

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 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 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:



26 None

27 **Other Special Clauses:**

28 None

29 **Utah Code Sections Affected:**

30 AMENDS:

31 **11-36a-202**, as last amended by Laws of Utah 2022, Chapter 406

32 **59-2-924**, as last amended by Laws of Utah 2022, Chapters 237, 239, and 433

33 **59-4-101**, as last amended by Laws of Utah 2020, Chapter 105

34 **63C-25-101**, as enacted by Laws of Utah 2022, Chapter 207 and last amended by

35 Coordination Clause, Laws of Utah 2022, Chapter 207

36 **63E-1-102**, as last amended by Laws of Utah 2022, Chapters 44 and 63

37 **63J-7-102**, as last amended by Laws of Utah 2022, Chapters 224, 451, and 456

38 **67-3-12**, as last amended by Laws of Utah 2022, Chapters 169, 205, and 274

39 ENACTS:

40 **11-68-401**, Utah Code Annotated 1953

41 **11-68-501**, Utah Code Annotated 1953

42 **11-68-502**, Utah Code Annotated 1953

43 **11-68-503**, Utah Code Annotated 1953

44 **11-68-504**, Utah Code Annotated 1953

45 **11-68-505**, Utah Code Annotated 1953

46 **11-68-506**, Utah Code Annotated 1953

47 **59-12-2301**, Utah Code Annotated 1953

48 **59-12-2302**, Utah Code Annotated 1953

49 **59-12-2303**, Utah Code Annotated 1953

50 **59-12-2304**, Utah Code Annotated 1953

51 **59-12-2305**, Utah Code Annotated 1953

52 RENUMBERS AND AMENDS:

53 **11-68-101**, (Renumbered from 63H-6-102, as last amended by Laws of Utah 2020,

54 Chapter 152)

55 **11-68-201**, (Renumbered from 63H-6-103, as last amended by Laws of Utah 2022,

56 Chapter 421)

57 **11-68-202**, (Renumbered from 63H-6-108, as last amended by Laws of Utah 2022,
58 Chapter 421)

59 **11-68-301**, (Renumbered from 63H-6-104, as last amended by Laws of Utah 2020,
60 Chapters 352 and 373)

61 **11-68-302**, (Renumbered from 63H-6-105, as renumbered and amended by Laws of
62 Utah 2011, Chapter 370)

63 **11-68-402**, (Renumbered from 63H-6-109, as enacted by Laws of Utah 2016, Chapter
64 301)

65 **11-68-403**, (Renumbered from 63H-6-107, as last amended by Laws of Utah 2016,
66 Chapter 301)

67 **11-68-601**, (Renumbered from 63H-6-106, as renumbered and amended by Laws of
68 Utah 2011, Chapter 370)

69 REPEALS:

70 **63H-6-101**, as last amended by Laws of Utah 2016, Chapter 301

71 **63H-6-201**, as enacted by Laws of Utah 2016, Chapter 301

72 **63H-6-202**, as enacted by Laws of Utah 2016, Chapter 301

73 **63H-6-203**, as enacted by Laws of Utah 2016, Chapter 301

74 **63H-6-204**, as enacted by Laws of Utah 2016, Chapter 301

75 **63H-6-205**, as enacted by Laws of Utah 2016, Chapter 301

76

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

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

79 **11-36a-202. Prohibitions on impact fees.**

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

81 (a) impose an impact fee to:

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

83 (ii) raise the established level of service of a public facility serving existing

84 development; or

85 (iii) recoup more than the local political subdivision's or private entity's costs actually

86 incurred for excess capacity in an existing system improvement;

87 (b) delay the construction of a school or charter school because of a dispute with the

88 school or charter school over impact fees; or

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

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

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

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

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

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

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

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

105 (A) the Utah National Guard;

106 (B) the Utah Highway Patrol; or

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

108 (v) on development activity on ~~[the state]~~ fair park land, as defined in Section
109 ~~[63H-6-102]~~ [11-68-101](#); or

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

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

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

117 (B) the new school creates no greater demand or need for public facilities than the
118 school or school facilities, including any portable or modular classrooms that are on the site of

119 the replaced school at the time that the new school is proposed; and

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

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

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

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

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

133 (3) Notwithstanding any other provision of this chapter, a local political subdivision
134 may impose and collect impact fees on behalf of a school district if authorized by Section
135 [11-36a-206](#).

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

138 **CHAPTER 68. STATE FAIR PARK AUTHORITY ACT**

139 **Part 1. General Provisions**

140 ~~[63H-6-102]~~. **11-68-101. Definitions.**

141 As used in this chapter:

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

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

145 ~~[(2)]~~ (3) "Business related experience" means at least three years of professional
146 experience in business administration, marketing, advertising, economic development, or a
147 related field.

148 ~~[(3)]~~ (4) "Capital development projects" means the same as ~~[capital development~~
149 ~~project, as]~~ that term is defined in Section [63A-5b-401](#).

150 ~~[(4) "Capital improvements" means the same as that term is defined in Section~~
151 ~~63A-5b-401.]~~

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

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

155 (5) "Development" means:

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

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

161 ~~[(7)]~~ (6) "Division" means the Division of Facilities Construction and Management
162 created in Section [63A-5b-301](#).

163 ~~[(8)]~~ (7) "Executive director" means the executive director hired by the board [~~in~~
164 ~~accordance with Section [63H-6-105](#)] under Section [11-68-302](#).~~

165 (8) "Fair corporation" means the Utah State Fair Corporation, created by Laws of Utah
166 1995, Chapter 260.

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

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

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

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

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

176 (b) "Fair park land" includes any land acquired by the authority under Subsection
177 [11-68-201\(6\)\(i\)](#).

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

Part 2. State Fair Park Authority

181 ~~[63H-6-103].~~ 11-68-201. State Fair Park Authority -- Legal status --

182 **Powers.**

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

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

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

189 (2) The authority is:

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

192 (b) a political subdivision of the state; and

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

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

196 (b) The authority:

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

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

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

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

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

206 (a) manage, supervise, and control:

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

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

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

- 212 (i) provide, sponsor, or arrange the events;
- 213 (ii) publicize and promote the events; and
- 214 (iii) secure funds to cover the cost of the exhibits from:
 - 215 (A) private contributions;
 - 216 (B) public appropriations;
 - 217 (C) admission charges; and
 - 218 (D) other lawful means;
- 219 (c) acquire and designate exposition sites;
- 220 (d) use generally accepted accounting principles in accounting for the [~~corporation's~~]
- 221 authority's assets, liabilities, and operations;
- 222 (e) seek corporate sponsorships for the state fair park or for individual buildings or
- 223 facilities [~~within the~~] on fair park land;
- 224 (f) work with county and municipal governments, the Salt Lake Convention and
- 225 Visitor's Bureau, the Utah [~~Travel Council~~] Office of Tourism, and other entities to develop
- 226 and promote expositions and the use of [~~the state~~] fair park land;
- 227 (g) develop and maintain a marketing program to promote expositions and the use of
- 228 [~~the state~~] fair park land;
- 229 (h) in accordance with provisions of this [~~part~~] chapter, operate and maintain [~~the state~~]
- 230 state-owned buildings and facilities on fair park land, including the physical appearance and
- 231 structural integrity of [~~the state fair park and the~~] those buildings [~~located at the state fair park~~]
- 232 and facilities;
- 233 (i) prepare an economic development plan for the [~~state~~] fair park land;
- 234 (j) hold an annual exhibition on fair park land that:
 - 235 (i) is called the state fair or a similar name;
 - 236 (ii) promotes and highlights agriculture throughout the state;
 - 237 (iii) includes expositions of livestock, poultry, agricultural, domestic science,
 - 238 horticultural, floricultural, mineral and industrial products, manufactured articles, and domestic
 - 239 animals that, in the [~~corporation's~~] board's opinion, will best stimulate agricultural, industrial,
 - 240 artistic, and educational pursuits and the sharing of talents among the people of [~~Utah~~] the
 - 241 state;
 - 242 (iv) includes the award of premiums for the best specimens of the exhibited articles

243 and animals;

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

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

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

248 and

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

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

256 (6) The [corporation] authority may:

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

259 (b) (i) participate in the state's Risk Management Fund created under Section
260 [63A-4-201](#) or any captive insurance company created by the risk manager; or

