

SB0187S02 compared with SB0187

~~{deleted text}~~ shows text that was in SB0187 but was deleted in SB0187S02.

inserted text shows text that was not in SB0187 but was inserted into SB0187S02.

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Senator Scott D. Sandall proposes the following substitute bill:

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}~~ special event sales tax;
- ▶ requires the State Tax Commission to distribute to the authority certain sales tax revenue generated from a hotel on fair park land;
- ▶ makes property on state fair park land subject to the privilege tax and provides for

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revenue from the tax and from personal property 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

Utah Code Sections Affected:

AMENDS:

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

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

~~{59-12-401}~~ **63C-25-101**, as ~~{last amended}~~ enacted by Laws of Utah ~~{2021}~~ 2022,

Chapter ~~{414}~~ 207 and last amended by Coordination Clause, Laws of Utah 2022,

Chapter 207

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

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

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

ENACTS:

11-68-401, Utah Code Annotated 1953

11-68-501, Utah Code Annotated 1953

11-68-502, Utah Code Annotated 1953

11-68-503, Utah Code Annotated 1953

11-68-504, Utah Code Annotated 1953

11-68-505, Utah Code Annotated 1953

11-68-506, Utah Code Annotated 1953

59-12-2301, Utah Code Annotated 1953

59-12-2302, Utah Code Annotated 1953

59-12-2303, Utah Code Annotated 1953

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[59-12-2304, Utah Code Annotated 1953](#)

[59-12-2305, Utah Code Annotated 1953](#)

RENUMBERS AND AMENDS:

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

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

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

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

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

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

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

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

REPEALS:

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

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

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

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

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

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

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

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

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

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

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(a) impose an impact fee to:

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

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

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

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

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

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

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

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

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

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

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

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

(A) the Utah National Guard;

(B) the Utah Highway Patrol; or

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

(v) on development activity on ~~[the state]~~ fair park land, as defined in Section ~~[63H-6-102]~~ 11-68-101, unless the development activity is for the development of a building or facility that is subject to the privilege tax under Section 11-68-402; or

(vi) on development activity that consists of the construction of an internal accessory

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dwelling unit, as defined in Section 10-9a-530, within an existing primary dwelling.

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

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

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

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

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

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

(i) the state's development causes an impact on the road facility; and

(ii) the portion of the road facility related to an impact fee is not funded by the state or by the federal government.

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

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

CHAPTER 68. STATE FAIR PARK AUTHORITY ACT

Part 1. General Provisions

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

As used in this chapter:

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

~~[(1)]~~ (2) "Board" means the authority board ~~[of directors of the corporation], created in Section 11-68-301.~~

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

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

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

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

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

(5) "Development" means:

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

(b) the planning of, arranging for, or participation in any of the activities listed in Subsection (5)(a).

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

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

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

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

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

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

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

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acres.

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

(b) "Fair park land" includes any land acquired by the authority under Subsection 11-68-201(6)(~~a~~)~~(i)~~.

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

Part 2. ~~{Utah}~~State Fair Park Authority

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

Powers.

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

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

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

(2) The 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 fair corporation is dissolved and ceases to exist, subject to any winding down and other actions necessary for a transition to the authority.

(b) The authority:

(i) replaces and is the successor to the fair corporation;

(ii) succeeds to all rights, obligations, privileges, immunities, and assets of the fair corporation; and

(iii) shall fulfill and perform all contractual and other obligations of the fair corporation.

(c) The board shall take all actions necessary and appropriate to wind down the affairs of the fair corporation as quickly as practicable and to make a transition from the fair

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corporation to the authority.

(4) The [~~corporation~~] authority shall:

(a) manage, supervise, and control:

(i) all activities relating to the annual exhibition described in Subsection (4)(j); and

(ii) except as otherwise provided by statute, all state expositions, including setting the time, place, and purpose of any state exposition;

(b) for public entertainment, displays, and exhibits or similar events held at the state fair park:

(i) provide, sponsor, or arrange the events;

(ii) publicize and promote the events; and

(iii) secure funds to cover the cost of the exhibits from:

(A) private contributions;

(B) public appropriations;

(C) admission charges; and

(D) other lawful means;

(c) acquire and designate exposition sites;

(d) use generally accepted accounting principles in accounting for the [~~corporation's~~] authority's assets, liabilities, and operations;

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

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

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

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

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

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

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

(ii) promotes and highlights agriculture throughout the state;

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

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

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

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

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

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

(5) In addition to the annual exhibition described in Subsection (4)(j), the [corporation] authority may hold other exhibitions of livestock, poultry, agricultural, domestic science, horticultural, floricultural, mineral and industrial products, manufactured articles, and domestic animals that, in the corporation's opinion, will best stimulate agricultural, industrial, artistic, and educational pursuits and the sharing of talents among the people of [Utah] the state.

