which the transient room capacity, as defined in Section [59-12-405](#), is equal to
863 or greater than 66% of the project area's permanent census population, subject to Subsection

864 (4); or

865 (iii) for the fair park authority, the fair park land, as defined in Section 11-68-101.

866 ~~[(+)] (2) (a) In addition to other sales and use taxes, a [city or town in which the~~
867 ~~transient room capacity as defined in Section 59-12-405 is greater than or equal to 66% of the~~
868 ~~municipality's permanent census population] qualifying entity may impose a sales and use tax~~
869 ~~of up to 1.1% on the transactions described in Subsection 59-12-103(1) located within the [city~~
870 ~~or town] tax area.~~

871 (b) Notwithstanding Subsection ~~[(+)(a), a city or town]~~ (2)(a), a qualifying entity may
872 not impose a tax under this section on:

873 (i) the sale of:

874 (A) a motor vehicle;

875 (B) an aircraft;

876 (C) a watercraft;

877 (D) a modular home;

878 (E) a manufactured home; or

879 (F) a mobile home;

880 (ii) the sales and uses described in Section 59-12-104 to the extent the sales and uses
881 are exempt from taxation under Section 59-12-104; and

882 (iii) except as provided in Subsection (1)(d), amounts paid or charged for food and
883 food ingredients.

884 (c) For purposes of this Subsection ~~[(+)] (2)~~, the location of a transaction shall be
885 determined in accordance with Sections 59-12-211 through 59-12-215.

886 (d) A ~~[city or town]~~ qualifying entity imposing a tax under this section shall impose the
887 tax on the purchase price or the sales price for amounts paid or charged for food and food
888 ingredients if the food and food ingredients are sold as part of a bundled transaction attributable
889 to food and food ingredients and tangible personal property other than food and food
890 ingredients.

891 ~~[(2)(a) An]~~ (3) (a) A qualifying entity that imposes a tax under this section shall pay
892 to the state General Fund an amount equal to the total of any costs incurred by the state in
893 connection with the implementation of Subsection [(+)] (2) which exceed, in any year, the
894 revenues received by the state from [its] the state's collection fees received in connection with
895 the implementation of Subsection [(+)] shall be paid over to the state General Fund by the cities

896 and towns which impose the tax provided for in Subsection (1)] (2).

897 (b) Amounts paid under Subsection [(2)] (3)(a) shall be allocated proportionally among
898 those [cities and towns] qualifying entities according to the amount of revenue the respective
899 [cities and towns] qualifying entities generate in that year through imposition of [that] the tax.

900 [(3)(a) Subject to Section 63H-1-203, the military installation development authority
901 created in Section 63H-1-201 may impose a tax under this section on the transactions described
902 in Subsection 59-12-103(1) located within a project area described in a project area plan
903 adopted by the authority under Title 63H, Chapter 1, Military Installation Development
904 Authority Act, as though the authority were a city or a town.]

905 [(b)] (4) (a) For purposes of calculating the permanent census population within a
906 project area[, the board, as defined in Section 63H-1-102,] of the development authority, the
907 development authority board shall:

908 (i) use the actual number of permanent residents within the project area as determined
909 by the board;

910 (ii) include in the calculation of transient room capacity the number, as determined by
911 the board, of approved high-occupancy lodging units, recreational lodging units, special
912 lodging units, and standard lodging units, even if the units are not constructed;

913 (iii) adopt a resolution verifying the population number; and

914 (iv) provide the commission any information required in Section 59-12-405.

915 [(c)] (b) Notwithstanding [~~Subsection (1)(a), a board as defined in Section 63H-1-102]~~
916 the calculation of the number of permanent residents under Subsections (1)(d)(ii)(B) and (4)(a),
917 the development authority may impose the sales and use tax under this section even if there are
918 no permanent residents.

919 Section 19. Section 63E-1-102 is amended to read:

920 **63E-1-102. Definitions -- List of independent entities.**

921 As used in this title:

922 (1) "Authorizing statute" means the statute creating an entity as an independent entity.

923 (2) "Committee" means the Retirement and Independent Entities Committee created by
924 Section 63E-1-201.

925 (3) "Independent corporation" means a corporation incorporated in accordance with
926 Chapter 2, Independent Corporations Act.

927 (4) (a) "Independent entity" means an entity having a public purpose relating to the
 928 state or its citizens that is individually created by the state or is given by the state the right to
 929 exist and conduct its affairs as an:

930 (i) independent state agency; or

931 (ii) independent corporation.