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

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

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

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

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

273 (g) subject to Subsection (8), lease any of the state-owned buildings or facilities [at the

274 ~~state]~~ located on fair park land;

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

276 (i) subject to Subsection (11), acquire any interest in real property that the board

277 considers necessary or advisable to further a purpose of the authority or facilitate the authority's

278 fulfillment of a duty under this chapter;

279 (j) in accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean

280 Energy Act, provide for or finance an energy efficiency upgrade, a renewable energy system, or

281 electric vehicle charging infrastructure, as those terms are defined in Section [11-42a-102](#); and

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

283 ~~[(7) (a) Except as provided in Subsection (7)(c), as an independent agency of Utah, the~~

284 ~~corporation is exempt from:]~~

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

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

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

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

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

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

291 (7) The authority shall comply with:

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

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

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

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

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

297 ~~[(i)]~~ (c) Title 52, Chapter 4, Open and Public Meetings Act;

298 ~~[(ii)]~~ (d) Title 63G, Chapter 2, Government Records Access and Management Act;

299 ~~[(iii)]~~ (e) the provisions of Section [67-3-12](#);

300 ~~[(iv)]~~ (f) Title 63G, Chapter 6a, Utah Procurement Code, except for a procurement for:

301 ~~[(A)]~~ (i) entertainment provided at the state fair park;

302 ~~[(B)]~~ (ii) judges for competitive exhibits; or

303 ~~[(C)]~~ (iii) sponsorship of an event ~~[at the state]~~ on fair park land; and

304 ~~[(v)]~~ (g) the legislative approval requirements for ~~[new facilities]~~ capital development

305 projects established in Section [63A-5b-404](#).

306 (8) (a) Before the [~~corporation~~] authority executes a lease described in Subsection
307 (6)(g) with a term of 10 or more years, the [~~corporation~~] authority shall:

308 (i) submit the proposed lease to the division for the division's approval or rejection; and

309 (ii) if the division approves the proposed lease, submit the proposed lease to the
310 Executive Appropriations Committee for the Executive Appropriation Committee's review and
311 recommendation in accordance with Subsection (8)(b).

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

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

317 (ii) reject the proposed [~~sublease~~] lease.

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

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

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

328 (11) (a) As used in this Subsection (11), "new land" means land that, if acquired by the
329 authority, would result in the authority having acquired over three acres of land more than the
330 land described in Subsection [11-68-101\(9\)\(a\)](#).

331 (b) In conjunction with the authority's acquisition of new land, the authority shall enter
332 an agreement with the municipality in which the new land is located.

333 (c) To provide funds for the cost of increased municipal services that the municipality
334 will provide to the new land, an agreement under Subsection (11)(b) shall:

335 (i) provide for:

336 (A) the payment of impact fees to the municipality for development activity on the new
337 land; and

338 (B) the authority's sharing with the municipality tax revenue generated from the new
339 land; and

340 (ii) be structured in a way that recognizes the needs of the authority and furthers mutual
341 goals of the authority and the municipality.

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

344 ~~[63H-6-108].~~ **11-68-202. Operation of the state-owned buildings and**
345 **facilities on fair park land -- New construction and modification of existing facilities --**
346 **Liability insurance -- Obligations of the authority.**

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

440 ~~[(5) (4) Upon 24 hours notice to the [corporation] board, the division may enter the~~
441 ~~[state] fair park land to inspect [the state] any facility on fair park land and make any repairs~~
442 ~~that the division determines necessary.~~

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

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

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

449 ~~[(7) (5) (a) A debt or obligation contracted by the [corporation] authority is a debt or~~
450 ~~obligation of the [corporation] authority and not of the state.~~

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

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

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

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

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

459 **Part 3. Authority Governance**

460 ~~[63H-6-104].~~ 11-68-301. Board -- Membership -- Term -- Quorum --
461 **Vacancies -- Duties.**

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

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

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

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

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

468 (i) who have business related experience; and

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

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

471 (i) who have business related experience; and

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

473 (e) five members, of whom only one may be a legislator, in accordance with

474 Subsection (3)(e), appointed by the governor with the advice and consent of the Senate in
475 accordance with Title 63G, Chapter 24, Part 2, Vacancies as follows:

476 (i) two members who represent agricultural interests;

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

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

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

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

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

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

488 (ii) In making appointments to the board, the president of the Senate, the speaker of the
489 House, the governor, and the mayor of Salt Lake City shall ensure that the terms of
490 approximately 1/4 of the appointed board members expire each year.

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

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

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

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

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

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

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

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

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

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

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

512 (a) a business plan for the authority;

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

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

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

518 ~~[63H-6-105].~~ **11-68-302. Executive director.**

519 (1) (a) The board shall:

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

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

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

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

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

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

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

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

531 (2) The executive director shall:

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

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

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

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

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

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

543 (g) employ, within the limitations of the budget, staff personnel and consultants to
544 accomplish the purpose of the [corporation] authority, and establish [~~their~~] the qualifications,
545 duties, and compensation of the staff personnel and consultants;

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

548 [~~(i) in cooperation with the board, create:~~]

549 [~~(i) business plans for the corporation;~~]

550 [~~(ii) a financial plan for the corporation that projects self-sufficiency for the~~
551 ~~corporation within two years; and]~~

552 [~~(iii) a master plan for the state fair park;~~]

584 ~~within the state fair park shall provide that the person shall, in accordance with Title 59,~~
 585 ~~Chapter 3, Tax Equivalent Property Act, make a tax equivalent payment as defined in Section~~
 586 ~~59-3-102 to the corporation each year.]~~

587 (2) (a) As provided in Subsection (2)(b), the authority shall be paid:

588 (i) all revenue from a privilege tax under Subsection (1); and

589 (ii) all revenue from a property tax on personal property located on property that is
 590 subject to a privilege tax under Subsection (1).

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

619 **Part 5. Authority Bonds**

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

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

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

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

626 (i) the maximum:

627 (A) amount of the bonds;

628 (B) term; and

629 (C) interest rate; and

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

631 (b) submits the parameters resolution for review and recommendation to the State
632 Finance Review Commission created in Section [63C-25-201](#).

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

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

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

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

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

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

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

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

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

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

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

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

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

661 (a) the Executive Appropriations Committee; and

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

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

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

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

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

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

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

674 (d) privilege tax and property tax revenue under Section [11-68-402](#);

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

677 (f) authority revenues generally;

678 (g) a contribution, loan, grant, or other financial assistance from the federal

679 government or a public entity in aid of the development; or

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

681 through (g).

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

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

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

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

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

693 **11-68-503. Authority to purchase agency bonds.**

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

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

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

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

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

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

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

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

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

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

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

716 **11-68-505. Obligee rights -- Board may confer other rights.**

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

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

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

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

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

732 **11-68-506. Bonds exempt from taxes -- Authority may purchase its own bonds.**

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

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

738 (3) Nothing in this section may be construed to limit the right of an obligee to pursue a

739 remedy for the enforcement of a pledge or lien given under this part by the authority on the
740 authority's income, revenues, proceeds, funds, fees, rents, grants, or taxes.

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

743 **Part 6. Authority Reporting**

744 ~~[63H-6-106].~~ **11-68-601. Financial reports -- Audit -- Surety bonds.**

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

748 (b) The report shall contain:

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

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

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

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

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

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

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

761 (3) (a) The [~~corporation~~] authority shall maintain a surety bond in the penal sum of
762 \$25,000 for each member of the board.

763 (b) The [~~corporation~~] authority shall maintain a surety bond in the penal sum of
764 \$50,000 for the executive director.

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

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

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

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

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

772 Section 17. Section **59-2-924** is amended to read:

773 **59-2-924. Definitions -- Report of valuation of property to county auditor and**
774 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**
775 **rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the**
776 **commission.**

777 (1) As used in this section:

778 (a) (i) "Ad valorem property tax revenue" means revenue collected in accordance with
779 this chapter.

780 (ii) "Ad valorem property tax revenue" does not include:

781 (A) interest;

782 (B) penalties;

783 (C) collections from redemptions; or

784 (D) revenue received by a taxing entity from personal property that is semiconductor
785 manufacturing equipment assessed by a county assessor in accordance with Part 3, County
786 Assessment.

787 (b) "Adjusted tax increment" means the same as that term is defined in Section
788 [17C-1-102](#).

