

Senator Lincoln Fillmore proposes the following substitute bill:

INITIATIVE AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jason B. Kyle

Senate Sponsor: Lincoln Fillmore

LONG TITLE

General Description:

This bill modifies provisions relating to a statewide initiative.

Highlighted Provisions:

This bill:

- ▶ modifies requirements for a statewide initiative application and a fiscal impact statement in relation to funding a law proposed by initiative; and
- ▶ makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

20A-7-202, as last amended by Laws of Utah 2023, Chapter 107

20A-7-202.5, as last amended by Laws of Utah 2023, Chapter 107

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

Section 1. Section **20A-7-202** is amended to read:



26 **20A-7-202. Statewide initiative process -- Initiative application procedures --**
27 **Time to gather signatures -- Grounds for rejection.**

28 (1) Individuals wishing to circulate an initiative petition shall file an initiative
29 application with the lieutenant governor.

30 (2) The initiative application shall include:

31 (a) the name and residence address of at least five sponsors of the initiative petition;

32 (b) a statement indicating that each of the sponsors is registered to vote in Utah;

33 (c) a statement indicating whether the initiative will be presented to:

34 (i) the Legislature under Subsection [20A-7-201\(1\)](#); or

35 (ii) a vote of the people under Subsection [20A-7-201\(2\)](#);

36 (d) the signature of each of the sponsors, attested to by a notary public;

37 (e) a copy of the proposed law that includes, in the following order:

38 (i) the title of the proposed law, that clearly expresses the subject of the law;

39 (ii) a description of the manner in which the proposed law will be funded, including:

40 (A) all proposed sources of funding for the costs associated with the proposed law,
41 including the proposed percentage of total funding from each source; [~~and~~]

42 (B) if the proposed law will be funded, in whole or in part, by a new tax, a description
43 of the new tax and the tax rate;

44 [~~(iii) the text of the proposed law;~~]

45 [~~(f)~~] (C) if the [~~initiative proposes~~] proposed law will be funded, in whole or in part, by
46 a tax increase, the following statement for each tax increase, "This initiative seeks to increase
47 the current (insert name of tax) rate by (insert the tax percentage difference) percent, resulting
48 in a(n) (insert the tax percentage increase) percent increase in the current tax rate."; [~~and~~]

49 (D) if the proposed law will be funded, in whole or in part, from new revenues, a
50 description of the amount and source of the new revenues; and

51 (E) if the proposed law will be funded, in whole or in part, from existing revenues, a
52 description of the existing line items or programs that will receive less funding in order to fund
53 the proposed law and the amount by which the funding will be reduced; and

54 [~~(g)~~] (f) a statement indicating whether persons gathering signatures for the initiative
55 petition may be paid for gathering signatures.

56 (3) (a) An individual's status as a resident, under Subsection (2), is determined in

57 accordance with Section 20A-2-105.

58 (b) The initiative application and the initiative application's contents are public when
59 filed with the lieutenant governor.

60 (4) If the initiative petition fails to qualify for the ballot of the election described in
61 Subsection 20A-7-201(2)(b), the sponsors shall:

62 (a) submit a new initiative application;

63 (b) obtain new signature sheets; and

64 (c) collect signatures again.

65 (5) The lieutenant governor shall reject an initiative application or an initiative
66 application addendum filed under Subsection 20A-7-204.1(5) and not issue signature sheets if:

67 (a) the proposed law:

68 (i) is [patently] unconstitutional;

69 (ii) is nonsensical;

70 (iii) could not become law if passed;

71 (iv) contains more than one subject as evaluated in accordance with Subsection (6); or

72 (v) is identical or substantially similar to a law proposed by an initiative for which
73 signatures were submitted to the county clerks and lieutenant governor for certification within
74 two years preceding the date on which the initiative application for the new initiative is filed;
75 [or]

76 (b) the subject of the proposed law is not clearly expressed in the law's title[-]; or

77 (c) the funding description, described in Subsection (2)(e):

78 (i) does not comply with the requirements of Subsection (2)(e); or

79 (ii) is unlikely to provide adequate funding for the proposed law.

80 (6) To evaluate whether the proposed law contains more than one subject under
81 Subsection (5)(a)(iv), the lieutenant governor shall apply the same standard provided in Utah
82 Constitution, Article VI, Section 22, which prohibits a bill from passing that contains more
83 than one subject.

84 Section 2. Section 20A-7-202.5 is amended to read:

85 **20A-7-202.5. Initial fiscal impact statement -- Preparation of statement --**
86 **Challenge to statement.**

87 (1) Within three working days after the day on which the lieutenant governor receives

88 an initiative application, the lieutenant governor shall submit a copy of the initiative application
89 to the Office of the Legislative Fiscal Analyst.

