

Representative Karen M. Peterson proposes the following substitute bill:

LOCAL GOVERNMENT FEES MODIFICATIONS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Karen M. Peterson

Senate Sponsor: Wayne A. Harper

LONG TITLE

General Description:

This bill modifies and enacts provisions relating to municipal fees.

Highlighted Provisions:

This bill:

- ▶ prohibits a city from imposing a fee on the general public for broadband or public safety service, with exceptions;
- ▶ prohibits a town from imposing a fee on the general public for public safety service, with exceptions;
- ▶ authorizes a city to impose a transportation utility fee if the city complies with certain requirements;
- ▶ establishes a process and requirements for a city to impose a transportation utility fee; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:



26 AMENDS:

27 [10-1-406](#), as enacted by Laws of Utah 2003, Chapter 253

28 [20A-7-101](#), as last amended by Laws of Utah 2023, Chapters 107, 116

29 [20A-7-607](#), as last amended by Laws of Utah 2023, Chapters 107, 116

30 [20A-7-609.5](#), as last amended by Laws of Utah 2020, Chapter 31

31 [20A-7-613](#), as last amended by Laws of Utah 2023, Chapter 116

32 ENACTS:

33 [10-5-133](#), Utah Code Annotated 1953

34 [10-6-134.3](#), Utah Code Annotated 1953

35 [10-6-134.5](#), Utah Code Annotated 1953



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

38 Section 1. Section **10-1-406** is amended to read:

39 **10-1-406. Limitation of other telecommunications taxes or fees.**

40 (1) As used in this section:

41 (a) "Broadband" means facilities and services used to make high-capacity, high-speed
42 Internet service available to users.

43 (b) "General fee" means the same as that term is defined in Section [10-6-134.3](#).

44 (2) (a) Except as provided in Subsection (2)(b), a city may not impose a general fee for
45 broadband.

46 (b) (i) Subject to Subsection (2)(b)(ii), a city that, before May 1, 2024, imposes a
47 general fee for broadband shall repeal the general fee no later than July 1, 2025.

48 (ii) (A) A city that, before May 1, 2024, issues a bond secured by revenue from a
49 general fee for broadband shall repeal the general fee within 60 days after the bond is paid.

50 (B) A city that, before May 1, 2024, imposes a general fee to pay for a bond the city
51 issued before January 1, 2024 to pay for broadband shall repeal the general fee within 60 days
52 after the bond is paid.

53 (3) Subject to the other provisions of this section, a municipality may not levy or
54 collect a telecommunications tax or fee on a person except for a telecommunications tax or fee
55 imposed by the municipality:

56 (a) on a telecommunications provider to recover the management costs of the

57 municipality caused by the activities of the telecommunications provider in the right-of-way of
58 a municipality if the telecommunications tax or fee:

59 (i) is imposed in accordance with Section 72-7-102; and

60 (ii) is not related to:

61 (A) a municipality's loss of use of a highway as a result of the activities of the
62 telecommunications provider in a right-of-way; or

63 (B) increased deterioration of a highway as a result of the activities of the
64 telecommunications provider in a right-of-way; or

65 (b) on a person that:

66 (i) is not subject to a municipal telecommunications license tax under this part; and

67 (ii) locates telecommunications facilities, as defined in Section 72-7-108, in the
68 municipality.

69 ~~[(2)]~~ (4) Subsection ~~[(1)(a)]~~ (3)(a) may not be interpreted as exempting a
70 telecommunications provider from complying with any ordinance:

71 (a) related to excavation, construction, or installation of a telecommunications facility;
72 and

73 (b) that addresses the safety and quality standards of the municipality for excavation,
74 construction, or installation.

75 ~~[(3)]~~ (5) A telecommunications tax or fee imposed under Subsection ~~[(1)(b)]~~ (3)(b)
76 shall be imposed:

77 (a) by ordinance; and

78 (b) on a competitively neutral basis.

79 Section 2. Section 10-5-133 is enacted to read:

80 **10-5-133. General fee for public safety service prohibited -- Exception.**

81 (1) As used in this section:

82 (a) (i) "General fee" means a fee imposed generally on the public at large or on a
83 segment of the public.

84 (ii) "General fee" does not include:

85 (A) a fee that a town charges an identifiable user of a town-provided service or a town
86 facility to cover the town's cost of the user's use of the service or facility; or

87 (B) a registration or similar fee that a town charges a participant in an activity or

88 program sponsored by the town to offset the town's administrative cost of sponsoring the
89 activity or program.

90 (b) "Public safety service" means law enforcement service, fire protection service, 911
91 ambulance or paramedic service, or emergency service.

92 (2) Except as provided in Subsection (3), a town may not impose a general fee for a
93 public safety service.

94 (3) A town may impose a general fee for a public safety service if:

95 (a) the fee is to generate revenue to pay for the town's obligation under an agreement
96 with one or more other political subdivisions for public safety service provided to the town; or

97 (b) the public safety service is volunteer public safety service.