789 (c) (i) "Aggregate taxable value of all property taxed" means:

790 (A) the aggregate taxable value of all real property a county assessor assesses in
791 accordance with Part 3, County Assessment, for the current year;

792 (B) the aggregate taxable value of all real and personal property the commission
793 assesses in accordance with Part 2, Assessment of Property, for the current year; and

794 (C) the aggregate year end taxable value of all personal property a county assessor
795 assesses in accordance with Part 3, County Assessment, contained on the prior year's tax rolls
796 of the taxing entity.

797 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate year
798 end taxable value of personal property that is:

799 (A) semiconductor manufacturing equipment assessed by a county assessor in
800 accordance with Part 3, County Assessment; and

- 801 (B) contained on the prior year's tax rolls of the taxing entity.
- 802 (d) "Base taxable value" means:
- 803 (i) for an authority created under Section 11-58-201, the same as that term is defined in
804 Section 11-58-102;
- 805 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
806 the same as that term is defined in Section 11-59-207;
- 807 (iii) for an agency created under Section 17C-1-201.5, the same as that term is defined
808 in Section 17C-1-102;
- 809 (iv) for an authority created under Section 63H-1-201, the same as that term is defined
810 in Section 63H-1-102;
- 811 (v) for a host local government, the same as that term is defined in Section 63N-2-502;
812 or
- 813 (vi) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,
814 Part 6, Housing and Transit Reinvestment Zone Act, a property's taxable value as shown upon
815 the assessment roll last equalized during the base year, as that term is defined in Section
816 63N-3-602.
- 817 (e) "Centrally assessed benchmark value" means an amount equal to the highest year
818 end taxable value of real and personal property the commission assesses in accordance with
819 Part 2, Assessment of Property, for a previous calendar year that begins on or after January 1,
820 2015, adjusted for taxable value attributable to:
- 821 (i) an annexation to a taxing entity;
- 822 (ii) an incorrect allocation of taxable value of real or personal property the commission
823 assesses in accordance with Part 2, Assessment of Property; or
- 824 (iii) a change in value as a result of a change in the method of apportioning the value
825 prescribed by the Legislature, a court, or the commission in an administrative rule or
826 administrative order.
- 827 (f) (i) "Centrally assessed new growth" means the greater of:
- 828 (A) zero; or
- 829 (B) the amount calculated by subtracting the centrally assessed benchmark value
830 adjusted for prior year end incremental value from the taxable value of real and personal
831 property the commission assesses in accordance with Part 2, Assessment of Property, for the

832 current year, adjusted for current year incremental value.

833 (ii) "Centrally assessed new growth" does not include a change in value as a result of a
834 change in the method of apportioning the value prescribed by the Legislature, a court, or the
835 commission in an administrative rule or administrative order.

836 (g) "Certified tax rate" means a tax rate that will provide the same ad valorem property
837 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.

838 (h) "Community reinvestment agency" means the same as that term is defined in
839 Section [17C-1-102](#).

840 (i) "Eligible new growth" means the greater of:

841 (i) zero; or

842 (ii) the sum of:

843 (A) locally assessed new growth;

844 (B) centrally assessed new growth; and

845 (C) project area new growth or hotel property new growth.

846 (j) "Host local government" means the same as that term is defined in Section
847 [63N-2-502](#).

848 (k) "Hotel property" means the same as that term is defined in Section [63N-2-502](#).

849 (l) "Hotel property new growth" means an amount equal to the incremental value that
850 is no longer provided to a host local government as incremental property tax revenue.

851 (m) "Incremental property tax revenue" means the same as that term is defined in
852 Section [63N-2-502](#).

853 (n) "Incremental value" means:

854 (i) for an authority created under Section [11-58-201](#), the amount calculated by
855 multiplying:

856 (A) the difference between the taxable value and the base taxable value of the property
857 that is located within a project area and on which property tax differential is collected; and

858 (B) the number that represents the percentage of the property tax differential that is
859 paid to the authority;

860 (ii) for the Point of the Mountain State Land Authority created in Section [11-59-201](#),
861 an amount calculated by multiplying:

862 (A) the difference between the current assessed value of the property and the base

863 taxable value; and

864 (B) the number that represents the percentage of the property tax augmentation, as
865 defined in Section 11-59-207, that is paid to the Point of the Mountain State Land Authority;

866 (iii) for an agency created under Section 17C-1-201.5, the amount calculated by
867 multiplying:

868 (A) the difference between the taxable value and the base taxable value of the property
869 located within a project area and on which tax increment is collected; and

870 (B) the number that represents the adjusted tax increment from that project area that is
871 paid to the agency;

872 (iv) for an authority created under Section 63H-1-201, the amount calculated by
873 multiplying:

874 (A) the difference between the taxable value and the base taxable value of the property
875 located within a project area and on which property tax allocation is collected; and

876 (B) the number that represents the percentage of the property tax allocation from that
877 project area that is paid to the authority;

878 (v) for a housing and transit reinvestment zone created pursuant to Title 63N, Chapter
879 3, Part 6, Housing and Transit Reinvestment Zone Act, an amount calculated by multiplying:

880 (A) the difference between the taxable value and the base taxable value of the property
881 that is located within a housing and transit reinvestment zone and on which tax increment is
882 collected; and

883 (B) the number that represents the percentage of the tax increment that is paid to the
884 housing and transit reinvestment zone; [~~or~~]

885 (vi) for a host local government, an amount calculated by multiplying:

886 (A) the difference between the taxable value and the base taxable value of the hotel
887 property on which incremental property tax revenue is collected; and

888 (B) the number that represents the percentage of the incremental property tax revenue
889 from that hotel property that is paid to the host local government[~~;~~]; or

890 (vii) for the State Fair Park Authority created in Section 11-68-201, the taxable value
891 of:

892 (A) fair park land, as defined in Section 11-68-101, that is subject to a privilege tax
893 under Section 11-68-402; or

894 (B) personal property located on property that is subject to the privilege tax described
895 in Subsection (1)(n)(vii)(A).

896 (o) (i) "Locally assessed new growth" means the greater of:

897 (A) zero; or

898 (B) the amount calculated by subtracting the year end taxable value of real property the
899 county assessor assesses in accordance with Part 3, County Assessment, for the previous year,
900 adjusted for prior year end incremental value from the taxable value of real property the county
901 assessor assesses in accordance with Part 3, County Assessment, for the current year, adjusted
902 for current year incremental value.

903 (ii) "Locally assessed new growth" does not include a change in:

904 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal, or
905 another adjustment;

906 (B) assessed value based on whether a property is allowed a residential exemption for a
907 primary residence under Section 59-2-103;

908 (C) assessed value based on whether a property is assessed under Part 5, Farmland
909 Assessment Act; or

910 (D) assessed value based on whether a property is assessed under Part 17, Urban
911 Farming Assessment Act.

912 (p) "Project area" means:

913 (i) for an authority created under Section 11-58-201, the same as that term is defined in
914 Section 11-58-102;

915 (ii) for an agency created under Section 17C-1-201.5, the same as that term is defined
916 in Section 17C-1-102; or

917 (iii) for an authority created under Section 63H-1-201, the same as that term is defined
918 in Section 63H-1-102.

919 (q) "Project area new growth" means:

920 (i) for an authority created under Section 11-58-201, an amount equal to the
921 incremental value that is no longer provided to an authority as property tax differential;

922 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
923 an amount equal to the incremental value that is no longer provided to the Point of the
924 Mountain State Land Authority as property tax augmentation, as defined in Section 11-59-207;

- 925 (iii) for an agency created under Section 17C-1-201.5, an amount equal to the
926 incremental value that is no longer provided to an agency as tax increment;
- 927 (iv) for an authority created under Section 63H-1-201, an amount equal to the
928 incremental value that is no longer provided to an authority as property tax allocation; or
- 929 (v) for a housing and transit reinvestment zone created under Title 63N, Chapter 3, Part
930 6, Housing and Transit Reinvestment Zone Act, an amount equal to the incremental value that
931 is no longer provided to a housing and transit reinvestment zone as tax increment.
- 932 (r) "Project area incremental revenue" means the same as that term is defined in
933 Section 17C-1-1001.
- 934 (s) "Property tax allocation" means the same as that term is defined in Section
935 63H-1-102.
- 936 (t) "Property tax differential" means the same as that term is defined in Section
937 11-58-102.
- 938 (u) "Qualifying exempt revenue" means revenue received:
- 939 (i) for the previous calendar year;
- 940 (ii) by a taxing entity;
- 941 (iii) from tangible personal property contained on the prior year's tax rolls that is
942 exempt from property tax under Subsection 59-2-1115(2)(b) for a calendar year beginning on
943 January 1, 2022; and
- 944 (iv) on the aggregate 2021 year end taxable value of the tangible personal property that
945 exceeds \$15,300.
- 946 (v) "Tax increment" means:
- 947 (i) for a project created under Section 17C-1-201.5, the same as that term is defined in
948 Section 17C-1-102; or
- 949 (ii) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,
950 Part 6, Housing and Transit Reinvestment Zone Act, the same as that term is defined in Section
951 63N-3-602.
- 952 (2) Before June 1 of each year, the county assessor of each county shall deliver to the
953 county auditor and the commission the following statements:
- 954 (a) a statement containing the aggregate valuation of all taxable real property a county
955 assessor assesses in accordance with Part 3, County Assessment, for each taxing entity; and

956 (b) a statement containing the taxable value of all personal property a county assessor
957 assesses in accordance with Part 3, County Assessment, from the prior year end values.

