

**Senator Heidi Balderree** proposes the following substitute bill:

**LOCAL REFERENDA AMENDMENTS**

2024 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Heidi Balderree**

House Sponsor: Matt MacPherson

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**LONG TITLE**

**General Description:**

This bill modifies provisions related to local referenda.

**Highlighted Provisions:**

This bill:

- ▶ provides that a city's, town's, or county's decision to issue a revenue bond payable solely from excise tax revenue is subject to a local referendum;
- ▶ shortens the time frame for filing an application for a local referendum petition; and
- ▶ modifies the deadline for collecting signatures in an electronic local referendum process.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**11-14-307**, as last amended by Laws of Utah 2008, Chapter 21

**20A-7-601**, as last amended by Laws of Utah 2023, Chapters 107, 219

**20A-7-616**, as last amended by Laws of Utah 2023, Chapter 107



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

Section 1. Section **11-14-307** is amended to read:

**11-14-307. Revenue bonds payable out of excise tax revenues.**

(1) To the extent constitutionally permissible, a city, town, or county may:

(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;

(ii) excise taxes levied by the state and rebated pursuant to law to the city, town, or county; or

(iii) a combination of the excise taxes described in Subsections (1)(a)(i) and (ii); or

(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

57 the bonds have been paid in full as to both principal and interest, and is not subject to  
58 amendment in any manner that would impair the rights of the holders of those bonds or which  
59 would in any way jeopardize the timely payment of principal or interest when due.

60 (3) (a) The state pledges to and agrees with the holders of any bonds issued by a city,  
61 town, or county to which the proceeds of excise taxes collected by the state and rebated to the  
62 city, town, or county are devoted or pledged as authorized in this section, that the state will not  
63 alter, impair, or limit the excise taxes in a manner that reduces the amounts to be rebated to the  
64 city, town, or county which are devoted or pledged as authorized in this section until the bonds  
65 or other securities, together with applicable interest, are fully met and discharged.

66 (b) Nothing in this Subsection (3) precludes alteration, impairment, or limitation of  
67 excise taxes if adequate provision is made by law for the protection of the holders of the bonds.

68 (c) A city, town, or county may include this pledge and undertaking for the state in  
69 those bonds.

70 (4) (a) Outstanding bonds to which excise tax revenues are pledged as the sole source  
71 of payment may not at any one time exceed an amount for which the average annual  
72 installments of principal and interest will exceed 80% of the total excise tax revenues received  
73 by the issuing entity from the collection or rebate of the excise tax revenues during the fiscal  
74 year of the issuing entity immediately preceding the fiscal year in which the resolution  
75 authorizing the issuance of bonds is adopted.

76 (b) If an excise tax has not been levied by a city, town, or county for a sufficient period  
77 of time to determine the 80% bond payment requirement under Subsection (4)(a), a city, town,  
78 or county may use an excise tax revenue that is currently levied within the same geographic  
79 coverage area and with the same percentage of collection to determine the amount of excise tax  
80 revenues that are expected to be received to determine the 80% bond payment requirement  
81 under Subsection (4)(a).

82 (5) Bonds issued solely from a special fund into which are to be deposited excise tax  
83 revenues constitutes a borrowing solely upon the credit of the excise tax revenues received or  
84 to be received by the city, town, or county and does not constitute an indebtedness or pledge of  
85 the general credit of the city, town, or county.

86 (6) Before issuing any bonds under this section, a city, town, or county shall comply  
87 with Section [11-14-318](#).

88 ~~[(7) A city, town, or county shall submit the question of whether or not to issue any~~  
89 ~~bonds under this section to voters for their approval or rejection if, within 30 calendar days~~  
90 ~~after the notice required by Section [11-14-318](#), a written petition requesting an election and~~  
91 ~~signed by at least 20% of the registered voters in the city, town, or county is filed with the city,~~  
92 ~~town, or county.]~~

93 (7) A city's, town's, or county's action to issue a bond under this section is subject to a  
94 local referendum in accordance with Title 20A, Chapter 7, Issues Submitted to the Voters.

