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LOCAL REFERENDA AMENDMENTS

2024 GENERAL SESSION STATE OF UTAH

Chief Sponsor: Heidi Balderree

	House Sponsor: Matt MacPherson
2 3	LONG TITLE
4	General Description:
5	This bill modifies provisions related to local referenda.
6	Highlighted Provisions:
7	This bill:
8	• provides that a city's, town's, or county's decision to issue a revenue bond payable solely
9	from excise tax revenue is subject to a local referendum; and
0	 shortens the time frame for filing an application for a local referendum petition.
1	Money Appropriated in this Bill:
2	None
3	Other Special Clauses:
4	None
5	Utah Code Sections Affected:
6	AMENDS:
7	11-14-307, as last amended by Laws of Utah 2008, Chapter 21
8	20A-7-601 , as last amended by Laws of Utah 2023, Chapters 107, 219
9	Pa it angeted by the Legislature of the state of Utah:
20	Be it enacted by the Legislature of the state of Utah:
21	Section 1. Section 11-14-307 is amended to read:

- 22 11-14-307. Revenue bonds payable out of excise tax revenues.
- 23 (1) To the extent constitutionally permissible, a city, town, or county may:
- 24 (a) issue bonds payable solely from a special fund into which are to be deposited:
 - (i) excise taxes levied and collected by the city, town, or county;
- 26 (ii) excise taxes levied by the state and rebated pursuant to law to the city, town, or 27 county; or
- 28 (iii) a combination of the excise taxes described in Subsections (1)(a)(i) and (ii); or

29 (b) pledge all or any part of the excise taxes described in Subsection (1)(a) as an additional source of payment for general obligation bonds it issues.

- (2) (a) If the covenant is not inconsistent with this chapter, a resolution or trust indenture providing for the issuance of bonds payable in whole or in part from the proceeds of excise tax revenues may contain covenants with the holder or holders of the bonds as to:
 - (i) the excise tax revenues;

- (ii) the disposition of the excise tax revenues;
- (iii) the issuance of future bonds; and
- (iv) other pertinent matters that are considered necessary by the governing body to assure the marketability of those bonds.
- (b) A resolution may also include provisions to insure the enforcement, collection, and proper application of excise tax revenues as the governing body may think proper.
- (c) The proceeds of bonds payable in whole or in part from pledged class B or C road funds shall be used to construct, repair, and maintain streets and roads in accordance with Sections 72-6-108 and 72-6-110 and to fund any reserves and costs incidental to the issuance of the bonds.
- (d) When any bonds payable from excise tax revenues have been issued, the resolution or other enactment of the legislative body imposing the excise tax and pursuant to which the tax is being collected, the obligation of the governing body to continue to levy, collect, and allocate the excise tax, and to apply the revenues derived from the excise tax in accordance with the provisions of the authorizing resolution or other enactment, shall be irrevocable until the bonds have been paid in full as to both principal and interest, and is not subject to amendment in any manner that would impair the rights of the holders of those bonds or which would in any way jeopardize the timely payment of principal or interest when due.
- (3) (a) The state pledges to and agrees with the holders of any bonds issued by a city, town, or county to which the proceeds of excise taxes collected by the state and rebated to the city, town, or county are devoted or pledged as authorized in this section, that the state will not alter, impair, or limit the excise taxes in a manner that reduces the amounts to be rebated to the city, town, or county which are devoted or pledged as authorized in this section until the bonds or other securities, together with applicable interest, are fully met and discharged.
 - (b) Nothing in this Subsection (3) precludes alteration, impairment, or limitation of

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63 excise taxes if adequate provision is made by law for the protection of the holders of 64 the bonds.

- 65 (c) A city, town, or county may include this pledge and undertaking for the state in those 66 bonds.
- 67 (4) (a) Outstanding bonds to which excise tax revenues are pledged as the sole source of 68 payment may not at any one time exceed an amount for which the average annual 69 installments of principal and interest will exceed 80% of the total excise tax 70 revenues received by the issuing entity from the collection or rebate of the excise tax 71 revenues during the fiscal year of the issuing entity immediately preceding the fiscal 72 year in which the resolution authorizing the issuance of bonds is adopted.
 - (b) If an excise tax has not been levied by a city, town, or county for a sufficient period of time to determine the 80% bond payment requirement under Subsection (4)(a), a city, town, or county may use an excise tax revenue that is currently levied within the same geographic coverage area and with the same percentage of collection to determine the amount of excise tax revenues that are expected to be received to determine the 80% bond payment requirement under Subsection (4)(a).
 - (5) Bonds issued solely from a special fund into which are to be deposited excise tax revenues constitutes a borrowing solely upon the credit of the excise tax revenues received or to be received by the city, town, or county and does not constitute an indebtedness or pledge of the general credit of the city, town, or county.
- (6) Before issuing any bonds under this section, a city, town, or county shall comply with 84 Section 11-14-318.
- 85 [(7) A city, town, or county shall submit the question of whether or not to issue any bonds 86 under this section to voters for their approval or rejection if, within 30 calendar days 87 after the notice required by Section 11-14-318, a written petition requesting an election 88 and signed by at least 20% of the registered voters in the city, town, or county is filed 89 with the city, town, or county.]
- 90 (7) A city's, town's, or county's action to issue a bond under this section is subject to a local 91 referendum in accordance with Title 20A, Chapter 7, Issues Submitted to the Voters.
- 92 Section 2. Section **20A-7-601** is amended to read:
- 93 20A-7-601. Referenda -- General signature requirements -- Signature 94 requirements for land use laws, subjurisdictional laws, and transit area land use 95 laws -- Time requirements.
- 96 (1) As used in this section:

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97 (a) "Number of active voters" means the number of active voters in the county, city, or 98 town on the immediately preceding January 1. 99 (b) "Qualifying county" means a county that has created a small public transit district, as 100 defined in Section 17B-2a-802, on or before January 1, 2022. 101 (c) "Qualifying transit area" means: 102 (i) a station area, as defined in Section 10-9a-403.1, for which the municipality with 103 jurisdiction over the station area has satisfied the requirements of Subsection 104 10-9a-403.1(2)(a)(i), as demonstrated by the adoption of a station area plan or 105 resolution under Subsection 10-9a-403.1(2); or 106 (ii) a housing and transit reinvestment zone, as defined in Section 63N-3-602, created 107 within a qualifying county. 108 (d) "Subjurisdiction" means an area comprised of all precincts and subprecincts in the 109 jurisdiction of a county, city, or town that are subject to a subjurisdictional law. (e) (i) "Subjurisdictional law" means a local law or local obligation law passed by a 110 111 local legislative body that imposes a tax or other payment obligation on property 112 in an area that does not include all precincts and subprecincts under the 113 jurisdiction of the county, city, town, or metro township. 114 (ii) "Subjurisdictional law" does not include a land use law. (f) "Transit area land use law" means a land use law that relates to the use of land within 115 116 a qualifying transit area. 117 (g) "Voter participation area" means an area described in Subsection 20A-7-401.3(1)(a) 118 or (2)(b). 119 (2) Except as provided in Subsections (3) through (5), an eligible voter seeking to have a 120 local law passed by the local legislative body submitted to a vote of the people shall, 121 after filing a referendum application, obtain legal signatures equal to: (a) for a county of the first class: 122 123 (i) 7.75% of the number of active voters in the county; and (ii) beginning on January 1, 2020, 7.75% of the number of active voters in at least 124 125 75% of the county's voter participation areas; 126 (b) for a metro township with a population of 100,000 or more, or a city of the first class: 127 (i) 7.5% of the number of active voters in the metro township or city; and

(c) for a county of the second class:

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of the metro township's or city's voter participation areas;

(ii) beginning on January 1, 2020, 7.5% of the number of active voters in at least 75%

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131		(i) 8% of the number of active voters in the county; and
132		(ii) beginning on January 1, 2020, 8% of the number of active voters in at least 75%
133		of the county's voter participation areas;
134	(d)	for a metro township with a population of 65,000 or more but less than 100,000, or a
135		city of the second class:
136		(i) 8.25% of the number of active voters in the metro township or city; and
137		(ii) beginning on January 1, 2020, 8.25% of the number of active voters in at least
138		75% of the metro township's or city's voter participation areas;
139	(e)	for a county of the third class:
140		(i) 9.5% of the number of active voters in the county; and
141		(ii) beginning on January 1, 2020, 9.5% of the number of active voters in at least 75%
142		of the county's voter participation areas;
143	(f)	for a metro township with a population of 30,000 or more but less than 65,000, or a
144		city of the third class:
145		(i) 10% of the number of active voters in the metro township or city; and
146		(ii) beginning on January 1, 2020, 10% of the number of active voters in at least 75%
147		of the metro township's or city's voter participation areas;
148	(g)	for a county of the fourth class:
149		(i) 11.5% of the number of active voters in the county; and
150		(ii) beginning on January 1, 2020, 11.5% of the number of active voters in at least
151		75% of the county's voter participation areas;
152	(h)	for a metro township with a population of 10,000 or more but less than 30,000, or a
153		city of the fourth class:
154		(i) 11.5% of the number of active voters in the metro township or city; and
155		(ii) beginning on January 1, 2020, 11.5% of the number of active voters in at least
156		75% of the metro township's or city's voter participation areas;
157	(i)	for a metro township with a population of 1,000 or more but less than 10,000, a city
158		of the fifth class, or a county of the fifth class, 25% of the number of active voters in
159		the metro township, city, or county; or
160	(j)	for a metro township with a population of less than 1,000, a town, or a county of the
161		sixth class, 35% of the number of active voters in the metro township, town, or
162		county.
163	(3) Exc	cept as provided in Subsection (4) or (5), an eligible voter seeking to have a land use
164	law	or local obligation law passed by the local legislative body submitted to a vote of the