98 (4) A town that, before May 1, 2024, imposes a general fee for a public safety service
99 that is prohibited under Subsection (2) shall repeal the general fee no later than July 1, 2025.

100 Section 3. Section **10-6-134.3** is enacted to read:

101 **10-6-134.3. General fee for public safety service prohibited -- Exception.**

102 (1) As used in this section:

103 (a) (i) "General fee" means a fee imposed generally on the public at large or on a
104 segment of the public.

105 (ii) "General fee" does not include:

106 (A) a fee that a city charges an identifiable user of a city-provided service or a city
107 facility to cover the city's cost of the user's use of the service or facility; or

108 (B) a registration or similar fee that a city charges a participant in an activity or
109 program sponsored by the city to offset the city's administrative cost of sponsoring the activity
110 or program.

111 (b) "Public safety service" means law enforcement service, fire protection service, 911
112 ambulance or paramedic service, or emergency service.

113 (2) Except as provided in Subsection (3), a city may not impose a general fee for a
114 public safety service.

115 (3) A city of the third, fourth, or fifth class may impose a general fee for a public safety
116 service if:

117 (a) the fee is to generate revenue to pay for the city's obligation under an agreement
118 with one or more other political subdivisions for public safety service provided to the city; or

119 (b) the public safety service is volunteer public safety service.

120 (4) A city that, before May 1, 2024, imposes a general fee for a public safety service
121 that is prohibited under Subsection (2) shall repeal the general fee no later than July 1, 2025.

122 Section 4. Section **10-6-134.5** is enacted to read:

123 **10-6-134.5. Transportation utility fee.**

124 (1) As used in this section:

125 (a) "Transportation facility" means any of the items listed in Subsection
126 59-12-2212.2(1) as purposes for which revenue from a local option sales and use tax under
127 Section 59-12-2212.2 may be expended.

128 (b) "Transportation utility fee" means a fee imposed on the public at large or on a user
129 segment to generate revenue to pay for costs associated with developing, constructing,
130 maintaining, operating, repairing, upgrading, or replacing a transportation facility.

131 (c) "Transportation fund" means a fund described in and established under Subsection
132 (8).

133 (d) "User segment" means a segment of the city's population based on a classification
134 established under Subsection (7).

135 (2) (a) A city may impose and collect a transportation utility fee:

136 (i) if the city establishes a reasonable relationship between:

137 (A) the amount of the transportation utility fee; and

138 (B) the direct benefit received by those who pay the transportation utility fee or the
139 impact on or usage of the transportation facility by those who pay the transportation utility fee;
140 and

141 (ii) only as provided in this section.

142 (b) A city may impose a transportation utility fee to provide funding for any number of
143 transportation facilities but may not have more than a single transportation utility fee in effect
144 at a time.

145 (3) To impose or increase a transportation utility fee, a municipality shall:

146 (a) conduct a study as provided in Subsection (4);

147 (b) follow the process described in Subsection (5); and

148 (c) adopt an ordinance imposing or increasing a transportation utility fee, as provided
149 in Subsection (6).

150 (4) (a) A city may not impose or increase a transportation utility fee unless the city first
151 conducts a study as described in this Subsection (4).

152 (b) A study under Subsection (4)(a) shall:

153 (i) determine and provide a reasonable estimate of the need for a new transportation
154 facility or for maintaining, operating, repairing, upgrading, or replacing an existing
155 transportation facility;

156 (ii) identify and provide a reasonable estimate of existing funding sources that could be
157 used to pay for a new transportation facility or for maintaining, operating, repairing, upgrading,
158 or replacing an existing transportation facility;

159 (iii) explain and provide a reasonable calculation showing how existing city funding
160 sources are inadequate to cover the cost of constructing a new transportation facility or
161 maintaining, operating, repairing, upgrading, or replacing an existing transportation facility;

162 (iv) determine whether the proposed transportation utility fee is reasonably related to:

163 (A) the direct benefit received by persons who pay the transportation utility fee; or

164 (B) the impact on or usage of the transportation facility by those who pay the
165 transportation utility fee;

166 (v) explain the reasonable relationship determined under Subsection (4)(a)(iv); and

167 (vi) determine whether there is a reasonable basis for different rates within a proposed
168 transportation utility fee based on different levels of benefit received by those who pay the
169 transportation utility fee, as described in Subsection (7), and, if so, explain the basis for the
170 proposed different rates.

171 (c) A city that conducts a study under Subsection (4)(a) shall post a copy of the study
172 on the city's website, if the city has a website.

173 (5) (a) Subject to Subsection (5)(b), before adopting an ordinance imposing or
174 increasing a transportation utility fee, the governing body shall comply with the notice and
175 public hearing requirements established in Sections [10-6-113](#) and [10-6-114](#).