95 Section 2. Section **20A-7-601** is amended to read:

96 **20A-7-601. Referenda -- General signature requirements -- Signature**  
97 **requirements for land use laws, subjurisdictional laws, and transit area land use laws --**  
98 **Time requirements.**

99 (1) As used in this section:

100 (a) "Number of active voters" means the number of active voters in the county, city, or  
101 town on the immediately preceding January 1.

102 (b) "Qualifying county" means a county that has created a small public transit district,  
103 as defined in Section [17B-2a-802](#), on or before January 1, 2022.

104 (c) "Qualifying transit area" means:

105 (i) a station area, as defined in Section [10-9a-403.1](#), for which the municipality with  
106 jurisdiction over the station area has satisfied the requirements of Subsection  
107 [10-9a-403.1\(2\)\(a\)\(i\)](#), as demonstrated by the adoption of a station area plan or resolution under  
108 Subsection [10-9a-403.1\(2\)](#); or

109 (ii) a housing and transit reinvestment zone, as defined in Section [63N-3-602](#), created  
110 within a qualifying county.

111 (d) "Subjurisdiction" means an area comprised of all precincts and subprecincts in the  
112 jurisdiction of a county, city, or town that are subject to a subjurisdictional law.

113 (e) (i) "Subjurisdictional law" means a local law or local obligation law passed by a  
114 local legislative body that imposes a tax or other payment obligation on property in an area that  
115 does not include all precincts and subprecincts under the jurisdiction of the county, city, town,  
116 or metro township.

117 (ii) "Subjurisdictional law" does not include a land use law.

118 (f) "Transit area land use law" means a land use law that relates to the use of land

119 within a qualifying transit area.

120 (g) "Voter participation area" means an area described in Subsection 20A-7-401.3(1)(a)  
121 or (2)(b).

122 (2) Except as provided in Subsections (3) through (5), an eligible voter seeking to have  
123 a local law passed by the local legislative body submitted to a vote of the people shall, after  
124 filing a referendum application, obtain legal signatures equal to:

125 (a) for a county of the first class:

126 (i) 7.75% of the number of active voters in the county; and

127 (ii) beginning on January 1, 2020, 7.75% of the number of active voters in at least 75%  
128 of the county's voter participation areas;

129 (b) for a metro township with a population of 100,000 or more, or a city of the first  
130 class:

131 (i) 7.5% of the number of active voters in the metro township or city; and

132 (ii) beginning on January 1, 2020, 7.5% of the number of active voters in at least 75%  
133 of the metro township's or city's voter participation areas;

134 (c) for a county of the second class:

135 (i) 8% of the number of active voters in the county; and

136 (ii) beginning on January 1, 2020, 8% of the number of active voters in at least 75% of  
137 the county's voter participation areas;

138 (d) for a metro township with a population of 65,000 or more but less than 100,000, or  
139 a city of the second class:

140 (i) 8.25% of the number of active voters in the metro township or city; and

141 (ii) beginning on January 1, 2020, 8.25% of the number of active voters in at least 75%  
142 of the metro township's or city's voter participation areas;

143 (e) for a county of the third class:

144 (i) 9.5% of the number of active voters in the county; and

145 (ii) beginning on January 1, 2020, 9.5% of the number of active voters in at least 75%  
146 of the county's voter participation areas;

147 (f) for a metro township with a population of 30,000 or more but less than 65,000, or a  
148 city of the third class:

149 (i) 10% of the number of active voters in the metro township or city; and

150 (ii) beginning on January 1, 2020, 10% of the number of active voters in at least 75%  
151 of the metro township's or city's voter participation areas;

152 (g) for a county of the fourth class:

153 (i) 11.5% of the number of active voters in the county; and

154 (ii) beginning on January 1, 2020, 11.5% of the number of active voters in at least 75%  
155 of the county's voter participation areas;