(6) The [corporation] authority may:

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

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

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

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

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

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

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

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

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

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

(j) in accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act, provide for or finance an energy efficiency upgrade, a renewable energy system, or electric vehicle charging infrastructure, as those terms are defined in Section 11-42a-102; and

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

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

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

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

~~[(iii) Title 63A, Utah Government Operations Code;]~~

~~[(iv) Title 63J, Chapter 1, Budgetary Procedures Act; and]~~

~~[(v) Title 63A, Chapter 17, Utah State Personnel Management Act.]~~

~~[(b) The board shall adopt policies parallel to and consistent with:]~~

(7) The authority shall comply with:

~~[(f)]~~ (a) Title 51, Chapter 5, Funds Consolidation Act;

~~[(f)]~~ (b) Title 51, Chapter 7, State Money Management Act;

~~[(f)]~~ ~~[(iii) Title 63A, Utah Government Operations Code; and]~~

~~[(f)]~~ ~~[(iv) Title 63J, Chapter 1, Budgetary Procedures Act.]~~

~~[(c) The corporation shall comply with:]~~

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~~[(+)]~~ (c) Title 52, Chapter 4, Open and Public Meetings Act;
~~[(ii)]~~ (d) Title 63G, Chapter 2, Government Records Access and Management Act;
~~[(iii)]~~ (e) the provisions of Section 67-3-12;
~~[(iv)]~~ (f) Title 63G, Chapter 6a, Utah Procurement Code, except for a procurement for:
~~[(A)]~~ (i) entertainment provided at the state fair park;
~~[(B)]~~ (ii) judges for competitive exhibits; or
~~[(C)]~~ (iii) sponsorship of an event ~~[at the state]~~ on fair park land; and
~~[(v)]~~ (g) the legislative approval requirements for ~~[new facilities]~~ capital development projects established in Section 63A-5b-404.

(8) (a) Before the ~~[corporation]~~ authority executes a lease described in Subsection (6)(g) with a term of 10 or more years, the ~~[corporation]~~ authority shall:
(i) submit the proposed lease to the division for the division's approval or rejection; and
(ii) if the division approves the proposed lease, submit the proposed lease to the Executive Appropriations Committee for the Executive Appropriation Committee's review and recommendation in accordance with Subsection (8)(b).

(b) The Executive Appropriations Committee shall review a proposed lease submitted in accordance with Subsection (8)(a) and recommend to the ~~[corporation]~~ authority that the ~~[corporation]~~ authority:

(i) execute the proposed ~~[sublease]~~ lease, either as proposed or with changes recommended by the Executive Appropriations Committee; or
(ii) reject the proposed ~~[sublease]~~ lease.

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

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

(10) The authority may share authority revenue with a municipality in which the fair park land is located, as provided in an agreement between the authority and the municipality, to pay for municipal services provided by the municipality.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

~~[(i)]~~ (d) keep the ~~[state]~~ fair park land and all state-owned buildings and facilities on

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fair park land fully insured to protect against loss or damage by fire, vandalism, or malicious mischief;

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

- (i) licensed to do business in the state;
- (ii) selected by the ~~[corporation]~~ authority; and
- (iii) approved by the division and the Division of Risk Management;

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

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

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

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

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

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

(ii) "Major project" means new construction or an existing facility modification that costs, regardless of the funding source, over \$100,000.

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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;

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

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

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

(ii) The president of the Senate, the speaker of the House, the governor, or the mayor of

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Salt Lake City, as applicable, may remove an appointed member of the board at will.

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

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

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

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

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

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

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

(9) The board shall create and may, as the board considers appropriate, modify:

(a) a business plan for the authority;

(b) a financial plan for the authority that projects self-sufficiency for the authority within two years; and

(c) a master plan for the fair park land.

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

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

(1) (a) The board shall:

(i) hire an executive director for the [~~corporation~~] authority as provided in this [~~subsection~~] Subsection (1)(a);

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

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

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

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

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the board at will.

- (d) The executive director is an employee of the [corporation] authority.
- (e) The executive director may not be a member of the board.
- (2) The executive director shall:
 - (a) act as the executive officer of the board and the [corporation] authority;
 - (b) administer, manage, and direct the affairs and activities of the [corporation] authority in accordance with the policies and under the control and direction of the board;
 - (c) keep the board, the governor, the Legislature, and its agencies, and other affected officers, associations, and groups informed about the operations of the [corporation] authority;
 - (d) recommend to the board any necessary or desirable changes in the statutes governing the [corporation] authority;
 - (e) recommend to the board an annual administrative budget covering the operations of the [corporation] authority and, upon approval, submit the budget to the governor and the Legislature for their examination and approval;
 - (f) after approval, direct and control the subsequent expenditures of the budget;
 - (g) employ, within the limitations of the budget, staff personnel and consultants to accomplish the purpose of the [corporation] authority, and establish ~~their~~ the qualifications, duties, and compensation of the staff personnel and consultants;
 - (h) keep in convenient form all records and accounts of the [corporation] authority, including those necessary for the administration of the [state] fair park land;
 - ~~[(i) in cooperation with the board, create:]~~
 - ~~[(i) business plans for the {} corporation:] {} authority;~~
 - ~~[(ii) a financial plan for the {} corporation {} authority] that projects self-sufficiency for the {} corporation {} authority within two years; and]~~
 - ~~[(iii) a master plan for the {} state {} fair park {} land];]~~
 - ~~[(j)]~~ (i) approve all accounts for:
 - (i) salaries;
 - (ii) allowable expenses of the [corporation] authority and its employees and consultants; and
 - (iii) expenses incidental to the operation of the [corporation] authority; and
 - ~~[(k)]~~ (i) perform other duties as directed by the board.