176 (b) (i) The governing body of a city that proposes to impose or increase a transportation
177 utility fee shall, in addition to the notice required under Section [10-6-113](#), provide notice of the
178 proposed fee and the public hearing:

179 (A) in a notice with the city's monthly utility bill, if the city mails or emails residents a
180 monthly utility bill; or

181 (B) through another primary means of communicating with residents, if the city does
182 not provide residents a monthly utility bill.

183 (ii) The public hearing required for a proposal to impose or increase a transportation
184 utility fee may be held in conjunction with a budget hearing under Section 10-6-114 but shall
185 be separate and distinct from the budget hearing.

186 (6) (a) A transportation utility fee may be imposed or increased only by an ordinance
187 adopted by the city's governing body.

188 (b) (i) Subject to Subsection (6)(b)(ii), the governing body may adopt an ordinance
189 imposing or increasing a transportation utility fee at the same meeting in which the public body
190 adopts the city budget.

191 (ii) The governing body vote on the imposition or increase of a transportation utility
192 fee shall be separate from the governing body vote on the city budget or any other item.

193 (c) The amount of a transportation utility fee for the city's population or for any user
194 segment shall be reasonably related to the impact on or usage of the transportation facility by
195 the city's population or that user segment, as stated in the study under Subsection (4).

196 (d) (i) Revenue from a transportation utility fee may not supplant existing general fund
197 appropriations that the city has budgeted for transportation facilities as of the date the
198 transportation utility fee becomes effective.

199 (ii) The limitation under Subsection (6)(d)(i) does not apply to a designated
200 transportation facilities capital or reserve account established before the effective date of a
201 transportation utility fee under this section.

202 (7) (a) A city shall establish different rates within a transportation utility fee for
203 different classifications of users of a transportation facility if the rates and classifications have a
204 reasonable basis.

205 (b) (i) A reasonable basis under Subsection (7)(a) may include:

206 (A) different levels of benefit received by users of a transportation utility fee;

207 (B) different impacts on or usage of transportation facilities by those who pay the
208 transportation utility fee;

209 (C) a difference in the cost of providing a transportation facility to different
210 classifications of users;

211 (D) a difference in levels of risk to the operation of a transportation facility for

212 different classifications of users;

213 (E) differing contributions that different classifications of users make, separate from a
214 transportation utility fee, to the cost of constructing, maintaining, or operating a transportation
215 facility; and

216 (F) distinguishable differences in the needs or conditions of different classifications of
217 users based on economic, public policy, or other identifiable elements.

218 (ii) A reasonable basis under Subsection (7)(a) does not include:

219 (A) whether a user resides inside or outside the city boundary; or

220 (B) a consideration of the age of development within areas with the same zoning
221 designation.

222 (8) (a) A city that imposes a transportation utility fee shall establish a fund as provided
223 in this Subsection (8).

224 (b) A city shall deposit into the transportation fund all revenue from a transportation
225 utility fee.

226 (c) A city may not:

227 (i) deposit into or commingle with a transportation fund any money from any other
228 source; or

229 (ii) use money in a transportation fund for any purpose other than to pay for the cost of:

230 (A) the development or construction of a new transportation facility;

231 (B) upgrading or replacing an existing transportation facility;

232 (C) the maintenance, operation, or repair of an existing transportation facility; or

233 (D) reasonable administrative costs associated with the transportation fund or with
234 activities described in Subsections (8)(c)(ii)(A), (B), and (C).

235 (d) Notwithstanding Sections [10-6-124](#), [10-6-125](#), and [10-6-135.5](#), a city may not
236 transfer money in a transportation fund to any other fund or to a separate account.

237 (9) (a) A city that imposes a transportation utility fee shall conduct an annual review of
238 the transportation utility fee as provided in this Subsection (9) and prepare a written report of
239 the annual review.

240 (b) In an annual review under Subsection (9)(a), the governing body shall:

241 (i) review the balance of the transportation fund;

242 (ii) review the current amount of the transportation utility fee;

243 (iii) demonstrate that there is still a reasonable relationship between the amount of the
244 transportation utility fee and the transportation service provided to those who pay the fee;

245 (iv) consider other possible revenue sources that the city could use for transportation
246 facilities instead of a transportation utility fee;

247 (v) ensure that Subsection (6)(d) is being complied with; and

248 (vi) demonstrate that revenue from the transportation utility fee continues to be needed
249 to provide a transportation facility that the city could not otherwise provide from other existing
250 revenue sources.

251 (c) (i) A city shall submit a copy of the written report under Subsection (9)(a) to the
252 state auditor.

253 (ii) A city may fulfill the requirement of Subsection (9)(c)(i) by submitted the written
254 report as part of the city's annual financial reports submitted to the state auditor under Section
255 10-6-150.

256 (10) (a) A transportation utility fee imposed under this section expires 10 years after
257 the effective date of the ordinance imposing the transportation utility fee.

258 (b) The 10-year period in Subsection (10)(a) begins again with any subsequent
259 adoption of any ordinance imposing a transportation utility fee after the initial adoption of an
260 ordinance imposing a transportation utility fee.