932 (b) "Independent entity" includes the:

933 (i) Utah Beef Council, created by Section 4-21-103;

934 (ii) Utah Dairy Commission created by Section 4-22-103;

935 (iii) Heber Valley Historic Railroad Authority created by Section 63H-4-102;

936 (iv) Utah Housing Corporation created by Section 63H-8-201;

937 [~~(v) Utah State Fair Corporation created by Section 63H-6-103;]~~

938 [~~(vi)~~ (v) Utah State Retirement Office created by Section 49-11-201;

939 [~~(vii)~~ (vi) School and Institutional Trust Lands Administration created by Section
 940 53C-1-201;

941 [~~(viii)~~ (vii) School and Institutional Trust Fund Office created by Section 53D-1-201;

942 [~~(ix)~~ (viii) Utah Communications Authority created by Section 63H-7a-201;

943 [~~(x)~~ (ix) Utah Capital Investment Corporation created by Section 63N-6-301; and

944 [~~(xi)~~ (x) Military Installation Development Authority created by Section 63H-1-201.

945 (c) Notwithstanding this Subsection (4), "independent entity" does not include:

946 (i) the Public Service Commission of Utah created by Section 54-1-1;

947 (ii) an institution within the state system of higher education;

948 (iii) a city, county, or town;

949 (iv) a local school district;

950 (v) a local district under Title 17B, Limited Purpose Local Government Entities - Local
 951 Districts; or

952 (vi) a special service district under Title 17D, Chapter 1, Special Service District Act.

953 (5) "Independent state agency" means an entity that is created by the state, but is
 954 independent of the governor's direct supervisory control.

955 (6) "Money held in trust" means money maintained for the benefit of:

956 (a) one or more private individuals, including public employees;

957 (b) one or more public or private entities; or

958 (c) the owners of a quasi-public corporation.

959 (7) "Public corporation" means an artificial person, public in ownership, individually
960 created by the state as a body politic and corporate for the administration of a public purpose
961 relating to the state or its citizens.

962 (8) "Quasi-public corporation" means an artificial person, private in ownership,
963 individually created as a corporation by the state, which has accepted from the state the grant of
964 a franchise or contract involving the performance of a public purpose relating to the state or its
965 citizens.

966 Section 20. Section **63J-7-102** is amended to read:

967 **63J-7-102. Scope and applicability of chapter.**

968 (1) Except as provided in Subsection (2), and except as otherwise provided by a statute
969 superseding provisions of this chapter by explicit reference to this chapter, the provisions of
970 this chapter apply to each agency and govern each grant received on or after May 5, 2008.

971 (2) This chapter does not govern:

972 (a) a grant deposited into a General Fund restricted account;

973 (b) a grant deposited into a Fiduciary Fund as defined in Section [51-5-4](#);

974 (c) a grant deposited into an Enterprise Fund as defined in Section [51-5-4](#);

975 (d) a grant made to the state without a restriction or other designated purpose that is
976 deposited into the General Fund as free revenue;

977 (e) a grant made to the state that is restricted only to "education" and that is deposited
978 into the Income Tax Fund or Uniform School Fund as free revenue;

979 (f) in-kind donations;

980 (g) a tax, fees, penalty, fine, surcharge, money judgment, or other money due the state
981 when required by state law or application of state law;

982 (h) a contribution made under Title 59, Chapter 10, Part 13, Individual Income Tax
983 Contribution Act;

984 (i) a grant received by an agency from another agency or political subdivision;

985 (j) a grant to the Utah Dairy Commission created in Section [4-22-103](#);

986 (k) a grant to the Heber Valley Historic Railroad Authority created in Section
987 [63H-4-102](#);

988 (l) a grant to the Utah State Railroad Museum Authority created in Section [63H-5-102](#);

- 989 (m) a grant to the Utah Housing Corporation created in Section [63H-8-201](#);
- 990 (n) a grant to the [~~Utah State Fair Corporation~~] State Fair Park Authority created in
991 Section [~~63H-6-103~~] [11-68-201](#);
- 992 (o) a grant to the Utah State Retirement Office created in Section [49-11-201](#);
- 993 (p) a grant to the School and Institutional Trust Lands Administration created in
994 Section [53C-1-201](#);
- 995 (q) a grant to the Utah Communications Authority created in Section [63H-7a-201](#);
- 996 (r) a grant to the Medical Education Program created in Section [26-69-403](#);
- 997 (s) a grant to the Utah Capital Investment Corporation created in Section [63N-6-301](#);
- 998 (t) a grant to the Utah Charter School Finance Authority created in Section [53G-5-602](#);
- 999 (u) a grant to the State Building Ownership Authority created in Section [63B-1-304](#); or
- 1000 (v) a grant to the Military Installation Development Authority created in Section
1001 [63H-1-201](#).
- 1002 (3) An agency need not seek legislative review or approval of grants under Part 2,
1003 Grant Approval Requirements, if:
- 1004 (a) the governor has declared a state of emergency; and
- 1005 (b) the grant is donated to the agency to assist victims of the state of emergency under
1006 Subsection [53-2a-204](#)(1).
- 1007 Section 21. Section **67-3-12** is amended to read:
- 1008 **67-3-12. Utah Public Finance Website -- Establishment and administration --**
1009 **Records disclosure -- Exceptions.**
- 1010 (1) As used in this section:
- 1011 (a) (i) Subject to Subsections (1)(a)(ii) and (iii), "independent entity" means the same
1012 as that term is defined in Section [63E-1-102](#).
- 1013 (ii) "Independent entity" includes an entity that is part of an independent entity
1014 described in Subsection (1)(a)(i), if the entity is considered a component unit of the
1015 independent entity under the governmental accounting standards issued by the Governmental
1016 Accounting Standards Board.
- 1017 (iii) "Independent entity" does not include the Utah State Retirement Office created in
1018 Section [49-11-201](#).
- 1019 (b) "Local education agency" means a school district or charter school.

