

**RESTRUCTURING OF THE DEPARTMENT OF COMMUNITY  
AND CULTURE**

2011 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Wayne A. Harper**

Senate Sponsor: \_\_\_\_\_

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**LONG TITLE**

**General Description:**

This bill provides a mechanism for the restructuring of the Department of Community and Culture and redistributes and transitions certain of its powers, duties, functions, and programs to other governmental departments and agencies.

**Highlighted Provisions:**

This bill:

- ▶ provides a mechanism for the restructuring of the Department of Community and Culture and the transitioning of certain powers, duties, functions, and programs;
- ▶ moves the Division of Housing and Community Development powers, duties, functions, and related programs to the Department of Workforce Services and the Governor's Office of Economic Development;
- ▶ moves the Utah Science Center Authority, the Heber Valley Historic Railroad Authority, and the Utah State Railroad Museum Authority to Title 63H, Independent State Entities;
- ▶ moves the Bond Volume Cap Allocation program to the Governor's Office of Economic Development;
- ▶ moves the responsibility for the Commission on National and Community Service Act to the Office of the Lieutenant Governor; and
- ▶ makes certain technical changes.



28 **Money Appropriated in this Bill:**

29 None

30 **Other Special Clauses:**

31 None

32 **Utah Code Sections Affected:**

33 **AMENDS:**

34 **10-9a-408**, as last amended by Laws of Utah 2005, Chapter 148 and renumbered and  
35 amended by Laws of Utah 2005, Chapter 254

36 **11-13-103**, as last amended by Laws of Utah 2008, Chapter 250

37 **11-37-101**, as last amended by Laws of Utah 2008, Chapter 382

38 **17-27a-408**, as last amended by Laws of Utah 2005, Chapter 148 and renumbered and  
39 amended by Laws of Utah 2005, Chapter 254

40 **17C-1-102**, as last amended by Laws of Utah 2010, Chapter 279

41 **17C-1-412**, as last amended by Laws of Utah 2010, Chapter 279

42 **35A-1-202**, as last amended by Laws of Utah 2005, Chapter 81

43 **35A-3-103**, as last amended by Laws of Utah 2005, Chapter 148

44 **35A-3-116**, as last amended by Laws of Utah 2009, Chapter 116

45 **35A-3-203**, as last amended by Laws of Utah 2005, Chapter 148

46 **35A-3-205**, as last amended by Laws of Utah 2010, Chapter 286

47 **41-1a-422**, as last amended by Laws of Utah 2010, Chapters 139, 166, 369, and 379

48 **53B-18-1002**, as last amended by Laws of Utah 2005, Chapter 148

49 **53C-3-203**, as last amended by Laws of Utah 2010, Chapters 79 and 262

50 **54-7-13.6**, as last amended by Laws of Utah 2010, Chapter 324

51 **59-10-1306**, as last amended by Laws of Utah 2010, Chapter 278

52 **59-10-1314**, as enacted by Laws of Utah 2010, Chapter 194

53 **59-12-103**, as last amended by Laws of Utah 2010, Chapter 412

54 **59-12-104**, as last amended by Laws of Utah 2010, Chapters 88, 209, and 364

55 **59-12-204**, as last amended by Laws of Utah 2009, Chapters 203 and 385

56 **59-12-1102**, as last amended by Laws of Utah 2010, Chapter 90

57 **59-21-1**, as last amended by Laws of Utah 2008, Chapter 360

58 **59-21-2**, as last amended by Laws of Utah 2010, Chapter 278

- 59           **61-2c-105**, as last amended by Laws of Utah 2010, Chapter 379
- 60           **62A-1-111**, as last amended by Laws of Utah 2008, Chapters 3 and 382
- 61           **63A-3-205**, as last amended by Laws of Utah 2010, Chapter 72
- 62           **63A-5-306**, as last amended by Laws of Utah 2010, Chapter 343
- 63           **63B-1b-102**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 64           **63B-1b-202**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 65           **63E-1-102**, as last amended by Laws of Utah 2010, Chapters 152 and 364
- 66           **63E-1-203**, as last amended by Laws of Utah 2002, Chapter 159
- 67           **63I-1-209**, as last amended by Laws of Utah 2010, Chapter 364
- 68           **63I-1-235**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 69           **63I-1-263**, as last amended by Laws of Utah 2010, Chapters 319 and 358
- 70           **63I-1-267**, as last amended by Laws of Utah 2010, Chapter 319
- 71           **63I-4-102**, as last amended by Laws of Utah 2010, Chapters 152, 353, and 364
- 72           **63J-4-502**, as last amended by Laws of Utah 2010, Chapter 286
- 73           **63J-7-102**, as last amended by Laws of Utah 2010, Chapters 152, 364, and 370
- 74           **63K-1-102**, as last amended by Laws of Utah 2010, Chapter 334
- 75           **63M-1-201**, as renumbered and amended by Laws of Utah 2008, Chapter 382
- 76           **63M-1-604**, as last amended by Laws of Utah 2010, Chapter 286
- 77           **63M-1-1503**, as last amended by Laws of Utah 2010, Chapter 286
- 78           **63M-7-301**, as last amended by Laws of Utah 2010, Chapter 39
- 79           **67-4-18**, as enacted by Laws of Utah 2009, Chapter 15
- 80           **67-22-2**, as last amended by Laws of Utah 2009, Chapter 369
- 81           **72-4-302**, as last amended by Laws of Utah 2010, Chapter 286
- 82           **73-10c-3**, as last amended by Laws of Utah 2010, Chapter 286

83 RENUMBERS AND AMENDS:

- 84           **35A-8-101**, (Renumbered from 9-4-102, as last amended by Laws of Utah 2004,
- 85 Chapter 18)
- 86           **35A-8-102**, (Renumbered from 9-4-201, as last amended by Laws of Utah 2004,
- 87 Chapter 18)
- 88           **35A-8-103**, (Renumbered from 9-4-202, as last amended by Laws of Utah 2010,
- 89 Chapter 324)

- 90           **35A-8-201**, (Renumbered from 9-4-602, as last amended by Laws of Utah 2010,  
91 Chapter 378)
- 92           **35A-8-202**, (Renumbered from 9-4-603, as last amended by Laws of Utah 1997,  
93 Chapter 52)
- 94           **35A-8-203**, (Renumbered from 9-4-604, as renumbered and amended by Laws of Utah  
95 1992, Chapter 241)
- 96           **35A-8-204**, (Renumbered from 9-4-606, as last amended by Laws of Utah 1999,  
97 Chapter 243)
- 98           **35A-8-205**, (Renumbered from 9-4-607, as renumbered and amended by Laws of Utah  
99 1992, Chapter 241)
- 100          **35A-8-206**, (Renumbered from 9-4-608, as renumbered and amended by Laws of Utah  
101 1992, Chapter 241)
- 102          **35A-8-207**, (Renumbered from 9-4-609, as last amended by Laws of Utah 2003,  
103 Chapter 95)
- 104          **35A-8-208**, (Renumbered from 9-4-610, as last amended by Laws of Utah 1993,  
105 Chapter 224)
- 106          **35A-8-209**, (Renumbered from 9-4-611, as renumbered and amended by Laws of Utah  
107 1992, Chapter 241)
- 108          **35A-8-210**, (Renumbered from 9-4-612, as last amended by Laws of Utah 2010,  
109 Chapter 193)
- 110          **35A-8-211**, (Renumbered from 9-4-613, as renumbered and amended by Laws of Utah  
111 1992, Chapter 241)
- 112          **35A-8-212**, (Renumbered from 9-4-614, as last amended by Laws of Utah 2001,  
113 Chapter 73)
- 114          **35A-8-213**, (Renumbered from 9-4-615, as renumbered and amended by Laws of Utah  
115 1992, Chapter 241)
- 116          **35A-8-214**, (Renumbered from 9-4-616, as renumbered and amended by Laws of Utah  
117 1992, Chapter 241)
- 118          **35A-8-215**, (Renumbered from 9-4-617, as renumbered and amended by Laws of Utah  
119 1992, Chapter 241)
- 120          **35A-8-216**, (Renumbered from 9-4-618, as renumbered and amended by Laws of Utah

121 1992, Chapter 241)  
122           **35A-8-217**, (Renumbered from 9-4-619, as renumbered and amended by Laws of Utah  
123 1992, Chapter 241)  
124           **35A-8-218**, (Renumbered from 9-4-620, as renumbered and amended by Laws of Utah  
125 1992, Chapter 241)  
126           **35A-8-219**, (Renumbered from 9-4-621, as renumbered and amended by Laws of Utah  
127 1992, Chapter 241)  
128           **35A-8-220**, (Renumbered from 9-4-622, as renumbered and amended by Laws of Utah  
129 1992, Chapter 241)  
130           **35A-8-221**, (Renumbered from 9-4-623, as renumbered and amended by Laws of Utah  
131 1992, Chapter 241)  
132           **35A-8-222**, (Renumbered from 9-4-624, as renumbered and amended by Laws of Utah  
133 1992, Chapter 241)  
134           **35A-8-223**, (Renumbered from 9-4-625, as renumbered and amended by Laws of Utah  
135 1992, Chapter 241)  
136           **35A-8-224**, (Renumbered from 9-4-626, as renumbered and amended by Laws of Utah  
137 1992, Chapter 241)  
138           **35A-8-225**, (Renumbered from 9-4-627, as renumbered and amended by Laws of Utah  
139 1992, Chapter 241)  
140           **35A-8-226**, (Renumbered from 9-4-628, as renumbered and amended by Laws of Utah  
141 1992, Chapter 241)  
142           **35A-8-227**, (Renumbered from 9-4-629, as renumbered and amended by Laws of Utah  
143 1992, Chapter 241)  
144           **35A-8-228**, (Renumbered from 9-4-630, as renumbered and amended by Laws of Utah  
145 1992, Chapter 241)  
146           **35A-8-229**, (Renumbered from 9-4-631, as renumbered and amended by Laws of Utah  
147 1992, Chapter 241)  
148           **35A-8-230**, (Renumbered from 9-4-632, as renumbered and amended by Laws of Utah  
149 1992, Chapter 241)  
150           **35A-8-301**, (Renumbered from 9-4-701, as last amended by Laws of Utah 2001,  
151 Chapter 175)

152           **35A-8-302**, (Renumbered from 9-4-702, as last amended by Laws of Utah 2001,  
153 Chapter 175)  
154           **35A-8-303**, (Renumbered from 9-4-703, as last amended by Laws of Utah 2010,  
155 Chapters 286 and 378)  
156           **35A-8-304**, (Renumbered from 9-4-704, as last amended by Laws of Utah 2010,  
157 Chapter 279)  
158           **35A-8-305**, (Renumbered from 9-4-705, as last amended by Laws of Utah 2003,  
159 Chapter 95)  
160           **35A-8-306**, (Renumbered from 9-4-706, as last amended by Laws of Utah 2002,  
161 Chapter 159)  
162           **35A-8-307**, (Renumbered from 9-4-707, as last amended by Laws of Utah 2003,  
163 Chapter 95)  
164           **35A-8-308**, (Renumbered from 9-4-708, as last amended by Laws of Utah 2008,  
165 Chapter 381)  
166           **35A-8-401**, (Renumbered from 9-4-801, as last amended by Laws of Utah 2010,  
167 Chapter 286)  
168           **35A-8-402**, (Renumbered from 9-4-802, as last amended by Laws of Utah 2010,  
169 Chapter 278)  
170           **35A-8-403**, (Renumbered from 9-4-803, as last amended by Laws of Utah 2010,  
171 Chapter 278)  
172           **35A-8-501**, (Renumbered from 9-4-901, as last amended by Laws of Utah 2001,  
173 Chapter 319)  
174           **35A-8-502**, (Renumbered from 9-4-902, as last amended by Laws of Utah 2001,  
175 Chapter 319)  
176           **35A-8-503**, (Renumbered from 9-4-903, as last amended by Laws of Utah 2001,  
177 Chapter 319)  
178           **35A-8-504**, (Renumbered from 9-4-904, as last amended by Laws of Utah 2010,  
179 Chapter 286)  
180           **35A-8-505**, (Renumbered from 9-4-904.5, as enacted by Laws of Utah 2001, Chapter  
181 319)  
182           **35A-8-506**, (Renumbered from 9-4-905, as last amended by Laws of Utah 2001,

183 Chapter 319)  
184           **35A-8-507**, (Renumbered from 9-4-906, as last amended by Laws of Utah 2008,  
185 Chapter 382)  
186           **35A-8-508**, (Renumbered from 9-4-907, as last amended by Laws of Utah 2001,  
187 Chapter 319)  
188           **35A-8-509**, (Renumbered from 9-4-908, as last amended by Laws of Utah 2001,  
189 Chapter 319)  
190           **35A-8-510**, (Renumbered from 9-4-909, as last amended by Laws of Utah 2001,  
191 Chapter 319)  
192           **35A-8-511**, (Renumbered from 9-4-910, as last amended by Laws of Utah 2003,  
193 Chapter 95)  
194           **35A-8-512**, (Renumbered from 9-4-911, as last amended by Laws of Utah 2001,  
195 Chapter 319)  
196           **35A-8-513**, (Renumbered from 9-4-912, as last amended by Laws of Utah 2001,  
197 Chapter 319)  
198           **35A-8-514**, (Renumbered from 9-4-913, as last amended by Laws of Utah 2001,  
199 Chapter 319)  
200           **35A-8-515**, (Renumbered from 9-4-914, as last amended by Laws of Utah 2010,  
201 Chapter 378)  
202           **35A-8-516**, (Renumbered from 9-4-915, as last amended by Laws of Utah 2001,  
203 Chapter 319)  
204           **35A-8-517**, (Renumbered from 9-4-916, as last amended by Laws of Utah 2001,  
205 Chapter 319)  
206           **35A-8-518**, (Renumbered from 9-4-917, as last amended by Laws of Utah 2008,  
207 Chapter 382)  
208           **35A-8-519**, (Renumbered from 9-4-918, as last amended by Laws of Utah 2001,  
209 Chapter 319)  
210           **35A-8-520**, (Renumbered from 9-4-919, as last amended by Laws of Utah 2001,  
211 Chapter 319)  
212           **35A-8-521**, (Renumbered from 9-4-920, as last amended by Laws of Utah 2001,  
213 Chapter 319)

214           **35A-8-522**, (Renumbered from 9-4-922, as last amended by Laws of Utah 2001,  
215 Chapter 319)  
216           **35A-8-523**, (Renumbered from 9-4-923, as last amended by Laws of Utah 2001,  
217 Chapter 319)  
218           **35A-8-524**, (Renumbered from 9-4-924, as last amended by Laws of Utah 2010,  
219 Chapter 378)  
220           **35A-8-525**, (Renumbered from 9-4-925, as last amended by Laws of Utah 2001,  
221 Chapter 319)  
222           **35A-8-526**, (Renumbered from 9-4-926, as enacted by Laws of Utah 2001, Chapter  
223 319)  
224           **35A-8-527**, (Renumbered from 9-4-927, as enacted by Laws of Utah 2009, Chapter 15)  
225           **35A-8-601**, (Renumbered from 9-4-1201, as enacted by Laws of Utah 1997, Chapter  
226 30)  
227           **35A-8-602**, (Renumbered from 9-4-1202, as last amended by Laws of Utah 2009,  
228 Chapter 72)  
229           **35A-8-603**, (Renumbered from 9-4-1203, as last amended by Laws of Utah 2002,  
230 Chapter 159)  
231           **35A-8-604**, (Renumbered from 9-4-1204, as last amended by Laws of Utah 2005,  
232 Chapter 254)  
233           **35A-8-701**, (Renumbered from 9-4-1301, as last amended by Laws of Utah 2008,  
234 Chapter 382)  
235           **35A-8-801**, (Renumbered from 9-4-1501, as enacted by Laws of Utah 2010, Chapter  
236 194)  
237           **35A-8-802**, (Renumbered from 9-4-1502, as enacted by Laws of Utah 2010, Chapter  
238 194)  
239           **35A-8-803**, (Renumbered from 9-4-1503, as enacted by Laws of Utah 2010, Chapter  
240 194)  
241           **35A-8-901**, (Renumbered from 9-12-101, as enacted by Laws of Utah 1998, Chapter  
242 336)  
243           **35A-8-902**, (Renumbered from 9-12-102, as renumbered and amended by Laws of Utah  
244 1998, Chapter 336)



- 245           **35A-8-903**, (Renumbered from 9-12-103, as last amended by Laws of Utah 2010,  
246 Chapter 378)
- 247           **35A-8-904**, (Renumbered from 9-12-104, as renumbered and amended by Laws of Utah  
248 1998, Chapter 336)
- 249           **35A-8-905**, (Renumbered from 9-12-105, as last amended by Laws of Utah 2008,  
250 Chapter 382)
- 251           **35A-8-1001**, (Renumbered from 9-12-201, as last amended by Laws of Utah 2010,  
252 Chapter 378)
- 253           **35A-8-1002**, (Renumbered from 9-12-202, as renumbered and amended by Laws of  
254 Utah 1998, Chapter 336)
- 255           **35A-8-1003**, (Renumbered from 9-12-203, as renumbered and amended by Laws of  
256 Utah 1998, Chapter 336)
- 257           **35A-8-1004**, (Renumbered from 9-12-204, as renumbered and amended by Laws of  
258 Utah 1998, Chapter 336)
- 259           **63H-3-101**, (Renumbered from 9-3-401, as enacted by Laws of Utah 1993, Chapter  
260 309)
- 261           **63H-3-102**, (Renumbered from 9-3-402, as last amended by Laws of Utah 2001,  
262 Chapter 151)
- 263           **63H-3-103**, (Renumbered from 9-3-403, as last amended by Laws of Utah 2010,  
264 Chapter 286)
- 265           **63H-3-104**, (Renumbered from 9-3-404, as enacted by Laws of Utah 1993, Chapter  
266 309)
- 267           **63H-3-105**, (Renumbered from 9-3-405, as enacted by Laws of Utah 1993, Chapter  
268 309)
- 269           **63H-3-106**, (Renumbered from 9-3-406, as enacted by Laws of Utah 1993, Chapter  
270 309)
- 271           **63H-3-107**, (Renumbered from 9-3-407, as last amended by Laws of Utah 2010,  
272 Chapter 378)
- 273           **63H-3-108**, (Renumbered from 9-3-409, as last amended by Laws of Utah 2009, First  
274 Special Session, Chapter 5)
- 275           **63H-3-109**, (Renumbered from 9-3-410, as last amended by Laws of Utah 2010,

276 Chapter 324)  
277           **63H-3-110**, (Renumbered from 9-3-411, as enacted by Laws of Utah 1993, Chapter  
278 309)  
279           **63H-4-101**, (Renumbered from 9-3-501, as enacted by Laws of Utah 2010, Chapter  
280 364)  
281           **63H-4-102**, (Renumbered from 9-3-502, as enacted by Laws of Utah 2010, Chapter  
282 364)  
283           **63H-4-103**, (Renumbered from 9-3-503, as enacted by Laws of Utah 2010, Chapter  
284 364)  
285           **63H-4-104**, (Renumbered from 9-3-504, as enacted by Laws of Utah 2010, Chapter  
286 364)  
287           **63H-4-105**, (Renumbered from 9-3-505, as enacted by Laws of Utah 2010, Chapter  
288 364)  
289           **63H-4-106**, (Renumbered from 9-3-506, as enacted by Laws of Utah 2010, Chapter  
290 364)  
291           **63H-4-107**, (Renumbered from 9-3-507, as enacted by Laws of Utah 2010, Chapter  
292 364)  
293           **63H-4-108**, (Renumbered from 9-3-508, as enacted by Laws of Utah 2010, Chapter  
294 364)  
295           **63H-4-109**, (Renumbered from 9-3-509, as enacted by Laws of Utah 2010, Chapter  
296 364)  
297           **63H-4-110**, (Renumbered from 9-3-510, as enacted by Laws of Utah 2010, Chapter  
298 364)  
299           **63H-4-111**, (Renumbered from 9-3-511, as enacted by Laws of Utah 2010, Chapter  
300 364)  
301           **63H-5-101**, (Renumbered from 9-3-601, as enacted by Laws of Utah 2010, Chapter  
302 152)  
303           **63H-5-102**, (Renumbered from 9-3-602, as enacted by Laws of Utah 2010, Chapter  
304 152)  
305           **63H-5-103**, (Renumbered from 9-3-603, as enacted by Laws of Utah 2010, Chapter  
306 152)

307           **63H-5-104**, (Renumbered from 9-3-604, as enacted by Laws of Utah 2010, Chapter  
308 152)  
309           **63H-5-105**, (Renumbered from 9-3-605, as enacted by Laws of Utah 2010, Chapter  
310 152)  
311           **63H-5-106**, (Renumbered from 9-3-606, as enacted by Laws of Utah 2010, Chapter  
312 152)  
313           **63H-5-107**, (Renumbered from 9-3-607, as enacted by Laws of Utah 2010, Chapter  
314 152)  
315           **63H-5-108**, (Renumbered from 9-3-608, as enacted by Laws of Utah 2010, Chapter  
316 152)  
317           **63H-5-109**, (Renumbered from 9-3-609, as enacted by Laws of Utah 2010, Chapter  
318 152)  
319           **63H-5-110**, (Renumbered from 9-3-610, as enacted by Laws of Utah 2010, Chapter  
320 152)  
321           **63H-6-101**, (Renumbered from 9-4-1101, as enacted by Laws of Utah 1995, Chapter  
322 260)  
323           **63H-6-102**, (Renumbered from 9-4-1102, as enacted by Laws of Utah 1995, Chapter  
324 260)  
325           **63H-6-103**, (Renumbered from 9-4-1103, as last amended by Laws of Utah 2008,  
326 Chapter 382)  
327           **63H-6-104**, (Renumbered from 9-4-1104, as last amended by Laws of Utah 2002,  
328 Chapter 176)  
329           **63H-6-105**, (Renumbered from 9-4-1105, as enacted by Laws of Utah 1995, Chapter  
330 260)  
331           **63H-6-106**, (Renumbered from 9-4-1106, as enacted by Laws of Utah 1995, Chapter  
332 260)  
333           **63H-6-107**, (Renumbered from 9-4-1107, as enacted by Laws of Utah 1995, Chapter  
334 260)  
335           **63M-1-2901**, (Renumbered from 9-4-501, as enacted by Laws of Utah 1992, Chapter  
336 287)  
337           **63M-1-2902**, (Renumbered from 9-4-502, as enacted by Laws of Utah 1992, Chapter