261 (11) An ordinance imposing a transportation utility fee is subject to local referendum
262 as provided in Title 20A, Chapter 7, Part 6, Local Referenda - Procedures.

263 (12) A city that, before May 1, 2024, imposes a fee to pay for a transportation facility
264 shall, no later than July 1, 2026:

265 (a) ensure that requirements of this section have been complied with for the fee that the
266 city imposes; or

267 (b) repeal the fee.

268 Section 5. Section **20A-7-101** is amended to read:

269 **20A-7-101. Definitions.**

270 As used in this chapter:

271 (1) "Approved device" means a device described in Subsection **20A-21-201(4)** used to
272 gather signatures for the electronic initiative process, the electronic referendum process, or the
273 electronic candidate qualification process.

- 274 (2) "Budget officer" means:
- 275 (a) for a county, the person designated as finance officer as defined in Section 17-36-3;
- 276 (b) for a city, the person designated as budget officer in Subsection 10-6-106(4);
- 277 (c) for a town, the town council; or
- 278 (d) for a metro township, the person described in Subsection (2)(a) for the county in
- 279 which the metro township is located.
- 280 (3) "Certified" means that the county clerk has acknowledged a signature as being the
- 281 signature of a registered voter.
- 282 (4) "Circulation" means the process of submitting an initiative petition or a referendum
- 283 petition to legal voters for their signature.
- 284 (5) "Electronic initiative process" means:
- 285 (a) as it relates to a statewide initiative, the process, described in Sections 20A-7-215
- 286 and 20A-21-201, for gathering signatures; or
- 287 (b) as it relates to a local initiative, the process, described in Sections 20A-7-514 and
- 288 20A-21-201, for gathering signatures.
- 289 (6) "Electronic referendum process" means:
- 290 (a) as it relates to a statewide referendum, the process, described in Sections
- 291 20A-7-313 and 20A-21-201, for gathering signatures; or
- 292 (b) as it relates to a local referendum, the process, described in Sections 20A-7-614 and
- 293 20A-21-201, for gathering signatures.
- 294 (7) "Eligible voter" means a legal voter who resides in the jurisdiction of the county,
- 295 city, or town that is holding an election on a ballot proposition.
- 296 (8) "Final fiscal impact statement" means a financial statement prepared after voters
- 297 approve an initiative that contains the information required by Subsection 20A-7-202.5(2) or
- 298 20A-7-502.5(2).
- 299 (9) "Initial fiscal impact statement" means
- 300 a financial statement prepared under Section 20A-7-202.5 after the filing of a statewide
- 301 initiative application.
- 302 (10) "Initial fiscal impact and legal statement" means a financial and legal statement
- 303 prepared under Section 20A-7-502.5 or 20A-7-602.5 for a local initiative or a local
- 304 referendum.

305 (11) "Initiative" means a new law proposed for adoption by the public as provided in
306 this chapter.

307 (12) "Initiative application" means:

308 (a) for a statewide initiative, an application described in Subsection 20A-7-202(2) that
309 includes all the information, statements, documents, and notarized signatures required under
310 Subsection 20A-7-202(2); or

311 (b) for a local initiative, an application described in Subsection 20A-7-502(2) that
312 includes all the information, statements, documents, and notarized signatures required under
313 Subsection 20A-7-502(2).

314 (13) "Initiative packet" means a copy of the initiative petition, a copy of the proposed
315 law, and the signature sheets, all of which have been bound together as a unit.

316 (14) "Initiative petition":

317 (a) as it relates to a statewide initiative, using the manual initiative process:

318 (i) means the form described in Subsection 20A-7-203(2)(a), petitioning for
319 submission of the initiative to the Legislature or the legal voters; and

320 (ii) if the initiative proposes a tax increase, includes the statement described in
321 Subsection 20A-7-203(2)(b);

322 (b) as it relates to a statewide initiative, using the electronic initiative process:

323 (i) means the form described in Subsections 20A-7-215(2) and (3), petitioning for
324 submission of the initiative to the Legislature or the legal voters; and

325 (ii) if the initiative proposes a tax increase, includes the statement described in
326 Subsection 20A-7-215(5)(b);

327 (c) as it relates to a local initiative, using the manual initiative process:

328 (i) means the form described in Subsection 20A-7-503(2)(a), petitioning for
329 submission of the initiative to the legislative body or the legal voters; and

330 (ii) if the initiative proposes a tax increase, includes the statement described in
331 Subsection 20A-7-503(2)(b); or

332 (d) as it relates to a local initiative, using the electronic initiative process:

333 (i) means the form described in Subsection 20A-7-514(2)(a), petitioning for
334 submission of the initiative to the legislative body or the legal voters; and

335 (ii) if the initiative proposes a tax increase, includes the statement described in

336 Subsection 20A-7-514(4)(a).

337 (15) (a) "Land use law" means a law of general applicability, enacted based on the
338 weighing of broad, competing policy considerations, that relates to the use of land, including
339 land use regulation, a general plan, a land use development code, an annexation ordinance, the
340 rezoning of a single property or multiple properties, or a comprehensive zoning ordinance or
341 resolution.