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

Part 4. Authority Revenues

11-68-401. ~~{ Fair park rental facility}~~ **Distribution of sales tax revenue to authority.**

(1) As used in this section:

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

~~(b) "Provider" means a person that charges a rental charge for the use of a rental facility provided by the person:~~

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

~~(ii) "Rental charge":~~

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

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

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

~~(i) located on fair park land; and~~

~~(ii) regularly rented for less than 30 consecutive days:~~

~~(2) (a) The authority may impose a fair park rental facility tax on a provider:~~

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

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

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

~~(a) **Applicable sales tax revenue** means all revenue collected under Title 59, Chapter 12, Sales and Use Tax Act; or~~

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

~~(5) Except as provided in Subsections (6) and (7), the fair park rental facility tax shall~~

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~~be administered, collected, and enforced in accordance with:~~

~~— (a) the same procedures used to administer, collect, and enforce a tax under:~~

~~— (i) Title 59, Chapter 12, Part 1, Tax Collection; or~~

~~— (ii) Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act; and~~

~~— (b) Title 59, Chapter 1, General Taxation Policies.~~

~~— (6) The location of a rental charge transaction shall be determined in accordance with Sections 59-12-211 through 59-12-215.~~

~~— (7) (a) A tax under this section is not subject to Section 59-12-107.1 or 59-12-123 or Subsections 59-12-205(2) through (5):~~

~~— (b) The exemptions described in Sections 59-12-104, 59-12-104.1, and 59-12-104.6 do not apply to a fair park rental facility tax:~~

~~— (8) The }, on transactions that occur within a qualified hotel.~~

~~(b) "Commission" means the State Tax Commission{ shall:}.~~

~~{a} except as provided in Subsection (8)(b), distribute the revenue collected from the fair park rental facility tax to the authority; and~~

~~— (b) retain and deposit an administrative charge in accordance with Section 59-1-306 from revenue}c) "Qualified hotel" means a hotel for which the authority provides notice to the commission {collects from the fair park rental facility tax.~~

~~— (9) If the authority imposes or repeals a fair park rental facility tax or changes the rate of a fair park rental facility tax:~~

~~— (a) }under Subsection (2).~~

~~(2) Upon the division's issuance of a certificate of occupancy for a hotel located on fair park land, the authority shall provide written {notice to the State Tax Commission stating:~~

~~— (i) that the authority will impose, repeal, or change a fair park rental facility tax;~~

~~— (ii) the effective date of the imposition, repeal, or change of the tax, as provided in Subsection (9)(b); and~~

~~— (iii) the rate of the tax, if the authority imposes or changes the rate of the tax; and~~

~~— (b) the imposition, repeal, or change takes effect on the first day of the calendar quarter next following the 90-day period beginning on the date the State Tax Commission receives the notice described in Subsection (9)(a) from the authority:~~

~~— (10) The authority may share a portion of the revenue from the fair park rental facility~~

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~~tax with a municipality in which the rental facility that generates the fair park rental facility tax is located;~~ notification to the commission of the existence, location, and imminent operation of the hotel.

(3) Notwithstanding any provision of Title 59, Chapter 12, Sales and Use Tax Act, the commission shall distribute to the authority all applicable sales tax revenue, beginning the next quarter that begins more than 30 days after the notification under Subsection (2).

Section 8. Section **11-68-402**, which is renumbered from Section 63H-6-109 is renumbered and amended to read:

~~[63H-6-109].~~ **11-68-402.** ~~{ Tax -- Exemption -- Tax equivalent payment}~~ Privilege tax -- Personal property tax revenue -- Deposit into Utah State Fair Fund.

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

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

~~(2) (a) {All}~~ As provided in Subsection (2)(b), the authority shall be paid:

(i) all revenue from a privilege tax under Subsection (1) {shall be paid}; and

(ii) all revenue from a property tax on personal property located on fair park land.

(b) The treasurer of the county in which the fair park land is located shall, in the manner and at the time provided in Section 59-2-1365, pay and distribute to the authority the revenue described in Subsection (2)(a).