338 287)  
339           **63M-1-2903**, (Renumbered from 9-4-503, as last amended by Laws of Utah 2010,  
340 Chapter 286)  
341           **63M-1-2904**, (Renumbered from 9-4-504, as last amended by Laws of Utah 1997,  
342 Chapter 192)  
343           **63M-1-2905**, (Renumbered from 9-4-505, as last amended by Laws of Utah 2004,  
344 Chapter 90)  
345           **63M-1-2906**, (Renumbered from 9-4-506, as last amended by Laws of Utah 2000,  
346 Chapter 95)  
347           **63M-1-2907**, (Renumbered from 9-4-507, as enacted by Laws of Utah 1992, Chapter  
348 287)  
349           **63M-1-2908**, (Renumbered from 9-4-508, as last amended by Laws of Utah 2005,  
350 Chapter 170)  
351           **63M-1-2909**, (Renumbered from 9-4-509, as last amended by Laws of Utah 2008,  
352 Chapter 382)  
353           **63M-1-3001**, (Renumbered from 9-4-301, as last amended by Laws of Utah 2010,  
354 Chapter 378)  
355           **63M-1-3002**, (Renumbered from 9-4-302, as last amended by Laws of Utah 2007,  
356 Chapter 303)  
357           **63M-1-3003**, (Renumbered from 9-4-303, as last amended by Laws of Utah 2007,  
358 Chapter 303)  
359           **63M-1-3004**, (Renumbered from 9-4-304, as last amended by Laws of Utah 2010,  
360 Chapter 286)  
361           **63M-1-3005**, (Renumbered from 9-4-305, as last amended by Laws of Utah 2002,  
362 Chapter 286)  
363           **63M-1-3006**, (Renumbered from 9-4-306, as last amended by Laws of Utah 2008,  
364 Chapter 382)  
365           **63M-1-3007**, (Renumbered from 9-4-307, as last amended by Laws of Utah 2008,  
366 Chapter 382)  
367           **63M-1-3101**, (Renumbered from 9-4-1401, as enacted by Laws of Utah 2000, Chapter  
368 286)

369           **63M-1-3102**, (Renumbered from 9-4-1402, as enacted by Laws of Utah 2000, Chapter  
370 286)

371           **63M-1-3103**, (Renumbered from 9-4-1403, as last amended by Laws of Utah 2004,  
372 Chapter 18)

373           **63M-1-3104**, (Renumbered from 9-4-1404, as last amended by Laws of Utah 2008,  
374 Chapters 192 and 382)

375           **63M-1-3105**, (Renumbered from 9-4-1405, as last amended by Laws of Utah 2006,  
376 Chapter 23)

377           **63M-1-3106**, (Renumbered from 9-4-1406, as last amended by Laws of Utah 2008,  
378 Chapter 382)

379           **63M-1-3107**, (Renumbered from 9-4-1407, as enacted by Laws of Utah 2000, Chapter  
380 286)

381           **63M-1-3108**, (Renumbered from 9-4-1408, as enacted by Laws of Utah 2000, Chapter  
382 286)

383           **63M-1-3109**, (Renumbered from 9-4-1409, as last amended by Laws of Utah 2009,  
384 Chapter 385)

385           **67-1a-201**, (Renumbered from 9-1-801, as enacted by Laws of Utah 1994, Chapter 119)

386           **67-1a-202**, (Renumbered from 9-1-802, as last amended by Laws of Utah 1996,  
387 Chapter 242)

388           **67-1a-203**, (Renumbered from 9-1-803, as last amended by Laws of Utah 2010,  
389 Chapter 286)

390           **67-1a-204**, (Renumbered from 9-1-805, as enacted by Laws of Utah 1994, Chapter 119)

391           **67-1a-205**, (Renumbered from 9-1-806, as enacted by Laws of Utah 1994, Chapter 119)

392           **67-1a-206**, (Renumbered from 9-1-807, as enacted by Laws of Utah 1994, Chapter 119)

393           **67-1a-207**, (Renumbered from 9-1-808, as enacted by Laws of Utah 1994, Chapter 119)

394           **67-1a-208**, (Renumbered from 9-1-809, as last amended by Laws of Utah 2009,  
395 Chapter 59)

396           **67-1a-209**, (Renumbered from 9-1-810, as last amended by Laws of Utah 2004,  
397 Chapter 18)

398           **67-1a-210**, (Renumbered from 9-1-811, as enacted by Laws of Utah 1994, Chapter 119)

399           **67-1a-301**, (Renumbered from 9-17-101, as enacted by Laws of Utah 2010, Chapter

400 166)

401 **67-1a-302**, (Renumbered from 9-17-102, as enacted by Laws of Utah 2010, Chapter

402 166)

403 REPEALS:

404 **35A-3-309**, as last amended by Laws of Utah 2005, Chapter 148

405 **Uncodified Material Affected:**

406 ENACTS UNCODIFIED MATERIAL

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

409 Section 1. Section **10-9a-408** is amended to read:

410 **10-9a-408. Biennial review of moderate income housing element of general plan.**

411 (1) The legislative body of each city shall biennially:

412 (a) review the moderate income housing plan element of its general plan and its  
413 implementation; and

414 (b) prepare a report setting forth the findings of the review.

415 (2) Each report under Subsection (1) shall include a description of:

416 (a) efforts made by the city to reduce, mitigate, or eliminate local regulatory barriers to  
417 moderate income housing;

418 (b) actions taken by the city to encourage preservation of existing moderate income  
419 housing and development of new moderate income housing;

420 (c) progress made within the city to provide moderate income housing, as measured by  
421 permits issued for new units of moderate income housing; and

422 (d) efforts made by the city to coordinate moderate income housing plans and actions  
423 with neighboring municipalities.

424 (3) The legislative body of each city shall send a copy of the report under Subsection  
425 (1) to the [~~Department of Community and Culture~~] Division of Housing and Community  
426 Development within the Department of Workforce Services and the association of  
427 governments in which the city is located.

428 (4) In a civil action seeking enforcement or claiming a violation of this section or of  
429 Subsection 10-9a-404(5)(c), a plaintiff may not recover damages but may be awarded only  
430 injunctive or other equitable relief.

431 Section 2. Section **11-13-103** is amended to read:

432 **11-13-103. Definitions.**

433 As used in this chapter:

434 (1) "Additional project capacity" means electric generating capacity provided by a  
435 generating unit that first produces electricity on or after May 6, 2002 and that is constructed or  
436 installed at or adjacent to the site of a project that first produced electricity before May 6, 2002,  
437 regardless of whether:

438 (a) the owners of the new generating unit are the same as or different from the owner of  
439 the project; and

440 (b) the purchasers of electricity from the new generating unit are the same as or  
441 different from the purchasers of electricity from the project.

442 (2) "Board" means the Permanent Community Impact Fund Board created by Section  
443 ~~[9-4-304]~~ 63M-1-3004, and its successors.

444 (3) "Candidate" means one or more of:

445 (a) the state;

446 (b) a county, municipality, school district, local district, special service district, or other  
447 political subdivision of the state; and

448 (c) a prosecution district.

449 (4) "Commercial project entity" means a project entity, defined in Subsection (12),  
450 that:

451 (a) has no taxing authority; and

452 (b) is not supported in whole or in part by and does not expend or disburse tax  
453 revenues.

454 (5) "Direct impacts" means an increase in the need for public facilities or services that  
455 is attributable to the project or facilities providing additional project capacity, except impacts  
456 resulting from the construction or operation of a facility that is:

457 (a) owned by an owner other than the owner of the project or of the facilities providing  
458 additional project capacity; and

459 (b) used to furnish fuel, construction, or operation materials for use in the project.

460 (6) "Electric interlocal entity" means an interlocal entity described in Subsection  
461 11-13-203(3).

462 (7) "Energy services interlocal entity" means an interlocal entity that is described in  
463 Subsection 11-13-203(4).

464 (8) (a) "Estimated electric requirements," when used with respect to a qualified energy  
465 services interlocal entity, includes any of the following that meets the requirements of

466 Subsection (8)(b):

467 (i) generation capacity;

468 (ii) generation output; or

469 (iii) an electric energy production facility.

470 (b) An item listed in Subsection (8)(a) is included in "estimated electric requirements"  
471 if it is needed by the qualified energy services interlocal entity to perform the qualified energy  
472 services interlocal entity's contractual or legal obligations to any of its members.

473 (9) "Interlocal entity" means:

474 (a) a Utah interlocal entity, an electric interlocal entity, or an energy services interlocal  
475 entity; or

476 (b) a separate legal or administrative entity created under Section 11-13-205.

477 (10) "Out-of-state public agency" means a public agency as defined in Subsection  
478 (13)(c), (d), or (e).

479 (11) (a) "Project":

480 (i) means an electric generation and transmission facility owned by a Utah interlocal  
481 entity or an electric interlocal entity; and

482 (ii) includes fuel or fuel transportation facilities and water facilities owned by that Utah  
483 interlocal entity or electric interlocal entity and required for the generation and transmission  
484 facility.

485 (b) "Project" includes a project entity's ownership interest in:

486 (i) facilities that provide additional project capacity; and

487 (ii) additional generating, transmission, fuel, fuel transportation, water, or other  
488 facilities added to a project.

489 (12) "Project entity" means a Utah interlocal entity or an electric interlocal entity that  
490 owns a project.

491 (13) "Public agency" means:

492 (a) a city, town, county, school district, local district, special service district, or other



493 political subdivision of the state;

494 (b) the state or any department, division, or agency of the state;

495 (c) any agency of the United States;

496 (d) any political subdivision or agency of another state or the District of Columbia  
497 including any interlocal cooperation or joint powers agency formed under the authority of the  
498 law of the other state or the District of Columbia; and

499 (e) any Indian tribe, band, nation, or other organized group or community which is  
500 recognized as eligible for the special programs and services provided by the United States to  
501 Indians because of their status as Indians.

502 (14) "Qualified energy services interlocal entity" means an energy services interlocal  
503 entity that at the time that the energy services interlocal entity acquires its interest in facilities  
504 providing additional project capacity has at least five members that are Utah public agencies.

505 (15) "Utah interlocal entity":

506 (a) means an interlocal entity described in Subsection 11-13-203(2); and

507 (b) includes a separate legal or administrative entity created under Laws of Utah 1977,  
508 Chapter 47, Section 3, as amended.

509 (16) "Utah public agency" means a public agency under Subsection (13)(a) or (b).

510 Section 3. Section **11-37-101** is amended to read:

511 **11-37-101. Definition -- Procurement -- Use of recycled goods.**

512 (1) "Local government entity" means:

513 (a) municipalities, cities, and counties;

514 (b) entities created under Title 26A, Chapter 1, Local Health Departments; and

515 (c) political subdivisions created by cities or counties, including entities created under:

516 (i) [~~Title 9, Chapter 4, Part 9,~~ Title 35A, Chapter 8, Part 5, Utah Housing Corporation  
517 Act; and

518 (ii) Title 11, Chapter 13, Interlocal Cooperation Act.

519 (2) The procurement officer or other person responsible for purchasing supplies for  
520 each local government entity shall:

521 (a) maintain for reference a copy of the current listing of recycled items available on  
522 state contract as issued by the chief procurement officer under Section 63G-6-204; and

523 (b) give recycled items consideration when inviting bids and purchasing supplies.

524 Section 4. Section **17-27a-408** is amended to read:

525 **17-27a-408. Biennial review of moderate income housing element of general plan.**

526 (1) The legislative body of each county with a population over 25,000 shall biennially:

527 (a) review the moderate income housing plan element of its general plan and its

528 implementation; and

529 (b) prepare a report setting forth the findings of the review.

530 (2) Each report under Subsection (1) shall include a description of:

531 (a) efforts made by the county to reduce, mitigate, or eliminate local regulatory barriers

532 to moderate income housing;

533 (b) actions taken by the county to encourage preservation of existing moderate income

534 housing and development of new moderate income housing;

535 (c) progress made within the county to provide moderate income housing, as measured

536 by permits issued for new units of moderate income housing; and

537 (d) efforts made by the county to coordinate moderate income housing plans and

538 actions with neighboring counties and municipalities.

539 (3) The legislative body of each county with a population over 25,000 shall send a copy

540 of the report under Subsection (1) to the [~~Department of Community and Culture~~] Division of

541 Housing and Community Development within the Department of Workforce Services and the

542 association of governments in which the county is located.

543 (4) In a civil action seeking enforcement or claiming a violation of this section or of

544 Subsection 17-27a-404(6)(c), a plaintiff may not recover damages but may be awarded only

545 injunctive or other equitable relief.

546 Section 5. Section **17C-1-102** is amended to read:

547 **17C-1-102. Definitions.**

548 As used in this title:

549 (1) "Adjusted tax increment" means:

550 (a) for tax increment under a pre-July 1, 1993 project area plan, tax increment under

551 Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3); and

552 (b) for tax increment under a post-June 30, 1993 project area plan, tax increment under

553 Section 17C-1-404, excluding tax increment under Section 17C-1-406.

554 (2) "Affordable housing" means housing to be owned or occupied by persons and

555 families of low or moderate income, as determined by resolution of the agency.

556 (3) "Agency" or "community development and renewal agency" means a separate body  
557 corporate and politic, created under Section 17C-1-201 or as a redevelopment agency under  
558 previous law, that is a political subdivision of the state, that is created to undertake or promote  
559 urban renewal, economic development, or community development, or any combination of  
560 them, as provided in this title, and whose geographic boundaries are coterminous with:

561 (a) for an agency created by a county, the unincorporated area of the county; and

562 (b) for an agency created by a city or town, the boundaries of the city or town.

563 (4) "Annual income" has the meaning as defined under regulations of the U.S.

564 Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as amended or as  
565 superseded by replacement regulations.

566 (5) "Assessment roll" has the meaning as defined in Section 59-2-102.

567 (6) "Base taxable value" means:

568 (a) for an urban renewal or economic development project area, the taxable value of  
569 the property within a project area from which tax increment will be collected, as shown upon  
570 the assessment roll last equalized before:

571 (i) for a pre-July 1, 1993 project area plan, the effective date of the project area plan;

572 (ii) for a post-June 30, 1993 project area plan:

573 (A) the date of the taxing entity committee's approval of the first project area budget;

574 or

575 (B) if no taxing entity committee approval is required for the project area budget, the  
576 later of:

577 (I) the date the project area plan is adopted by the community legislative body; and

578 (II) the date the agency adopts the first project area budget;

579 (iii) for a project on an inactive industrial site, a year after the date on which the  
580 inactive industrial site is sold for remediation and development; or

581 (iv) for a project on an inactive airport site, a year after the later of:

582 (A) the date on which the inactive airport site is sold for remediation and development;

583 and

584 (B) the date on which the airport that had been operated on the inactive airport site  
585 ceased operations; and

586 (b) for a community development project area, the agreed value specified in a  
587 resolution or interlocal agreement under Subsection 17C-4-201(2).

588 (7) "Basic levy" means the portion of a school district's tax levy constituting the  
589 minimum basic levy under Section 59-2-902.

590 (8) "Blight" or "blighted" means the condition of an area that meets the requirements of  
591 Subsection 17C-2-303(1).

592 (9) "Blight hearing" means a public hearing under Subsection 17C-2-102(1)(a)(i)(C)  
593 and Section 17C-2-302 regarding the existence or nonexistence of blight within the proposed  
594 urban renewal project area.

595 (10) "Blight study" means a study to determine the existence or nonexistence of blight  
596 within a survey area as provided in Section 17C-2-301.

597 (11) "Board" means the governing body of an agency, as provided in Section  
598 17C-1-203.

599 (12) "Budget hearing" means the public hearing on a draft project area budget required  
600 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget or Subsection  
601 17C-3-201(2)(d) for an economic development project area budget.

602 (13) "Combined incremental value" means the combined total of all incremental values  
603 from all urban renewal project areas, except project areas that contain some or all of a military  
604 installation or inactive industrial site, within the agency's boundaries under adopted project area  
605 plans and adopted project area budgets at the time that a project area budget for a new urban  
606 renewal project area is being considered.

607 (14) "Community" means a county, city, or town.

608 (15) "Community development" means development activities within a community,  
609 including the encouragement, promotion, or provision of development.

610 (16) "Economic development" means to promote the creation or retention of public or  
611 private jobs within the state through:

612 (a) planning, design, development, construction, rehabilitation, business relocation, or  
613 any combination of these, within a community; and

614 (b) the provision of office, industrial, manufacturing, warehousing, distribution,  
615 parking, public, or other facilities, or other improvements that benefit the state or a community.

616 (17) "Fair share ratio" means the ratio derived by:

617 (a) for a city or town, comparing the percentage of all housing units within the city or  
618 town that are publicly subsidized income targeted housing units to the percentage of all  
619 housing units within the whole county that are publicly subsidized income targeted housing  
620 units; or

621 (b) for the unincorporated part of a county, comparing the percentage of all housing  
622 units within the unincorporated county that are publicly subsidized income targeted housing  
623 units to the percentage of all housing units within the whole county that are publicly subsidized  
624 income targeted housing units.

625 (18) "Family" has the meaning as defined under regulations of the U.S. Department of  
626 Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as superseded by  
627 replacement regulations.

628 (19) "Greenfield" means land not developed beyond agricultural or forestry use.

629 (20) "Hazardous waste" means any substance defined, regulated, or listed as a  
630 hazardous substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant,  
631 or toxic substance, or identified as hazardous to human health or the environment, under state  
632 or federal law or regulation.

633 (21) "Housing funds" means the funds allocated in an urban renewal project area  
634 budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).

635 (22) (a) "Inactive airport site" means land that:

636 (i) consists of at least 100 acres;

637 (ii) is occupied by an airport:

638 (A) (I) that is no longer in operation as an airport; or

639 (II) (Aa) that is scheduled to be decommissioned; and

640 (Bb) for which a replacement commercial service airport is under construction; and

641 (B) that is owned or was formerly owned and operated by a public entity; and

642 (iii) requires remediation because:

643 (A) of the presence of hazardous waste or solid waste; or

644 (B) the site lacks sufficient public infrastructure and facilities, including public roads,  
645 electric service, water system, and sewer system, needed to support development of the site.

646 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land  
647 described in Subsection (22)(a).

648 (23) (a) "Inactive industrial site" means land that:  
649 (i) consists of at least 1,000 acres;  
650 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial  
651 facility; and

652 (iii) requires remediation because of the presence of hazardous waste or solid waste.

653 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land  
654 described in Subsection (23)(a).

655 (24) "Income targeted housing" means housing to be owned or occupied by a family  
656 whose annual income is at or below 80% of the median annual income for the county in which  
657 the housing is located.

658 (25) "Incremental value" means a figure derived by multiplying the marginal value of  
659 the property located within an urban renewal project area on which tax increment is collected  
660 by a number that represents the percentage of adjusted tax increment from that project area that  
661 is paid to the agency.

662 (26) "Loan fund board" means the Olene Walker Housing Loan Fund Board,  
663 established under Title [9] 35A, Chapter [4] 8, Part [7] 3, Olene Walker Housing Loan Fund.

664 (27) "Marginal value" means the difference between actual taxable value and base  
665 taxable value.

666 (28) "Military installation project area" means a project area or a portion of a project  
667 area located within a federal military installation ordered closed by the federal Defense Base  
668 Realignment and Closure Commission.

669 (29) "Plan hearing" means the public hearing on a draft project area plan required  
670 under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection  
671 17C-3-102(1)(d) for an economic development project area plan, and Subsection  
672 17C-4-102(1)(d) for a community development project area plan.

673 (30) "Post-June 30, 1993 project area plan" means a project area plan adopted on or  
674 after July 1, 1993, whether or not amended subsequent to its adoption.

675 (31) "Pre-July 1, 1993 project area plan" means a project area plan adopted before July  
676 1, 1993, whether or not amended subsequent to its adoption.

677 (32) "Private," with respect to real property, means:

678 (a) not owned by the United States or any agency of the federal government, a public

679 entity, or any other governmental entity; and

680 (b) not dedicated to public use.

681 (33) "Project area" means the geographic area described in a project area plan or draft  
682 project area plan where the urban renewal, economic development, or community  
683 development, as the case may be, set forth in the project area plan or draft project area plan  
684 takes place or is proposed to take place.

685 (34) "Project area budget" means a multiyear projection of annual or cumulative  
686 revenues and expenses and other fiscal matters pertaining to a urban renewal or economic  
687 development project area that includes:

688 (a) the base taxable value of property in the project area;

689 (b) the projected tax increment expected to be generated within the project area;

690 (c) the amount of tax increment expected to be shared with other taxing entities;

691 (d) the amount of tax increment expected to be used to implement the project area plan,  
692 including the estimated amount of tax increment to be used for land acquisition, public  
693 improvements, infrastructure improvements, and loans, grants, or other incentives to private  
694 and public entities;

695 (e) the tax increment expected to be used to cover the cost of administering the project  
696 area plan;

697 (f) if the area from which tax increment is to be collected is less than the entire project  
698 area:

699 (i) the tax identification numbers of the parcels from which tax increment will be  
700 collected; or

701 (ii) a legal description of the portion of the project area from which tax increment will  
702 be collected;

703 (g) for property that the agency owns and expects to sell, the expected total cost of the  
704 property to the agency and the expected selling price; and

705 (h) (i) for an urban renewal project area, the information required under Subsection  
706 17C-2-201(1)(b); and

707 (ii) for an economic development project area, the information required under  
708 Subsection 17C-3-201(1)(b).

709 (35) "Project area plan" means a written plan under Chapter 2, Part 1, Urban Renewal

710 Project Area Plan, Chapter 3, Part 1, Economic Development Project Area Plan, or Chapter 4,  
711 Part 1, Community Development Project Area Plan, as the case may be, that, after its effective  
712 date, guides and controls the urban renewal, economic development, or community  
713 development activities within a project area.

714 (36) "Property tax" includes privilege tax and each levy on an ad valorem basis on  
715 tangible or intangible personal or real property.

716 (37) "Public entity" means:

717 (a) the state, including any of its departments or agencies; or

718 (b) a political subdivision of the state, including a county, city, town, school district,  
719 local district, special service district, or interlocal cooperation entity.

720 (38) "Publicly owned infrastructure and improvements" means water, sewer, storm  
721 drainage, electrical, and other similar systems and lines, streets, roads, curb, gutter, sidewalk,  
722 walkways, parking facilities, public transportation facilities, and other facilities, infrastructure,  
723 and improvements benefitting the public and to be publicly owned or publicly maintained or  
724 operated.

725 (39) "Record property owner" or "record owner of property" means the owner of real  
726 property as shown on the records of the recorder of the county in which the property is located  
727 and includes a purchaser under a real estate contract if the contract is recorded in the office of  
728 the recorder of the county in which the property is located or the purchaser gives written notice  
729 of the real estate contract to the agency.

730 (40) "Superfund site":

731 (a) means an area included in the National Priorities List under the Comprehensive  
732 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

733 (b) includes an area formerly included in the National Priorities List, as described in  
734 Subsection (40)(a), but removed from the list following remediation that leaves on site the  
735 waste that caused the area to be included in the National Priorities List.

736 (41) "Survey area" means an area designated by a survey area resolution for study to  
737 determine whether one or more urban renewal projects within the area are feasible.

738 (42) "Survey area resolution" means a resolution adopted by the agency board under  
739 Subsection 17C-2-101(1)(a) designating a survey area.

740 (43) "Taxable value" means the value of property as shown on the last equalized



741 assessment roll as certified by the county assessor.