342 (b) "Land use law" does not include a land use decision, as defined in Section
343 10-9a-103 or 17-27a-103.

344 (16) "Legal signatures" means the number of signatures of legal voters that:

345 (a) meet the numerical requirements of this chapter; and

346 (b) have been obtained, certified, and verified as provided in this chapter.

347 (17) "Legal voter" means an individual who is registered to vote in Utah.

348 (18) "Legally referable to voters" means:

349 (a) for a proposed local initiative, that the proposed local initiative is legally referable
350 to voters under Section 20A-7-502.7; or

351 (b) for a proposed local referendum, that the proposed local referendum is legally
352 referable to voters under Section 20A-7-602.7.

353 (19) "Local attorney" means the county attorney, city attorney, or town attorney in
354 whose jurisdiction a local initiative or referendum petition is circulated.

355 (20) "Local clerk" means the county clerk, city recorder, or town clerk in whose
356 jurisdiction a local initiative or referendum petition is circulated.

357 (21) "Local fiscal law" means a local tax law or a local transportation fee law.

358 [~~21~~] (22) (a) "Local law" includes:

359 (i) an ordinance;

360 (ii) a resolution;

361 (iii) a land use law;

362 (iv) a land use regulation, as defined in Section 10-9a-103; or

363 (v) other legislative action of a local legislative body.

364 (b) "Local law" does not include a land use decision, as defined in Section 10-9a-103.

365 [~~22~~] (23) "Local legislative body" means the legislative body of a county, city, town,
366 or metro township.

367 ~~[(23)]~~ (24) "Local obligation law" means a local law passed by the local legislative
368 body regarding a bond that was approved by a majority of qualified voters in an election.

369 ~~[(24)]~~ (25) "Local tax law" means a law, passed by a political subdivision with an
370 annual or biannual calendar fiscal year, that increases a tax or imposes a new tax.

371 (26) "Local transportation fee law" means an ordinance adopted under Section
372 [10-6-134.5](#) imposing or increasing a transportation utility fee, as defined in Section [10-6-134.5](#).

373 ~~[(25)]~~ (27) "Manual initiative process" means the process for gathering signatures for
374 an initiative using paper signature packets that a signer physically signs.

375 ~~[(26)]~~ (28) "Manual referendum process" means the process for gathering signatures
376 for a referendum using paper signature packets that a signer physically signs.

377 ~~[(27)]~~ (29) "Measure" means a proposed constitutional amendment, an initiative, or
378 referendum.

379 ~~[(28)]~~ (30) "Referendum" means a process by which a law passed by the Legislature or
380 by a local legislative body is submitted or referred to the voters for their approval or rejection.

381 ~~[(29)]~~ (31) "Referendum application" means:

382 (a) for a statewide referendum, an application described in Subsection [20A-7-302\(2\)](#)
383 that includes all the information, statements, documents, and notarized signatures required
384 under Subsection [20A-7-302\(2\)](#); or

385 (b) for a local referendum, an application described in Subsection [20A-7-602\(2\)](#) that
386 includes all the information, statements, documents, and notarized signatures required under
387 Subsection [20A-7-602\(2\)](#).

388 ~~[(30)]~~ (32) "Referendum packet" means a copy of the referendum petition, a copy of
389 the law being submitted or referred to the voters for their approval or rejection, and the
390 signature sheets, all of which have been bound together as a unit.

391 ~~[(31)]~~ (33) "Referendum petition" means:

392 (a) as it relates to a statewide referendum, using the manual referendum process, the
393 form described in Subsection [20A-7-303\(2\)\(a\)](#), petitioning for submission of a law passed by
394 the Legislature to legal voters for their approval or rejection;

395 (b) as it relates to a statewide referendum, using the electronic referendum process, the
396 form described in Subsection [20A-7-313\(2\)](#), petitioning for submission of a law passed by the
397 Legislature to legal voters for their approval or rejection;

398 (c) as it relates to a local referendum, using the manual referendum process, the form
399 described in Subsection 20A-7-603(2)(a), petitioning for submission of a local law to legal
400 voters for their approval or rejection; or

401 (d) as it relates to a local referendum, using the electronic referendum process, the form
402 described in Subsection 20A-7-614(2), petitioning for submission of a local law to legal voters
403 for their approval or rejection.