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

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

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

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

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

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

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- (a) lease payments from person or entities leasing ~~[the state]~~ any part of the fair park land or any other facilities owned by the ~~[corporation]~~ authority;
- (b) revenue received from any expositions or other events wholly or partially sponsored by the ~~[corporation]~~ authority;
- (c) aid or contributions of money, property, labor, or other things of value from any source, including any grants or appropriations from any department, agency, or instrumentality of the United States or ~~[Utah]~~ the state;
- (d) appropriations made to the fund by the Legislature;
- (e) revenue received under ~~[an agreement described in Subsection 63H-6-109(2)]~~ a privilege tax or a tax on personal property; and
- (f) any other income obtained by the ~~[corporation]~~ authority.

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

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

(4) The executive director may use fund money to operate, maintain, and support the Utah ~~[state fair, the state]~~ State Fair, the fair park land, and other expositions sponsored by the ~~[corporation]~~ authority.

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

Part 5. Authority Bonds

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

(1) The authority may issue bonds, as provided in this part, to fund development consistent with the master plan adopted under Subsection 11-68-301(9)(c).

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

(a) adopts a parameters resolution that sets forth:

(i) the maximum:

(A) amount of the bonds;

(B) term; and

(C) interest rate; and

(ii) the expected security for the bonds; and

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

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

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

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

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

(b) as required in Section 45-1-101.

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

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

(a) the legality of the resolution or proceeding;

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

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

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

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

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

(a) the Executive Appropriations Committee; and

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

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

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

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

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

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

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

(d) ~~privilege tax and~~ property tax;

~~(e) fair park accommodations tax;~~

~~(f) fair park community tax } revenue;~~

(e) revenue from a special event tax under Title 59, Chapter 12, Part 23, Fair Park Special Event Tax;

(f) sales tax revenue distributed to the authority under Section 59-12-401;

(g) authority revenues generally;

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(c) The state and any political subdivision of the state, other than the authority, may not be liable on a bond issued by the authority.

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

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

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

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

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

(a) by mandamus, suit, action, or other proceeding, compel the authority and the authority's board, officers, agents, or employees to perform every term, provision, and covenant contained in any contract of the authority with or for the benefit of the obligee, and require the

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authority to carry out the covenants and agreements of the authority and to fulfill all duties imposed on the authority by this part; and

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

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

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

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

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

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

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

Section 16. Section **11-68-601**, which is renumbered from Section 63H-6-106 is renumbered and amended to read:

Part 6. Authority Reporting

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

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

(b) The report shall contain:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(f) the use or possession of property by a public agency, as defined in Section 11-13-103, to the extent that the ownership interest of the public agency in that property is subject to a fee in lieu of ad valorem property tax under Section 11-13-302; or

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

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

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

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

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

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

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

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

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

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

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

(b) (i) A person to whom a governmental entity is required under this chapter to send information or notice may designate a person to receive the information or notice in accordance with Subsection (6)(a).

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

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

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

Section 18. Section ~~{59-12-401}~~59-12-2301 is ~~{amended to read:~~
~~59-12-401. Resort communities tax authority for cities, towns, military~~
~~installation development authority, and state}~~enacted to read:

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Part 23. Fair Park Special Event Tax

59-12-2301. Definitions.

As used in this part:

(1) "Authority board" means the fair park authority ~~{-- Base -- Rate -- Collection fees.~~

~~(1) As used in this section:~~

~~(a) "Development authority" means the Military Installation Development Authority, created in Section 63H-1-201.~~

~~(b) board under Section 11-68-301.~~

(2) "Fair park authority" means the State Fair Park Authority, created in Section 11-68-201.

~~(c) "Qualifying entity" means:~~

~~(i) a city or town in which the transient room capacity;~~ (3) "Fair park land" means the same as that term is defined in Section 11-68-101.

(4) "Fair park special event" means an event:

(a) that occurs on fair park land, except within a qualified hotel as defined in Section 59-12-405, is equal to or greater than 66% of the city or town's permanent census population;

~~(ii) the development authority; or~~

~~(iii) 11-68-401;~~

(b) that lasts six months or less;

(c) that is:

(i) sponsored by the fair park authority; or

(ii) provided pursuant to a contract with the fair park authority;

(d) for which a special event permit is obtained under Section 59-12-106; and

(e) where taxable sales occur.

(5) "Fair park special event tax" means a tax imposed under this part on taxable items.

~~(d);~~ (6) "Tax area" means:

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

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

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

~~(B) in which the transient room capacity, as defined in Section 59-12-405, is equal to~~

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or greater than 66% of the project area's permanent census population, subject to Subsection (4); or

~~(iii) for "Taxable items" means:~~

~~(a) alcoholic beverages;~~

~~(b) food and food ingredients; or~~

~~(c) prepared food.~~

Section 19. Section 59-12-2302 is enacted to read:

59-12-2302. Fair park authority may impose special event tax.