742 (44) (a) "Tax increment" means, except as provided in Subsection (44)(b), the  
743 difference between:

744 (i) the amount of property tax revenues generated each tax year by all taxing entities  
745 from the area within a project area designated in the project area plan as the area from which  
746 tax increment is to be collected, using the current assessed value of the property; and

747 (ii) the amount of property tax revenues that would be generated from that same area  
748 using the base taxable value of the property.

749 (b) "Tax increment" does not include taxes levied and collected under Section  
750 59-2-1602 on or after January 1, 1994 upon the taxable property in the project area unless:

751 (i) the project area plan was adopted before May 4, 1993, whether or not the project  
752 area plan was subsequently amended; and

753 (ii) the taxes were pledged to support bond indebtedness or other contractual  
754 obligations of the agency.

755 (45) "Taxing entity" means a public entity that levies a tax on a parcel or parcels of  
756 property located within a community.

757 (46) "Taxing entity committee" means a committee representing the interests of taxing  
758 entities, created as provided in Section 17C-1-402.

759 (47) "Unincorporated" means not within a city or town.

760 (48) (a) "Urban renewal" means the development activities under a project area plan  
761 within an urban renewal project area, including:

762 (i) planning, design, development, demolition, clearance, construction, rehabilitation,  
763 environmental remediation, or any combination of these, of part or all of a project area;

764 (ii) the provision of residential, commercial, industrial, public, or other structures or  
765 spaces, including recreational and other facilities incidental or appurtenant to them;

766 (iii) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating, or  
767 any combination of these, existing structures in a project area;

768 (iv) providing open space, including streets and other public grounds and space around  
769 buildings;

770 (v) providing public or private buildings, infrastructure, structures, and improvements;

771 and

772 (vi) providing improvements of public or private recreation areas and other public  
773 grounds.

774 (b) "Urban renewal" means "redevelopment," as defined under the law in effect before  
775 May 1, 2006, if the context requires.

776 Section 6. Section **17C-1-412** is amended to read:

777 **17C-1-412. Use of funds allocated for housing -- Separate accounting required --**  
778 **Issuance of bonds for housing -- Action to compel agency to provide housing funds.**

779 (1) (a) Each agency shall use all funds allocated for housing under Section 17C-2-203  
780 or 17C-3-202 to:

781 (i) pay part or all of the cost of land or construction of income targeted housing within  
782 the boundary of the agency, if practicable in a mixed income development or area;

783 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the  
784 boundary of the agency;

785 (iii) lend, grant, or contribute money to a person, public entity, housing authority,  
786 private entity or business, or nonprofit corporation for income targeted housing within the  
787 boundary of the agency;

788 (iv) plan or otherwise promote income targeted housing within the boundary of the  
789 agency;

790 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of  
791 any building, facility, structure, or other housing improvement, including infrastructure  
792 improvements, related to housing located in a project area where blight has been found to exist;

793 (vi) replace housing units lost as a result of the urban renewal, economic development,  
794 or community development;

795 (vii) make payments on or establish a reserve fund for bonds:

796 (A) issued by the agency, the community, or the housing authority that provides  
797 income targeted housing within the community; and

798 (B) all or part of the proceeds of which are used within the community for the purposes  
799 stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);

800 (viii) if the community's fair share ratio at the time of the first adoption of the project  
801 area budget is at least 1.1 to 1.0, make payments on bonds:

802 (A) that were previously issued by the agency, the community, or the housing authority

803 that provides income targeted housing within the community; and

804 (B) all or part of the proceeds of which were used within the community for the  
805 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi); or

806 (ix) relocate mobile home park residents displaced by an urban renewal, economic  
807 development, or community development project.

808 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or  
809 any portion of housing funds to:

810 (i) the community for use as provided under Subsection (1)(a);

811 (ii) the housing authority that provides income targeted housing within the community  
812 for use in providing income targeted housing within the community; or

813 (iii) the Olene Walker Housing Loan Fund, established under Title [9] 35A, Chapter  
814 [4] 8, Part [7] 3, Olene Walker Housing Loan Fund, for use in providing income targeted  
815 housing within the community.

816 (2) The agency or community shall separately account for the housing funds, together  
817 with all interest earned by the housing funds and all payments or repayments for loans,  
818 advances, or grants from the housing funds.

819 (3) An agency may:

820 (a) issue bonds from time to time to finance a housing undertaking under this section,  
821 including the payment of principal and interest upon advances for surveys and plans or  
822 preliminary loans; and

823 (b) issue refunding bonds for the payment or retirement of bonds under Subsection  
824 (3)(a) previously issued by the agency.

825 (4) An agency:

826 (a) shall allocate housing funds each year in which the agency receives sufficient tax  
827 increment to make a housing allocation required by the project area budget; and

828 (b) is relieved, to the extent tax increment is insufficient in a year, of an obligation to  
829 allocate housing funds for the year tax increment is insufficient.

830 (5) (a) Except as provided in Subsection (4), if an agency fails to provide housing  
831 funds in accordance with the project area budget and, if applicable, the housing plan adopted  
832 under Subsection 17C-2-204(2), the loan fund board may bring legal action to compel the  
833 agency to provide the housing funds.

834 (b) In an action under Subsection (5)(a), the court:

835 (i) shall award the loan fund board reasonable attorney fees, unless the court finds that  
836 the action was frivolous; and

837 (ii) may not award the agency its attorney fees, unless the court finds that the action  
838 was frivolous.

839 Section 7. Section **35A-1-202** is amended to read:

840 **35A-1-202. Divisions -- Creation -- Duties -- Workforce Appeals Board, councils,**  
841 **Child Care Advisory Committee, and regional services areas.**

842 (1) There is created within the department the following divisions:

843 (a) the Employment Development Division to administer the development and  
844 implementation of employment assistance programs that are:

845 (i) related to the operations of the department; and

846 (ii) consistent with federal and state law;

847 (b) to administer those services that are not delivered through the regional workforce  
848 services areas:

849 (i) the Workforce Development and Information Division; and

850 (ii) the Unemployment Insurance Division; [~~and~~]

851 (c) the Division of Adjudication to adjudicate claims or actions in accordance with this  
852 title[-]; and

853 (d) the Division of Housing and Community Development to administer those services  
854 specified in Section 35A-8-202.

855 (2) In addition to the divisions created under this section, within the department are the  
856 following:

857 (a) the Workforce Appeals Board created in Section 35A-1-205;

858 (b) the State Council on Workforce Services created in Section 35A-1-206;

859 (c) the Employment Advisory Council created in Section 35A-4-502;

860 (d) the Child Care Advisory Committee created in Section 35A-3-205; and

861 (e) the regional workforce services areas and councils created in accordance with

862 Chapter 2, Regional Workforce Services Areas.

863 Section 8. Section **35A-3-103** is amended to read:

864 **35A-3-103. Division responsibilities.**

865 The division shall:

866 (1) administer public assistance programs assigned by the Legislature and the  
867 governor;

868 (2) determine eligibility in accordance with the requirements of this chapter for public  
869 assistance programs assigned to it by the Legislature or the governor;

870 (3) cooperate with the federal government in the administration of public assistance  
871 programs;

872 (4) administer the Utah state employment service in accordance with Section  
873 35A-3-115;

874 (5) provide for the compilation of necessary or desirable information, statistics, and  
875 reports;

876 (6) perform other duties and functions required by law;

877 (7) monitor the application of eligibility policy;

878 (8) develop personnel training programs for more effective and efficient operation of  
879 all programs under the administration of the division;

880 (9) provide refugee resettlement services; and

881 (10) provide child care assistance for children[; ~~and~~].

882 [~~(11) provide services and support that enable clients to qualify for affordable housing~~  
883 ~~in cooperation with:~~]

884 [~~(a) the Utah Housing Corporation;~~]

885 [~~(b) the Division of Housing and Community Development within the Department of~~  
886 ~~Community and Culture; and]~~

887 [~~(c) local housing authorities.~~]

888 Section 9. Section **35A-3-116** is amended to read:

889 **35A-3-116. Restricted special revenue fund -- Use of monies -- Committee and**  
890 **director duties -- Restrictions.**

891 (1) There is created a restricted special revenue fund, known as the "Refugee Services  
892 Fund," hereafter referred to in this section as "the fund."

893 (2) The director or the director's designee, hereafter referred to in this section as the  
894 director, shall administer the fund with input from [~~the Department of Community and Culture,~~  
895 ~~including any~~] an advisory [~~committees~~] committee within the [~~Department of Community and~~

896 ~~Culture~~ department that ~~deal~~ deals with refugee services issues.

897 (3) (a) Money shall be deposited into the fund from numerous sources, including  
898 federal grants, private foundations, and individual donors.

899 (b) The director shall encourage a refugee who receives services from activities funded  
900 under Subsection (8) to become a donor to the fund once the refugee's financial situation  
901 improves to the point where the refugee is capable of making a donation.

902 (4) The director may not expend monies in the fund that are not restricted to a specific  
903 use under federal law or by donors without input from ~~[the Department of Community and~~  
904 ~~Culture, either directly or through an]~~ the advisory committee identified in Subsection (2).

905 (5) The state treasurer shall invest the monies in the fund under Title 51, Chapter 7,  
906 State Money Management Act, and all interest or other earnings derived from the fund monies  
907 shall be deposited in the fund.

908 (6) The monies in the fund may not be used by the director for administrative expenses.

909 (7) If the ~~[Department of Community and Culture]~~ department establishes a refugee  
910 services advisory committee referred to in Subsection (2), that committee may:

911 (a) advise the director on refugee services needs in the state and on relevant operational  
912 aspects of any grant or revenue collection program established under this part;

913 (b) recommend specific refugee projects to the director;

914 (c) recommend policies and procedures for administering the fund;

915 (d) make recommendations on grants made from the fund for any of the refugee  
916 services activities authorized under this section;

917 (e) advise the director on the criteria by which grants shall be made from the fund;

918 (f) recommend the order in which approved projects would be funded;

919 (g) make recommendations regarding the distribution of money from the fund in  
920 accordance with the procedures, conditions, and restrictions placed upon monies in the fund by  
921 donors; and

922 (h) have joint responsibility to solicit public and private funding for the fund.

923 (8) The director may use fund monies to:

924 (a) train an existing refugee organization to develop its capacity to operate  
925 professionally and effectively and to become an independent, viable organization; or

926 (b) provide grants to an existing refugee organization and other entities identified in

927 Subsection (9) to assist them:

928 (i) with case management;

929 (ii) in meeting emergency housing needs for refugees;

930 (iii) in providing English language services;

931 (iv) in providing interpretive services;

932 (v) in finding and maintaining employment for refugees;

933 (vi) in collaborating with the state's public education system to improve the

934 involvement of refugee parents in assimilating their children into public schools;

935 (vii) in meeting the health and mental health needs of refugees;

936 (viii) in providing or arranging for child care services; or

937 (ix) in administering refugee services.

938 (9) In addition to Subsection (8), the director with advice from [~~the Department of~~

939 ~~Community and Culture or~~] its refugee services advisory committee, if one is created, may

940 grant fund money for refugee services outlined in Subsection (8) through a request for proposal

941 process to:

942 (a) local governments;

943 (b) nonprofit community, charitable, or neighborhood-based organizations or private

944 for profit organizations that deal solely or in part with providing or arranging for the provision

945 of refugee services; or

946 (c) regional or statewide nonprofit organizations.

947 (10) The director shall enter into a written agreement with each successful grant

948 applicant that has specific terms for each grant consistent with the provisions of this section

949 that includes the structure, amount, and nature of the grant.

950 (11) The director shall monitor the activities of the recipients of grants issued from the

951 fund on an annual basis to ensure compliance with the terms and conditions imposed on the

952 recipient by the fund.

953 (12) An entity receiving a grant shall provide the director with periodic accounting of

954 how the monies it received from the fund were spent.

955 (13) By November 1 of each year the director shall make an annual report to the

956 Workforce Services and Community and Economic Development Interim Committee regarding

957 the status of the fund and the programs and services funded by the fund.

958 Section 10. Section **35A-3-203** is amended to read:

959 **35A-3-203. Functions and duties of office -- Annual report.**

960 The office shall:

961 (1) assess critical child care needs throughout the state on an ongoing basis and focus  
962 its activities on helping to meet the most critical needs;

963 (2) provide child care subsidy services for income-eligible children through age 12 and  
964 for income-eligible children with disabilities through age 18;

965 (3) provide information:

966 (a) to employers for the development of options for child care in the work place; and

967 (b) for educating the public in obtaining quality child care;

968 (4) coordinate services for quality child care training and child care resource and  
969 referral core services;

970 (5) apply for, accept, or expend gifts or donations from public or private sources;

971 (6) provide administrative support services to the committee;

972 (7) work collaboratively with the following for the delivery of quality child care and  
973 early childhood programs, and school age programs throughout the state:

974 (a) the State Board of Education; and

975 [~~(b) the Department of Community and Culture; and~~]

976 [~~(c)~~] (b) the Department of Health;

977 (8) research child care programs and public policy that will improve quality and  
978 accessibility and that will further the purposes of the office and child care, early childhood  
979 programs, and school age programs;

980 (9) provide planning and technical assistance for the development and implementation  
981 of programs in communities that lack child care, early childhood programs, and school age  
982 programs;

983 (10) provide organizational support for the establishment of nonprofit organizations  
984 approved by the Child Care Advisory Committee, created in Section 35A-3-205; and

985 (11) provide a written report on the status of child care in Utah to the Legislature by  
986 November 1 of each year through the Workforce Services and Community and Economic  
987 Development Interim Committee.

988 Section 11. Section **35A-3-205** is amended to read:



989           **35A-3-205. Creation of committee.**

990           (1) There is created a Child Care Advisory Committee.

991           (2) The committee shall counsel and advise the office in fulfilling its statutory  
992 obligations to include:

993           (a) a review of and recommendations on the office's annual budget;

994           (b) recommendations on how the office might best respond to child care needs  
995 throughout the state; and996           (c) recommendations on the use of new monies that come into the office, including  
997 those for the Child Care Fund.998           (3) The committee is composed of the following members, with special attention given  
999 to insure diversity and representation from both urban and rural groups:

1000           (a) one expert in early childhood development;

1001           (b) one child care provider who operates a center;

1002           (c) one child care provider who operates a family child care business;

1003           (d) one parent who is representative of households receiving a child care subsidy from  
1004 the office;

1005           (e) one representative from the public at-large;

1006           (f) one representative of the State Office of Education;

1007           (g) one representative of the Department of Health;

1008           (h) one representative of the Department of Human Services;

1009           ~~[(i) one representative of the Department of Community and Culture;]~~1010           ~~[(j)]~~ (i) two representatives from the corporate community, one who is a recent "Family  
1011 Friendly" award winner and who received the award because of efforts in the child care arena;1012           ~~[(k)]~~ (j) two representatives from the small business community;1013           ~~[(l)]~~ (k) one representative from child care advocacy groups;1014           ~~[(m)]~~ (l) one representative of children with disabilities;1015           ~~[(n)]~~ (m) one representative from the state Head Start Association appointed by the  
1016 association;1017           ~~[(o)]~~ (n) one representative from each child care provider association; and1018           ~~[(p)]~~ (o) one representative of a child care resource and referral center appointed by the  
1019 organization representing child care resource and referral agencies.

1020 (4) (a) The executive director shall appoint the members designated in Subsections  
1021 (3)(a) through (e) and ~~[(j)]~~ (i) through ~~[(n)]~~ (m).

1022 (b) The head of the respective departments shall appoint the members referred to in  
1023 Subsections (3)(f) through ~~[(i)]~~ (h).

1024 (c) Each child care provider association shall appoint its respective member referred to  
1025 in Subsection (3)~~[(o)]~~(n).

1026 (5) (a) Except as required by Subsection (5)(b), as terms of current committee members  
1027 expire, the appointing authority shall appoint each new member or reappointed member to a  
1028 four-year term.

1029 (b) Notwithstanding the requirements of Subsection (5)(a), the appointing authority  
1030 shall, at the time of appointment or reappointment, adjust the length of terms to ensure that the  
1031 terms of committee members are staggered so that approximately half of the committee is  
1032 appointed every two years.

1033 (6) When a vacancy occurs in the membership for any reason, including missing three  
1034 consecutive meetings where the member has not been excused by the chair prior to or during  
1035 the meeting, the replacement shall be appointed for the unexpired term.

1036 (7) A majority of the members constitutes a quorum for the transaction of business.

1037 (8) (a) The executive director shall select a chair from the committee membership.

1038 (b) A chair may serve no more than two one-year terms as chair.

1039 (9) A member may not receive compensation or benefits for the member's service, but  
1040 may receive per diem and travel expenses in accordance with:

1041 (a) Section 63A-3-106;

1042 (b) Section 63A-3-107; and

1043 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
1044 63A-3-107.

1045 Section 12. Section **35A-8-101**, which is renumbered from Section 9-4-102 is  
1046 renumbered and amended to read:

1047 **CHAPTER 8. DIVISION OF HOUSING AND COMMUNITY DEVELOPMENT**

1048 **Part 1. General Provisions**

1049 **~~[9-4-102]~~. 35A-8-101. Definitions.**

1050 As used in this chapter:

1051 (1) "Accessible housing" means housing which has been constructed or modified to be  
1052 accessible, as described in the construction codes adopted under Section 58-56-4.

1053 (2) "Deputy Director" means the director of the division.

1054 (3) "Division" means the Division of Housing and Community Development.

1055 Section 13. Section **35A-8-102**, which is renumbered from Section 9-4-201 is  
1056 renumbered and amended to read:

1057 **[9-4-201]. 35A-8-102. Division of Housing and Community Development.**

1058 There is created within the department the Division of Housing and Community  
1059 Development under the administration and general supervision of the deputy director.

1060 Section 14. Section **35A-8-103**, which is renumbered from Section 9-4-202 is  
1061 renumbered and amended to read:

1062 **[9-4-202]. 35A-8-103. Powers and duties of division.**

1063 (1) The division shall:

1064 (a) assist local governments and citizens in the planning, development, and  
1065 maintenance of necessary public infrastructure and services;

1066 (b) cooperate with, and provide technical assistance to, counties, cities, towns, regional  
1067 planning commissions, area-wide clearinghouses, zoning commissions, parks or recreation  
1068 boards, community development groups, community action agencies, and other agencies  
1069 created for the purpose of aiding and encouraging an orderly, productive, and coordinated  
1070 development of the state and its political subdivisions;

1071 (c) assist the governor in coordinating the activities of state agencies which have an  
1072 impact on the solution of community development problems and the implementation of  
1073 community plans;

1074 (d) serve as a clearinghouse for information, data, and other materials which may be  
1075 helpful to local governments in discharging their responsibilities and provide information on  
1076 available federal and state financial and technical assistance;

1077 (e) carry out continuing studies and analyses of the problems faced by communities  
1078 within the state and develop such recommendations for administrative or legislative action as  
1079 appear necessary;

1080 (f) (i) assist in funding affordable housing and addressing problems of homelessness,  
1081 and provide services and support that enable clients of the department to qualify for affordable

1082 housing;

1083 (ii) provide information and service coordination to assist a client of the department to  
1084 obtain affordable housing:

1085 (A) information regarding special housing programs, including programs for first-time  
1086 home buyers and persons with low and moderate incomes and the eligibility requirements for  
1087 those programs;

1088 (B) referrals to programs operated by volunteers from the real estate industry that assist  
1089 clients in obtaining affordable housing, including information on home ownership, down  
1090 payments, closing costs, and credit requirements; and

1091 (C) referrals to housing programs operated by municipalities, counties, local housing  
1092 authorities, and nonprofit housing organizations that assist individuals to obtain affordable  
1093 housing, including first-time home ownership;

1094 (g) support economic development activities through grants, loans, and direct programs  
1095 financial assistance;

1096 (h) certify project funding at the local level in conformance with federal, state, and  
1097 other requirements;

1098 (i) utilize the capabilities and facilities of public and private universities and colleges  
1099 within the state in carrying out its functions;

1100 (j) assist and support local governments, community action agencies, and citizens in  
1101 the planning, development, and maintenance of home weatherization, energy efficiency, and  
1102 antipoverty activities; and

1103 (k) assist and support volunteer efforts in the state.

1104 (2) The division may:

1105 (a) by following the procedures and requirements of Title 63J, Chapter 5, Federal  
1106 Funds Procedures Act, seek federal grants, loans, or participation in federal programs;

1107 (b) if any federal program requires the expenditure of state funds as a condition to  
1108 participation by the state in any fund, property, or service, with the governor's approval, expend  
1109 whatever funds are necessary out of the money provided by the Legislature for the use of the  
1110 department;

1111 (c) in accordance with Part [13] 7, Domestic Violence Shelters, assist in developing,  
1112 constructing, and improving shelters for victims of domestic violence, as described in Section

1113 77-36-1, through loans and grants to nonprofit and governmental entities; and

1114 (d) assist, when requested by a county or municipality, in the development of  
1115 accessible housing.

1116 ~~[(3) (a) The division is recognized as an issuing authority as defined in Subsection  
1117 9-4-502(7), entitled to issue bonds from the Small Issue Bond Account created in Subsection  
1118 9-4-506(1)(c) as a part of the state's private activity bond volume cap authorized by the Internal  
1119 Revenue Code of 1986 and computed under Section 146 of the code.]~~

1120 ~~[(b) To promote and encourage the issuance of bonds from the Small Issue Bond  
1121 Account for manufacturing projects, the division may:]~~

1122 ~~[(i) develop campaigns and materials that inform qualified small manufacturing  
1123 businesses about the existence of the program and the application process;]~~

1124 ~~[(ii) assist small businesses in applying for and qualifying for these bonds; or]~~

1125 ~~[(iii) develop strategies to lower the cost to small businesses of applying for and  
1126 qualifying for these bonds, including making arrangements with financial advisors,  
1127 underwriters, bond counsel, and other professionals involved in the issuance process to provide  
1128 their services at a reduced rate when the division can provide them with a high volume of  
1129 applicants or issues.]~~

1130 Section 15. Section **35A-8-201**, which is renumbered from Section 9-4-602 is  
1131 renumbered and amended to read:

## 1132 **Part 2. Housing Authorities**

1133 ~~[9-4-602].~~ **35A-8-201. Definitions.**

1134 As used in this part:

1135 (1) "Area of operation" means:

1136 (a) in the case of an authority of a city, the city, except that the area of operation of an  
1137 authority of ~~[any]~~ a city does not include ~~[any]~~ an area that lies within the territorial boundaries  
1138 of some other city; or

1139 (b) in the case of an authority of a county, all of the county for which it is created  
1140 except, that a county authority may not undertake ~~[any]~~ a project within the boundaries of ~~[any]~~  
1141 a city unless a resolution has been adopted by the governing body of the city ~~[(f)]~~, and by any  
1142 authority which ~~[shall have]~~ has been ~~[theretofore]~~ established and authorized to exercise its  
1143 powers in the city~~[y]~~, declaring that there is need for the county authority to exercise its powers

1144 within that city.