958 (3) The county auditor shall, on or before June 8, transmit to the governing body of
959 each taxing entity:

960 (a) the statements described in Subsections (2)(a) and (b);

961 (b) an estimate of the revenue from personal property;

962 (c) the certified tax rate; and

963 (d) all forms necessary to submit a tax levy request.

964 (4) (a) Except as otherwise provided in this section, the certified tax rate shall be
965 calculated by dividing the ad valorem property tax revenue that a taxing entity budgeted for the
966 prior year minus the qualifying exempt revenue by the amount calculated under Subsection
967 (4)(b).

968 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
969 calculate an amount as follows:

970 (i) calculate for the taxing entity the difference between:

971 (A) the aggregate taxable value of all property taxed; and

972 (B) any adjustments for current year incremental value;

973 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
974 determined by increasing or decreasing the amount calculated under Subsection (4)(b)(i) by the
975 average of the percentage net change in the value of taxable property for the equalization
976 period for the three calendar years immediately preceding the current calendar year;

977 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the product
978 of:

979 (A) the amount calculated under Subsection (4)(b)(ii); and

980 (B) the percentage of property taxes collected for the five calendar years immediately
981 preceding the current calendar year; and

982 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an amount
983 determined by:

984 (A) multiplying the percentage of property taxes collected for the five calendar years
985 immediately preceding the current calendar year by eligible new growth; and

986 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the amount

987 calculated under Subsection (4)(b)(iii).

988 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be
989 calculated as follows:

990 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
991 tax rate is zero;

992 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:

993 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
994 services under Sections 17-34-1 and 17-36-9; and

995 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
996 purposes and such other levies imposed solely for the municipal-type services identified in
997 Section 17-34-1 and Subsection 17-36-3(23);

998 (c) for a community reinvestment agency that received all or a portion of a taxing
999 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1, Part 10,
1000 Agency Taxing Authority, the certified tax rate is calculated as described in Subsection (4)
1001 except that the commission shall treat the total revenue transferred to the community
1002 reinvestment agency as ad valorem property tax revenue that the taxing entity budgeted for the
1003 prior year; and

1004 (d) for debt service voted on by the public, the certified tax rate is the actual levy
1005 imposed by that section, except that a certified tax rate for the following levies shall be
1006 calculated in accordance with Section 59-2-913 and this section:

1007 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and

1008 (ii) a levy to pay for the costs of state legislative mandates or judicial or administrative
1009 orders under Section 59-2-1602.

1010 (6) (a) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 may be
1011 imposed at a rate that is sufficient to generate only the revenue required to satisfy one or more
1012 eligible judgments.

1013 (b) The ad valorem property tax revenue generated by a judgment levy described in
1014 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate certified tax
1015 rate.

1016 (7) (a) For the purpose of calculating the certified tax rate, the county auditor shall use:

1017 (i) the taxable value of real property:

1018 (A) the county assessor assesses in accordance with Part 3, County Assessment; and

1019 (B) contained on the assessment roll;

1020 (ii) the year end taxable value of personal property:

1021 (A) a county assessor assesses in accordance with Part 3, County Assessment; and

1022 (B) contained on the prior year's assessment roll; and

1023 (iii) the taxable value of real and personal property the commission assesses in

1024 accordance with Part 2, Assessment of Property.

1025 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new

1026 growth.

1027 (8) (a) On or before June 30, a taxing entity shall annually adopt a tentative budget.

1028 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall

1029 notify the county auditor of:

1030 (i) the taxing entity's intent to exceed the certified tax rate; and

1031 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.

1032 (c) The county auditor shall notify property owners of any intent to levy a tax rate that

1033 exceeds the certified tax rate in accordance with Sections [59-2-919](#) and [59-2-919.1](#).

1034 (9) (a) Subject to Subsection (9)(d), the commission shall provide notice, through

1035 electronic means on or before July 31, to a taxing entity and the Revenue and Taxation Interim

1036 Committee if:

1037 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end

1038 taxable value of the real and personal property the commission assesses in accordance with

1039 Part 2, Assessment of Property, for the previous year, adjusted for prior year end incremental

1040 value; and

1041 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year end

1042 taxable value of the real and personal property of a taxpayer the commission assesses in

1043 accordance with Part 2, Assessment of Property, for the previous year.

1044 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by

1045 subtracting the taxable value of real and personal property the commission assesses in

1046 accordance with Part 2, Assessment of Property, for the current year, adjusted for current year

1047 incremental value, from the year end taxable value of the real and personal property the

1048 commission assesses in accordance with Part 2, Assessment of Property, for the previous year,

1049 adjusted for prior year end incremental value.

1050 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
1051 subtracting the total taxable value of real and personal property of a taxpayer the commission
1052 assesses in accordance with Part 2, Assessment of Property, for the current year, from the total
1053 year end taxable value of the real and personal property of a taxpayer the commission assesses
1054 in accordance with Part 2, Assessment of Property, for the previous year.

1055 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet
1056 the requirement under Subsection (9)(a)(ii).

1057 Section 18. Section **59-4-101** is amended to read:

1058 **59-4-101. Tax basis -- Exceptions -- Assessment and collection -- Designation of**
1059 **person to receive notice.**

1060 (1) (a) Except as provided in Subsections (1)(b), (1)(c), and (3), a tax is imposed on the
1061 possession or other beneficial use enjoyed by any person of any real or personal property that is
1062 exempt for any reason from taxation, if that property is used in connection with a business
1063 conducted for profit.

1064 (b) Any interest remaining in the state in state lands after subtracting amounts paid or
1065 due in part payment of the purchase price as provided in Subsection [59-2-1103\(2\)\(b\)\(i\)](#) under a
1066 contract of sale is subject to taxation under this chapter regardless of whether the property is
1067 used in connection with a business conducted for profit.

1068 (c) The tax imposed under Subsection (1)(a) does not apply to property exempt from
1069 taxation under Section [59-2-1114](#).

1070 (2) (a) The tax imposed under this chapter is the same amount that the ad valorem
1071 property tax would be if the possessor or user were the owner of the property.

1072 (b) The amount of any payments that are made in lieu of taxes is credited against the
1073 tax imposed on the beneficial use of property owned by the federal government.

1074 (3) A tax is not imposed under this chapter on the following:

1075 (a) the use of property that is a concession in, or relative to, the use of a public airport,
1076 park, fairground, or similar property that is available as a matter of right to the use of the
1077 general public;

1078 (b) the use or possession of property by a religious, educational, or charitable
1079 organization;

1080 (c) the use or possession of property if the revenue generated by the possessor or user
1081 of the property through its possession or use of the property inures only to the benefit of a
1082 religious, educational, or charitable organization and not to the benefit of any other person;

1083 (d) the possession or other beneficial use of public land occupied under the terms of an
1084 agricultural lease or permit issued by the United States or this state;

1085 (e) the use or possession of any lease, permit, or easement unless the lease, permit, or
1086 easement entitles the lessee or permittee to exclusive possession of the premises to which the
1087 lease, permit, or easement relates;

1088 (f) the use or possession of property by a public agency, as defined in Section
1089 [11-13-103](#), to the extent that the ownership interest of the public agency in that property is
1090 subject to a fee in lieu of ad valorem property tax under Section [11-13-302](#); or

1091 (g) the possession or beneficial use of public property as a tollway by a private entity
1092 through a tollway development agreement as defined in Section [72-6-202](#).