404 [~~(32)~~] (34) "Signature":

405 (a) for a statewide initiative:

406 (i) as it relates to the electronic initiative process, means an electronic signature
407 collected under Section 20A-7-215 and Subsection 20A-21-201(6)(c); or

408 (ii) as it relates to the manual initiative process:

409 (A) means a holographic signature collected physically on a signature sheet described
410 in Section 20A-7-203; and

411 (B) does not include an electronic signature;

412 (b) for a statewide referendum:

413 (i) as it relates to the electronic referendum process, means an electronic signature
414 collected under Section 20A-7-313 and Subsection 20A-21-201(6)(c); or

415 (ii) as it relates to the manual referendum process:

416 (A) means a holographic signature collected physically on a signature sheet described
417 in Section 20A-7-303; and

418 (B) does not include an electronic signature;

419 (c) for a local initiative:

420 (i) as it relates to the electronic initiative process, means an electronic signature
421 collected under Section 20A-7-514 and Subsection 20A-21-201(6)(c); or

422 (ii) as it relates to the manual initiative process:

423 (A) means a holographic signature collected physically on a signature sheet described
424 in Section 20A-7-503; and

425 (B) does not include an electronic signature; or

426 (d) for a local referendum:

427 (i) as it relates to the electronic referendum process, means an electronic signature
428 collected under Section 20A-7-614 and Subsection 20A-21-201(6)(c); or

429 (ii) as it relates to the manual referendum process:

430 (A) means a holographic signature collected physically on a signature sheet described
431 in Section [20A-7-603](#); and

432 (B) does not include an electronic signature.

433 [~~33~~] (35) "Signature sheets" means sheets in the form required by this chapter that are
434 used under the manual initiative process or the manual referendum process to collect signatures
435 in support of an initiative or referendum.

436 [~~34~~] (36) "Special local ballot proposition" means a local ballot proposition that is
437 not a standard local ballot proposition.

438 [~~35~~] (37) "Sponsors" means the legal voters who support the initiative or referendum
439 and who sign the initiative application or referendum application.

440 [~~36~~] (38) (a) "Standard local ballot proposition" means a local ballot proposition for
441 an initiative or a referendum.

442 (b) "Standard local ballot proposition" does not include a property tax referendum
443 described in Section [20A-7-613](#).

444 [~~37~~] (39) "Tax percentage difference" means the difference between the tax rate
445 proposed by an initiative or an initiative petition and the current tax rate.

446 [~~38~~] (40) "Tax percentage increase" means a number calculated by dividing the tax
447 percentage difference by the current tax rate and rounding the result to the nearest thousandth.

448 [~~39~~] (41) "Verified" means acknowledged by the person circulating the petition as
449 required in Section [20A-7-105](#).

450 Section 6. Section [20A-7-607](#) is amended to read:

451 **20A-7-607. Evaluation by the local clerk -- Determination of election for vote on**
452 **referendum.**

453 (1) In relation to the manual referendum process, when the local clerk receives a
454 referendum packet from a county clerk, the local clerk shall record the number of the
455 referendum packet received.

456 (2) The county clerk shall:

457 (a) in relation to the manual referendum process:

458 (i) post the names, voter identification numbers, and dates of signatures described in
459 Subsection [20A-7-105\(6\)\(a\)\(iii\)](#) on the lieutenant governor's website, in a conspicuous location

460 designated by the lieutenant governor, for at least 45 days; and

461 (ii) update on the local clerk's website the number of signatures certified as of the date
462 of the update; or

463 (b) in relation to the electronic referendum process:

464 (i) post the names, voter identification numbers, and dates of signatures described in
465 Subsection 20A-7-616(3) on the lieutenant governor's website, in a conspicuous location
466 designated by the lieutenant governor, for at least 45 days; and

467 (ii) update on the lieutenant governor's website the number of signatures certified as of
468 the date of the update.

469 (3) The local clerk:

470 (a) shall, except as provided in Subsection (3)(b), declare the referendum petition to be
471 sufficient or insufficient:

472 (i) in relation to the manual referendum process, no later than 111 days after the day of
473 the deadline, described in Subsection 20A-7-105(5)(a)(iv), to submit a referendum packet to
474 the county clerk; or

475 (ii) in relation to the electronic referendum process, no later than 111 days after the day
476 of the deadline, described in Subsection 20A-7-616(2), to collect a signature; or

477 (b) may declare the referendum petition to be insufficient before the day described in
478 Subsection (3)(a) if:

479 (i) in relation to the manual referendum process, the total of all valid signatures on
480 timely and lawfully submitted referendum packets that have been certified by the county clerk,
481 plus the number of signatures on timely and lawfully submitted referendum packets that have
482 not yet been evaluated for certification, is less than the number of names required under
483 Section 20A-7-601;

484 (ii) in relation to the electronic referendum process, the total of all timely and lawfully
485 submitted valid signatures that have been certified by the county clerks, plus the number of
486 timely and lawfully submitted valid signatures received under Subsection 20A-21-201(6)(b)
487 that have not yet been evaluated for certification, is less than the number of names required
488 under Section 20A-7-601; or

489 (iii) a requirement of this part has not been met.

490 (4) (a) If the total number of names certified under Subsection (3) equals or exceeds

491 the number of names required under Section 20A-7-601, and the requirements of this part are
492 met, the local clerk shall mark upon the front of the referendum petition the word "sufficient."

493 (b) If the total number of names certified under Subsection (3) does not equal or
494 exceed the number of names required under Section 20A-7-601 or a requirement of this part is
495 not met, the local clerk shall mark upon the front of the referendum petition the word
496 "insufficient."