1145 (2) "Blighted area" means [any] an area where dwellings predominate that, by reason of  
1146 dilapidation, overcrowding, faulty arrangement or design, lack of ventilation, light, or sanitary  
1147 facilities or any combination of these factors, are detrimental to safety, health, and morals.

1148 (3) "Bonds" means any bonds, notes, interim certificates, debentures, or other  
1149 obligations issued by an authority pursuant to this part.

1150 (4) "City" means [any] a city or town in the state.

1151 (5) "Clerk" means the city clerk or the county clerk, or the officer charged with the  
1152 duties customarily imposed on the clerk.

1153 (6) "County" means [any] a county in the state.

1154 (7) "Elderly" means a person who meets the age, disability, or other conditions  
1155 established by regulation of the authority.

1156 (8) "Federal government" includes the United States of America, the Department of  
1157 Housing and Urban Development, or any other agency or instrumentality, corporate or  
1158 otherwise, of the United States.

1159 (9) "Governing body" means, in the case of a city, the council or other body of the city  
1160 in which is vested legislative authority customarily imposed on the city council, and in the case  
1161 of a county, the board of county commissioners.

1162 (10) "Housing authority" or "authority" means [any] a public body corporate and politic  
1163 created by this part.

1164 (11) (a) "Housing project" or "project" means [any] a work or undertaking, on a  
1165 contiguous or noncontiguous [sites] site to:

1166 (i) demolish, clear, or remove buildings from [any] a blighted area;

1167 (ii) provide or assist in providing decent, safe, and sanitary urban or rural dwellings,  
1168 apartments, or other living accommodations for persons of medium and low income by any  
1169 suitable methods, including rental, sale of individual units in single or multifamily structures  
1170 under conventional condominium, cooperative sales contract, lease-purchase agreement, loans,  
1171 or subsidizing of rentals or charges; or

1172 (iii) accomplish a combination of [~~the foregoing~~] Subsections (11)(a)(i) and (ii).

1173 (b) "Housing project" includes:

1174 (i) buildings, land, equipment, facilities, and other real or personal property for

- 1175 necessary, convenient, or desirable appurtenances;
- 1176 (ii) streets, sewers, water service, utilities, parks, site preparation and landscaping;
- 1177 (iii) facilities for administrative, community, health, recreational, welfare, or other
- 1178 purposes;
- 1179 (iv) the planning of the buildings and other improvements;
- 1180 (v) the acquisition of property or any interest [~~therein~~] in the property;
- 1181 (vi) the demolition of existing structures;
- 1182 (vii) the construction, reconstruction, rehabilitation, alteration, or repair of the
- 1183 improvements and all other work in connection with them; and
- 1184 (viii) all other real and personal property and all tangible or intangible assets held or
- 1185 used in connection with the housing project.
- 1186 (12) "Major disaster" means [~~any~~] a flood, drought, fire, hurricane, earthquake, storm,
- 1187 or other catastrophe which in the determination of the governing body is of sufficient severity
- 1188 and magnitude to warrant the use of available resources of the federal, state, and local
- 1189 governments to alleviate the damage, hardship, or suffering caused.
- 1190 (13) "Mayor" means the mayor of the city or the officer charged with the duties
- 1191 customarily imposed on the mayor or executive head of a city.
- 1192 (14) "Obligee of an authority" or "obligee" includes [~~any~~] a bondholder, agent or
- 1193 trustee for [~~any~~] a bondholder, [~~any~~] a lessor demising to the authority used in connection with
- 1194 a project, [~~any~~] an assignee [~~or assignees~~] of the lessor's interest in whole or in part, and the
- 1195 federal government when it is a party to [~~any~~] a contract with the authority.
- 1196 (15) "Persons of medium and low income" mean persons or families who, as
- 1197 determined by the authority undertaking a project, cannot afford to pay the amounts at which
- 1198 private enterprise, unaided by appropriate assistance, is providing a substantial supply of
- 1199 decent, safe and sanitary housing.
- 1200 (16) "Person with a disability" means a person with any disability as defined by and
- 1201 covered under the Americans with Disabilities Act of 1990, 42 U.S.C. 12102.
- 1202 (17) "Public body" means [~~any~~] a city, county or municipal corporation, commission,
- 1203 district, authority, agency, subdivision, or other body of any of the foregoing.
- 1204 (18) "Real property" includes all lands, improvements, and fixtures on them, property
- 1205 of any nature appurtenant to them or used in connection with them, and every estate, interest,

1206 and right, legal or equitable, including terms for years.

1207 Section 16. Section **35A-8-202**, which is renumbered from Section 9-4-603 is  
1208 renumbered and amended to read:

1209 ~~[9-4-603]~~. **35A-8-202**. **Creation of housing authority authorized -- Procedure.**

1210 (1) The governing body of each public body of the state, except the state, itself, may  
1211 create an authority, corporate and politic, to be known as a "housing authority."

1212 (2) The governing body of a city or county shall give consideration to the need for an  
1213 authority:

1214 (a) on its own motion; or

1215 (b) upon the filing of a petition signed by 25 electors of the city or county asserting that  
1216 there is need for an authority to function in the city or county and requesting that its governing  
1217 body ~~[so declare]~~ make that declaration.

1218 (3) The governing body shall adopt a resolution declaring there is need for an authority  
1219 and creating an authority in the city or county if it finds:

1220 (a) that unsanitary or unsafe inhabited dwelling accommodations exist in the city or  
1221 county; or

1222 (b) that there is a shortage of safe and sanitary dwelling accommodations in the city or  
1223 county available to persons of medium and low income at rentals or prices they can afford.

1224 (4) (a) In ~~[any]~~ a suit, action, or proceeding involving the validity or enforcement of  
1225 ~~[any]~~ a contract of the authority, an authority ~~[shall be]~~ is conclusively ~~[deemed]~~ considered to  
1226 have become established and authorized to transact business and exercise its powers upon  
1227 proof of the adoption of the resolution prescribed in Subsection (3).

1228 (b) A copy of the resolution duly certified by the clerk ~~[shall be]~~ is admissible in  
1229 evidence in ~~[any]~~ a suit, action, or proceeding.

1230 (5) In counties of the third, fourth, fifth, and sixth class, the governing body of each  
1231 public body of the state, except the state itself, may contract with or execute an interlocal  
1232 agreement for services to be provided by an existing housing authority established in another  
1233 political subdivision.

1234 Section 17. Section **35A-8-203**, which is renumbered from Section 9-4-604 is  
1235 renumbered and amended to read:

1236 ~~[9-4-604]~~. **35A-8-203**. **Indian housing authorities.**



1237 (1) (a) There is created, with respect to each Indian tribe, band, or community in the  
 1238 state, a public body corporate and politic, to function in the operating area of the Indian tribe,  
 1239 band, or community to be known as the "housing authority" of the Indian tribe, band, or  
 1240 community, which ~~shall be~~ is an agency of ~~the~~ this state ~~[of Utah]~~, possessing all powers,  
 1241 rights, and functions specified for city and county authorities created pursuant to this part.

1242 (b) This Indian housing authority may not transact any business ~~nor~~ or exercise its  
 1243 powers until or unless the governing council of the tribe, band, or community, by proper  
 1244 resolution, declares that there is a need for an authority to function for the tribe, band, or  
 1245 community.

1246 (2) (a) Except as otherwise provided in this part, all the provisions of law applicable to  
 1247 housing authorities created for cities and counties and the commissioners of these authorities  
 1248 ~~shall be~~ are applicable to Indian housing authorities and the commissioners of those  
 1249 authorities.

1250 (b) The chief or other governing head of an Indian tribe, band, or community may  
 1251 exercise all appointing and other powers with respect to an Indian housing authority that are  
 1252 vested by this part in the mayor of a city relating to a city housing authority.

1253 Section 18. Section **35A-8-204**, which is renumbered from Section 9-4-606 is  
 1254 renumbered and amended to read:

1255 ~~[9-4-606].~~ **35A-8-204. Commissioners -- Appointment -- Terms -- Quorum --**  
 1256 **Meetings -- Employment of other officers and employees authorized.**

1257 (1) When a housing authority is authorized to transact business and exercise powers  
 1258 under this part, not less than five nor more than seven persons shall be appointed as  
 1259 commissioners of the authority:

1260 (a) in the case of a city, by the mayor, with the advice and consent of the city's  
 1261 governing body; or

1262 (b) in the case of a county, by the governing body.

1263 (2) (a) The commissioners first appointed pursuant to this part shall ~~be designated to~~  
 1264 serve for terms of one, two, three, four, and five years, respectively, from the date of their  
 1265 appointment.

1266 (b) After the first commissioners are appointed under Subsection (2)(a), commissioners  
 1267 ~~shall be~~ are appointed for ~~[a term of office of]~~ five ~~[years]~~ -year terms.

1268 (c) Notwithstanding Subsections (2)(a) and (b), all vacancies shall be filled for the  
1269 unexpired term.

1270 (3) A commissioner shall qualify by taking the official oath of office [~~prescribed by~~  
1271 ~~general statute~~].

1272 (4) A commissioner may not receive compensation except necessary expenses,  
1273 including traveling expenses, incurred in the discharge of the commissioner's duties.

1274 (5) A commissioner shall hold office until the commissioner's successor has been  
1275 appointed and has qualified.

1276 (6) A certificate of appointment or reappointment of any commissioner shall be:

1277 (a) filed with the authority; and

1278 (b) conclusive evidence of the due and proper appointment of the commissioner.

1279 (7) The powers of each authority [~~shall be~~] are vested in the commissioners.

1280 (8)(a) A majority of the commissioners of an authority constitutes a quorum for the  
1281 purpose of conducting its business and exercising its powers and for all other purposes  
1282 notwithstanding the existence of any vacancies.

1283 (b) [~~Action may be taken by the~~] The authority may take action upon a vote of a  
1284 majority of the commissioners present, unless the bylaws of the authority require a larger  
1285 number.

1286 (9) Meetings of the commissioners of an authority may be held:

1287 (a) anywhere within the area of operation of the authority; or

1288 (b) within any area not described in Subsection (9)(a) in which the authority is  
1289 authorized to undertake a project.

1290 (10) The commissioners of an authority shall elect a chair and vice chair from the  
1291 commissioners.

1292 (11) An authority may employ an executive director, legal and technical experts, and  
1293 other officers, agents, and employees, permanent and temporary, as it [~~may require~~] requires,  
1294 and shall determine their qualifications, duties, and compensation.

1295 (12) An authority may delegate to one or more of its agents or employees any powers  
1296 or duties the authority considers proper.

1297 Section 19. Section **35A-8-205**, which is renumbered from Section 9-4-607 is  
1298 renumbered and amended to read:

1299 ~~[9-4-607].~~ **35A-8-205. Disclosure of interest in project -- Restrictions.**

1300 (1) ~~[Any]~~ A commissioner, officer, or employee of an authority, who has voluntarily  
1301 acquired any of the following interests, shall disclose to the commissioners of the authority, as  
1302 soon as ~~[he]~~ the person has knowledge of the interest, the nature and extent of the interest:

1303 (a) ~~[any]~~ a present or future interest, direct or indirect, in ~~[any]~~ a project;

1304 (b) ~~[any]~~ a present or future interest, direct or indirect, in ~~[any]~~ a property included in  
1305 or planned to be included in ~~[any]~~ a project;

1306 (c) ~~[any]~~ a contract or proposed contract relating to ~~[any]~~ a project; or

1307 (d) ~~[any-other]~~ another transaction or agreement with the authority.

1308 (2) The commissioners shall enter the particulars of the disclosure into the minutes of  
1309 the authority.

1310 (3) After a disclosure of interest, the commissioner, officer, or employee may  
1311 participate in any discussions concerning proposed authority action on the property, contract,  
1312 transaction, or agreement in which ~~[he]~~ the person has an interest, but the commissioner,  
1313 officer, or employee may not vote on any ~~[such]~~ action proposed by the authority regarding the  
1314 property, contract, or agreement.

1315 (4) Commissioners, officers, and employees of an authority are not "public officers" for  
1316 purposes of ~~[the Utah Public Officers' and Employees' Ethics Act,]~~ Title 67, Chapter 16, Utah  
1317 Public Officers' and Employees' Ethics Act.

1318 Section 20. Section **35A-8-206**, which is renumbered from Section 9-4-608 is  
1319 renumbered and amended to read:

1320 ~~[9-4-608].~~ **35A-8-206. Misconduct of commissioners -- Removal.**

1321 (1) ~~[For inefficiency, neglect of duty, or misconduct in office, a]~~ A commissioner of an  
1322 authority may be removed by the mayor or, in the case of an authority for a county, by the body  
1323 that appointed the commissioner for inefficiency, neglect of duty, or misconduct in office.

1324 (2) A commissioner may be removed only after a hearing and after ~~[he has]~~ having  
1325 been given a copy of the charges at least 10 days prior to the hearing and ~~[had]~~ having an  
1326 opportunity to be heard in person or by counsel.

1327 (3) If a commissioner is removed from office, a record of the proceedings, together  
1328 with the charges and findings, shall be filed in the office of the clerk.

1329 Section 21. Section **35A-8-207**, which is renumbered from Section 9-4-609 is

1330 renumbered and amended to read:

1331 ~~[9-4-609].~~ **35A-8-207. Powers of housing authority.**

1332 (1) Each authority [~~shall have~~] has perpetual succession and all the powers necessary or  
1333 convenient to carry out [~~and effectuate~~] the purposes [~~and provisions~~] of this part.

1334 (2) [~~Any~~] An authority may:

1335 (a) sue and be sued;

1336 (b) have a seal and alter it;

1337 (c) make and execute contracts and other instruments necessary or convenient to the  
1338 exercise of its powers;

1339 (d) make, amend, and repeal bylaws and rules;

1340 (e) within its area of operation, prepare, carry out, and operate projects and provide for  
1341 the acquisition, construction, reconstruction, rehabilitation, improvement, extension, alteration  
1342 or repair of [~~any~~] a project;

1343 (f) undertake and carry out studies and analyses of housing needs within its area of  
1344 operation and ways of meeting these needs, including data with respect to population and  
1345 family groups and its distribution according to income groups, the amount and quality of  
1346 available housing, including accessible housing, and its distribution according to rentals and  
1347 sales prices, employment, wages, and other factors affecting the local housing needs and  
1348 meeting these needs;

1349 (g) make the results of studies and analyses available to the public and the building,  
1350 housing, and supply industries and engage in research and disseminate information on housing  
1351 programs;

1352 (h) utilize, contract with, act through, assist, and cooperate or deal with any person,  
1353 agency, institution, or organization, public or private, for the provision of services, privileges,  
1354 works, or facilities, or in connection with its projects;

1355 (i) notwithstanding anything to the contrary contained in this part or in any other  
1356 provision of law, agree to any conditions attached to federal financial assistance relating to the  
1357 determination of prevailing salaries or wages or payment of not less than prevailing salaries or  
1358 wages or compliance with labor standards in the development or administration of projects,  
1359 include in any contract awarded or entered into in connection with a project stipulations  
1360 requiring that the contractor and all subcontractors comply with requirements as to minimum

1361 salaries or wages and maximum hours of labor, and comply with any conditions attached to the  
1362 financial aid of the project;

1363 (j) lease, rent, sell, or lease with option to purchase any dwellings, lands, buildings,  
1364 structures, or facilities embraced in ~~any~~ a project;

1365 (k) subject to the limitations contained in this part with respect to the rental or charges  
1366 for dwellings in housing projects, establish and revise the rents or charges ~~therefor~~ from the  
1367 dwellings;

1368 (l) own, hold, and improve real or personal property;

1369 (m) purchase, lease, obtain options upon, acquire by gift, grant, bequest, devise, or  
1370 otherwise any real or personal property or any interest in it;

1371 (n) sell, lease, exchange, transfer, assign, pledge, or dispose of any real or personal  
1372 property or any interest in it;

1373 (o) make loans for the provision of housing for occupancy by persons of medium and  
1374 low income;

1375 (p) make loans or grants for the development and construction of accessible housing;

1376 (q) insure or provide for the insurance, in stock or mutual companies, of any real or  
1377 personal property or operations of the authority against any risks or hazards;

1378 (r) procure or agree to the procurement of government insurance or guarantees of the  
1379 payment of any bonds, in whole or in part, issued by the authority, including the power to pay  
1380 premiums on any insurance;

1381 (s) invest any funds held in reserves, sinking funds, or any funds not required for  
1382 immediate disbursement in property or securities in which savings banks may legally invest  
1383 funds subject to their control;

1384 (t) redeem its bonds at the redemption price established or purchase its bonds at less  
1385 than redemption price, with all bonds ~~so~~ that are redeemed or purchased to be canceled;

1386 (u) within its area of operation, determine where blighted areas exist or where there is  
1387 unsafe, insanitary, or overcrowded housing;

1388 (v) make studies and recommendations relating to the problem of clearing, replanning,  
1389 and reconstructing blighted areas, and the problem of eliminating unsafe, insanitary, or  
1390 overcrowded housing and providing dwelling accommodations and maintaining a wholesome  
1391 living environment for persons of medium and low income, and cooperate with any public

1392 body or the private sector in action taken in connection with those problems;

1393 (w) acting through one or more commissioners or other persons designated by the  
1394 authority, conduct examinations and investigations and hear testimony and take proof under  
1395 oath at public or private hearings on any matter material for its information;

1396 (x) administer oaths, issue subpoenas requiring the attendance of witnesses or the  
1397 production of books and papers, and issue commissions for the examination of witnesses  
1398 outside the state who are unable to appear before the authority or are excused from attendance;

1399 (y) make available to appropriate agencies, including those charged with the duty of  
1400 abating or requiring the correction of nuisances or like conditions or of demolishing unsafe or  
1401 insanitary structures within its area of operation, its findings and recommendations with regard  
1402 to any building or property where conditions exist that are dangerous to the public health,  
1403 morals, safety, or welfare; and

1404 (z) exercise all or any part or combination of the powers granted under this part.

1405 (3) No provision of law with respect to the acquisition, operation, or disposition of  
1406 property by other public bodies is applicable to an authority unless the Legislature specifically  
1407 states that it is.

1408 Section 22. Section **35A-8-208**, which is renumbered from Section 9-4-610 is  
1409 renumbered and amended to read:

1410 ~~[9-4-610]~~. **35A-8-208. Profit from projects prohibited -- Criteria for**  
1411 **determining rentals and payments.**

1412 (1) It is declared to be the policy of this state to accomplish the public, governmental,  
1413 and charitable purposes of this part that:

1414 (a) each authority manage and operate its housing projects in an efficient manner to  
1415 enable it to provide decent, safe, and sanitary dwelling accommodations for persons of medium  
1416 and low income and fix the rentals or payments for these accommodations for persons of low  
1417 income at low rates; and

1418 (b) no authority be operated as a source of revenue to the city or county.

1419 (2) To this end each authority shall fix the rentals or payments for dwellings in its  
1420 projects at no higher rates than it finds necessary in order to produce revenues that, together  
1421 with all other available money, revenues, income, and receipts of the authority from whatever  
1422 sources derived, including federal financial assistance necessary to maintain the low-rent

1423 character of the projects, is sufficient to:

1424 (a) pay, as they become due, the principal and interest on the bonds of the authority;

1425 (b) create and maintain reserves required to assure the payment of principal and interest  
1426 as it becomes due on its bonds;

1427 (c) meet the cost of, and provide for, maintaining and operating the projects, including  
1428 necessary reserves and the cost of any insurance, and the administrative expenses of the  
1429 authority; and

1430 (d) make payments in lieu of taxes and, after payment in full of all obligations for  
1431 which federal annual contributions are pledged, make repayments of federal and local  
1432 contributions as it determines are consistent with the maintenance of the low-rent character of  
1433 projects.

1434 (3) Rentals or payments for dwellings shall be established and the projects  
1435 administered, in so far as possible, to assure that any federal financial assistance required is  
1436 strictly limited to amounts and periods necessary to maintain the low-rent character of the  
1437 projects.

1438 (4) Nothing in this section [~~may be construed to limit~~] limits the amount an authority  
1439 may charge for nondwelling facilities.

1440 (5) All such income, together with other income and revenue, shall be used in the  
1441 operation of the projects to aid in accomplishing the public, governmental, and charitable  
1442 purposes of this part.

1443 Section 23. Section **35A-8-209**, which is renumbered from Section 9-4-611 is  
1444 renumbered and amended to read:

1445 ~~[9-4-611].~~ **35A-8-209. Eligibility requirements for occupants -- Rights of**  
1446 **obligee on default of authority.**

1447 (1) Each authority shall make rules establishing eligibility requirements consistent with  
1448 the purposes and objectives of this part for admission to and continued occupancy in its  
1449 projects.

1450 (2) Nothing contained in this section or in Section [~~9-4-610 may be construed to limit~~]  
1451 35A-8-208 limits the power of an authority, with respect to a housing project, to vest in an  
1452 obligee the right, in case of a default by the authority, to take possession or cause the  
1453 appointment of a receiver free from all the restrictions imposed by this section or Section

1454 [9-4-610] 35A-8-208.

1455 Section 24. Section **35A-8-210**, which is renumbered from Section 9-4-612 is  
1456 renumbered and amended to read:

1457 ~~[9-4-612]~~. **35A-8-210**. **Penalties for fraudulently obtaining or continuing to**  
1458 **receive housing assistance benefits.**

1459 (1) ~~[No]~~ A person may not knowingly, by misrepresentation, impersonation, or any  
1460 other fraudulent means, make ~~[any]~~ a false statement to housing authority personnel or, after  
1461 being accepted as a recipient of housing authority benefits, fail to disclose to housing authority  
1462 personnel any:

1463 (a) change in household composition;

1464 (b) employment change;

1465 (c) change in marital status;

1466 (d) receipt of any other monetary assistance;

1467 (e) receipt of in-kind gifts; or

1468 (f) any other material fact or change in circumstances which would affect the  
1469 determination of that person's eligibility to receive housing assistance benefits, or would affect  
1470 the amount of benefits for which ~~[he]~~ the person is eligible.

1471 (2) ~~[No]~~ A person may not fail to disclose any of the information described in  
1472 Subsection (1) for the purpose of obtaining or continuing to receive funds or other housing  
1473 assistance benefits to which ~~[he]~~ the person is not entitled, or in an amount larger than that to  
1474 which ~~[he]~~ the person is entitled.

1475 (3) ~~[No]~~ A person who has duties relating to the administration of ~~[any]~~ a housing  
1476 authority program may not fraudulently misappropriate any funds or other assistance with  
1477 which ~~[he]~~ the person has been entrusted, or of which ~~[he]~~ the person has gained possession by  
1478 virtue of his position.

1479 (4) ~~[No]~~ A person may not knowingly:

1480 (a) file or falsify ~~[any]~~ a claim, report, or document required by state or federal law, or  
1481 provider agreement, to obtain or attempt to obtain unauthorized housing assistance benefits  
1482 under this ~~[chapter]~~ part; or

1483 (b) attempt to commit, or aid or abet the commission of, any act prohibited by this  
1484 section.