1093 (4) For purposes of Subsection (3)(e):

1094 (a) every lessee, permittee, or other holder of a right to remove or extract the mineral
1095 covered by the holder's lease, right permit, or easement, except from brines of the Great Salt
1096 Lake, is considered to be in possession of the premises, regardless of whether another party has
1097 a similar right to remove or extract another mineral from the same property; and

1098 (b) a lessee, permittee, or holder of an easement still has exclusive possession of the
1099 premises if the owner has the right to enter the premises, approve leasehold improvements, or
1100 inspect the premises.

1101 (5) A tax imposed under this chapter is assessed to the possessors or users of the
1102 property on the same forms, and collected and, subject to Subsection [11-68-402\(2\)](#), distributed
1103 at the same time and in the same manner, as taxes assessed owners, possessors, or other
1104 claimants of property that is subject to ad valorem property taxation. The tax is not a lien
1105 against the property, and no tax-exempt property may be attached, encumbered, sold, or
1106 otherwise affected for the collection of the tax.

1107 (6) (a) (i) Except as provided in Subsection (6)(a)(ii), if a governmental entity is
1108 required under this chapter to send information or notice to a person, the governmental entity
1109 shall send the information or notice to:

1110 (A) the person required under the applicable provision of this chapter; and

1111 (B) each person designated in accordance with Subsection (6)(b) by the person
1112 described in Subsection (6)(a)(i)(A).

1113 (ii) If a governmental entity is required under Section 59-2-919.1 or 59-2-1317 to send
1114 information or notice to a person, the governmental entity shall send the information or notice
1115 to:

1116 (A) the person required under the applicable section; or

1117 (B) one person designated in accordance with Subsection (6)(b) by the person
1118 described in Subsection (6)(a)(ii)(A).

1119 (b) (i) A person to whom a governmental entity is required under this chapter to send
1120 information or notice may designate a person to receive the information or notice in accordance
1121 with Subsection (6)(a).

1122 (ii) To make a designation described in Subsection (6)(b)(i), the person shall submit a
1123 written request to the governmental entity on a form prescribed by the commission.

1124 (c) A person who makes a designation described in Subsection (6)(b) may revoke the
1125 designation by submitting a written request to the governmental entity on a form prescribed by
1126 the commission.

1127 (7) Sections 59-2-301.1 through 59-2-301.7 apply for purposes of assessing a tax under
1128 this chapter.

1129 Section 19. Section 59-12-2301 is enacted to read:

1130 **Part 23. Fair Park Special Event Tax**

1131 **59-12-2301. Definitions.**

1132 As used in this part:

1133 (1) "Authority board" means the fair park authority board under Section 11-68-301.

1134 (2) "Fair park authority" means the State Fair Park Authority, created in Section
1135 11-68-201.

1136 (3) "Fair park land" means the same as that term is defined in Section 11-68-101.

1137 (4) "Fair park special event" means an event:

1138 (a) that occurs on fair park land, except within a qualified hotel as defined in Section
1139 11-68-401;

1140 (b) that lasts six months or less;

1141 (c) that is:

- 1142 (i) sponsored by the fair park authority; or
- 1143 (ii) provided pursuant to a contract with the fair park authority;
- 1144 (d) for which a special event permit is obtained under Section [59-12-106](#); and
- 1145 (e) where taxable sales occur.

1146 (5) "Fair park special event tax" means a tax imposed under this part on taxable items.

1147 (6) "Taxable items" means:

- 1148 (a) alcoholic beverages;
- 1149 (b) food and food ingredients; or
- 1150 (c) prepared food.

1151 Section 20. Section **59-12-2302** is enacted to read:

1152 **59-12-2302. Fair park authority may impose special event tax.**

1153 (1) The fair park authority may impose a tax of not to exceed 1.5% on all sales:

- 1154 (a) of taxable items; and
- 1155 (b) that occur at a fair park special event.

1156 (2) (a) To impose a tax under Subsection (1), the authority board shall adopt a
1157 resolution imposing the tax.

1158 (b) The resolution under Subsection (2)(a) shall include provisions substantially the
1159 same as those contained in Part 1, Tax Collection, except that the tax shall be imposed only on
1160 taxable items.

1161 (c) The name of the fair park authority as the taxing agency shall be substituted for that
1162 of the state where necessary, and an additional license is not required if one has been or is
1163 issued under Section [59-12-106](#).

1164 (3) To maintain in effect a tax resolution adopted under this part, the authority board
1165 shall, within 30 days of any amendment of any applicable provisions of Part 1, Tax Collection,
1166 adopt amendments to the fair park authority's tax resolution to conform with the applicable
1167 amendments to Part 1, Tax Collection.

1168 (4) (a) (i) Except as provided in Subsection (4)(a)(ii), a tax authorized under this part
1169 shall be administered, collected, and enforced in accordance with the same procedures used to
1170 administer, collect, and enforce the tax under:

- 1171 (A) Part 1, Tax Collection, or Part 2, Local Sales and Use Tax Act; and
- 1172 (B) Chapter 1, General Taxation Policies.

1173 (ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
1174 Subsections 59-12-205(2) through (6).

1175 (b) Except as provided in Subsection (4)(c), the commission shall distribute the
1176 revenue from a fair park special event tax to the fair park authority.

1177 (c) The commission shall retain and deposit an administrative charge in accordance
1178 with Section 59-1-306 from the revenue the commission collects from a fair park special event
1179 tax.

1180 (5) (a) (i) Except as provided in Subsection (5)(b), if the fair park authority enacts or
1181 repeals a fair park special event tax or changes the rate of a fair park special event tax, the
1182 enactment, repeal, or change takes effect:

1183 (A) on the first day of a calendar quarter; and

1184 (B) after a 90-day period beginning on the day on which the commission receives
1185 notice meeting the requirements of Subsection (5)(a)(ii) from the fair park authority.

1186 (ii) The notice described in Subsection (5)(a)(i) shall state:

1187 (A) that the fair park authority will enact or repeal a fair park special event tax or
1188 change the rate of a fair park special event tax;

1189 (B) the statutory authority for the fair park special event tax;

1190 (C) the effective date of the imposition, repeal, or change in the rate of the fair park
1191 special event tax; and

1192 (D) if the fair park authority enacts the fair park special event tax or changes the rate of
1193 the fair park special event tax, the rate of the fair park special event tax.

1194 (c) (i) If the billing period for a transaction begins before the effective date of the
1195 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
1196 the tax or the tax rate increase shall take effect on the first day of the first billing period that
1197 begins after the effective date of the enactment of the tax or the tax rate increase.

1198 (ii) If the billing period for a transaction begins before the effective date of the repeal
1199 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
1200 rate decrease shall take effect on the first day of the last billing period that began before the
1201 effective date of the repeal of the tax or the tax rate decrease.

1202 (d) If the fair park authority acquires land that becomes part of the fair park land, the
1203 acquisition of that additional land constitutes the fair park authority's enactment of a fair park

1204 special event tax as to that additional land, requiring the fair park authority's compliance with
1205 the notice provisions of this Subsection (5).

1206 (e) (i) If the billing period for a transaction begins before the effective date of the
1207 enactment of the tax or the tax rate increase imposed under Subsection (1), the enactment of
1208 the tax or the tax rate increase shall take effect on the first day of the first billing period that
1209 begins after the effective date of the enactment of the tax or the tax rate increase.

1210 (ii) If the billing period for a transaction begins before the effective date of the repeal
1211 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the tax or the tax
1212 rate decrease shall take effect on the first day of the last billing period that began before the
1213 effective date of the repeal of the tax or the tax rate decrease.

1214 Section 21. Section **59-12-2303** is enacted to read:

1215 **59-12-2303. Seller or certified service provider reliance on commission**
1216 **information.**

1217 A seller or certified service provider is not liable for failing to collect a fair park special
1218 event tax if the seller's or certified service provider's failure to collect the fair park special event
1219 tax is as a result of the seller's or certified service provider's reliance on incorrect data provided
1220 by the commission in a database created by the commission:

- 1221 (1) containing tax rates, boundaries, or local taxing jurisdiction assignments; or
1222 (2) indicating the taxability of tangible personal property, a product transferred
1223 electronically, or a service.