1020 (c) "Participating local entity" means:

1021 (i) a county;

1022 (ii) a municipality;

1023 (iii) the State Fair Park Authority, created in Section 11-68-201;

1024 [~~(iii)~~] (iv) a local district under Title 17B, Limited Purpose Local Government Entities

1025 - Local Districts;

1026 [~~(iv)~~] (v) a special service district under Title 17D, Chapter 1, Special Service District

1027 Act;

1028 [~~(v)~~] (vi) a housing authority under Title 35A, Chapter 8, Part 4, Housing Authorities;

1029 [~~(vi)~~] (vii) a public transit district under Title 17B, Chapter 2a, Part 8, Public Transit

1030 District Act;

1031 [~~(vii)~~] (viii) except for a taxed interlocal entity as defined in Section 11-13-602:

1032 (A) an interlocal entity as defined in Section 11-13-103;

1033 (B) a joint or cooperative undertaking as defined in Section 11-13-103; or

1034 (C) any project, program, or undertaking entered into by interlocal agreement in

1035 accordance with Title 11, Chapter 13, Interlocal Cooperation Act;

1036 [~~(viii)~~] (ix) except for a taxed interlocal entity as defined in Section 11-13-602, an

1037 entity that is part of an entity described in Subsections (1)(c)(i) through [~~(vii)~~] (viii), if the

1038 entity is considered a component unit of the entity described in Subsections (1)(c)(i) through

1039 [~~(vii)~~] (viii) under the governmental accounting standards issued by the Governmental

1040 Accounting Standards Board; or

1041 [~~(ix)~~] (x) a conservation district under Title 17D, Chapter 3, Conservation District Act.

1042 (d) (i) "Participating state entity" means the state of Utah, including its executive,

1043 legislative, and judicial branches, its departments, divisions, agencies, boards, commissions,

1044 councils, committees, and institutions.

1045 (ii) "Participating state entity" includes an entity that is part of an entity described in

1046 Subsection (1)(d)(i), if the entity is considered a component unit of the entity described in

1047 Subsection (1)(d)(i) under the governmental accounting standards issued by the Governmental

1048 Accounting Standards Board.

1049 (e) "Public finance website" or "website" means the website established by the state

1050 auditor in accordance with this section.

1051 (f) "Public financial information" means each record that is required under this section
1052 or by rule made by the Office of the State Auditor under Subsection (9) to be made available on
1053 the public finance website, a participating local entity's website, or an independent entity's
1054 website.

1055 (g) "Qualifying entity" means:

1056 (i) an independent entity;

1057 (ii) a participating local entity;

1058 (iii) a participating state entity;

1059 (iv) a local education agency;

1060 (v) a state institution of higher education as defined in Section 53B-3-102;

1061 (vi) the Utah Educational Savings Plan created in Section 53B-8a-103;

1062 (vii) the Utah Housing Corporation created in Section 63H-8-201;

1063 (viii) the School and Institutional Trust Lands Administration created in Section
1064 53C-1-201;

1065 (ix) the Utah Capital Investment Corporation created in Section 63N-6-301; or

1066 (x) a URS-participating employer.

1067 (h) (i) "URS-participating employer" means an entity that:

1068 (A) is a participating employer, as that term is defined in Section 49-11-102; and

1069 (B) is not required to report public financial information under this section as a
1070 qualifying entity described in Subsections (1)(g)(i) through (ix).

1071 (ii) "URS-participating employer" does not include:

1072 (A) the Utah State Retirement Office created in Section 49-11-201;

1073 (B) an insurer that is subject to the disclosure requirements of Section 31A-4-113; or

1074 (C) a withdrawing entity.

1075 (i) (i) "Withdrawing entity" means:

1076 (A) an entity that elects to withdraw from participation in a system or plan under Title
1077 49, Chapter 11, Part 6, Procedures and Records;

1078 (B) until the date determined under Subsection 49-11-626(2)(a), a public employees'
1079 association that provides the notice of intent described in Subsection 49-11-626(2)(b); and

1080 (C) beginning on the date determined under Subsection 49-11-626(2)(a), a public
1081 employees' association that makes an election described in Subsection 49-11-626(3).