1485 (5) The punishment for violation of ~~[any]~~ a provision of this section by a housing  
1486 assistance recipient is determined by the cumulative value of the ~~[funds]~~ money or other  
1487 benefits ~~[he]~~ the person received from all the frauds ~~[he]~~ the person committed, and not by each  
1488 separate instance of fraud.

1489 (6) The punishment for the offenses of this section are:

1490 (a) a second degree felony if the value of the funds or other benefits received,  
1491 misappropriated, claimed, or applied for, is equal to or exceeds \$5,000;

1492 (b) a third degree felony if the value of the funds or other benefits received,  
1493 misappropriated, claimed, or applied for, is equal to or greater than \$1,500 but less than  
1494 \$5,000;

1495 (c) a class A misdemeanor if the value of the funds or other benefits received,  
1496 misappropriated, claimed, or applied for, is equal to or greater than \$500 but less than \$1,500;  
1497 or

1498 (d) a class B misdemeanor if the value of the funds or other benefits received,  
1499 misappropriated, claimed, or applied for, is less than \$500.

1500 Section 25. Section **35A-8-211**, which is renumbered from Section 9-4-613 is  
1501 renumbered and amended to read:

1502 ~~[9-4-613]~~. **35A-8-211. Authorities may join or cooperate.**

1503 (1) Any two or more authorities may cooperate with one another or jointly exercise any  
1504 or all of their powers for the purpose of financing, issuing bonds and other obligations and  
1505 giving security for them, planning, undertaking, owning, constructing, operating, or contracting  
1506 with respect to a housing project or projects located within the area of operation of any one or  
1507 more of the authorities.

1508 (2) For this purpose, an authority may by resolution prescribe and authorize any other  
1509 housing authority ~~[or authorities]~~ joining or cooperating with it to act on its behalf with respect  
1510 to any or all powers, as its agent or otherwise, in the name of the authority ~~[or authorities]~~ that  
1511 ~~[are]~~ is joining or cooperating or in its own name.

1512 Section 26. Section **35A-8-212**, which is renumbered from Section 9-4-614 is  
1513 renumbered and amended to read:

1514 ~~[9-4-614]~~. **35A-8-212. Preference for elderly and persons with a disability.**

1515 (1) For the purpose of increasing the supply of low-rent housing and related facilities

1516 for medium and low-income elderly and medium and low-income persons with a disability, an  
1517 authority may exercise any of its powers under this part in projects involving dwelling  
1518 accommodations designed specifically for these persons.

1519 (2) For dwelling units in any projects suitable to the needs of the elderly or persons  
1520 with a disability, special preference may be extended in admission to those dwelling units to  
1521 these persons of medium and low income.

1522 Section 27. Section **35A-8-213**, which is renumbered from Section 9-4-615 is  
1523 renumbered and amended to read:

1524 ~~[9-4-615].~~ **35A-8-213. Victims of major disaster.**

1525 (1) (a) Notwithstanding the provisions of this or any other law relating to rentals,  
1526 preferences, or eligibility for admission or occupancy of dwellings in housing projects during  
1527 the period an authority determines that there is an acute need for housing to assure the  
1528 availability of dwellings for victims of a major disaster, the authority may undertake the  
1529 development and administration of housing projects for the federal government~~[, and~~  
1530 ~~dwellings]~~.

1531 (b) Dwellings in any housing project under the jurisdiction of the authority may be  
1532 made available to victims of a major disaster.

1533 (2) An authority may contract with the federal government or a public body for  
1534 advance payment or reimbursement for the furnishing of housing to victims of a major disaster,  
1535 including the furnishing of housing free of charge to needy disaster victims during any period  
1536 covered by a determination of acute need by the authority.

1537 Section 28. Section **35A-8-214**, which is renumbered from Section 9-4-616 is  
1538 renumbered and amended to read:

1539 ~~[9-4-616].~~ **35A-8-214. Property and funds of authority declared public**  
1540 **property -- Exemption from taxes -- Alternative agreement with public body.**

1541 (1) The property and funds of an authority are declared to be public property used for  
1542 essential public, governmental, and charitable purposes.

1543 (2) (a) The property and authority are exempt from all taxes and special assessments of  
1544 any public body.

1545 (b) This tax exemption does not apply to any portion of a project used for a  
1546 profit-making enterprise.

1547 (c) In taxing these portions appropriate allowance shall be made for any expenditure by  
1548 an authority for utilities or other public services it provides to serve the property.

1549 (3) In lieu of taxes on its exempt property an authority may agree to make payments to  
1550 any public body it finds consistent with the maintenance of the low-rent character of housing  
1551 projects and the achievement of the purposes of this part.

1552 Section 29. Section **35A-8-215**, which is renumbered from Section 9-4-617 is  
1553 renumbered and amended to read:

1554 ~~[9-4-617].~~ **35A-8-215. Projects subject to local building regulations.**

1555 ~~[All projects]~~ A project of an authority ~~[are]~~ is subject to the planning, zoning, sanitary,  
1556 and building laws, ordinances, and regulations applicable to the locality in which the project is  
1557 situated.

1558 Section 30. Section **35A-8-216**, which is renumbered from Section 9-4-618 is  
1559 renumbered and amended to read:

1560 ~~[9-4-618].~~ **35A-8-216. Bonds authorized -- Payment -- Security -- Liability --**  
1561 **Purpose -- Exemption from taxes except corporate franchise tax.**

1562 (1) An authority may:

1563 (a) issue bonds ~~[from time to time]~~ for any of its corporate purposes;

1564 (b) issue refunding bonds for the purpose of paying or retiring bonds previously issued  
1565 by it;

1566 (c) issue bonds on which the principal and interest are payable:

1567 (i) exclusively from the income and revenues of the project financed with the proceeds  
1568 of the bonds;

1569 (ii) exclusively from the income and revenues of certain designated projects, whether  
1570 or not they are financed in whole or in part with the proceeds of the bonds; or

1571 (iii) from its revenues generally.

1572 (2) ~~[Any bonds]~~ A bond issued by the authority may be additionally secured by a  
1573 pledge of any loan, grant, or contributions, in whole or in part, from the federal government or  
1574 other source, or a pledge of any income or revenues of the authority.

1575 (3) The members of an authority and ~~[any]~~ a person executing the bonds are not liable  
1576 personally on the bonds.

1577 (4) (a) The bonds and other obligations of an authority are not a debt of the city,

1578 county, state, or any political subdivision, and do not constitute indebtedness for purposes of  
1579 any constitutional or statutory debt limitation or restrictions.

1580 (b) This ~~[shall be stated]~~ statement shall appear on the face of the bonds and other  
1581 obligations.

1582 (5) The city, county, state, or political subdivision is not liable on the bonds or other  
1583 obligations.

1584 (6) These bonds or obligations ~~[may]~~ are not ~~[be]~~ payable out of any ~~[funds]~~ money or  
1585 properties other than those of the authority.

1586 (7) Bonds of an authority are declared to be issued for an essential public and  
1587 governmental purpose and to be public instrumentalities and, together with interest and  
1588 income, are exempt from all taxes, except the corporate franchise tax.

1589 (8) The provisions of this part exempting from taxation the properties of an authority  
1590 and its bonds and interests and income on them ~~[shall be considered]~~ are part of the contract for  
1591 the security of bonds and have the force of contract, by virtue of this part and without the  
1592 necessity of this being restated in the bonds, between the bondholders, including all transferees  
1593 of the bonds, on the one hand and an authority and the state on the other.

1594 Section 31. Section **35A-8-217**, which is renumbered from Section 9-4-619 is  
1595 renumbered and amended to read:

1596 ~~[9-4-619]~~. **35A-8-217. Bonds to be authorized by resolution -- Form -- Sale --**  
1597 **Negotiability -- Validity presumed.**

1598 (1) Bonds of an authority ~~[shall be]~~ are authorized by resolution ~~[and]~~, may be issued  
1599 in one or more series, and shall bear dates, mature, bear interest rates, be in denominations, be  
1600 either coupon or registered, carry conversion or registration privileges, have rank or priority, be  
1601 executed, be payable, and be subject to terms of redemption, with or without premium, as the  
1602 resolution or its trust indenture provides.

1603 (2) (a) The bonds may bear interest at a variable interest rate as the resolution provides.

1604 (b) The resolution may establish a method, formula, or index pursuant to which the  
1605 interest rate on the bonds ~~[may be]~~ is determined ~~[from time to time]~~.

1606 (3) In connection with the bonds, the authority may authorize and enter into agreements  
1607 or other arrangements with financial, banking, and other institutions for letters of credit,  
1608 standby letters of credit, surety bonds, reimbursement agreements, remarketing agreements,

1609 indexing agreements, tender agent agreements, and other agreements with respect to securing  
 1610 the bonds, with respect to enhancing the marketability and creditworthiness of the bonds, with  
 1611 respect to determining a variable interest rate on the bonds, and with respect to the payment  
 1612 from any legally available source, including the proceeds of the bonds, of fees, charges, and  
 1613 other amounts coming due with respect to any such agreements.

1614 (4) The bonds may be sold at public or private sale in a manner and at prices, either at,  
 1615 in excess of, or below par value, as provided by resolution.

1616 (5) If members or officers of an authority whose signatures appear on bonds or coupons  
 1617 cease to be members or officers before the delivery of the bonds, their signatures are valid and  
 1618 sufficient for all purposes.

1619 (6) ~~[Any bonds]~~ A bond issued under this part ~~[are]~~ is fully negotiable.

1620 (7) In ~~[any]~~ a suit, action, or proceeding involving the validity or enforceability of  
 1621 ~~[any]~~ a bond of an authority or the security for it, ~~[any]~~ a bond reciting in substance that it has  
 1622 been issued by the authority to aid in financing a project ~~[shall be]~~ is conclusively ~~[deemed]~~  
 1623 considered to have been issued for such purposes, and the project ~~[shall be]~~ is conclusively  
 1624 ~~[deemed]~~ considered to have been planned, located, and carried out in accordance with this  
 1625 part.

1626 Section 32. Section **35A-8-218**, which is renumbered from Section 9-4-620 is  
 1627 renumbered and amended to read:

1628 ~~[9-4-620].~~ **35A-8-218. Bonds and other obligations -- Additional powers of**  
 1629 **authority.**

1630 In connection with the issuance of bonds or the incurring of obligations under leases  
 1631 and in order to secure the payment of bonds or obligations, an authority~~[, in addition to its other~~  
 1632 ~~powers,]~~ may:

1633 (1) pledge all or any part of its gross or net rents, fees, or revenues to which its right  
 1634 then exists or ~~[thereafter]~~ subsequently accrue;

1635 (2) mortgage all or any part of its real or personal property owned or ~~[thereafter]~~  
 1636 subsequently acquired;

1637 (3) covenant against pledging all or any part of its rents, fees, and revenues, or against  
 1638 mortgaging all or any part of its real or personal property to which its right or title ~~[then]~~ exists  
 1639 or ~~[thereafter]~~ subsequently accrues, or against permitting or suffering any lien on ~~[such]~~ the

1640 revenues or property;

1641 (4) covenant with respect to limitations on its right to sell, lease, or otherwise dispose  
1642 of any housing project and covenant as to what other, or additional debts or obligations may be  
1643 incurred by it;

1644 (5) covenant as to bonds to be issued and as to the issuance of bonds in escrow or  
1645 otherwise, and as to the use and disposition of the bond proceeds;

1646 (6) provide for the replacement of lost, destroyed, or mutilated bonds;

1647 (7) covenant against extending the time for the payment of its bonds or interest on  
1648 them;

1649 (8) covenant for the redemption of the bonds and provide the terms and conditions for  
1650 them;

1651 (9) covenant, subject to the limitations contained in this part as to the rents and fees to  
1652 be charged in the operation of a housing project [~~or projects~~], the amount to be raised each year  
1653 or other period of time by rents, fees, and other revenues, and as to the use and disposition to  
1654 be made [~~thereof~~] of the revenues;

1655 (10) create or authorize the creation of special funds for money held for construction or  
1656 operating costs, debt service, reserves, or other purposes, and covenant as to the use and  
1657 disposition of the money held in [~~such~~] those funds;

1658 (11) prescribe the procedure[~~, of any,~~] by which the terms of [~~any~~] a contract with  
1659 bondholders may be amended or abrogated, the proportion of outstanding bonds which must  
1660 consent to the action, and the manner in which consent shall be given;

1661 (12) covenant as to the use, maintenance, and replacement of any or all of its real or  
1662 personal property [~~and~~], the insurance to be carried on it, and the use and disposition of  
1663 insurance money;

1664 (13) covenant as to the rights, liabilities, powers, and duties arising upon breach by it  
1665 of [~~any~~] a covenant, condition, or obligation;

1666 (14) covenant and prescribe as to events of default and terms and conditions upon  
1667 which any or all of its bonds or obligations shall become or may be declared due before  
1668 maturity, and as to the terms and conditions upon which [~~such~~] the declaration and its  
1669 consequences may be waived;

1670 (15) vest in [~~any~~] an obligee of the authority or any specified proportion of them the

1671 right to enforce the payment of bonds or any covenants securing or relating to the bonds;

1672 (16) vest [im] an obligee with the right after default by the authority to take possession  
1673 of and use, operate, and manage any project or any part of it or any [funds] money connected  
1674 with them, and collect the rents and revenues arising from them and dispose of them in  
1675 accordance with the agreement with the authority;

1676 (17) provide the powers and duties of an obligee and limit [his] the obligee's liabilities;

1677 (18) provide the terms and conditions upon which [such] the obligees may enforce any  
1678 covenant or rights securing or relating to the bonds;

1679 (19) exercise all or any part or combination of the powers granted and make any  
1680 covenants, other than and in addition to the covenants expressly authorized in this section;

1681 (20) do any acts necessary, convenient, or desirable to secure its bonds; and

1682 (21) make any covenants or do any acts calculated to make the bonds more marketable.

1683 Section 33. Section **35A-8-219**, which is renumbered from Section 9-4-621 is  
1684 renumbered and amended to read:

1685 **[9-4-621]. 35A-8-219. Issuance of bonds -- Other laws not to apply.**

1686 (1) This part constitutes full authority for the authorization and issuance of bonds.

1687 (2) No other law with regard to the authorization or issuance of obligations or the  
1688 deposit of their proceeds that requires a bond election or in any way impedes or restricts the  
1689 carrying out of the acts authorized to be done shall be construed as applying to any proceedings  
1690 taken or acts done pursuant to this part.

1691 Section 34. Section **35A-8-220**, which is renumbered from Section 9-4-622 is  
1692 renumbered and amended to read:

1693 **[9-4-622]. 35A-8-220. Rights of obligees of authority.**

1694 An obligee of an authority, in addition to all other rights conferred on [him] the obligee  
1695 subject to any contractual restrictions binding upon the obligee, may:

1696 (1) compel an authority, its officers, agents, or employees to perform each term,  
1697 provision, and covenant contained in [any] a contract of the authority for the benefit of the  
1698 obligee and to require the carrying out of all covenants and agreements of the authority and the  
1699 fulfillment of all duties imposed upon it by this part; and

1700 (2) enjoin any acts or things that may be unlawful, or the violation of any of the rights  
1701 of an obligee of the authority.

1702 Section 35. Section **35A-8-221**, which is renumbered from Section 9-4-623 is  
1703 renumbered and amended to read:

1704 ~~[9-4-623]~~. **35A-8-221. Obligees -- Additional rights conferred by authority.**

1705 (1) An authority may by resolution, trust indenture, mortgage, lease, or other contract,  
1706 confer upon ~~[any]~~ an obligee the right, in addition to all rights that may otherwise be conferred,  
1707 upon default as defined in a resolution or instrument, by suit, action, or proceeding in ~~[any]~~ a  
1708 court of competent jurisdiction to:

1709 (a) cause possession of ~~[any]~~ a project, in whole or in part, to be surrendered to the  
1710 obligee;

1711 (b) obtain the appointment of a receiver of ~~[any]~~ a project, in whole or in part, and of  
1712 the rents and profits ~~[therefrom]~~ from the project; and

1713 (c) require the authority and its officers, agents, and employees to account as if ~~[it and]~~  
1714 they were the trustees of an express trust.

1715 (2) (a) The receiver may enter and take possession of the project or any part of it,  
1716 operate and maintain it, and collect and receive all fees, rents, revenues, or other charges  
1717 arising ~~[therefrom]~~ from the project.

1718 (b) All money shall be kept in a separate account and be applied in accordance with the  
1719 obligations of the authority as the court directs.

1720 Section 36. Section **35A-8-222**, which is renumbered from Section 9-4-624 is  
1721 renumbered and amended to read:

1722 ~~[9-4-624]~~. **35A-8-222. Property of authority exempt from levy and sale --**  
1723 **Obligees excepted -- Waiver.**

1724 (1) (a) All property, including funds, acquired or held by an authority ~~[pursuant to]~~  
1725 under this part ~~[shall be]~~ are exempt from levy and sale by virtue of an execution.

1726 (b) An execution or other judicial process may not issue against the property ~~[and a]~~.

1727 (c) A judgment against the authority ~~[may]~~ is not ~~[be]~~ a charge or lien upon the  
1728 property.

1729 (2) This section does not apply to or limit the right of obligees to pursue ~~[any remedies]~~  
1730 a remedy for the enforcement of ~~[any]~~ a pledge or lien given by the authority on its rents, fees,  
1731 or revenues or the right of the federal government to pursue ~~[any remedies]~~ a remedy conferred  
1732 upon it ~~[pursuant to]~~ under this part.



1733 (3) An authority may waive its exemption with respect to claims against ~~[any]~~ a  
1734 profit-making enterprise occupying any portion of a project if that waiver does not affect or  
1735 impair the rights of any obligee of the authority.

1736 Section 37. Section **35A-8-223**, which is renumbered from Section 9-4-625 is  
1737 renumbered and amended to read:

1738 ~~[9-4-625].~~ **35A-8-223. Financial assistance from federal government**  
1739 **permitted.**

1740 (1) In addition to the other powers conferred upon an authority by other provisions of  
1741 this part, an authority may:

1742 (a) borrow money or accept contributions, grants, or other financial assistance from the  
1743 federal government in aid of ~~[any]~~ a project or related activities concerning health, welfare,  
1744 economic, educational, environmental, and similar problems of persons of medium and low  
1745 income;

1746 (b) take over or lease or manage ~~[any]~~ a project or undertaking constructed or owned  
1747 by the federal government; and

1748 (c) ~~[to these ends,]~~ comply with conditions and enter into contracts, covenants,  
1749 mortgages, trust indentures, leases, or agreements considered necessary, convenient, or  
1750 desirable to accomplish the purposes of Subsections (1)(a) and (b).

1751 (2) (a) It is the purpose and intent of this part to authorize ~~[any]~~ an authority to do all  
1752 things necessary or desirable to secure the financial aid or cooperation of the federal  
1753 government in the provision of decent, safe, and sanitary dwellings and maintaining a  
1754 wholesome living environment for persons of medium and low income.

1755 (b) To accomplish this purpose an authority may include in ~~[any]~~ a contract for  
1756 financial assistance with the federal government any provisions that the federal government  
1757 may require as conditions to its financial aid not inconsistent with the purposes of this part.

1758 Section 38. Section **35A-8-224**, which is renumbered from Section 9-4-626 is  
1759 renumbered and amended to read:

1760 ~~[9-4-626].~~ **35A-8-224. Defaults -- Conveyance of title to federal government.**

1761 (1) The authority in ~~[any]~~ a contract with the federal government for annual  
1762 contributions may obligate itself to convey to the federal government possession of or title to  
1763 the project upon the occurrence of a substantial default, as defined in the contract, with respect

1764 to the covenants and conditions to which the authority is subject.

1765 (2) This obligation [~~shall be~~] is specifically enforceable and does not constitute a  
1766 mortgage, notwithstanding any other laws.

1767 (3) In case of conveyance, the federal government may complete, operate, manage,  
1768 lease, convey, or otherwise deal with the project and funds in accordance with the terms of the  
1769 contract if the contract by its terms requires the federal government, as soon as practicable after  
1770 it is satisfied that all defaults have been cured and that the project will be operated in  
1771 accordance with the contract, to reconvey the project to the authority.

1772 Section 39. Section **35A-8-225**, which is renumbered from Section 9-4-627 is  
1773 renumbered and amended to read:

1774 [~~9-4-627~~]. **35A-8-225. Powers of public body aiding in project.**

1775 (1) For the purpose of aiding and cooperating in the planning, undertaking,  
1776 construction, or operation of projects located within its jurisdiction, [~~any~~] a public body may,  
1777 with or without consideration, as it [~~may determine~~] determines:

1778 (a) dedicate, sell, convey, or lease any of its interest in property, or grant easements,  
1779 licenses, or other rights or privileges to a housing authority or the federal government;

1780 (b) cause parks, playgrounds, recreational, community, educational, water, sewer, or  
1781 drainage facilities, or other works that it is otherwise empowered to undertake to be furnished  
1782 adjacent to or in connection with these projects;

1783 (c) furnish, dedicate, close, pave, install, grade, regrade, plan or replan streets, roads,  
1784 roadways, alleys, sidewalks, or other places that it is otherwise empowered to undertake;

1785 (d) plan or replan, zone or rezone any parts of the public body, make exceptions from  
1786 building regulations and ordinances, and make changes in its map;

1787 (e) cause the same services to be furnished to a housing authority that the public body  
1788 may furnish, and provide facilities and services, including feeding facilities and services for  
1789 tenants, in connection with housing projects;

1790 (f) enter into agreements with respect to the exercise by the public body of its powers  
1791 relating to the repair, improvement, condemnation, closing, or demolition of unsafe, insanitary,  
1792 or unfit buildings;

1793 (g) notwithstanding the provisions of any other law, use any [~~funds~~] money belonging  
1794 to or within the control of the public body, including [~~funds~~] money derived from the sale or

1795 furnishing of property or facilities to a housing authority, in the purchase of the bonds or other  
1796 obligations of a housing authority and exercise any related rights;

1797 (h) do any and all things necessary or convenient to aid and cooperate in the planning,  
1798 undertaking, construction, or operation of any projects;

1799 (i) incur the entire expense of public improvements made by a public body in  
1800 exercising the powers granted in this part; and

1801 (j) enter into agreements, that may extend over any period notwithstanding any  
1802 provision or rule of law to the contrary, with a housing authority respecting action to be taken  
1803 by a public body pursuant to any of the powers granted by this part.

1804 (2) If title to or possession of ~~[any]~~ a project is held by ~~[any]~~ a public governmental  
1805 agency authorized by law to engage in the development or administration of low-rent housing  
1806 or slum clearance projects, including ~~[any]~~ an agency or instrumentality of the United States,  
1807 the provisions of the agreements entered into pursuant to Subsection (1)(j) ~~[shall]~~ inure to the  
1808 benefit of and ~~[may be enforced]~~ are enforceable by that public body or governmental agency.

1809 (3) ~~[Any]~~ A sale, conveyance, lease, or agreement provided for in this section may be  
1810 made by a public body without appraisal, public notice, advertisement, or public bidding,  
1811 notwithstanding any other laws to the contrary.