1224 Section 22. Section **59-12-2304** is enacted to read:

1225 **59-12-2304. Certified service provider or model 2 seller reliance on commission**
1226 **certified software.**

1227 (1) Except as provided in Subsection (2) and subject to Subsection (4), a certified
1228 service provider or model 2 seller is not liable for failing to collect a fair park special event tax
1229 if:

1230 (a) the certified service provider or model 2 seller relies on software the commission
1231 certifies; and

1232 (b) the certified service provider's or model 2 seller's failure to collect a fair park
1233 special event tax is a result of the seller's or certified service provider's reliance on incorrect
1234 data:

1235 (i) provided by the commission; or

1236 (ii) in the software the commission certifies.

1237 (2) The relief from liability described in Subsection (1) does not apply if a certified
1238 service provider or model 2 seller incorrectly classifies an item or transaction into a product
1239 category the commission certifies.

1240 (3) If the taxability of a product category is incorrectly classified in software the
1241 commission certifies, the commission shall:

1242 (a) notify a certified service provider or model 2 seller of the incorrect classification of
1243 the taxability of a product category in software the commission certifies; and

1244 (b) state in the notice required by Subsection (3)(a) that the certified service provider or
1245 model 2 seller is liable for failing to collect the correct amount of tax under this part on the
1246 incorrectly classified product category if the certified service provider or model 2 seller fails to
1247 correct the taxability of the item or transaction within 10 days after the day on which the
1248 certified service provider or model 2 seller receives the notice.

1249 (4) If a certified service provider or model 2 seller fails to correct the taxability of an
1250 item or transaction within 10 days after the day on which the certified service provider or
1251 model 2 seller receives the notice described in Subsection (3), the certified service provider or
1252 model 2 seller is liable for failing to collect the correct amount of tax under this part on the
1253 item or transaction.

1254 Section 23. Section **59-12-2305** is enacted to read:

1255 **59-12-2305. Purchaser relief from liability.**

1256 (1) (a) Except as provided in Subsection (1)(b), a purchaser is relieved from a penalty
1257 under Section [59-1-401](#) for failure to pay a fair park special event tax or an underpayment of
1258 the fair park special event tax if:

1259 (i) the purchaser's seller or certified service provider relies on incorrect data provided
1260 by the commission:

1261 (A) on a tax rate;

1262 (B) on a boundary;

1263 (C) on a taxing jurisdiction; or

1264 (D) in the taxability matrix the commission provides in accordance with the agreement;

1265 or

1266 (ii) the purchaser, regardless of whether the purchaser holds a direct payment permit in
1267 accordance with Section 59-12-107.1, relies on incorrect data provided by the commission:

1268 (A) on a tax rate;

1269 (B) on a boundary;

1270 (C) on a taxing jurisdiction; or

1271 (D) in the taxability matrix the commission provides in accordance with the agreement.

1272 (b) For purposes of Subsection (1)(a), a purchaser is not relieved from a penalty under

1273 Section 59-1-401 for failure to pay a tax due under this part or an underpayment if the

1274 purchaser's, the purchaser's seller's, or the purchaser's certified service provider's reliance on

1275 incorrect data provided by the commission is a result of conduct that is:

1276 (i) fraudulent;

1277 (ii) intentional; or

1278 (iii) willful.

1279 (2) In addition to the relief from a penalty described in Subsection (1), a purchaser is

1280 not liable for a tax or interest under Section 59-1-402 for failure to pay a fair park special event

1281 tax or an underpayment of the fair park special event tax if:

1282 (a) the purchaser's seller or certified service provider relies on:

1283 (i) incorrect data provided by the commission:

1284 (A) on a tax rate;

1285 (B) on a boundary; or

1286 (C) on a taxing jurisdiction; or

1287 (ii) an erroneous classification by the commission:

1288 (A) in the taxability matrix the commission provides in accordance with the agreement;

1289 and

1290 (B) with respect to a term that is in the library of definitions and that is listed as taxable

1291 or exempt, included in or excluded from "sales price," or included in or excluded from a

1292 definition; or

1293 (b) the purchaser, regardless of whether the purchaser holds a direct payment permit in

1294 accordance with Section 59-12-107.1, relies on:

1295 (i) incorrect data provided by the commission:

1296 (A) on a tax rate;

- 1297 (B) on a boundary; or
- 1298 (C) on a taxing jurisdiction; or
- 1299 (ii) an erroneous classification by the commission:
- 1300 (A) in the taxability matrix the commission provides in accordance with the agreement;
- 1301 and
- 1302 (B) with respect to a term that is in the library of definitions and that is listed as taxable
- 1303 or exempt, included in or excluded from "sales price," or included in or excluded from a
- 1304 definition.

1305 Section 24. Section **63C-25-101** is amended to read:

1306 **63C-25-101. Definitions.**

1307 As used in this chapter:

- 1308 (1) "Authority" means the same as that term is defined in Section [63B-1-303](#).
- 1309 (2) "Bond" means the same as that term is defined in Section [63B-1-101](#).
- 1310 (3) "Bonding political subdivision" means:
 - 1311 (a) the Utah Inland Port Authority, created in Section [11-58-201](#);
 - 1312 (b) the Military Installation Development Authority, created in Section [63H-1-201](#);
 - 1313 (c) the Point of the Mountain State Land Authority, created in Section [11-59-201](#); ~~[or]~~
 - 1314 (d) the Utah Lake Authority, created in Section [11-65-201](#)~~[-];~~ or
 - 1315 (e) the State Fair Park Authority, created in Section [11-68-201](#).
- 1316 (4) "Commission" means the State Finance Review Commission created in Section
- 1317 [63C-25-201](#).
- 1318 (5) "Concessionaire" means a person who:
 - 1319 (a) operates, finances, maintains, or constructs a government facility under a contract
 - 1320 with a bonding political subdivision; and
 - 1321 (b) is not a bonding political subdivision.
- 1322 (6) "Creating entity" means the same as that term is defined in Section [17D-4-102](#).
- 1323 (7) "Government facility" means infrastructure, improvements, or a building that:
 - 1324 (a) costs more than \$5,000,000 to construct; and
 - 1325 (b) has a useful life greater than five years.
- 1326 (8) "Large public transit district" means the same as that term is defined in Section
- 1327 [17B-2a-802](#).

1328 (9) "Loan entity" means the board, person, unit, or agency with legal responsibility for
1329 making a loan from a revolving loan fund.

1330 (10) "Obligation" means the same as that term is defined in Section 63B-1-303.

1331 (11) "Parameters resolution" means a resolution of a bonding political subdivision, or
1332 public infrastructure district created by a bonding political subdivision, that sets forth for
1333 proposed bonds:

1334 (a) the maximum:

1335 (i) amount of bonds;

1336 (ii) term; and

1337 (iii) interest rate; and

1338 (b) the expected security for the bonds.

1339 (12) "Public infrastructure district" means a public infrastructure district created under
1340 Title 17D, Chapter 4, Public Infrastructure District Act.

1341 (13) "Public-private partnership" means a contract:

1342 (a) between a bonding political subdivision and a concessionaire for the operation,
1343 finance, maintenance, or construction of a government facility;

1344 (b) that authorizes the concessionaire to operate the government facility for a term of
1345 five years or longer, including any extension of the contract; and

1346 (c) in which all or some of the annual source of payment to the concessionaire comes
1347 from state funds provided to the bonding political subdivision.

1348 (14) "Revolving loan fund" means:

1349 (a) the Water Resources Conservation and Development Fund, created in Section
1350 73-10-24;

1351 (b) the Water Resources Construction Fund, created in Section 73-10-8;

1352 (c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;

1353 (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean
1354 Fuels and Vehicle Technology Program Act;

1355 (e) the Water Development Security Fund and its subaccounts, created in Section
1356 73-10c-5;

1357 (f) the Agriculture Resource Development Fund, created in Section 4-18-106;

1358 (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-105;

- 1359 (h) the Permanent Community Impact Fund, created in Section 35A-8-303;
- 1360 (i) the Petroleum Storage Tank Fund, created in Section 19-6-409;
- 1361 (j) the School Building Revolving Account, created in Section 53F-9-206;
- 1362 (k) the State Infrastructure Bank Fund, created in Section 72-2-202;
- 1363 (l) the Uintah Basin Revitalization Fund, created in Section 35A-8-1602;
- 1364 (m) the Navajo Revitalization Fund, created in Section 35A-8-1704;
- 1365 (n) the Energy Efficiency Fund, created in Section 11-45-201;
- 1366 (o) the Brownfields Fund, created in Section 19-8-120;
- 1367 (p) the following enterprise revolving loan funds created in Section 63A-3-402:
- 1368 (i) the inland port infrastructure revolving loan fund;
- 1369 (ii) the point of the mountain infrastructure revolving loan fund; or
- 1370 (iii) the military development infrastructure revolving loan fund; and
- 1371 (q) any other revolving loan fund created in statute where the borrower from the
- 1372 revolving loan fund is a public non-profit entity or political subdivision, including a fund listed
- 1373 in Section 63A-3-205, from which a loan entity is authorized to make a loan.