(1) The fair park authority may impose a tax of not to exceed 1.5% on all sales:

(a) of taxable items; and

(b) that occur at a special event.

(2) (a) To impose a tax under Subsection (1), the authority board shall adopt a resolution imposing the tax.

(b) The resolution under Subsection (2)(a) shall include provisions substantially the same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on taxable items.

(c) ~~The name of the fair park authority, the fair park land, as defined in Section 11-68-101.~~

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

~~(b) Notwithstanding Subsection [(1)(a), a city or town] (2)(a), a qualifying entity may not impose a tax under this section on:~~

~~(i) the sale of:~~

~~(A) a motor vehicle;~~

~~(B) an aircraft;~~

~~(C) a watercraft;~~

~~(D) a modular home;~~

~~(E) a manufactured home; or~~

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~~—— (F) a mobile home;~~

~~—— (ii) the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation;~~ as the taxing agency shall be substituted for that of the state where necessary, and an additional license is not required if one has been or is issued under Section
~~{59-12-104; and~~

~~—— (iii) except;~~ 59-12-106.

(3) To maintain in effect a tax resolution adopted under this part, the authority board shall, within 30 days of any amendment of any applicable provisions of Part 1, Tax Collection, adopt amendments to the fair park authority's tax resolution to conform with the applicable amendments to Part 1, Tax Collection.

(4) (a) (i) Except as provided in Subsection (4)(d), amounts paid or charged for food and food ingredients:

~~—— (c) For purposes of this Subsection [(1)] (2), the location of a transaction shall be determined;~~ a(ii), a tax authorized under this part shall be administered, collected, and enforced in accordance with the same procedures used to administer, collect, and enforce the tax under:

(A) Part 1, Tax Collection, or Part 2, Local Sales and Use Tax Act; and

(B) Chapter 1, General Taxation Policies.

(ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or Subsections 59-12-205(2) through (6).

(b) Except as provided in Subsection (4)(c), the commission shall distribute the revenue from a fair park special event tax to the fair park authority.

(c) The commission shall retain and deposit an administrative charge in accordance with {Sections 59-12-211 through 59-12-215.

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

~~—— [(2) (a) An] (3) (a) A qualifying entity that imposes a tax under this section shall pay to the state General Fund an amount equal to the total of any costs incurred by the state in~~

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~~connection with the implementation of Subsection [(1)] (2) which exceed, in any year, the revenues received by the state from [its] the state's collection fees received in connection with the implementation of Subsection [(1)] shall be paid over to the state General Fund by the cities and towns which impose the tax provided for~~ Section 59-1-306 from the revenue the commission collects from a fair park special event tax.

(5) (a) (i) Except as provided in Subsection (5) (a) (ii):

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

~~[(3) (a) Subject to Section 63H-1-203, the military installation development authority created in Section 63H-1-201 may impose a tax under this section on the transactions]~~ 5)(b), if the fair park authority enacts or repeals a fair park special event tax or changes the rate of a fair park special event tax, the enactment, repeal, or change takes effect:

(A) on the first day of a calendar quarter; and

(B) after a 90-day period beginning on the day on which the commission receives notice meeting the requirements of Subsection (5)(a)(ii) from the fair park authority.

(ii) The notice described in Subsection [59-12-103(1) located within a project area described in a project area plan adopted by the authority under Title 63H, Chapter 1, Military Installation Development Authority Act, as though the authority were a city or a town.]

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

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

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

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

~~(iv) provide~~ (5)(a)(i) shall state:

(A) that the fair park authority will enact or repeal a fair park special event tax or change the rate of a fair park special event tax;

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(B) the statutory authority for the fair park special event tax;

(C) the effective date of the imposition, repeal, or change in the rate of the fair park special event tax; and

(D) if the fair park authority enacts the fair park special event tax or changes the rate of the fair park special event tax, the rate of the fair park special event tax.

(c) (i) If the billing period for a transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of the tax or the tax rate increase shall take effect on the first day of the first billing period that begins after the effective date of the enactment of the tax or the tax rate increase.

(ii) If the billing period for a transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax rate decrease shall take effect on the first day of the last billing period that began before the effective date of the repeal of the tax or the tax rate decrease.

(d) If the fair park authority acquires land that becomes part of the fair park land, the acquisition of that additional land constitutes the fair park authority's enactment of a fair park special event tax as to that additional land, requiring the fair park authority's compliance with the notice provisions of this Subsection (5).

(e) (i) If the billing period for a transaction begins before the effective date of the enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of the tax or the tax rate increase shall take effect on the first day of the first billing period that begins after the effective date of the enactment of the tax or the tax rate increase.