1082 (ii) "Withdrawing entity" includes a withdrawing entity, as that term is defined in
1083 Sections [49-11-623](#) and [49-11-624](#).

1084 (2) The state auditor shall establish and maintain a public finance website in
1085 accordance with this section.

1086 (3) The website shall:

1087 (a) permit Utah taxpayers to:

1088 (i) view, understand, and track the use of taxpayer dollars by making public financial
1089 information available on the Internet for participating state entities, independent entities,
1090 participating local entities, and URS-participating employers, using the website; and

1091 (ii) link to websites administered by participating local entities, independent entities, or
1092 URS-participating employers that do not use the website for the purpose of providing public
1093 financial information as required by this section and by rule made under Subsection (9);

1094 (b) allow a person that has Internet access to use the website without paying a fee;

1095 (c) allow the public to search public financial information on the website;

1096 (d) provide access to financial reports, financial audits, budgets, or other financial
1097 documents that are used to allocate, appropriate, spend, and account for government funds, as
1098 may be established by rule made in accordance with Subsection (9);

1099 (e) have a unique and simplified website address;

1100 (f) be guided by the principles described in Subsection [63A-16-202\(2\)](#);

1101 (g) include other links, features, or functionality that will assist the public in obtaining
1102 and reviewing public financial information, as may be established by rule made under
1103 Subsection (9); and

1104 (h) include a link to school report cards published on the State Board of Education's
1105 website under Section [53E-5-211](#).

1106 (4) The state auditor shall:

1107 (a) establish and maintain the website, including the provision of equipment, resources,
1108 and personnel as necessary;

1109 (b) maintain an archive of all information posted to the website;

1110 (c) coordinate and process the receipt and posting of public financial information from
1111 participating state entities; and

1112 (d) coordinate and regulate the posting of public financial information by participating

1113 local entities and independent entities.

1114 (5) A qualifying entity shall permit the public to view the qualifying entity's public
1115 financial information by posting the public financial information to the public finance website
1116 in accordance with rules made under Subsection (9).

1117 (6) The content of the public financial information posted to the public finance website
1118 is the responsibility of the qualifying entity posting the public financial information.

1119 (7) A URS-participating employer shall provide employee compensation information
1120 for each fiscal year ending on or after June 30, 2022:

1121 (a) to the state auditor for posting on the Utah Public Finance Website; or

1122 (b) (i) through the URS-participating employer's own website; and

1123 (ii) via a link to the website described in Subsection (7)(b)(i), submitted to the state
1124 auditor for posting on the Utah Public Finance Website.

1125 (8) (a) A qualifying entity may not post financial information that is classified as
1126 private, controlled, or protected under Title 63G, Chapter 2, Government Records Access and
1127 Management Act, to the public finance website.

1128 (b) An individual who negligently discloses financial information that is classified as
1129 private, protected, or controlled by Title 63G, Chapter 2, Government Records Access and
1130 Management Act, is not criminally or civilly liable for an improper disclosure of the financial
1131 information if the financial information is disclosed solely as a result of the preparation or
1132 publication of the website.

1133 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1134 Office of the State Auditor:

1135 (a) shall make rules to:

1136 (i) establish which records a qualifying entity is required to post to the public finance
1137 website; and

1138 (ii) establish procedures for obtaining, submitting, reporting, storing, and posting
1139 public financial information on the public finance website; and

1140 (b) may make rules governing when a qualifying entity is required to disclose an
1141 expenditure made by a person under contract with the qualifying entity, including the form and
1142 content of the disclosure.

1143 (10) The rules made under Subsection (9) shall only require a URS-participating

1144 employer to provide employee compensation information for each fiscal year ending on or after
1145 June 30, 2022:

- 1146 (a) to the state auditor for posting on the public finance website; or
- 1147 (b) (i) through the URS-participating employer's own website; and
- 1148 (ii) via a link to the website described in Subsection (10)(b)(i), submitted to the state
1149 auditor for posting on the public finance website.

1150 Section 22. **Repealer.**

1151 This bill repeals:

1152 Section **63H-6-101, Title.**

1153 Section **63H-6-201, Title.**

1154 Section **63H-6-202, Resolution authorizing issuance of corporation bond --**

1155 **Presentation to Executive Appropriations Committee -- Characteristics of bond.**

1156 Section **63H-6-203, Sources from which a corporation bond may be made payable**

1157 **-- Corporation powers regarding corporation bond.**

1158 Section **63H-6-204, Purchaser of a corporation bond.**

1159 Section **63H-6-205, Obligee rights.**