1374 (15) (a) "State funds" means an appropriation by the Legislature identified as coming
1375 from the General Fund or Education Fund.

1376 (b) "State funds" does not include:

- 1377 (i) a revolving loan fund; or
- 1378 (ii) revenues received by a bonding political subdivision from:
 - 1379 (A) a tax levied by the bonding political subdivision;
 - 1380 (B) a fee assessed by the bonding political subdivision; or
 - 1381 (C) operation of the bonding political subdivision's government facility.

1382 Section 25. Section 63E-1-102 is amended to read:

1383 **63E-1-102. Definitions -- List of independent entities.**

1384 As used in this title:

- 1385 (1) "Authorizing statute" means the statute creating an entity as an independent entity.
- 1386 (2) "Committee" means the Retirement and Independent Entities Committee created by
1387 Section 63E-1-201.
- 1388 (3) "Independent corporation" means a corporation incorporated in accordance with
1389 Chapter 2, Independent Corporations Act.

1390 (4) (a) "Independent entity" means an entity having a public purpose relating to the
1391 state or its citizens that is individually created by the state or is given by the state the right to
1392 exist and conduct its affairs as an:

1393 (i) independent state agency; or

1394 (ii) independent corporation.

1395 (b) "Independent entity" includes the:

1396 (i) Utah Beef Council, created by Section 4-21-103;

1397 (ii) Utah Dairy Commission created by Section 4-22-103;

1398 (iii) Heber Valley Historic Railroad Authority created by Section 63H-4-102;

1399 (iv) Utah Housing Corporation created by Section 63H-8-201;

1400 [~~(v) Utah State Fair Corporation created by Section 63H-6-103;~~]

1401 [~~(vi)~~] (v) Utah State Retirement Office created by Section 49-11-201;

1402 [~~(vii)~~] (vi) School and Institutional Trust Lands Administration created by Section
1403 53C-1-201;

1404 [~~(viii)~~] (vii) School and Institutional Trust Fund Office created by Section 53D-1-201;

1405 [~~(ix)~~] (viii) Utah Communications Authority created by Section 63H-7a-201;

1406 [~~(x)~~] (ix) Utah Capital Investment Corporation created by Section 63N-6-301; and

1407 [~~(xi)~~] (x) Military Installation Development Authority created by Section 63H-1-201.

1408 (c) Notwithstanding this Subsection (4), "independent entity" does not include:

1409 (i) the Public Service Commission of Utah created by Section 54-1-1;

1410 (ii) an institution within the state system of higher education;

1411 (iii) a city, county, or town;

1412 (iv) a local school district;

1413 (v) a local district under Title 17B, Limited Purpose Local Government Entities - Local
1414 Districts; or

1415 (vi) a special service district under Title 17D, Chapter 1, Special Service District Act.

1416 (5) "Independent state agency" means an entity that is created by the state, but is
1417 independent of the governor's direct supervisory control.

1418 (6) "Money held in trust" means money maintained for the benefit of:

1419 (a) one or more private individuals, including public employees;

1420 (b) one or more public or private entities; or

1421 (c) the owners of a quasi-public corporation.

1422 (7) "Public corporation" means an artificial person, public in ownership, individually
1423 created by the state as a body politic and corporate for the administration of a public purpose
1424 relating to the state or its citizens.

1425 (8) "Quasi-public corporation" means an artificial person, private in ownership,
1426 individually created as a corporation by the state, which has accepted from the state the grant of
1427 a franchise or contract involving the performance of a public purpose relating to the state or its
1428 citizens.

1429 Section 26. Section **63J-7-102** is amended to read:

1430 **63J-7-102. Scope and applicability of chapter.**

1431 (1) Except as provided in Subsection (2), and except as otherwise provided by a statute
1432 superseding provisions of this chapter by explicit reference to this chapter, the provisions of
1433 this chapter apply to each agency and govern each grant received on or after May 5, 2008.

1434 (2) This chapter does not govern:

1435 (a) a grant deposited into a General Fund restricted account;

1436 (b) a grant deposited into a Fiduciary Fund as defined in Section [51-5-4](#);

1437 (c) a grant deposited into an Enterprise Fund as defined in Section [51-5-4](#);

1438 (d) a grant made to the state without a restriction or other designated purpose that is
1439 deposited into the General Fund as free revenue;

1440 (e) a grant made to the state that is restricted only to "education" and that is deposited
1441 into the Income Tax Fund or Uniform School Fund as free revenue;

1442 (f) in-kind donations;

1443 (g) a tax, fees, penalty, fine, surcharge, money judgment, or other money due the state
1444 when required by state law or application of state law;

1445 (h) a contribution made under Title 59, Chapter 10, Part 13, Individual Income Tax
1446 Contribution Act;

1447 (i) a grant received by an agency from another agency or political subdivision;

1448 (j) a grant to the Utah Dairy Commission created in Section [4-22-103](#);

1449 (k) a grant to the Heber Valley Historic Railroad Authority created in Section
1450 [63H-4-102](#);

1451 (l) a grant to the Utah State Railroad Museum Authority created in Section [63H-5-102](#);

- 1452 (m) a grant to the Utah Housing Corporation created in Section [63H-8-201](#);
- 1453 (n) a grant to the [~~Utah State Fair Corporation~~] State Fair Park Authority created in
- 1454 Section [~~63H-6-103~~] [11-68-201](#);
- 1455 (o) a grant to the Utah State Retirement Office created in Section [49-11-201](#);
- 1456 (p) a grant to the School and Institutional Trust Lands Administration created in
- 1457 Section [53C-1-201](#);
- 1458 (q) a grant to the Utah Communications Authority created in Section [63H-7a-201](#);
- 1459 (r) a grant to the Medical Education Program created in Section [26-69-403](#);
- 1460 (s) a grant to the Utah Capital Investment Corporation created in Section [63N-6-301](#);
- 1461 (t) a grant to the Utah Charter School Finance Authority created in Section [53G-5-602](#);
- 1462 (u) a grant to the State Building Ownership Authority created in Section [63B-1-304](#); or
- 1463 (v) a grant to the Military Installation Development Authority created in Section
- 1464 [63H-1-201](#).
- 1465 (3) An agency need not seek legislative review or approval of grants under Part 2,
- 1466 Grant Approval Requirements, if:
- 1467 (a) the governor has declared a state of emergency; and
- 1468 (b) the grant is donated to the agency to assist victims of the state of emergency under
- 1469 Subsection [53-2a-204](#)(1).
- 1470 Section 27. Section **67-3-12** is amended to read:
- 1471 **67-3-12. Utah Public Finance Website -- Establishment and administration --**
- 1472 **Records disclosure -- Exceptions.**
- 1473 (1) As used in this section:
- 1474 (a) (i) Subject to Subsections (1)(a)(ii) and (iii), "independent entity" means the same
- 1475 as that term is defined in Section [63E-1-102](#).
- 1476 (ii) "Independent entity" includes an entity that is part of an independent entity
- 1477 described in Subsection (1)(a)(i), if the entity is considered a component unit of the
- 1478 independent entity under the governmental accounting standards issued by the Governmental
- 1479 Accounting Standards Board.
- 1480 (iii) "Independent entity" does not include the Utah State Retirement Office created in
- 1481 Section [49-11-201](#).
- 1482 (b) "Local education agency" means a school district or charter school.