(ii) If the billing period for a transaction begins before the effective date of the repeal of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax rate decrease shall take effect on the first day of the last billing period that began before the effective date of the repeal of the tax or the tax rate decrease.

Section 20. Section 59-12-2303 is enacted to read:

59-12-2303. Seller or certified service provider reliance on commission information.

A seller or certified service provider is not liable for failing to collect a fair park special event tax if the seller's or certified service provider's failure to collect the fair park special event tax is as a result of the seller's or certified service provider's reliance on incorrect data provided

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by the commission in a database created by the commission:

(1) containing tax rates, boundaries, or local taxing jurisdiction assignments; or

(2) indicating the taxability of tangible personal property, a product transferred electronically, or a service.

Section 21. Section 59-12-2304 is enacted to read:

59-12-2304. Certified service provider or model 2 seller reliance on commission certified software.

(1) Except as provided in Subsection (2) and subject to Subsection (4), a certified service provider or model 2 seller is not liable for failing to collect a fair park special event tax if:

(a) the certified service provider or model 2 seller relies on software the commission ~~certifies~~ ~~any information required in Section 59-12-405.~~

~~[(c)] (b) Notwithstanding [Subsection (1)(a), a board as defined in Section 63H-1-102] the calculation of the number of permanent residents under Subsections (1)(d)(ii)(B) and (4)(a), the development authority may impose the sales and use}certifies; and~~

(b) the certified service provider's or model 2 seller's failure to collect a fair park special event tax is a result of the seller's or certified service provider's reliance on incorrect data:

(i) provided by the commission; or

(ii) in the software the commission certifies.

(2) The relief from liability described in Subsection (1) does not apply if a certified service provider or model 2 seller incorrectly classifies an item or transaction into a product category the commission certifies.

(3) If the taxability of a product category is incorrectly classified in software the commission certifies, the commission shall:

(a) notify a certified service provider or model 2 seller of the incorrect classification of the taxability of a product category in software the commission certifies; and

(b) state in the notice required by Subsection (3)(a) that the certified service provider or model 2 seller is liable for failing to collect the correct amount of tax under this ~~section even if there are no permanent residents.~~

~~part on the incorrectly classified product category if the certified service provider or model 2~~

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seller fails to correct the taxability of the item or transaction within 10 days after the day on which the certified service provider or model 2 seller receives the notice.

(4) If a certified service provider or model 2 seller fails to correct the taxability of an item or transaction within 10 days after the day on which the certified service provider or model 2 seller receives the notice described in Subsection (3), the certified service provider or model 2 seller is liable for failing to collect the correct amount of tax under this part on the item or transaction.

Section 22. Section 59-12-2305 is enacted to read:

59-12-2305. Purchaser relief from liability.

(1) (a) Except as provided in Subsection (1)(b), a purchaser is relieved from a penalty under Section 59-1-401 for failure to pay a fair park special event tax or an underpayment of the fair park special event tax if:

(i) the purchaser's seller or certified service provider relies on incorrect data provided by the commission:

(A) on a tax rate;

(B) on a boundary;

(C) on a taxing jurisdiction; or

(D) in the taxability matrix the commission provides in accordance with the agreement;

or

(ii) the purchaser, regardless of whether the purchaser holds a direct payment permit in accordance with Section 59-12-107.1, relies on incorrect data provided by the commission:

(A) on a tax rate;

(B) on a boundary;

(C) on a taxing jurisdiction; or

(D) in the taxability matrix the commission provides in accordance with the agreement.

(b) For purposes of Subsection (1)(a), a purchaser is not relieved from a penalty under Section 59-1-401 for failure to pay a tax due under this part or an underpayment if the purchaser's, the purchaser's seller's, or the purchaser's certified service provider's reliance on incorrect data provided by the commission is a result of conduct that is:

(i) fraudulent;

(ii) intentional; or

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(iii) willful.

(2) In addition to the relief from a penalty described in Subsection (1), a purchaser is not liable for a tax or interest under Section 59-1-402 for failure to pay a fair park special event tax or an underpayment of the fair park special event tax if:

(a) the purchaser's seller or certified service provider relies on:

(i) incorrect data provided by the commission:

(A) on a tax rate;

(B) on a boundary; or

(C) on a taxing jurisdiction; or

(ii) an erroneous classification by the commission:

(A) in the taxability matrix the commission provides in accordance with the agreement;

and

(B) with respect to a term that is in the library of definitions and that is listed as taxable or exempt, included in or excluded from "sales price," or included in or excluded from a definition; or

(b) the purchaser, regardless of whether the purchaser holds a direct payment permit in accordance with Section 59-12-107.1, relies on:

(i) incorrect data provided by the commission:

(A) on a tax rate;

(B) on a boundary; or

(C) on a taxing jurisdiction; or

(ii) an erroneous classification by the commission:

(A) in the taxability matrix the commission provides in accordance with the agreement;

and

(B) with respect to a term that is in the library of definitions and that is listed as taxable or exempt, included in or excluded from "sales price," or included in or excluded from a definition.