156 (h) for a metro township with a population of 10,000 or more but less than 30,000, or a  
157 city of the fourth class:

158 (i) 11.5% of the number of active voters in the metro township or city; and

159 (ii) beginning on January 1, 2020, 11.5% of the number of active voters in at least 75%  
160 of the metro township's or city's voter participation areas;

161 (i) for a metro township with a population of 1,000 or more but less than 10,000, a city  
162 of the fifth class, or a county of the fifth class, 25% of the number of active voters in the metro  
163 township, city, or county; or

164 (j) for a metro township with a population of less than 1,000, a town, or a county of the  
165 sixth class, 35% of the number of active voters in the metro township, town, or county.

166 (3) Except as provided in Subsection (4) or (5), an eligible voter seeking to have a land  
167 use law or local obligation law passed by the local legislative body submitted to a vote of the  
168 people shall, after filing a referendum application, obtain legal signatures equal to:

169 (a) for a county of the first, second, third, or fourth class:

170 (i) 16% of the number of active voters in the county; and

171 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%  
172 of the county's voter participation areas;

173 (b) for a county of the fifth or sixth class:

174 (i) 16% of the number of active voters in the county; and

175 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%  
176 of the county's voter participation areas;

177 (c) for a metro township with a population of 100,000 or more, or a city of the first  
178 class:

179 (i) 15% of the number of active voters in the metro township or city; and

180 (ii) beginning on January 1, 2020, 15% of the number of active voters in at least 75%

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

182 (d) for a metro township with a population of 65,000 or more but less than 100,000, or  
183 a city of the second class:

184 (i) 16% of the number of active voters in the metro township or city; and

185 (ii) beginning on January 1, 2020, 16% of the number of active voters in at least 75%  
186 of the metro township's or city's voter participation areas;

187 (e) for a metro township with a population of 30,000 or more but less than 65,000, or a  
188 city of the third class:

189 (i) 27.5% of the number of active voters in the metro township or city; and

190 (ii) beginning on January 1, 2020, 27.5% of the number of active voters in at least 75%  
191 of the metro township's or city's voter participation areas;

192 (f) for a metro township with a population of 10,000 or more but less than 30,000, or a  
193 city of the fourth class:

194 (i) 29% of the number of active voters in the metro township or city; and

195 (ii) beginning on January 1, 2020, 29% of the number of active voters in at least 75%  
196 of the metro township's or city's voter participation areas;

197 (g) for a metro township with a population of 1,000 or more but less than 10,000, or a  
198 city of the fifth class, 35% of the number of active voters in the metro township or city; or

199 (h) for a metro township with a population of less than 1,000 or a town, 40% of the  
200 number of active voters in the metro township or town.

201 (4) A person seeking to have a subjurisdictional law passed by the local legislative  
202 body submitted to a vote of the people shall, after filing a referendum application, obtain legal  
203 signatures of the residents in the subjurisdiction equal to:

204 (a) 10% of the number of active voters in the subjurisdiction if the number of active  
205 voters exceeds 25,000;

206 (b) 12-1/2% of the number of active voters in the subjurisdiction if the number of  
207 active voters does not exceed 25,000 but is more than 10,000;

208 (c) 15% of the number of active voters in the subjurisdiction if the number of active  
209 voters does not exceed 10,000 but is more than 2,500;

210 (d) 20% of the number of active voters in the subjurisdiction if the number of active  
211 voters does not exceed 2,500 but is more than 500;

212 (e) 25% of the number of active voters in the subjurisdiction if the number of active  
213 voters does not exceed 500 but is more than 250; and

214 (f) 30% of the number of active voters in the subjurisdiction if the number of active  
215 voters does not exceed 250.