497 (c) The local clerk shall immediately notify any one of the sponsors of the local clerk's
498 finding.

499 (d) After a referendum petition is declared insufficient, a person may not submit
500 additional signatures to qualify the referendum for the ballot.

501 (5) (a) If the local clerk refuses to declare a referendum petition sufficient, any voter
502 may, no later than 10 days after the day on which the local clerk declares the referendum
503 petition insufficient, apply to the appropriate court for an order finding the referendum petition
504 legally sufficient.

505 (b) If the court determines that the referendum petition is legally sufficient, the local
506 clerk shall mark the referendum petition "sufficient" and consider the declaration of sufficiency
507 effective as of the date on which the referendum petition should have been declared sufficient
508 by the local clerk's office.

509 (c) If the court determines that a referendum petition filed is not legally sufficient, the
510 court may enjoin the local clerk and all other officers from:

511 (i) certifying or printing the ballot title and numbers of that referendum on the official
512 ballot for the next election; or

513 (ii) as it relates to a local ~~tax~~ fiscal law that is conducted entirely by mail, certifying,
514 printing, or mailing the ballot title and numbers of that referendum under Section 20A-7-609.5.

515 (6) A referendum petition determined to be sufficient in accordance with this section is
516 qualified for the ballot.

517 (7) (a) Except as provided in Subsection (7)(b) or (c), if a referendum relates to
518 legislative action taken after April 15, the election officer may not place the referendum on an
519 election ballot until a primary election, a general election, or a special election the following
520 year.

521 (b) The election officer may place a referendum described in Subsection (7)(a) on the

522 ballot for a special, primary, or general election held during the year that the legislative action
523 was taken if the following agree, in writing, on a timeline to place the referendum on that
524 ballot:

- 525 (i) the local clerk;
 - 526 (ii) the county clerk; and
 - 527 (iii) the attorney for the county or municipality that took the legislative action.
- 528 (c) For a referendum on a land use law, if, before August 30, the local clerk or a court
529 determines that the total number of certified names equals or exceeds the number of signatures
530 required in Section 20A-7-601, the election officer shall place the referendum on the election
531 ballot for:

- 532 (i) the next general election; or
- 533 (ii) another election, if the following agree, in writing, on a timeline to place the
534 referendum on that ballot:
 - 535 (A) the affected owners, as defined in Section 10-9a-103 or 17-27a-103, as applicable;
 - 536 (B) the local clerk;
 - 537 (C) the county clerk; and
 - 538 (D) the attorney for the county or municipality that took the legislative action.

539 Section 7. Section 20A-7-609.5 is amended to read:

540 **20A-7-609.5. Election on referendum challenging local fiscal law conducted**
541 **entirely by mail.**

542 (1) An election officer may administer an election on a referendum challenging a local
543 [~~tax~~] fiscal law entirely by mail.

544 (2) For purposes of an election conducted under this section, the election officer shall:

- 545 (a) designate as the election day the day that is 30 days after the day on which the
546 election officer complies with Subsection (2)(b); and
- 547 (b) within 30 days after the day on which the referendum described in Subsection (1)
548 qualifies for the ballot, mail to each registered voter within the voting precincts to which the
549 local [~~tax~~] fiscal law applies:

- 550 (i) a manual ballot;
- 551 (ii) a statement that there will be no polling place for the election;
- 552 (iii) a statement specifying the election day described in Subsection (2)(a);

553 (iv) a business reply mail envelope;

554 (v) instructions for returning the ballot that include an express notice about any
555 relevant deadlines that the voter must meet in order for the voter's vote to be counted;

556 (vi) a warning, on a separate page of colored paper in boldface print, indicating that if
557 the voter fails to follow the instructions included with the manual ballot, the voter will be
558 unable to vote in that election because there will be no polling place for the election; and

559 (vii) (A) a copy of the proposition information pamphlet relating to the referendum if a
560 proposition information pamphlet relating to the referendum was published under Section
561 [20A-7-401.5](#); or

562 (B) a website address where an individual may view a copy of the proposition
563 information pamphlet described in Subsection (2)(b)(vii)(A).

564 (3) An election officer who administers an election under this section shall:

565 (a) (i) obtain, in person, the signatures of each voter within that voting precinct before
566 the election; or

567 (ii) obtain the signature of each voter within the voting precinct from the county clerk;
568 and

569 (b) maintain the signatures on file in the election officer's office.

570 (4) (a) Upon receiving a returned manual ballot under this section, the election officer
571 shall compare the signature on each return envelope with the voter's signature that is
572 maintained on file and verify that the signatures are the same.

573 (b) If the election officer questions the authenticity of the signature on the return
574 envelope, the election officer shall immediately contact the voter to verify the signature.

575 (c) If there is not a signature on the return envelope or if the election officer determines
576 that the signature on the return envelope does not match the voter's signature that is maintained
577 on file, the election officer shall:

578 (i) disqualify the ballot; and

579 (ii) notify the voter of the disqualification and the reason for the disqualification.