Section 23. Section 63C-25-101 is amended to read:

63C-25-101. Definitions.

As used in this chapter:

(1) "Authority" means the same as that term is defined in Section 63B-1-303.

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- (2) "Bond" means the same as that term is defined in Section 63B-1-101.
- (3) "Bonding political subdivision" means:
- (a) the Utah Inland Port Authority, created in Section 11-58-201;
 - (b) the Military Installation Development Authority, created in Section 63H-1-201;
 - (c) the Point of the Mountain State Land Authority, created in Section 11-59-201; ~~[or]~~
 - (d) the Utah Lake Authority, created in Section 11-65-201 ~~[,]; or~~
 - (e) the State Fair Park Authority, created in Section 11-68-201.
- (4) "Commission" means the State Finance Review Commission created in Section 63C-25-201.
- (5) "Concessionaire" means a person who:
- (a) operates, finances, maintains, or constructs a government facility under a contract with a bonding political subdivision; and
 - (b) is not a bonding political subdivision.
- (6) "Creating entity" means the same as that term is defined in Section 17D-4-102.
- (7) "Government facility" means infrastructure, improvements, or a building that:
- (a) costs more than \$5,000,000 to construct; and
 - (b) has a useful life greater than five years.
- (8) "Large public transit district" means the same as that term is defined in Section 17B-2a-802.
- (9) "Loan entity" means the board, person, unit, or agency with legal responsibility for making a loan from a revolving loan fund.
- (10) "Obligation" means the same as that term is defined in Section 63B-1-303.
- (11) "Parameters resolution" means a resolution of a bonding political subdivision, or public infrastructure district created by a bonding political subdivision, that sets forth for proposed bonds:
- (a) the maximum:
 - (i) amount of bonds;
 - (ii) term; and
 - (iii) interest rate; and
 - (b) the expected security for the bonds.
- (12) "Public infrastructure district" means a public infrastructure district created under

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Title 17D, Chapter 4, Public Infrastructure District Act.

(13) "Public-private partnership" means a contract:

(a) between a bonding political subdivision and a concessionaire for the operation, finance, maintenance, or construction of a government facility;

(b) that authorizes the concessionaire to operate the government facility for a term of five years or longer, including any extension of the contract; and

(c) in which all or some of the annual source of payment to the concessionaire comes from state funds provided to the bonding political subdivision.

(14) "Revolving loan fund" means:

(a) the Water Resources Conservation and Development Fund, created in Section 73-10-24;

(b) the Water Resources Construction Fund, created in Section 73-10-8;

(c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;

(d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean Fuels and Vehicle Technology Program Act;

(e) the Water Development Security Fund and its subaccounts, created in Section 73-10c-5;

(f) the Agriculture Resource Development Fund, created in Section 4-18-106;

(g) the Utah Rural Rehabilitation Fund, created in Section 4-19-105;

(h) the Permanent Community Impact Fund, created in Section 35A-8-303;

(i) the Petroleum Storage Tank Fund, created in Section 19-6-409;

(j) the School Building Revolving Account, created in Section 53F-9-206;

(k) the State Infrastructure Bank Fund, created in Section 72-2-202;

(l) the Uintah Basin Revitalization Fund, created in Section 35A-8-1602;

(m) the Navajo Revitalization Fund, created in Section 35A-8-1704;

(n) the Energy Efficiency Fund, created in Section 11-45-201;

(o) the Brownfields Fund, created in Section 19-8-120;

(p) the following enterprise revolving loan funds created in Section 63A-3-402:

(i) the inland port infrastructure revolving loan fund;

(ii) the point of the mountain infrastructure revolving loan fund; or

(iii) the military development infrastructure revolving loan fund; and

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(q) any other revolving loan fund created in statute where the borrower from the revolving loan fund is a public non-profit entity or political subdivision, including a fund listed in Section 63A-3-205, from which a loan entity is authorized to make a loan.

(15) (a) "State funds" means an appropriation by the Legislature identified as coming from the General Fund or Education Fund.

(b) "State funds" does not include:

(i) a revolving loan fund; or

(ii) revenues received by a bonding political subdivision from:

(A) a tax levied by the bonding political subdivision;

(B) a fee assessed by the bonding political subdivision; or

(C) operation of the bonding political subdivision's government facility.

Section ~~{19}~~24. Section **63E-1-102** is amended to read:

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

As used in this title:

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

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

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

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

(i) independent state agency; or

(ii) independent corporation.

(b) "Independent entity" includes the:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(iii) a city, county, or town;

(iv) a local school district;

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

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

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

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

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

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

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

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

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

Section ~~{20}~~25. Section **63J-7-102** is amended to read:

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

(1) Except as provided in Subsection (2), and except as otherwise provided by a statute superseding provisions of this chapter by explicit reference to this chapter, the provisions of

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this chapter apply to each agency and govern each grant received on or after May 5, 2008.