216 (5) An eligible voter seeking to have a transit area land use law passed by the local  
217 legislative body submitted to a vote of the people shall, after filing a referendum application,  
218 obtain legal signatures equal to:

219 (a) for a county:

220 (i) 20% of the number of active voters in the county; and

221 (ii) 21% of the number of active voters in at least 75% of the county's voter  
222 participation areas;

223 (b) for a metro township with a population of 100,000 or more, or a city of the first  
224 class:

225 (i) 20% of the number of active voters in the metro township or city; and

226 (ii) 20% of the number of active voters in at least 75% of the metro township's or city's  
227 voter participation areas;

228 (c) for a metro township with a population of 65,000 or more but less than 100,000, or  
229 a city of the second class:

230 (i) 20% of the number of active voters in the metro township or city; and

231 (ii) 21% of the number of active voters in at least 75% of the metro township's or city's  
232 voter participation areas;

233 (d) for a metro township with a population of 30,000 or more but less than 65,000, or a  
234 city of the third class:

235 (i) 34% of the number of active voters in the metro township or city; and

236 (ii) 34% of the number of active voters in at least 75% of the metro township's or city's  
237 voter participation areas;

238 (e) for a metro township with a population of 10,000 or more but less than 30,000, or a  
239 city of the fourth class:

240 (i) 36% of the number of active voters in the metro township or city; and

241 (ii) 36% of the number of active voters in at least 75% of the metro township's or city's  
242 voter participation areas; or



243 (f) for a metro township with a population less than 10,000, a city of the fifth class, or a  
244 town, 40% of the number of active voters in the metro township, city, or town.

245 (6) Sponsors of any referendum petition challenging, under Subsection (2), (3), (4), or  
246 (5), any local law passed by a local legislative body shall file the application before 5 p.m.  
247 within [~~seven~~] five days after the day on which the local law was passed.

248 (7) Nothing in this section authorizes a local legislative body to impose a tax or other  
249 payment obligation on a subjurisdiction in order to benefit an area outside of the  
250 subjurisdiction.

251 Section 3. Section **20A-7-616** is amended to read:

252 **20A-7-616. Electronic referendum process -- Collecting signatures -- Removal of**  
253 **signatures.**

254 (1) This section applies only to the electronic referendum process.

255 (2) A signature-gatherer may not collect a signature after 5 p.m. on the earlier of:

256 (a) 30 days after the day on which the first individual signs the referendum petition; or

257 (b) 45 days after the day on which the first three sponsors receive notice, under Section  
258 20A-7-602.7 or 20A-7-602.8, that the referendum is legally referable to voters.

259 (3) The local clerk shall send to each individual who provides a valid email address  
260 during the signature-gathering process an email that includes the following:

261 (a) the subject of the email shall include the following statement, "Notice Regarding  
262 Your Petition Signature"; and

263 (b) the body of the email shall include the following statement in 12-point type:

264 "You signed a petition for the following referendum:

265 [insert title of referendum]

266 To access a copy of the referendum petition, the law that is the subject of the  
267 referendum petition, and information on the deadline for removing your signature from the  
268 referendum petition, please visit the following link: [insert a uniform resource locator that takes  
269 the individual directly to the page on the lieutenant governor's website that includes the  
270 information referred to in the email]."

271 (4) Except as provided in Subsection (5), the county clerk shall, within two business  
272 days after the day on which the signature of an individual who signs a referendum petition is  
273 certified under Section [20A-21-201](#), post the name, voter identification number, and date of

274 signature of the individual on the lieutenant governor's website, in a conspicuous location  
275 designated by the lieutenant governor, for at least 45 days.

276 (5) (a) If the local clerk timely receives a statement requesting signature removal under  
277 Subsection 20A-7-615(4), the local clerk shall:

278 (i) ensure that the voter's name, voter identification number, and date of signature are  
279 not included in the posting described in Subsection (4); and

280 (ii) remove the voter's signature from the referendum petition and the signature totals.

281 (b) The local clerk shall comply with Subsection (5)(a) before the later of:

282 (i) the deadline described in Subsection (4); or

283 (ii) two business days after the day on which the county clerk receives a statement  
284 requesting signature removal under Subsection 20A-7-615(4).

285 Section 4. **Effective date.**

286 This bill takes effect on May 1, 2024.