1812 Section 40. Section **35A-8-226**, which is renumbered from Section 9-4-628 is  
1813 renumbered and amended to read:

1814 ~~[9-4-628].~~ **35A-8-226. Agreement by public body to accept payment from**  
1815 **authority in lieu of taxes.**

1816 In connection with ~~[any]~~ a project of a housing authority located wholly or partly within  
1817 the area in which ~~[any]~~ a public body is authorized to act, ~~[any]~~ the public body may agree with  
1818 the housing authority with respect to the payment by the authority of sums in lieu of taxes for  
1819 any year or period of years that are determined by the authority to be consistent with the  
1820 maintenance of the low-rent character of housing projects or the achievement of the purposes  
1821 of this part.

1822 Section 41. Section **35A-8-227**, which is renumbered from Section 9-4-629 is  
1823 renumbered and amended to read:

1824 ~~[9-4-629].~~ **35A-8-227. Public body may provide financial aid.**

1825 In addition to other aids provided, ~~[any]~~ a public body may provide financial aid to a

1826 housing authority by loan, donation, grant, contribution, and appropriation of money, by  
1827 abatement or remission of taxes, by payments in lieu of taxes, by other charges, or by any other  
1828 means.

1829 Section 42. Section **35A-8-228**, which is renumbered from Section 9-4-630 is  
1830 renumbered and amended to read:

1831 ~~[9-4-630].~~ **35A-8-228. Investment in authority authorized.**

1832 (1) The state, public officers, political subdivisions, public bodies, banks, bankers, trust  
1833 companies, savings banks and institutions, building and loan associations, savings and loan  
1834 associations, investment companies, insurance companies, insurance associations, other  
1835 persons carrying on a banking or insurance business, executors, administrators, guardians,  
1836 trustees, and other fiduciaries may legally invest money or funds belonging to them or within  
1837 their control in any bonds or other obligations issued by a housing authority created under this  
1838 part or issued by ~~[any]~~ a public housing authority or agency in the United States, any of its  
1839 territories, the District of Columbia, Puerto Rico, Guam, or the Virgin Islands.

1840 (2) These bonds or other obligations shall be secured by a pledge of annual  
1841 contributions or other financial assistance to be paid by the United States government or any of  
1842 its agencies, or by an agreement between the United States government or any of its agencies  
1843 and the public housing authority or agency in which the United States government or its agency  
1844 agrees to lend to the public housing authority or agency, prior to the maturity of the bonds or  
1845 other obligations, ~~[moneys]~~ money in an amount which, together with any other ~~[moneys]~~  
1846 money irrevocably committed to the payment of interest on the bonds or other obligations, will  
1847 suffice to pay the principal of the bonds or other obligations with interest to maturity.

1848 (3) ~~[These moneys]~~ This money, under the terms of the agreement, ~~[shall be]~~ is  
1849 required to be used for this purpose, and the bonds and other obligations ~~[shall be]~~ are  
1850 authorized security for all public deposits and ~~[shall be]~~ are fully negotiable in this state.

1851 (4) Nothing contained in this section ~~[may be construed to relieve]~~ relieves any person,  
1852 firm, or corporation from any duty of exercising reasonable care in selecting securities.

1853 (5) The provisions of this section apply notwithstanding any restrictions on  
1854 investments contained in other laws.

1855 Section 43. Section **35A-8-229**, which is renumbered from Section 9-4-631 is  
1856 renumbered and amended to read:

1857 ~~[9-4-631].~~ 35A-8-229. **Annual report.**

1858 At least once a year, each authority shall:

1859 (1) file with the clerk a report of its activities for the preceding year; and

1860 (2) make recommendations with reference to additional legislation or other action

1861 considered necessary to carry out the purposes of this part.

1862 Section 44. Section **35A-8-230**, which is renumbered from Section 9-4-632 is

1863 renumbered and amended to read:

1864 ~~[9-4-632].~~ 35A-8-230. **Provisions controlling -- Acts of governmental bodies**

1865 **considered administrative.**

1866 (1) The provisions of this part ~~[shall be]~~ are controlling, notwithstanding anything to  
1867 the contrary in any other law of this state, city charter, or local ordinance. ~~[Any]~~

1868 (2) An action of a city or county or governing body in carrying out the purposes of this  
1869 part, whether by resolution, ordinance, or otherwise, ~~[shall be]~~ is considered administrative in  
1870 character, and no public notice or publication ~~[need be made]~~ is required with respect to that  
1871 action.

1872 Section 45. Section **35A-8-301**, which is renumbered from Section 9-4-701 is

1873 renumbered and amended to read:

1874 **Part 3. Olene Walker Housing Loan Fund**

1875 ~~[9-4-701].~~ 35A-8-301. **Definitions.**

1876 As used in this part:

1877 (1) "Board" means the Housing Board created by this part.

1878 (2) "Fund" means the Olene Walker Housing Loan Fund created by this part.

1879 (3) "Rural" means ~~[any]~~ a county in the state other than Utah, Salt Lake, Davis, or  
1880 Weber.

1881 Section 46. Section **35A-8-302**, which is renumbered from Section 9-4-702 is

1882 renumbered and amended to read:

1883 ~~[9-4-702].~~ 35A-8-302. **Creation and administration.**

1884 (1) (a) There is created an enterprise fund known as the Olene Walker Housing Loan  
1885 Fund, administered by the executive director or ~~[his]~~ the executive director's designee.

1886 (b) The department ~~[shall be]~~ is the administrator of the fund.

1887 (2) There shall be deposited into the fund:

1888 (a) grants, paybacks, bonuses, entitlements, and other money received by the  
1889 department from the federal government to preserve, rehabilitate, build, restore, or renew  
1890 housing or other activities authorized by the fund;

1891 (b) transfers, grants, gifts, bequests, or any money made available from any source to  
1892 implement this part; and

1893 (c) money appropriated to the fund by the Legislature.

1894 (3) The money in the fund shall be invested by the state treasurer according to the  
1895 procedures and requirements of Title 51, Chapter 7, State Money Management Act, except that  
1896 all interest or other earnings derived from the fund money shall be deposited in the fund.

1897 Section 47. Section **35A-8-303**, which is renumbered from Section 9-4-703 is  
1898 renumbered and amended to read:

1899 ~~[9-4-703]~~. **35A-8-303. Housing loan fund board -- Duties -- Expenses.**

1900 (1) There is created the Olene Walker Housing Loan Fund Board.

1901 (2) The board ~~[shall be]~~ is composed of 11 voting members.

1902 (a) The governor shall appoint the following members to four-year terms:

1903 (i) two members from local governments;

1904 (ii) two members from the mortgage lending community;

1905 (iii) one member from real estate sales interests;

1906 (iv) one member from home builders interests;

1907 (v) one member from rental housing interests;

1908 (vi) one member from housing advocacy interests;

1909 (vii) one member of the manufactured housing interest; and

1910 (viii) two members of the general public.

1911 (b) The executive director or ~~[his]~~ the executive director's designee ~~[shall serve]~~ serves  
1912 as the secretary of the committee.

1913 (c) The members of the board shall annually elect a chair from among the voting  
1914 membership of the board.

1915 (3) (a) Notwithstanding the requirements of Subsection (2), the governor shall, at the  
1916 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
1917 board members are staggered so that approximately half of the board is appointed every two  
1918 years.

1919 (b) When a vacancy occurs in the membership for any reason, the replacement [~~shall~~  
 1920 ~~be~~] is appointed for the unexpired term.

1921 (4) (a) The board shall:

1922 (i) meet regularly, at least quarterly, on dates fixed by the board;

1923 (ii) keep minutes of its meetings; and

1924 (iii) comply with the procedures and requirements of Title 52, Chapter 4, Open and  
 1925 Public Meetings Act.

1926 (b) Seven members of the board constitute a quorum, and the governor, the chair, or a  
 1927 majority of the board may call a meeting of the board.

1928 (5) The board shall:

1929 (a) review the housing needs in the state;

1930 (b) determine the relevant operational aspects of any grant, loan, or revenue collection  
 1931 program established under the authority of this chapter;

1932 (c) determine the means to implement the policies and goals of this chapter;

1933 (d) select specific projects to receive grant or loan money; and

1934 (e) determine how fund money shall be allocated and distributed.

1935 (6) A member may not receive compensation or benefits for the member's service, but  
 1936 may receive per diem and travel expenses in accordance with:

1937 (a) Section 63A-3-106;

1938 (b) Section 63A-3-107; and

1939 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
 1940 63A-3-107.

1941 Section 48. Section **35A-8-304**, which is renumbered from Section 9-4-704 is  
 1942 renumbered and amended to read:

1943 ~~[9-4-704]~~. **35A-8-304**. **Distribution of fund moneys.**

1944 (1) The executive director shall:

1945 (a) make grants and loans from the fund for any of the activities authorized by Section  
 1946 ~~[9-4-705]~~ 35A-8-305, as directed by the board;

1947 (b) establish the criteria with the approval of the board by which loans and grants will  
 1948 be made; and

1949 (c) determine with the approval of the board the order in which projects will be funded.

1950 (2) The executive director shall distribute, as directed by the board, any federal  
1951 [~~moneys~~] money contained in the fund according to the procedures, conditions, and restrictions  
1952 placed upon the use of [~~those moneys~~] that money by the federal government.

1953 (3) (a) The executive director shall distribute, as directed by the board, any [~~funds~~]  
1954 money received pursuant to Section 17C-1-412 to pay the costs of providing income targeted  
1955 housing within the community that created the community development and renewal agency  
1956 under Title 17C, Limited Purpose Local Government Entities - Community Development and  
1957 Renewal Agencies Act.

1958 (b) As used in Subsection (3)(a):

1959 (i) "Community" has the meaning as defined in Section 17C-1-102.

1960 (ii) "Income targeted housing" has the meaning as defined in Section 17C-1-102.

1961 (4) Except for federal money and money received under Section 17C-1-412, the  
1962 executive director shall distribute, as directed by the board, all other [~~moneys~~] money from the  
1963 fund according to the following requirements:

1964 (a) Not less than 30% of all fund [~~moneys~~] money shall be distributed to rural areas of  
1965 the state.

1966 (b) At least 50% of the [~~moneys~~] money in the fund shall be distributed as loans to be  
1967 repaid to the fund by the entity receiving them.

1968 (i) (A) Of the fund [~~moneys~~] money distributed as loans, at least 50% shall be  
1969 distributed to benefit persons whose annual income is at or below 50% of the median family  
1970 income for the state.

1971 (B) The remaining loan [~~moneys~~] money shall be distributed to benefit persons whose  
1972 annual income is at or below 80% of the median family income for the state.

1973 (ii) The executive director or the executive director's designee shall lend [~~moneys~~]  
1974 money in accordance with this Subsection (4) at a rate based upon the borrower's ability to pay.

1975 (c) Any fund moneys not distributed as loans shall be distributed as grants.

1976 (i) At least 90% of the fund moneys distributed as grants shall be distributed to benefit  
1977 persons whose annual income is at or below 50% of the median family income for the state.

1978 (ii) The remaining fund moneys distributed as grants may be used by the executive  
1979 director to obtain federal matching funds or for other uses consistent with the intent of this part,  
1980 including the payment of reasonable loan servicing costs, but no more than 3% of the revenues



1981 of the fund may be used to offset other department or board administrative expenses.

1982 (5) The executive director may with the approval of the board:

1983 (a) enact rules to establish procedures for the grant and loan process by following the  
1984 procedures and requirements of Title 63G, Chapter 3, Utah Administrative Rulemaking Act;  
1985 and

1986 (b) service or contract, pursuant to Title 63G, Chapter 6, Utah Procurement Code, for  
1987 the servicing of loans made by the fund.

1988 Section 49. Section **35A-8-305**, which is renumbered from Section 9-4-705 is  
1989 renumbered and amended to read:

1990 **[9-4-705]. 35A-8-305. Activities authorized to receive fund money -- Powers of**  
1991 **the executive director.**

1992 At the direction of the board, the executive director may:

1993 (1) provide fund money to any of the following activities:

1994 (a) acquisition, rehabilitation, or new construction of low-income housing units;

1995 (b) matching funds for social services projects directly related to providing housing for  
1996 special-need renters in assisted projects;

1997 (c) the development and construction of accessible housing designed for low-income  
1998 persons;

1999 (d) shelters and transitional housing for the homeless; and

2000 (e) other activities that will assist in improving the availability or quality of housing in  
2001 the state for low-income persons;

2002 (2) do any act necessary or convenient to the exercise of the powers granted by this part  
2003 or reasonably implied ~~[therefrom]~~ from those granted powers, including:

2004 (a) making or executing contracts and other instruments necessary or convenient for  
2005 the performance of the executive director and board's duties and the exercise of the executive  
2006 director and board's powers and functions under this part, including contracts or agreements for  
2007 the servicing and originating of mortgage loans;

2008 (b) procuring insurance against ~~[any]~~ a loss in connection with property or other assets  
2009 held by the fund, including mortgage loans, in amounts and from insurers it considers  
2010 desirable;

2011 (c) entering into agreements with ~~[any]~~ a department, agency, or instrumentality of the

2012 United States or this state and with mortgagors and mortgage lenders for the purpose of  
2013 planning and regulating and providing for the financing and refinancing, purchase,  
2014 construction, reconstruction, rehabilitation, leasing, management, maintenance, operation, sale,  
2015 or other disposition of [any] residential housing undertaken with the assistance of the  
2016 department under this part;

2017 (d) proceeding with a foreclosure action, to own, lease, clear, reconstruct, rehabilitate,  
2018 repair, maintain, manage, operate, assign, encumber, sell, or otherwise dispose of any real or  
2019 personal property obtained by the fund due to the default on any mortgage loan held by the  
2020 fund in preparation for disposition of the property, taking assignments of leases and rentals,  
2021 proceeding with foreclosure actions, and taking other actions necessary or incidental to the  
2022 performance of its duties; and

2023 (e) selling, at a public or private sale, with public bidding, [any] a mortgage or other  
2024 obligation held by the fund.

2025 Section 50. Section **35A-8-306**, which is renumbered from Section 9-4-706 is  
2026 renumbered and amended to read:

2027 ~~[9-4-706]~~. **35A-8-306. Entities authorized to receive fund money.**

2028 (1) The executive director, with the approval of the board, may grant or lend fund  
2029 money to housing sponsors.

2030 (2) "Housing sponsor" includes a person who constructs, develops, rehabilitates,  
2031 purchases, or owns a housing development that is or will be subject to legally enforceable  
2032 restrictive covenants that require the housing development to provide, at least in part,  
2033 residential housing to low and moderate income persons.

2034 (3) A housing sponsor includes:

2035 ~~(1)~~ (a) a local public body;

2036 ~~(2)~~ (b) a nonprofit, limited profit, or for profit corporation;

2037 ~~(3)~~ (c) a limited partnership;

2038 ~~(4)~~ (d) a limited liability company;

2039 ~~(5)~~ (e) a joint venture;

2040 ~~(6)~~ (f) a subsidiary of the Utah Housing Corporation or any subsidiary of the  
2041 subsidiary of the Utah Housing Corporation;

2042 ~~(7)~~ (g) a cooperative;

2043            [~~(8)~~] (h) a mutual housing organization;  
2044            [~~(9)~~] (i) a local government;  
2045            [~~(10)~~] (j) a local housing authority;  
2046            [~~(11)~~] (k) a regional or statewide nonprofit housing or assistance organization; or  
2047            [~~(12)~~] (l) any other type of entity or arrangement that helps provide affordable housing  
2048 for low and moderate income persons.

2049            Section 51. Section **35A-8-307**, which is renumbered from Section 9-4-707 is  
2050 renumbered and amended to read:

2051            [~~9-4-707~~].    **35A-8-307. Application process and priorities.**

2052            (1) (a) In each calendar year that [~~moneys are~~] money is available from the fund for  
2053 distribution by the executive director under the direction of the board, the executive director  
2054 shall, at least once in that year, announce a grant and loan application period by sending notice  
2055 to interested persons.

2056            (b) The executive director shall accept applications which are received in a timely  
2057 manner.

2058            (2) The executive director shall give first priority to applications for projects and  
2059 activities that use existing privately-owned housing stock, including privately owned housing  
2060 stock purchased by nonprofit public development authorities.

2061            (3) Preference shall be given to applications that demonstrate the following:

2062            (a) a high degree of leverage with other sources of financing;

2063            (b) high recipient contributions to total project costs, including allied contributions  
2064 from other sources such as professional, craft and trade services, and lender interest rate  
2065 subsidies;

2066            (c) high local government project contributions in the form of infrastructure  
2067 improvements, or other assistance;

2068            (d) projects that encourage ownership, management, and other project-related  
2069 responsibility opportunities;

2070            (e) projects that demonstrate a strong probability of serving the original target group or  
2071 income level for a period of at least 15 years;

2072            (f) projects where the applicant has demonstrated the ability, stability, and resources to  
2073 complete the project;

- 2074 (g) projects that appear to serve the greatest need;
- 2075 (h) projects that provide housing for persons and families with the lowest income;
- 2076 (i) projects that promote economic development benefits;
- 2077 (j) projects that allow integration into a local government housing plan; and
- 2078 (k) projects that would mitigate or correct existing health, safety, or welfare problems.
- 2079 (4) Consideration may be given to projects that increase the supply of accessible
- 2080 housing.

2081 Section 52. Section **35A-8-308**, which is renumbered from Section 9-4-708 is

2082 renumbered and amended to read:

2083 ~~[9-4-708]~~. **35A-8-308**. **Annual accounting.**

2084 (1) The executive director shall monitor the activities of recipients of grants and loans

2085 issued under this part on a yearly basis to ensure compliance with the terms and conditions

2086 imposed on the recipient by the executive director with the approval of the board or by this

2087 part.

2088 (2) The entities receiving grants or loans shall provide the executive director with an

2089 annual accounting of how the ~~[moneys]~~ money they received from the fund ~~[have]~~ has been

2090 spent.

2091 (3) The executive director shall make an annual report to the board accounting for the

2092 expenditures authorized by the board.

2093 (4) The board shall submit an annual written report to the Workforce Services and

2094 Community and Economic Development Interim Committee before December 1 of each year:

- 2095 (a) accounting for expenditures authorized by the board; and
- 2096 (b) evaluating the effectiveness of the program.

2097 Section 53. Section **35A-8-401**, which is renumbered from Section 9-4-801 is

2098 renumbered and amended to read:

2099 **Part 4. Homeless Coordinating Committee**

2100 ~~[9-4-801]~~. **35A-8-401**. **Creation.**

2101 (1) There is created the Homeless Coordinating Committee.

2102 (2) (a) The committee shall consist of:

2103 (i) the state planning coordinator[;];

2104 (ii) the state superintendent of public instruction[;];

2105 (iii) the chair of the board of trustees of the Utah Housing Corporation~~];~~ and  
2106 (iv) the executive directors of the Department of Human Services, the Department of  
2107 Corrections, ~~[the Department of Community and Culture,]~~ the Department of Workforce  
2108 Services, and the Department of Health, or their designees.

2109 (b) The governor shall appoint the chair from among these members.

2110 (3) The governor may also appoint as members of the committee representatives of  
2111 local governments, local housing authorities, local law enforcement agencies, and of federal  
2112 and private agencies and organizations concerned with the homeless, mentally ill, elderly,  
2113 single-parent families, substance abusers, and persons with a disability.

2114 (4) (a) Except as required by Subsection (4)(b), as terms of current committee members  
2115 expire, the governor shall appoint each new member or reappointed member to a four-year  
2116 term.

2117 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the  
2118 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
2119 committee members are staggered so that approximately half of the committee is appointed  
2120 every two years.

2121 (c) A person appointed under this Subsection (4) may not be appointed to serve more  
2122 than three consecutive terms.

2123 (5) When a vacancy occurs in the membership for any reason, the replacement shall be  
2124 appointed for the unexpired term.

2125 (6) A member may not receive compensation or benefits for the member's service, but  
2126 may receive per diem and travel expenses in accordance with:

2127 (a) Section 63A-3-106;

2128 (b) Section 63A-3-107; and

2129 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
2130 63A-3-107.

2131 Section 54. Section ~~35A-8-402~~, which is renumbered from Section 9-4-802 is  
2132 renumbered and amended to read:

2133 ~~[9-4-802].~~ **35A-8-402. Purposes of Homeless Coordinating Committee -- Uses**  
2134 **of Pamela Atkinson Homeless Account.**

2135 (1) (a) The Homeless Coordinating Committee shall work to ensure that services

2136 provided to the homeless by state agencies, local governments, and private organizations are  
2137 provided in a cost-effective manner.

2138 (b) Programs funded by the committee shall emphasize emergency housing and  
2139 self-sufficiency, including placement in meaningful employment or occupational training  
2140 activities and, where needed, special services to meet the unique needs of the homeless who  
2141 have families with children, or who are mentally ill, disabled, or suffer from other serious  
2142 challenges to employment and self-sufficiency.

2143 (c) The committee may also fund treatment programs to ameliorate the effects of  
2144 substance abuse or a disability.

2145 (2) The committee members designated in Subsection [~~9-4-801(2)~~] 35A-8-401(2)  
2146 shall:

2147 (a) award contracts funded by the Pamela Atkinson Homeless Account with the advice  
2148 and input of those designated in Subsection [~~9-4-801(3)~~] 35A-8-401(3);

2149 (b) consider need, diversity of geographic location, coordination with or enhancement  
2150 of existing services, and the extensive use of volunteers; and

2151 (c) give priority for funding to programs that serve the homeless who are mentally ill  
2152 and who are in families with children.

2153 (3) (a) In any fiscal year, no more than 80% of the [~~funds~~] money in the Pamela  
2154 Atkinson Homeless Account may be allocated to organizations that provide services only in  
2155 Salt Lake, Davis, Weber, and Utah Counties.

2156 (b) The committee may:

2157 (i) expend up to 3% of its annual appropriation for administrative costs associated with  
2158 the allocation of [~~funds~~] money from the Pamela Atkinson Homeless Account, and up to 2% of  
2159 its annual appropriation for marketing the account and soliciting donations to the account; and

2160 (ii) pay for the initial costs of the State Tax Commission in implementing Section  
2161 59-10-1306 from the account.

2162 (4) (a) The committee may not expend, except as provided in Subsection (4)(b), an  
2163 amount equal to the greater of \$50,000 or 20% of the amount donated to the Pamela Atkinson  
2164 Homeless Account during fiscal year 1988-89.

2165 (b) If there are decreases in contributions to the account, the committee may expend  
2166 [~~funds~~] money held in the account to provide program stability, but the committee shall

2167 reimburse the amounts of those expenditures to the account.

2168 (5) The committee shall make an annual report to the Economic Development and  
2169 Human Resources Appropriations Subcommittee regarding the programs and services funded  
2170 by contributions to the Pamela Atkinson Homeless Account.

2171 (6) The state treasurer shall invest the money in the Pamela Atkinson Homeless  
2172 Account [~~shall be invested by the state treasurer~~] according to the procedures and requirements  
2173 of Title 51, Chapter 7, State Money Management Act, except that all interest or other earnings  
2174 derived from the restricted account shall be deposited in the restricted account.