(2) This chapter does not govern:

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

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

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

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

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

(f) in-kind donations;

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

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

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

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

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

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

(m) a grant to the Utah Housing Corporation created in Section 63H-8-201;

(n) a grant to the [~~Utah State Fair Corporation~~] State Fair Park Authority created in Section [~~63H-6-103~~] 11-68-201;

(o) a grant to the Utah State Retirement Office created in Section 49-11-201;

(p) a grant to the School and Institutional Trust Lands Administration created in Section 53C-1-201;

(q) a grant to the Utah Communications Authority created in Section 63H-7a-201;

(r) a grant to the Medical Education Program created in Section 26-69-403;

(s) a grant to the Utah Capital Investment Corporation created in Section 63N-6-301;

(t) a grant to the Utah Charter School Finance Authority created in Section 53G-5-602;

(u) a grant to the State Building Ownership Authority created in Section 63B-1-304; or

(v) a grant to the Military Installation Development Authority created in Section

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63H-1-201.

(3) An agency need not seek legislative review or approval of grants under Part 2, Grant Approval Requirements, if:

(a) the governor has declared a state of emergency; and

(b) the grant is donated to the agency to assist victims of the state of emergency under Subsection 53-2a-204(1).

Section ~~{21}~~26. Section 67-3-12 is amended to read:

67-3-12. Utah Public Finance Website -- Establishment and administration --

Records disclosure -- Exceptions.

(1) As used in this section:

(a) (i) Subject to Subsections (1)(a)(ii) and (iii), "independent entity" means the same as that term is defined in Section 63E-1-102.

(ii) "Independent entity" includes an entity that is part of an independent entity described in Subsection (1)(a)(i), if the entity is considered a component unit of the independent entity under the governmental accounting standards issued by the Governmental Accounting Standards Board.

(iii) "Independent entity" does not include the Utah State Retirement Office created in Section 49-11-201.

(b) "Local education agency" means a school district or charter school.

(c) "Participating local entity" means:

(i) a county;

(ii) a municipality;

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

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

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

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

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

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

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- (A) an interlocal entity as defined in Section 11-13-103;
- (B) a joint or cooperative undertaking as defined in Section 11-13-103; or
- (C) any project, program, or undertaking entered into by interlocal agreement in

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

~~[(viii)]~~ (ix) except for a taxed interlocal entity as defined in Section 11-13-602, an entity that is part of an entity described in Subsections (1)(c)(i) through ~~[(vii)]~~ (viii), if the entity is considered a component unit of the entity described in Subsections (1)(c)(i) through ~~[(vii)]~~ (viii) under the governmental accounting standards issued by the Governmental Accounting Standards Board; or

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

(d) (i) "Participating state entity" means the state of Utah, including its executive, legislative, and judicial branches, its departments, divisions, agencies, boards, commissions, councils, committees, and institutions.

(ii) "Participating state entity" includes an entity that is part of an entity described in Subsection (1)(d)(i), if the entity is considered a component unit of the entity described in Subsection (1)(d)(i) under the governmental accounting standards issued by the Governmental Accounting Standards Board.

(e) "Public finance website" or "website" means the website established by the state auditor in accordance with this section.

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

(g) "Qualifying entity" means:

- (i) an independent entity;
- (ii) a participating local entity;
- (iii) a participating state entity;
- (iv) a local education agency;
- (v) a state institution of higher education as defined in Section 53B-3-102;
- (vi) the Utah Educational Savings Plan created in Section 53B-8a-103;
- (vii) the Utah Housing Corporation created in Section 63H-8-201;

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

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

(x) a URS-participating employer.

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

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

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

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

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

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

(C) a withdrawing entity.

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

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

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

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

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

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

(3) The website shall:

(a) permit Utah taxpayers to:

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

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

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

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

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

(e) have a unique and simplified website address;

(f) be guided by the principles described in Subsection 63A-16-202(2);

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

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

(4) The state auditor shall:

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

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

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

(d) coordinate and regulate the posting of public financial information by participating local entities and independent entities.

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

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

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

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

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

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

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

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

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

(a) shall make rules to:

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

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

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

(10) The rules made under Subsection (9) shall only require a URS-participating employer to provide employee compensation information for each fiscal year ending on or after June 30, 2022:

(a) to the state auditor for posting on the public finance website; or

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

(ii) via a link to the website described in Subsection (10)(b)(i), submitted to the state auditor for posting on the public finance website.

Section ~~22~~27. **Repealer.**

This bill repeals:

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

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

Section **63H-6-202, Resolution authorizing issuance of corporation bond --
Presentation to Executive Appropriations Committee -- Characteristics of bond.**

SB0187S02 compared with SB0187

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

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

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

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