90 (2) (a) The Office of the Legislative Fiscal Analyst shall prepare an unbiased, good
91 faith initial fiscal impact statement for the proposed law, not exceeding 100 words plus 100
92 words per revenue source created or impacted by the proposed law, that contains:

93 (i) a description of the total estimated fiscal impact of the proposed law over the time
94 period or time periods determined by the Office of the Legislative Fiscal Analyst to be most
95 useful in understanding the estimated fiscal impact of the proposed law;

96 (ii) if the proposed law would increase taxes, decrease taxes, or impose a new tax, a
97 dollar amount representing the total estimated increase or decrease for each type of tax affected
98 under the proposed law, a dollar amount showing the estimated amount of a new tax, and a
99 dollar amount representing the total estimated increase or decrease in taxes under the proposed
100 law;

101 (iii) if the proposed law would increase a particular tax or tax rate, the tax percentage
102 difference and the tax percentage increase for each tax or tax rate increased;

103 (iv) if the proposed law will be funded, in whole or in part, from new revenues, a
104 description of the amount and source of the new revenues;

105 (v) if the proposed law will be funded, in whole or in part, from existing revenues, a
106 description of:

107 (A) the existing line items or programs that will receive less funding in order to fund
108 the proposed law and the amount by which the funding will be reduced; and

109 (B) the likely impact of the reduction in funding described in Subsection (2)(a)(v)(A);

110 ~~(iv)~~ (vi) if the proposed law would result in the issuance or a change in the status of
111 bonds, notes, or other debt instruments, a dollar amount representing the total estimated
112 increase or decrease in public debt under the proposed law;

113 ~~(v)~~ (vii) a dollar amount representing the estimated cost or savings, if any, to state or
114 local government entities under the proposed law;

115 ~~(vi)~~ (viii) if the proposed law would increase costs to state government, a listing of all
116 sources of funding for the estimated costs; and

117 ~~(vii)~~ (ix) a concise description and analysis titled "Funding Source," not to exceed
118 100 words for each funding source, of the funding source information described in Subsection

119 20A-7-202(2)(e)(ii).

120 (b) If the proposed law is estimated to have no fiscal impact, the Office of the
121 Legislative Fiscal Analyst shall include a summary statement in the initial fiscal impact
122 statement in substantially the following form:

123 "The Office of the Legislative Fiscal Analyst estimates that the law proposed by this
124 initiative would have no significant fiscal impact and would not result in either an increase or
125 decrease in taxes or debt."

126 (3) Within 25 calendar days after the day on which the lieutenant governor delivers a
127 copy of the initiative application, the Office of the Legislative Fiscal Analyst shall:

128 (a) deliver a copy of the initial fiscal impact statement to the lieutenant governor's
129 office; and

130 (b) mail a copy of the initial fiscal impact statement to the first five sponsors named in
131 the initiative application.

132 (4) (a) (i) Three or more of the sponsors of the initiative petition may, within 20
133 calendar days after the day on which the Office of the Legislative Fiscal Analyst delivers the
134 initial fiscal impact statement to the lieutenant governor's office, file a petition with the
135 appropriate court, alleging that the initial fiscal impact statement, taken as a whole, is an
136 inaccurate estimate of the fiscal impact of the initiative.

137 (ii) After receipt of the appeal, the court shall direct the lieutenant governor to send
138 notice of the petition filed with the court to:

139 (A) any person or group that has filed an argument with the lieutenant governor's office
140 for or against the initiative that is the subject of the challenge; and

141 (B) any political issues committee established under Section 20A-11-801 that has filed
142 written or electronic notice with the lieutenant governor that identifies the name, mailing or
143 email address, and telephone number of the person designated to receive notice about any
144 issues relating to the initiative.

145 (b) (i) There is a presumption that the initial fiscal impact statement prepared by the
146 Office of the Legislative Fiscal Analyst is based upon reasonable assumptions, uses reasonable
147 data, and applies accepted analytical methods to present the estimated fiscal impact of the
148 initiative.

149 (ii) The court may not revise the contents of, or direct the revision of, the initial fiscal

150 impact statement unless the plaintiffs rebut the presumption by clear and convincing evidence
151 that establishes that the initial fiscal impact statement, taken as a whole, is an inaccurate
152 statement of the estimated fiscal impact of the initiative.

153 (iii) The court may refer an issue related to the initial fiscal impact statement to a
154 master to examine the issue and make a report in accordance with Utah Rules of Civil
155 Procedure, Rule 53.

156 (c) The court shall certify to the lieutenant governor a fiscal impact statement for the
157 initiative that meets the requirements of this section.

158 **Section 3. Effective date.**

159 This bill takes effect on May 1, 2024.