1483 (c) "Participating local entity" means:

1484 (i) a county;

1485 (ii) a municipality;

1486 (iii) the State Fair Park Authority, created in Section 11-68-201;

1487 [~~(iii)~~] (iv) a local district under Title 17B, Limited Purpose Local Government Entities

1488 - Local Districts;

1489 [~~(iv)~~] (v) a special service district under Title 17D, Chapter 1, Special Service District

1490 Act;

1491 [~~(v)~~] (vi) a housing authority under Title 35A, Chapter 8, Part 4, Housing Authorities;

1492 [~~(vi)~~] (vii) a public transit district under Title 17B, Chapter 2a, Part 8, Public Transit

1493 District Act;

1494 [~~(vii)~~] (viii) except for a taxed interlocal entity as defined in Section 11-13-602:

1495 (A) an interlocal entity as defined in Section 11-13-103;

1496 (B) a joint or cooperative undertaking as defined in Section 11-13-103; or

1497 (C) any project, program, or undertaking entered into by interlocal agreement in

1498 accordance with Title 11, Chapter 13, Interlocal Cooperation Act;

1499 [~~(viii)~~] (ix) except for a taxed interlocal entity as defined in Section 11-13-602, an

1500 entity that is part of an entity described in Subsections (1)(c)(i) through [~~(vii)~~] (viii), if the

1501 entity is considered a component unit of the entity described in Subsections (1)(c)(i) through

1502 [~~(vii)~~] (viii) under the governmental accounting standards issued by the Governmental

1503 Accounting Standards Board; or

1504 [~~(ix)~~] (x) a conservation district under Title 17D, Chapter 3, Conservation District Act.

1505 (d) (i) "Participating state entity" means the state of Utah, including its executive,

1506 legislative, and judicial branches, its departments, divisions, agencies, boards, commissions,

1507 councils, committees, and institutions.

1508 (ii) "Participating state entity" includes an entity that is part of an entity described in

1509 Subsection (1)(d)(i), if the entity is considered a component unit of the entity described in

1510 Subsection (1)(d)(i) under the governmental accounting standards issued by the Governmental

1511 Accounting Standards Board.

1512 (e) "Public finance website" or "website" means the website established by the state

1513 auditor in accordance with this section.

1514 (f) "Public financial information" means each record that is required under this section
1515 or by rule made by the Office of the State Auditor under Subsection (9) to be made available on
1516 the public finance website, a participating local entity's website, or an independent entity's
1517 website.

1518 (g) "Qualifying entity" means:

1519 (i) an independent entity;

1520 (ii) a participating local entity;

1521 (iii) a participating state entity;

1522 (iv) a local education agency;

1523 (v) a state institution of higher education as defined in Section 53B-3-102;

1524 (vi) the Utah Educational Savings Plan created in Section 53B-8a-103;

1525 (vii) the Utah Housing Corporation created in Section 63H-8-201;

1526 (viii) the School and Institutional Trust Lands Administration created in Section
1527 53C-1-201;

1528 (ix) the Utah Capital Investment Corporation created in Section 63N-6-301; or

1529 (x) a URS-participating employer.

1530 (h) (i) "URS-participating employer" means an entity that:

1531 (A) is a participating employer, as that term is defined in Section 49-11-102; and

1532 (B) is not required to report public financial information under this section as a
1533 qualifying entity described in Subsections (1)(g)(i) through (ix).

1534 (ii) "URS-participating employer" does not include:

1535 (A) the Utah State Retirement Office created in Section 49-11-201;

1536 (B) an insurer that is subject to the disclosure requirements of Section 31A-4-113; or

1537 (C) a withdrawing entity.

1538 (i) (i) "Withdrawing entity" means:

1539 (A) an entity that elects to withdraw from participation in a system or plan under Title
1540 49, Chapter 11, Part 6, Procedures and Records;

1541 (B) until the date determined under Subsection 49-11-626(2)(a), a public employees'
1542 association that provides the notice of intent described in Subsection 49-11-626(2)(b); and

1543 (C) beginning on the date determined under Subsection 49-11-626(2)(a), a public
1544 employees' association that makes an election described in Subsection 49-11-626(3).

1545 (ii) "Withdrawing entity" includes a withdrawing entity, as that term is defined in
1546 Sections [49-11-623](#) and [49-11-624](#).

1547 (2) The state auditor shall establish and maintain a public finance website in
1548 accordance with this section.

1549 (3) The website shall:

1550 (a) permit Utah taxpayers to:

1551 (i) view, understand, and track the use of taxpayer dollars by making public financial
1552 information available on the Internet for participating state entities, independent entities,
1553 participating local entities, and URS-participating employers, using the website; and

1554 (ii) link to websites administered by participating local entities, independent entities, or
1555 URS-participating employers that do not use the website for the purpose of providing public
1556 financial information as required by this section and by rule made under Subsection (9);

1557 (b) allow a person that has Internet access to use the website without paying a fee;

1558 (c) allow the public to search public financial information on the website;

1559 (d) provide access to financial reports, financial audits, budgets, or other financial
1560 documents that are used to allocate, appropriate, spend, and account for government funds, as
1561 may be established by rule made in accordance with Subsection (9);

1562 (e) have a unique and simplified website address;

1563 (f) be guided by the principles described in Subsection [63A-16-202\(2\)](#);

1564 (g) include other links, features, or functionality that will assist the public in obtaining
1565 and reviewing public financial information, as may be established by rule made under
1566 Subsection (9); and

1567 (h) include a link to school report cards published on the State Board of Education's
1568 website under Section [53E-5-211](#).

1569 (4) The state auditor shall:

1570 (a) establish and maintain the website, including the provision of equipment, resources,
1571 and personnel as necessary;

1572 (b) maintain an archive of all information posted to the website;

1573 (c) coordinate and process the receipt and posting of public financial information from
1574 participating state entities; and

1575 (d) coordinate and regulate the posting of public financial information by participating

1576 local entities and independent entities.

1577 (5) A qualifying entity shall permit the public to view the qualifying entity's public
1578 financial information by posting the public financial information to the public finance website
1579 in accordance with rules made under Subsection (9).

1580 (6) The content of the public financial information posted to the public finance website
1581 is the responsibility of the qualifying entity posting the public financial information.

1582 (7) A URS-participating employer shall provide employee compensation information
1583 for each fiscal year ending on or after June 30, 2022:

1584 (a) to the state auditor for posting on the Utah Public Finance Website; or

1585 (b) (i) through the URS-participating employer's own website; and

1586 (ii) via a link to the website described in Subsection (7)(b)(i), submitted to the state
1587 auditor for posting on the Utah Public Finance Website.

1588 (8) (a) A qualifying entity may not post financial information that is classified as
1589 private, controlled, or protected under Title 63G, Chapter 2, Government Records Access and
1590 Management Act, to the public finance website.

1591 (b) An individual who negligently discloses financial information that is classified as
1592 private, protected, or controlled by Title 63G, Chapter 2, Government Records Access and
1593 Management Act, is not criminally or civilly liable for an improper disclosure of the financial
1594 information if the financial information is disclosed solely as a result of the preparation or
1595 publication of the website.

1596 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1597 Office of the State Auditor:

1598 (a) shall make rules to:

1599 (i) establish which records a qualifying entity is required to post to the public finance
1600 website; and

1601 (ii) establish procedures for obtaining, submitting, reporting, storing, and posting
1602 public financial information on the public finance website; and

1603 (b) may make rules governing when a qualifying entity is required to disclose an
1604 expenditure made by a person under contract with the qualifying entity, including the form and
1605 content of the disclosure.

1606 (10) The rules made under Subsection (9) shall only require a URS-participating

1607 employer to provide employee compensation information for each fiscal year ending on or after
1608 June 30, 2022:

1609 (a) to the state auditor for posting on the public finance website; or

1610 (b) (i) through the URS-participating employer's own website; and

1611 (ii) via a link to the website described in Subsection (10)(b)(i), submitted to the state
1612 auditor for posting on the public finance website.

1613 Section 28. **Repealer.**

1614 This bill repeals:

1615 Section **63H-6-101, Title.**

1616 Section **63H-6-201, Title.**

1617 Section **63H-6-202, Resolution authorizing issuance of corporation bond --**

1618 **Presentation to Executive Appropriations Committee -- Characteristics of bond.**

1619 Section **63H-6-203, Sources from which a corporation bond may be made payable**

1620 **-- Corporation powers regarding corporation bond.**

1621 Section **63H-6-204, Purchaser of a corporation bond.**

1622 Section **63H-6-205, Obligee rights.**