580 Section 8. Section **20A-7-613** is amended to read:

581 **20A-7-613. Property tax referendum petition.**

582 (1) As used in this section, "certified tax rate" means the same as that term is defined in
583 Section [59-2-924](#).

584 (2) Except as provided in this section, the requirements of this part apply to a
585 referendum petition challenging a taxing entity's legislative body's vote;

586 (a) to impose a tax rate that exceeds the certified tax rate[-]; or

587 (b) to impose or modify a transportation utility fee under Section [10-6-134.5](#).

588 (3) Notwithstanding Subsection [20A-7-105\(5\)\(a\)\(iv\)](#), the sponsors or an agent of the
589 sponsors shall deliver a signed and verified referendum packet to the county clerk of the county
590 in which the packet was circulated before 5 p.m. no later than the earlier of:

591 (a) 30 days after the day on which the first individual signs the packet; or

592 (b) 40 days after the day on which the local clerk complies with Subsection
593 [20A-7-604\(3\)](#).

594 (4) Notwithstanding Subsections [20A-7-105\(6\)\(a\)](#) and (9), the county clerk shall take
595 the actions required in Subsections [20A-7-105\(6\)\(a\)](#) and (9) within 10 working days after the
596 day on which the county clerk receives the signed and verified referendum packet as described
597 in Subsection (3).

598 (5) The local clerk shall take the actions required by Section [20A-7-607](#) within two
599 working days after:

600 (a) in relation to the manual referendum process, the day on which the local clerk
601 receives the referendum packets from the county clerk; or

602 (b) in relation to the electronic referendum process, the deadline described in
603 Subsection [20A-7-616\(2\)](#).

604 (6) Notwithstanding Subsection [20A-7-608\(2\)](#), the local attorney shall prepare the
605 ballot title within two working days after the day on which the referendum petition is declared
606 sufficient for submission to a vote of the people.

607 (7) Notwithstanding Subsection [20A-7-609\(2\)\(c\)](#), a referendum that qualifies for the
608 ballot under this section shall appear on the ballot for the earlier of the next regular general
609 election or the next municipal general election unless a special election is called.

610 (8) The election officer shall mail manual ballots on a referendum under this section
611 the later of:

612 (a) the time provided in Section [20A-3a-202](#) or [20A-16-403](#); or

613 (b) the time that ballots are prepared for mailing under this section.

614 (9) Section [20A-7-402](#) does not apply to a referendum described in this section.

615 (10) (a) If a majority of voters does not vote against imposing the tax at a rate
616 calculated to generate the increased revenue budgeted, adopted, and approved by the taxing
617 entity's legislative body:

618 (i) the certified tax rate for the fiscal year during which the referendum petition is filed
619 is its most recent certified tax rate; and

620 (ii) the proposed increased revenues for purposes of establishing the certified tax rate
621 for the fiscal year after the fiscal year described in Subsection (10)(a)(i) are the proposed
622 increased revenues budgeted, adopted, and approved by the taxing entity's legislative body
623 before the filing of the referendum petition.

624 (b) If a majority of voters votes against imposing a tax at the rate established by the
625 vote of the taxing entity's legislative body, the certified tax rate for the taxing entity is the
626 taxing entity's most recent certified tax rate.

627 (c) If the tax rate is set in accordance with Subsection (10)(a)(ii), a taxing entity is not
628 required to comply with the notice and public hearing requirements of Section 59-2-919 if the
629 taxing entity complies with those notice and public hearing requirements before the referendum
630 petition is filed.

631 (11) The ballot title shall, at a minimum, include in substantially this form the
632 following: "Shall the [name of the taxing entity] be authorized to levy a tax rate in the amount
633 sufficient to generate an increased property tax revenue of [amount] for fiscal year [year] as
634 budgeted, adopted, and approved by the [name of the taxing entity].".

635 (12) A taxing entity shall pay the county the costs incurred by the county that are
636 directly related to meeting the requirements of this section and that the county would not have
637 incurred but for compliance with this section.

638 (13) (a) An election officer shall include on a ballot a referendum that has not yet
639 qualified for placement on the ballot, if:

640 (i) sponsors file an application for a referendum described in this section;

641 (ii) the ballot will be used for the election for which the sponsors are attempting to
642 qualify the referendum; and

643 (iii) the deadline for qualifying the referendum for placement on the ballot occurs after
644 the day on which the ballot will be printed.

645 (b) If an election officer includes on a ballot a referendum described in Subsection

646 (13)(a), the ballot title shall comply with Subsection (11).

647 (c) If an election officer includes on a ballot a referendum described in Subsection
648 (13)(a) that does not qualify for placement on the ballot, the election officer shall inform the
649 voters by any practicable method that the referendum has not qualified for the ballot and that
650 votes cast in relation to the referendum will not be counted.

651 Section 9. **Effective date.**

652 This bill takes effect on May 1, 2024.