165	people shall, after filing a referendum application, obtain legal signatures equal to:
166	(a) for a county of the first, second, third, or fourth class:
167	(i) 16% of the number of active voters in the county; and
168	(ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%
169	of the county's voter participation areas;
170	(b) for a county of the fifth or sixth class:
171	(i) 16% of the number of active voters in the county; and
172	(ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%
173	of the county's voter participation areas;
174	(c) for a metro township with a population of 100,000 or more, or a city of the first class:
175	(i) 15% of the number of active voters in the metro township or city; and
176	(ii) beginning on January 1, 2020, 15% of the number of active voters in at least 75%
177	of the metro township's or city's voter participation areas;
178	(d) for a metro township with a population of 65,000 or more but less than 100,000, or a
179	city of the second class:
180	(i) 16% of the number of active voters in the metro township or city; and
181	(ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%
182	of the metro township's or city's voter participation areas;
183	(e) for a metro township with a population of 30,000 or more but less than 65,000, or a
184	city of the third class:
185	(i) 27.5% of the number of active voters in the metro township or city; and
186	(ii) beginning on January 1, 2020, 27.5% of the number of active voters in at least
187	75% of the metro township's or city's voter participation areas;
188	(f) for a metro township with a population of 10,000 or more but less than 30,000, or a
189	city of the fourth class:
190	(i) 29% of the number of active voters in the metro township or city; and
191	(ii) beginning on January 1, 2020, 29% of the number of active voters in at least 75%
192	of the metro township's or city's voter participation areas;
193	(g) for a metro township with a population of 1,000 or more but less than 10,000, or a
194	city of the fifth class, 35% of the number of active voters in the metro township or
195	city; or
196	(h) for a metro township with a population of less than 1,000 or a town, 40% of the
197	number of active voters in the metro township or town.

(4) A person seeking to have a subjurisdictional law passed by the local legislative body

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199	submitted to a vote of the people shall, after filing a referendum application, obtain legal
200	signatures of the residents in the subjurisdiction equal to:
201	(a) 10% of the number of active voters in the subjurisdiction if the number of active
202	voters exceeds 25,000;
203	(b) 12-1/2% of the number of active voters in the subjurisdiction if the number of active
204	voters does not exceed 25,000 but is more than 10,000;
205	(c) 15% of the number of active voters in the subjurisdiction if the number of active
206	voters does not exceed 10,000 but is more than 2,500;
207	(d) 20% of the number of active voters in the subjurisdiction if the number of active
208	voters does not exceed 2,500 but is more than 500;
209	(e) 25% of the number of active voters in the subjurisdiction if the number of active
210	voters does not exceed 500 but is more than 250; and
211	(f) 30% of the number of active voters in the subjurisdiction if the number of active
212	voters does not exceed 250.
213	(5) An eligible voter seeking to have a transit area land use law passed by the local
214	legislative body submitted to a vote of the people shall, after filing a referendum
215	application, obtain legal signatures equal to:
216	(a) for a county:
217	(i) 20% of the number of active voters in the county; and
218	(ii) 21% of the number of active voters in at least 75% of the county's voter
219	participation areas;
220	(b) for a metro township with a population of 100,000 or more, or a city of the first class:
221	(i) 20% of the number of active voters in the metro township or city; and
222	(ii) 20% of the number of active voters in at least 75% of the metro township's or
223	city's voter participation areas;
224	(c) for a metro township with a population of 65,000 or more but less than 100,000, or a
225	city of the second class:
226	(i) 20% of the number of active voters in the metro township or city; and
227	(ii) 21% of the number of active voters in at least 75% of the metro township's or
228	city's voter participation areas;
229	(d) for a metro township with a population of 30,000 or more but less than 65,000, or a
230	city of the third class:
231	(i) 34% of the number of active voters in the metro township or city; and
232	(ii) 34% of the number of active voters in at least 75% of the metro township's or

233	city's voter participation areas;
234	(e) for a metro township with a population of 10,000 or more but less than 30,000, or a
235	city of the fourth class:
236	(i) 36% of the number of active voters in the metro township or city; and
237	(ii) 36% of the number of active voters in at least 75% of the metro township's or
238	city's voter participation areas; or
239	(f) for a metro township with a population less than 10,000, a city of the fifth class, or a
240	town, 40% of the number of active voters in the metro township, city, or town.
241	(6) Sponsors of any referendum petition challenging, under Subsection (2), (3), (4), or (5),
242	any local law passed by a local legislative body shall file the application before 5 p.m.
243	within [seven] five days after the day on which the local law was passed.
244	(7) Nothing in this section authorizes a local legislative body to impose a tax or other
245	payment obligation on a subjurisdiction in order to benefit an area outside of the
246	subjurisdiction.
247	Section 3. Effective date.
248	This bill takes effect on May 1, 2024.