2175 Section 55. Section **35A-8-403**, which is renumbered from Section 9-4-803 is  
2176 renumbered and amended to read:

2177 ~~[9-4-803].~~ **35A-8-403. Creation of Pamela Atkinson Homeless Account.**

2178 (1) There is created a restricted account within the General Fund known as the "Pamela  
2179 Atkinson Homeless Account."

2180 (2) Private contributions received under this section and Section 59-10-1306 shall be  
2181 deposited into the restricted account to be used only for programs described in Section  
2182 ~~[9-4-802]~~ 35A-8-402.

2183 (3) Money shall be appropriated from the restricted account to the State Homeless  
2184 Coordinating Committee in accordance with the Utah Budgetary Procedures Act.

2185 (4) The State Homeless Coordinating Committee may accept transfers, grants, gifts,  
2186 bequests, or any money made available from any source to implement this part.

2187 Section 56. Section **35A-8-501**, which is renumbered from Section 9-4-901 is  
2188 renumbered and amended to read:

#### 2189 **Part 5. Utah Housing Corporation Act**

2190 ~~[9-4-901].~~ **35A-8-501. Title.**

2191 This part is known as the "Utah Housing Corporation Act."

2192 Section 57. Section **35A-8-502**, which is renumbered from Section 9-4-902 is  
2193 renumbered and amended to read:

2194 ~~[9-4-902].~~ **35A-8-502. Policy -- Finding and declaration.**

2195 (1) It is declared that the policy of the state of Utah is to assure the health, safety, and  
2196 welfare of its citizens, that an adequate supply of decent, safe, and sanitary housing is essential  
2197 to the well-being of the citizens of the state, and that an adequate supply of mortgage funds for

2198 housing at reasonable interest rates is in the public interest.

2199 (2) It is found and declared that:

2200 (a) there continues to exist throughout the state a seriously inadequate supply of safe  
2201 and sanitary dwelling accommodations within the financial means of persons and families of  
2202 low or moderate income who wish to purchase or rent residential housing; and

2203 (b) from time to time the high rates of interest charged by mortgage lenders seriously  
2204 restrict the transfer of existing housing and new housing starts.

2205 (3) It is found and declared that the reduction in residential construction starts  
2206 associated with the high rates causes a condition of substantial unemployment and  
2207 underemployment in the construction industry which impedes the economy of the state and  
2208 affects the welfare and prosperity of all the people of the state.

2209 (4) It is found and declared that:

2210 (a) these conditions associated with the recurrent shortages of residential mortgage  
2211 funds contribute to slums and blight in the cities and rural areas of the state and ultimately to  
2212 the deterioration of the quality of living conditions within the state; and

2213 (b) in accordance with the purpose of this part to assist in providing housing for low  
2214 and moderate income persons who otherwise could not achieve decent, safe, and sanitary  
2215 housing, the agency shall make every effort to make housing available in rural, inner city, and  
2216 other areas experiencing difficulty in securing construction and mortgage loans, and to make  
2217 decent, safe, and sanitary housing available to low income persons and families.

2218 (5) It is found and declared that in order to assure an adequate fund of private capital  
2219 into this housing, the cooperation between private enterprise and state government is essential  
2220 and is in the public interest.

2221 (6) It is found and declared that low and moderate income persons in Utah have a wide  
2222 range of housing needs, which necessitates the development of many different kinds of  
2223 programs to address those needs, including programs providing mortgage loans, nontraditional  
2224 loans, grants, and other forms of financial assistance, and combinations of these forms.

2225 (7) It is found and declared that there are private organizations and governmental  
2226 entities throughout Utah that are endeavoring to improve the availability of housing for low  
2227 and moderate income, but many of these organizations and entities lack expertise and financial  
2228 resources to act efficiently and expeditiously in these efforts.



2229 (8) It is found and declared that innovative programs that bring together resources from  
2230 the public, nonprofit, and private sector are necessary in order to increase the supply of housing  
2231 for low and moderate individuals, but these programs usually need advice and financial  
2232 assistance to become established.

2233 (9) It is declared that all of the foregoing are public purposes and uses for which money  
2234 may be borrowed, expended, advanced, loaned, or granted, and that these activities serve a  
2235 public purpose in improving or otherwise benefiting the people of this state, and that the  
2236 necessity of enacting the provisions in this part is in the public interest and is so declared as a  
2237 matter of express legislative determination.

2238 (10) It is found and declared that the compelling need within the state for the creation  
2239 of an adequate supply of mortgage funds at reasonable interest rates and for other kinds of  
2240 financial assistance to help provide affordable housing for low and moderate income  
2241 individuals can be best met by the establishment of an independent body corporate and politic,  
2242 constituting a public corporation, vested with the powers and duties specified in this part.

2243 (11) It is declared that the corporation is intended to operate:

2244 (a) with the power to issue tax exempt bonds to finance the purchase of mortgage loans  
2245 to qualified buyers;

2246 (b) as a financially independent body; and

2247 (c) so that its debts shall be payable solely from payments received by the corporation  
2248 from mortgage borrowers and other revenues generated internally by the corporation.

2249 Section 58. Section **35A-8-503**, which is renumbered from Section 9-4-903 is  
2250 renumbered and amended to read:

2251 **[9-4-903]. 35A-8-503. Definitions.**

2252 As used in this part the following words and terms have the following meanings, unless  
2253 a different meaning clearly appears from the context:

2254 (1) "Bonds," "notes," and "other obligations" mean any bonds, notes, debentures,  
2255 interim certificates, or other evidences of financial indebtedness of the corporation authorized  
2256 to be issued under the provisions of this part.

2257 (2) "Construction loan" means a short-term advance of money for the purpose of  
2258 constructing residential housing for low and moderate income persons.

2259 (3) "Corporation" means the Utah Housing Corporation created by Section ~~[9-4-904]~~

2260 35A-8-504, which, prior to July 1, 2001, was named the Utah Housing Finance Agency.

2261 (4) "Employee of the corporation" means [~~any~~] an individual who is employed by the  
2262 corporation but who is not a trustee of the corporation.

2263 (5) "Financial assistance" includes:

2264 (a) a loan, whether interest or noninterest bearing, secured or unsecured;

2265 (b) a loan that converts to a grant upon the occurrence of specified conditions;

2266 (c) a development loan;

2267 (d) a grant;

2268 (e) an award;

2269 (f) a subsidy;

2270 (g) a guarantee;

2271 (h) a warranty;

2272 (i) a lease;

2273 (j) a payment on behalf of a borrower of an amount usually paid by a borrower,

2274 including a down payment;

2275 (k) any other form of financial assistance that helps provide affordable housing for low  
2276 and moderate income persons; or

2277 (l) any combination of [~~the foregoing~~] Subsections (5)(a) through (k).

2278 (6) "Housing development" means a residential housing project, which includes  
2279 residential housing for low and moderate income persons.

2280 (7) "Housing sponsor" includes a person who constructs, develops, rehabilitates,  
2281 purchases, or owns a housing development that is or will be subject to legally enforceable  
2282 restrictive covenants that require the housing development to provide, at least in part,  
2283 residential housing to low and moderate income persons, including a local public body, a  
2284 nonprofit, limited profit, or for profit corporation, a limited partnership, a limited liability  
2285 company, a joint venture, a subsidiary of the corporation, or any subsidiary of the subsidiary, a  
2286 cooperative, a mutual housing organization, or any other type of entity or arrangement that  
2287 helps provide affordable housing for low and moderate income persons.

2288 (8) "Interest rate contract" means interest rate exchange contracts, interest rate floor  
2289 contracts, interest rate ceiling contracts, and other similar contracts authorized in a resolution  
2290 or policy adopted or approved by the trustees.

2291 (9) "Local public body" means the state, [~~any~~] a municipality, county, district, or other  
2292 subdivision or instrumentality of the state, including redevelopment agencies and housing  
2293 authorities created under Part [6] 2.

2294 (10) "Low and moderate income persons" means persons, irrespective of race, religion,  
2295 creed, national origin, or sex, as determined by the corporation to require [~~such~~] the assistance  
2296 [~~as is~~] made available by this part on account of insufficient personal or family income taking  
2297 into consideration factors, including:

2298 (a) the amount of income that persons and families have available for housing needs;

2299 (b) the size of family;

2300 (c) whether [~~or not~~] a person is a single head of household;

2301 (d) the cost and condition of residential housing available; and

2302 (e) the ability of persons and families to compete successfully in the normal private  
2303 housing market and to pay the amounts at which private enterprise is providing decent, safe,  
2304 and sanitary housing.

2305 (11) "Mortgage lender" means [~~any~~] a bank, trust company, savings and loan  
2306 association, credit union, mortgage banker, or other financial institution authorized to transact  
2307 business in the state, [~~any~~] a local public body, or any other entity, profit or nonprofit, that  
2308 makes mortgage loans.

2309 (12) "Mortgage loan" means a loan secured by a mortgage, which loan may bear  
2310 interest at either a fixed or variable rate or which may be noninterest bearing, the proceeds of  
2311 which are used for the purpose of financing the construction, development, rehabilitation, or  
2312 purchase of residential housing for low and moderate income persons, including low and  
2313 moderate income persons who are first-time homebuyers, single heads of household, elderly,  
2314 homeless, or disabled.

2315 (13) "Mortgage" means a mortgage, deed of trust, or other instrument securing a  
2316 mortgage loan and constituting a lien on real property [~~(f)~~], the property being held in fee simple  
2317 or on a leasehold under a lease having a remaining term, at the time the mortgage is acquired,  
2318 of not less than the term for repayment of the mortgage loan secured by the mortgage[~~g)~~],  
2319 improved or to be improved by residential housing, creating a lien which may be first priority  
2320 or subordinate.

2321 (14) "Rehabilitation" includes the reconstruction, rehabilitation, improvement, and

2322 repair of residential housing.

2323 (15) "Residential housing" means a specific work or improvement within this state  
2324 undertaken primarily to provide dwelling accommodations, including land, buildings, and  
2325 improvements to land and buildings, whether in one to four family units or multifamily units,  
2326 and other incidental or appurtenant nonhousing facilities, or as otherwise specified by the  
2327 agency.

2328 (16) "State" means the state of Utah.

2329 (17) "State housing credit ceiling" means the amount specified in Subsection  
2330 42(h)(3)(C) of the Internal Revenue Code for each calendar year.

2331 Section 59. Section **35A-8-504**, which is renumbered from Section 9-4-904 is  
2332 renumbered and amended to read:

2333 ~~[9-4-904].~~ **35A-8-504. Creation -- Trustees -- Terms -- Vacancies -- Chair --**  
2334 **Powers -- Quorum -- Per diem and expenses.**

2335 (1) (a) There is created an independent body politic and corporate, constituting a public  
2336 corporation, known as the "Utah Housing Corporation."

2337 (b) The corporation may also be known and do business as the:

2338 (i) Utah Housing Finance Association; and

2339 (ii) Utah Housing Finance Agency in connection with any contract entered into when  
2340 that was the corporation's legal name.

2341 (c) Any other entity may not use the names described in Subsections (1)(a) and (b)  
2342 without the express approval of the corporation.

2343 (2) The corporation ~~[shall be]~~ is governed by a board of trustees composed of the  
2344 following nine trustees:

2345 (a) three ex officio trustees who ~~[shall be]~~ are:

2346 (i) the executive director of the Department of ~~[Community and Culture]~~ Workforce  
2347 Services or the executive director's designee;

2348 (ii) the commissioner of the Department of Financial Institutions or the commissioner's  
2349 designee; and

2350 (iii) the state treasurer or the treasurer's designee; and

2351 (b) six public trustees, ~~[being]~~ who are private citizens of the state, as follows:

2352 (i) two people representing the mortgage lending industry;

- 2353 (ii) two people representing the home building and real estate industry; and  
2354 (iii) two people representing the public at large.
- 2355 (3) The governor shall:
- 2356 (a) appoint the six public trustees of the corporation with the consent of the Senate; and  
2357 (b) ensure that:
- 2358 (i) the six public trustees are from different counties and are residents of Utah; and  
2359 (ii) not more than three of the public trustees belong to the same political party.
- 2360 (4) (a) Except as required by Subsection (4)(b), the governor shall appoint the six  
2361 public trustees [~~shall be appointed~~] to terms of office of four years each.
- 2362 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the  
2363 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
2364 corporation trustees are staggered so that approximately half of the board is appointed every  
2365 two years.
- 2366 (5) (a) Any of the six public trustees of the corporation may be removed from office for  
2367 cause either by the governor or by an affirmative vote of [~~any~~] six trustees of the corporation.
- 2368 (b) When a vacancy occurs in the board of trustees for any reason, the replacement  
2369 shall be appointed for the unexpired term.
- 2370 (c) Each public trustee shall hold office for the term of appointment and until the  
2371 trustee's successor has been appointed and qualified.
- 2372 (d) [~~Any~~] A public trustee is eligible for reappointment but may not serve more than  
2373 two full consecutive terms.
- 2374 (6) (a) The governor shall select the chair of the corporation.
- 2375 (b) The trustees shall elect from among their number a vice chair and other officers  
2376 they may determine.
- 2377 (7) (a) Five trustees of the corporation constitute a quorum for transaction of business.  
2378 (b) An affirmative vote of at least five trustees is necessary for any action to be taken  
2379 by the corporation.
- 2380 (c) A vacancy in the board of trustees may not impair the right of a quorum to exercise  
2381 all rights and perform all duties of the corporation.
- 2382 (8) A trustee may not receive compensation or benefits for the trustee's service, but  
2383 may receive per diem and travel expenses in accordance with:

2384 (a) Section 63A-3-106;  
 2385 (b) Section 63A-3-107; and  
 2386 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
 2387 63A-3-107.

2388 Section 60. Section **35A-8-505**, which is renumbered from Section 9-4-904.5 is  
 2389 renumbered and amended to read:

2390 ~~[9-4-904.5].~~ **35A-8-505. Corporation as continuation of agency.**

2391 ~~[(1) Beginning July 1, 2001, the Utah Housing Finance Agency shall become known as~~  
 2392 ~~the Utah Housing Corporation.]~~

2393 ~~[(2)]~~ The corporation is a continuation of the Utah Housing Finance Agency and shall:

2394 ~~[(a)]~~ (1) possess all rights, title, privileges, powers, immunities, property, and claims of  
 2395 the agency; and

2396 ~~[(b)]~~ (2) fulfill and perform all obligations of the agency, including all agency  
 2397 obligations relating to outstanding bonds and notes.

2398 Section 61. Section **35A-8-506**, which is renumbered from Section 9-4-905 is  
 2399 renumbered and amended to read:

2400 ~~[9-4-905].~~ **35A-8-506. President and chief executive officer --**

2401 **Secretary-treasurer -- Powers and duties -- Power to employ experts -- Power to employ**  
 2402 **independent legal counsel.**

2403 (1) (a) The trustees shall appoint a president who ~~[shall be]~~ is the chief executive  
 2404 officer of the corporation, but who may not be a trustee of the corporation, and who ~~[shall~~  
 2405 ~~serve]~~ serves at the pleasure of the trustees and ~~[receive]~~ receives compensation as set by the  
 2406 trustees.

2407 (b) The president, who shall also be the secretary-treasurer, shall administer, manage,  
 2408 and direct the affairs and activities of the corporation in accordance with the policies, control,  
 2409 and direction of the trustees.

2410 (c) The president shall approve all accounts for salaries, allowable expenses of the  
 2411 corporation, or of any corporation employee or consultant, and expenses incidental to the  
 2412 operation of the corporation.

2413 (d) The president shall perform any other duties as may be directed by the trustees in  
 2414 carrying out the purposes of this part.

- 2415 (2) (a) The president shall:
- 2416 (i) attend the meetings of the corporation;
- 2417 (ii) keep a record of the proceedings of the corporation; and
- 2418 (iii) maintain and be custodian of all:
- 2419 (A) books, documents, and papers filed with the corporation;
- 2420 (B) the minute book or journal of the corporation; and
- 2421 (C) its official seal.
- 2422 (b) The president may cause copies to be made of all minutes and other records and
- 2423 documents of the corporation and may give certificates under seal of the corporation to the
- 2424 effect that those copies are true copies, and all persons dealing with the corporation may rely
- 2425 upon those certificates.
- 2426 (3) (a) The corporation may employ or engage technical experts, independent
- 2427 professionals and consultants, and any other officers, agents, or employees, permanent or
- 2428 temporary, as it considers necessary to carry out the efficient operation of the corporation, and
- 2429 shall determine their qualifications, duties, and compensation.
- 2430 (b) The trustees may delegate to one or more of the corporation's agents,
- 2431 representatives, or employees any administrative duties as they consider proper.
- 2432 (4) The corporation may employ and retain independent legal counsel.
- 2433 Section 62. Section **35A-8-507**, which is renumbered from Section 9-4-906 is
- 2434 renumbered and amended to read:
- 2435 **~~[9-4-906].~~ 35A-8-507. Relation to certain acts.**
- 2436 (1) The corporation is exempt from:
- 2437 (a) Title 51, Chapter 5, Funds Consolidation Act;
- 2438 (b) Title 51, Chapter 7, State Money Management Act;
- 2439 (c) Title 63A, Utah Administrative Services Code; [~~and~~]
- 2440 (d) Title 63G, Chapter 6, Utah Procurement Code;
- 2441 (e) Title 63J, Chapter 1, Budgetary Procedures Act;
- 2442 (f) Title 63J, Chapter 2, Revenue Procedures and Control Act; and
- 2443 (g) Title 67, Chapter 19, Utah State Personnel Management Act.
- 2444 (2) The corporation shall comply with:
- 2445 (a) Title 52, Chapter 4, Open and Public Meetings Act; and

2446 (b) Title 63G, Chapter 2, Government Records Access and Management Act.  
2447 Section 63. Section **35A-8-508**, which is renumbered from Section 9-4-907 is  
2448 renumbered and amended to read:

2449 **~~[9-4-907].~~ 35A-8-508. Disclosure of interest.**

2450 (1) ~~[Any]~~ A trustee, officer, or employee of the corporation who has, will have, or later  
2451 acquires an interest, direct or indirect, in ~~[any]~~ a transaction with the corporation shall  
2452 immediately disclose the nature and extent of that interest in writing to the corporation as soon  
2453 as he has knowledge of the actual or prospective interest.

2454 (2) (a) This disclosure shall be entered upon the minutes of the corporation.

2455 (b) Upon the disclosure, that trustee, officer, or employee may participate in any action  
2456 by the corporation authorizing the transaction.

2457 Section 64. Section **35A-8-509**, which is renumbered from Section 9-4-908 is  
2458 renumbered and amended to read:

2459 **~~[9-4-908].~~ 35A-8-509. Officer or employee -- No forfeiture of office or**  
2460 **employment.**

2461 Notwithstanding the provisions of any other law, no officer or employee of this state  
2462 ~~[shall be deemed to have forfeited or shall forfeit his]~~ forfeits a state office or state employment  
2463 by ~~[reason of his acceptance of]~~ accepting an appointment to or serving as a trustee of the  
2464 corporation or ~~[his]~~ for the person's service [thereon] on the corporation.

2465 Section 65. Section **35A-8-510**, which is renumbered from Section 9-4-909 is  
2466 renumbered and amended to read:

2467 **~~[9-4-909].~~ 35A-8-510. Surety bond required.**

2468 (1) The corporation shall maintain:

2469 (a) for each trustee a surety bond in the penal sum of \$25,000; and

2470 (b) for the president of the corporation a surety bond in the penal sum of \$50,000.

2471 (2) Each surety bond is to be conditioned upon the faithful performance of the duties of  
2472 the office of the trustee or president, as the case may be, and is to be issued by a surety  
2473 company authorized to transact business in the state as surety.

2474 (3) Each trustee and the president shall maintain these bonds in full force and effect.

2475 (4) The corporation shall bear all costs of the surety bonds.

2476 Section 66. Section **35A-8-511**, which is renumbered from Section 9-4-910 is



2477 renumbered and amended to read:

2478 ~~[9-4-910]~~. **35A-8-511. Corporation -- Powers.**

2479 The corporation has and may exercise all powers necessary or appropriate to carry out  
2480 the purposes of this part, including the following:

2481 (1) to have perpetual succession as a body politic and corporate, constituting a public  
2482 corporation, and to adopt, amend, and repeal rules, policies, and procedures for the regulation  
2483 of its affairs and the conduct of its business;

2484 (2) to sue and be sued in its own name;

2485 (3) to have an official seal and power to alter that seal at will;

2486 (4) to maintain an office at ~~[any] a place [or places]~~ within this state it ~~[may designate]~~  
2487 designates;

2488 (5) to adopt, amend, and repeal bylaws and rules, not inconsistent with this part, to  
2489 carry into effect the powers and purposes of the corporation and the conduct of its business;

2490 (6) to make and execute contracts and all other instruments necessary or convenient for  
2491 the performance of its duties and the exercise of its powers and functions under this part,  
2492 including contracts or agreements for the servicing and originating of mortgage loans;

2493 (7) to employ advisers, consultants, and agents, including financial experts,  
2494 independent legal counsel, and any advisers, consultants, and agents as ~~[may be]~~ necessary in  
2495 its judgment and to fix their compensation;

2496 (8) to procure insurance against any loss in connection with its property and other  
2497 assets, including mortgage loans, in amounts and from insurers it considers desirable;

2498 (9) to borrow money and to issue bonds and notes or other evidences of indebtedness  
2499 as provided in this part;

2500 (10) to receive and accept aid or contributions from any source of money, property,  
2501 labor, or other things of value to be held, used, loaned, granted, and applied to carry out the  
2502 purposes of this part subject to the conditions, if any, upon which the grants and contributions  
2503 are made, including gifts or grants from ~~[any] a~~ department, agency, or instrumentality of the  
2504 United States or of this state for any purpose consistent with this part;

2505 (11) to enter into agreements with ~~[any] a~~ local public body, ~~[any] a~~ housing sponsor,  
2506 ~~[any] a~~ department, agency, or instrumentality of the United States or this state, or with  
2507 mortgagors and mortgage lenders for the purpose of planning and regulating and providing for

2508 the financing and refinancing, construction, rehabilitation, leasing, management, maintenance,  
2509 operation, sale, or other disposition of, any residential housing undertaken with the assistance  
2510 of the corporation under this part;

2511 (12) to exercise all of its remedies following the default under [~~any~~] a mortgage loan,  
2512 including:

2513 (a) proceeding with a foreclosure action or private sale to obtain title to the real and  
2514 personal property held as collateral and taking assignments of leases and rentals;

2515 (b) to own, lease, clear, reconstruct, rehabilitate, repair, maintain, manage, and operate  
2516 this property in preparation for its disposition; and

2517 (c) to assign, encumber, sell, or otherwise dispose of this property;

2518 (13) to invest [~~any funds~~] money not required for immediate disbursement, including  
2519 [~~funds~~] money held in reserve, in a manner consistent with applicable provisions of Title 51,  
2520 Chapter 7, State Money Management Act;

2521 (14) to provide technical and financial assistance to housing sponsors and advisory  
2522 committees in the development or operation of housing for low and moderate income persons;

2523 (15) to gather and distribute data and information concerning the housing needs of low  
2524 and moderate income families within the various communities of this state;

2525 (16) to the extent permitted under [~~any~~] a contract with the holders of bonds, notes, and  
2526 other obligations of the corporation, to consent to any modification with respect to rate of  
2527 interest, time and payment of [~~any~~] an installment of principal or interest security, or [~~any~~] an  
2528 other term of any contract, mortgage, mortgage loan, mortgage loan commitment, contract, or  
2529 agreement of any kind to which the corporation is a party;

2530 (17) to the extent permitted under [~~any~~] a contract with the holders of bonds, notes, and  
2531 other obligations of the corporation, to enter into contracts with [~~any~~] a mortgagor or housing  
2532 sponsor containing provisions enabling the mortgagor to reduce the rental or carrying charges  
2533 to persons unable to pay the regular schedule of charges where, by reason of other income or  
2534 payment by [~~any~~] a department, an agency, or an instrumentality of the United States or of this  
2535 state, the reduction can be made without jeopardizing the economic stability of residential  
2536 housing being financed;

2537 (18) to acquire property within this state for the purpose of holding it for subsequent  
2538 disposition to a housing sponsor or other entity that can use it for residential housing for low

2539 and moderate income persons, except that if no person can be found to use it in this manner,  
2540 the corporation may dispose of the property to any person;

2541 (19) to purchase, own and operate residential housing for the benefit, in whole or in  
2542 part, of low and moderate income persons, so long as the corporation makes reasonable efforts  
2543 to sell that residential housing to a housing sponsor;

2544 (20) to incorporate or form one or more subsidiaries of the corporation for the purpose  
2545 of carrying out any of the powers of the corporation and accomplishing any of the purposes of  
2546 the corporation, to invest in and provide financial assistance to these subsidiaries, to borrow  
2547 from these subsidiaries, to guarantee the obligations of these subsidiaries, and to enter into  
2548 agreements with these subsidiaries to carry out any of the corporation's powers under this part;

2549 (21) to enter into partnership and limited liability company agreements, to purchase  
2550 and sell interests in housing sponsors, to serve as general partner of a partnership, and to serve  
2551 as a manager of a limited liability company to carry out any of the corporation's powers under  
2552 this part;

2553 (22) to require that persons receiving a mortgage loan or financial assistance from the  
2554 corporation subject the property involved to restrictive covenants that shall be considered to be  
2555 running with the land, regardless of whether or not the corporation enjoys privity of estate or  
2556 whether or not the covenant touches and concerns the burdened property;

2557 (23) to enter into management agreements with ~~any~~ a person or entity for the  
2558 performance by the person or entity for the corporation of any of its functions or powers, with  
2559 terms and conditions as may be mutually agreeable;

2560 (24) to sell, at public or private sale, with or without public bidding, ~~any~~ a mortgage  
2561 loan or other obligation held by the corporation;

2562 (25) to sell or convey real property owned by the corporation to low or moderate  
2563 income persons and housing sponsors, without consideration if the sale or conveyance will  
2564 inure primarily to the benefit of low or moderate income persons living in a housing  
2565 development;

2566 (26) upon making a determination that the financial status of a housing development  
2567 will jeopardize ~~any~~ an economic interest of the corporation in the housing development, to  
2568 assume managerial and financial control of the property or the owner and to supervise and  
2569 prescribe the activities of the property or the owner in a manner and under terms and conditions

2570 as the corporation may stipulate in ~~[any]~~ a contract;

2571 (27) to supervise housing sponsors of housing developments;

2572 (28) to service mortgage loans;

2573 (29) to give consideration to those activities which promote the availability of

2574 accessible housing; and

2575 (30) to do ~~[any]~~ an act necessary or convenient to the exercise of the powers granted in

2576 or reasonably implied from this part.

2577 Section 67. Section ~~35A-8-512~~, which is renumbered from Section 9-4-911 is

2578 renumbered and amended to read:

2579 ~~[9-4-911]~~. **35A-8-512. Corporation -- Additional powers.**

2580 (1) To accomplish the declared purposes of this part, the corporation has the following  
2581 powers ~~[in addition to others granted in this part]:~~

2582 (a) to purchase mortgage loans originated by mortgage lenders or local public bodies  
2583 made for the purpose of financing the construction, development, rehabilitation, or purchase of  
2584 residential housing for low and moderate income persons;

2585 (b) to make mortgage loans and to provide financial assistance to housing sponsors for  
2586 the purpose of financing the construction, development, rehabilitation, or purchase of  
2587 residential housing for low and moderate income persons;

2588 (c) to make mortgage loans and provide financial assistance to housing sponsors for the  
2589 purpose of financing the operations of a housing development that are necessary or desirable to  
2590 enable the housing development to remain available as residential housing for low and  
2591 moderate income persons, whether or not the housing development has been financed by the  
2592 corporation;

2593 (d) to provide financial assistance to ~~[any]~~ a housing authority created under Part ~~[6]~~ 2,  
2594 which housing authorities may enter into commitments for and accept loans for a housing  
2595 project ~~[or projects]~~ as defined in Section ~~[9-4-602]~~ 35A-8-201; and

2596 (e) to make mortgage loans and to provide financial assistance to low and moderate  
2597 income persons for the construction, rehabilitation, or purchase of residential housing.

2598 (2) ~~[Bonds]~~ The corporation shall issue bonds to purchase loans pursuant to Subsection  
2599 (1)(a) ~~[shall be issued]~~ only after a determination by the corporation that the loans are not  
2600 otherwise available upon reasonably equivalent terms and conditions from private lenders.

2601 (3) Loans for owner-occupied housing made pursuant to Subsection (1)(a) may not  
2602 include a penalty for prepayment.

2603 (4) The corporation shall make rules or adopt policies and procedures to govern the  
2604 activities authorized under this section including rules, policies, and procedures as to any or all  
2605 of the following:

2606 (a) procedures for the submission of requests or the invitation of proposals for the  
2607 purchase and sale of mortgage loans and the making of mortgage loans;

2608 (b) rates, fees, charges, and other terms and conditions of originating or servicing  
2609 mortgage loans in order to protect against a realization of an excessive financial return or  
2610 benefit by the originator or servicer;

2611 (c) the type and amount of collateral, payment bonds, performance bonds, or other  
2612 security to be provided for construction loans made by the corporation;

2613 (d) the nature and amounts of fees to be charged by the corporation to provide for  
2614 expenses and reserves of the corporation;

2615 (e) procedures allowing the corporation to prohibit persons who fail to comply with the  
2616 rules of the corporation with respect to the operations of ~~[any]~~ a program of the corporation  
2617 from participating, either directly or indirectly, in the programs of the corporation;

2618 (f) the terms and conditions under which the corporation may purchase and make  
2619 mortgage loans under each program of the corporation;

2620 (g) the terms and conditions under which the corporation may provide financial  
2621 assistance under each program of the corporation;

2622 (h) the terms and conditions under which the corporation may guarantee mortgage  
2623 loans under each program of the corporation; and

2624 (i) any other matters related to the duties or exercise of powers under this section.

2625 (5) (a) (i) The trustees of the corporation shall elect the directors, trustees, and  
2626 members, if any, of each subsidiary.

2627 (ii) Service by a trustee of the corporation in any ~~[such capacity]~~ of these capacities  
2628 does not constitute a conflict of interest for any purpose.

2629 (iii) The corporation may delegate any of its powers and duties under this part to any  
2630 subsidiary.

2631 (iv) Subsidiaries shall constitute legal entities separate and distinct from each other, the

2632 corporation, and the state.

2633 (b) Each note, bond, and other obligation of a subsidiary shall contain on its face a  
2634 statement to the effect that:

2635 (i) the subsidiary is obligated to pay the [~~same~~] note, bond, or other obligation solely  
2636 from the revenues or other [~~funds~~] money of the subsidiary;

2637 (ii) neither the corporation nor the state nor any of its political subdivisions is obligated  
2638 to pay the [~~same~~] note, bond, or other obligation; and

2639 (iii) neither the faith and credit nor the taxing power of the state or any of its political  
2640 subdivisions is pledged to the payment of principal, or redemption price of, or the interest on  
2641 the note, bond, or other obligation.

2642 (c) Upon dissolution of [~~any~~] a subsidiary of the corporation, any assets shall revert to  
2643 the corporation or to [~~any~~] a successor to the corporation or, failing this succession, to the state.

2644 (6) (a) The corporation may:

2645 (i) enter into interest rate contracts that its trustees determine are necessary, convenient,  
2646 or appropriate for the control or management of debt or for the cost of servicing debt; and

2647 (ii) use corporation [~~funds~~] money to satisfy its payment obligations under those  
2648 contracts.

2649 (b) Interest rate contracts may contain payment, security, default, termination, remedy,  
2650 and other terms and conditions that the trustees consider appropriate.

2651 (c) Neither interest rate contracts nor [~~funds~~] money used in connection with interest  
2652 rate contracts may be considered a deposit or investment.

2653 Section 68. Section **35A-8-513**, which is renumbered from Section 9-4-912 is  
2654 renumbered and amended to read:

2655 **[~~9-4-912~~]. 35A-8-513. Power to issue mortgage credit certificates -- Impact of**  
2656 **federal legislation on tax exempt status of corporation bond.**

2657 (1) In order to accomplish the purposes of this part the corporation may issue mortgage  
2658 credit certificates pursuant to 26 U.S.C., Section 143, as amended, and the regulations issued  
2659 under the code and has the sole responsibility for issuing or approving the issuance of mortgage  
2660 credit certificates allowable to the state.

2661 (2) None of the powers granted to the corporation by this part shall in any way be  
2662 diminished by the enactment of [~~any~~] federal legislation [~~which~~] that would cause the interest

2663 on any bonds, notes, or other obligations of the corporation to be subject to taxation under  
2664 federal law, nor shall the exemption from state taxation granted in this part be affected by any  
2665 such federal legislation.

2666 Section 69. Section **35A-8-514**, which is renumbered from Section 9-4-913 is  
2667 renumbered and amended to read:

2668 ~~[9-4-913]~~. **35A-8-514**. **Power to borrow money and make loans -- Issuance of**  
2669 **notes and bonds.**

2670 (1) The corporation has the power [~~and is authorized~~] to borrow money and to issue  
2671 [~~from time to time~~] its notes, bonds, and other obligations in such principal amounts as the  
2672 corporation determines is necessary to provide sufficient [~~funds~~] money for:

- 2673 (a) the purchase of mortgage loans from mortgage lenders;  
2674 (b) the making of construction loans;  
2675 (c) the making of loans to housing authorities;  
2676 (d) the payment of interest on bonds, notes, and other obligations of the corporation;  
2677 (e) the establishment of reserves to secure the bonds, notes, and other obligations;  
2678 (f) the making of mortgage loans;  
2679 (g) the making of loans to mortgage lenders or other lending institutions with respect to  
2680 multifamily residential rental housing under terms and conditions requiring the proceeds of  
2681 these loans to be used by these mortgage lenders or other lending institutions for the making of  
2682 loans for new multifamily residential rental housing or the acquisition or rehabilitation of  
2683 existing multifamily residential rental housing;  
2684 (h) the making of loans for the rehabilitation of residential housing; and  
2685 (i) all other expenditures of the corporation incident to and necessary or convenient to  
2686 carry out its purposes and powers.

2687 (2) (a) The corporation [~~shall have the power to~~] may issue notes to renew notes and  
2688 bonds to pay notes, including [~~the~~] interest [~~thereon~~], and whenever it considers refunding  
2689 expedient, to refund any bonds by the issuance of new bonds, whether the bonds to be refunded  
2690 have or have not matured, and to issue bonds partly to refund bonds then outstanding and partly  
2691 for any of its corporate purposes.

2692 (b) The refunding bonds may be:

- 2693 (i) sold and the proceeds applied to the purchase, redemption, or payment of the bonds

2694 to be refunded; or

2695 (ii) exchanged for the bonds to be refunded.

2696 (3) (a) Except as may otherwise be expressly provided by the corporation, every issue  
2697 of its notes or bonds shall be general obligations of the corporation payable solely out of any  
2698 ~~[revenues or]~~ money of the corporation, subject only to any agreements with the holders of  
2699 particular notes or bonds pledging any particular money ~~[or revenues]~~.

2700 (b) These bonds or notes may be additionally secured by a pledge of any grant or  
2701 contribution from the federal government or any corporation, association, institution, or person  
2702 or a pledge of any money, income, or revenues of the corporation from any source.

2703 (4) (a) The notes and bonds shall be authorized by resolution or resolutions of the  
2704 corporation, shall bear the date or dates, and shall mature at the time or times as the resolution  
2705 or resolutions may provide, except that no note, including any renewals thereof, shall mature  
2706 more than five years from the date of its original issue, and no bond shall mature more than 50  
2707 years from the date of its issue, as the resolution ~~[may provide]~~ provides.

2708 (b) The notes and bonds shall bear interest at the rate or rates, including variations in  
2709 the rates, be in denominations, be in a form, either coupon or registered, carry the registration  
2710 privileges, be executed in the manner, be payable in a medium of payment, at the place or  
2711 places, and be subject to the terms of redemption, including redemption prior to maturity, as  
2712 the resolution ~~[or resolutions may provide]~~ provides.

2713 (c) The notes and bonds of the corporation may be sold by the corporation at public or  
2714 private sale, and at the price or prices as determined by the corporation ~~[shall determine]~~.

2715 (d) (i) The notes and bonds may bear interest at a variable interest rate as provided by  
2716 the resolution ~~[may provide]~~.

2717 (ii) The resolution may establish a method, formula, or index pursuant to which the  
2718 interest rate on the notes and bonds ~~[may be]~~ is determined ~~[from time to time]~~.

2719 (e) In connection with the notes and bonds, the corporation may authorize and enter  
2720 into agreements or other arrangements with financial, banking, and other institutions for letters  
2721 of credit, standby letters of credit, surety bonds, reimbursement agreements, remarketing  
2722 agreements, indexing agreements, tender agent agreements, and other agreements with respect  
2723 to:

2724 (i) securing the notes and bonds~~[, with respect to]~~;



- 2725           (ii) enhancing the marketability and credit worthiness of the notes and bonds~~[, with~~  
2726 ~~respect to]~~;
- 2727           (iii) determining a variable interest rate on the notes and bonds~~[, and with respect to the~~  
2728 ~~payment]~~; and
- 2729           (iv) paying from any legally available source [~~€~~], which may include the proceeds of the  
2730 notes and bonds~~]~~, ~~[of]~~ fees, charges, and other amounts coming due with respect to ~~[any such]~~  
2731 these agreements.
- 2732           (5) ~~[Any]~~ A resolution ~~[or resolutions]~~ authorizing any notes or bonds or their issue  
2733 may contain provisions, which ~~[shall be]~~ are a part of the contract or contracts with their  
2734 holders, as to:
- 2735           (a) pledging all or any part of the revenues to secure the payment of the notes or bonds  
2736 or of any issue ~~[thereof]~~ of the notes or bonds, subject to the agreements with noteholders or  
2737 bondholders as may then exist;
- 2738           (b) pledging all or any part of the assets of the corporation, including mortgages and  
2739 obligations securing the ~~[same]~~ assets, to secure the payment of the notes or bonds or of any  
2740 issue of notes or bonds, subject to the agreements with noteholders or bondholders as may then  
2741 exist;
- 2742           (c) the use and disposition of the gross income from mortgages owned by the  
2743 corporation and payment of principal of mortgages owned by the corporation;
- 2744           (d) the setting aside of reserves or sinking funds and their regulation and disposition;
- 2745           (e) limitations on the purpose to which the proceeds of sale of notes or bonds may be  
2746 applied and pledging the proceeds to secure the payment of the notes or bonds or of their issue;
- 2747           (f) limitations on the issuance of additional notes or bonds, including:
- 2748           (i) the terms upon which additional notes or bonds may be issued and secured; and  
2749           (ii) the refunding of outstanding or other notes or bonds;
- 2750           (g) the procedure, if any, by which the terms of ~~[any]~~ a contract with noteholders or  
2751 bondholders may be amended or abrogated, the amount of notes or bonds to which the holders  
2752 must consent, and the manner in which the consent may be given;
- 2753           (h) limitations on the amount of money to be expended by the corporation for operating  
2754 expenses of the corporation;
- 2755           (i) vesting in a trustee or trustees the property, rights, powers, and duties in trust as

2756 determined by the corporation [~~may determine~~], which may include any or all of the rights,  
2757 powers, and duties of the trustee appointed by the noteholders or bondholders pursuant to this  
2758 act and limiting or abrogating the right of noteholders or bondholders to appoint a trustee under  
2759 this act or limiting the rights, powers, and duties of the trustee;

2760 (j) (i) defining the acts or omissions to act which shall constitute a default in the  
2761 obligations and duties of the corporation to the holders of the notes or bonds and providing for  
2762 the rights and remedies of the holders of the notes or bonds in the event of default, including as  
2763 a matter of right the appointment of a receiver;

2764 (ii) but the rights and remedies may not be inconsistent with the general laws of the  
2765 state and other provisions of this part; or

2766 (k) any other matters, of like or different character, which in any way affect the security  
2767 or protection of the holders of the notes or bonds.

2768 (6) (a) [~~Any~~] A pledge made by the corporation [~~shall be~~] is valid, enforceable, and  
2769 binding from the time when the pledge is made and [~~shall have~~] has a lien priority based on the  
2770 time of grant or, if more than one lien is granted at a given time, as set forth in the resolution or  
2771 instrument pursuant to which the pledge is made.

2772 (b) (i) The revenues, money, or property [~~so~~] pledged and [~~thereafter~~] subsequently  
2773 received by the corporation [~~shall~~] are immediately [~~be~~] subject to the lien of the pledge and  
2774 [~~shall~~] constitute a perfected lien without any physical delivery [~~thereof~~] or further act[~~and~~  
2775 ~~the~~].

2776 (ii) The lien of [~~any such~~] the pledge [~~shall be~~] is valid and binding as against all  
2777 parties having claims of any kind in tort, contract, or otherwise against the corporation,  
2778 irrespective of whether the parties have notice [~~thereof~~] of the lien.

2779 (c) Neither the resolution nor any other instrument by which a pledge is created need  
2780 be recorded.

2781 (7) The corporation, subject to the agreements with noteholders or bondholders as may  
2782 then exist, shall have power out of any [~~funds~~] money available for it to purchase notes or  
2783 bonds of the corporation, which shall immediately be cancelled, at a price not exceeding:

2784 (a) if the notes or bonds are then redeemable, the redemption price then applicable plus  
2785 accrued interest to the next interest payment [~~thereon~~] on the notes or bonds; or

2786 (b) if the notes or bonds are not then redeemable, the redemption price applicable on

2787 the first date after the purchase upon which the notes or bonds become subject to redemption  
2788 plus accrued interest to the date.

2789 (8) (a) The notes and bonds shall be secured by a trust indenture by and between the  
2790 corporation and a corporate trustee, which may be ~~[any]~~ a bank having the power of a trust  
2791 company or ~~[any]~~ a trust company within or without the state.

2792 (b) The trust indenture may contain provisions for protecting and enforcing the rights  
2793 and remedies of the noteholders or bondholders as may be reasonable and proper and not in  
2794 violation of law, including covenants setting forth the duties of the corporation in relation to  
2795 the exercise of its corporate powers and the custody, safeguarding, and application of all  
2796 money.

2797 (c) The corporation may provide by the trust indenture for the payment of the proceeds  
2798 of the notes or bonds and the revenues to the trustee under the trust indenture or other  
2799 depository, and for the method of their disbursement, with any safeguards and restrictions as it  
2800 may determine.

2801 (d) All expenses incurred in carrying out the trust indenture may be treated as a part of  
2802 the operating expenses of the corporation.

2803 (e) If the notes or bonds ~~[shall be]~~ are secured by a trust indenture, the noteholders or  
2804 bondholders may not have authority to appoint a separate trustee to represent them.

2805 (9) Whether or not the notes and bonds are of the form and character as to be  
2806 negotiable instruments under the terms of the Uniform Commercial Code, the notes and bonds  
2807 are negotiable instruments within the meaning of and for all the purposes of the Uniform  
2808 Commercial Code, subject only to the provisions of the notes and bonds relating to registration.

2809 (10) In the event that any of the trustees or officers of the corporation ~~[shall]~~ cease to  
2810 be trustees or officers of the corporation prior to the delivery of any notes or bonds or coupons  
2811 signed by them, their signatures or facsimiles of their signatures ~~[shall]~~ are nevertheless ~~[be]~~  
2812 valid and sufficient for all purposes, the same as if the trustees or officers had remained in  
2813 office until the delivery.

2814 (11) Neither the trustees of the corporation nor any other person executing the notes or  
2815 bonds issued under this chapter are subject to personal liability or accountability by reason of  
2816 the issuance ~~[thereof]~~ of the notes or bonds.

2817 (12) The corporation ~~[shall have the power to]~~ may provide for the replacement of lost,

2818 destroyed, or mutilated bonds or notes.

2819 Section 70. Section **35A-8-515**, which is renumbered from Section 9-4-914 is  
2820 renumbered and amended to read:

2821 ~~[9-4-914].~~ **35A-8-515. Capital reserve funds -- Capital reserve fund**  
2822 **requirement -- Establishment of other funds.**

2823 (1) (a) (i) The corporation may create [~~and establish~~] one or more reserve funds,  
2824 [~~herein~~] hereafter referred to as "capital reserve funds," from:

2825 (A) [~~any~~] the proceeds of sale of notes or bonds, to the extent provided in the  
2826 resolution [~~or resolutions~~] of the corporation authorizing the issuance [~~thereof~~] of the notes or  
2827 bonds;

2828 (B) [~~any monies~~] money appropriated and made available by the state for the purpose  
2829 of the funds;

2830 (C) [~~any monies~~] money directed by the corporation to be transferred to the funds; and

2831 (D) [~~any~~] other [~~monies which may be~~] money made available to the corporation for  
2832 the purpose of the funds from any other source [~~or sources~~].

2833 (ii) [~~All monies~~] Money held in [~~any~~] a capital reserve fund shall be used[~~, as~~  
2834 ~~required,~~] solely for the payment of the principal of bonds or of the sinking fund payments with  
2835 respect to the bonds, the purchase or redemption of bonds, the payment of interest on bonds, or  
2836 the payment of any redemption premium required to be paid when the bonds are redeemed  
2837 prior to maturity.

2838 (b) (i) [~~Monies~~] Money in [~~any~~] a capital reserve fund may not be withdrawn from the  
2839 fund at any time in an amount as would reduce the level of [~~monies~~] money in the fund to less  
2840 than the capital reserve fund requirement, except for the purpose of paying principal and  
2841 redemption price of and interest on bonds and the sinking fund payments, as the payments  
2842 become due and for the payment of which other [~~monies~~] money of the corporation [~~are~~] is not  
2843 available.

2844 (ii) [~~Any income~~] Income or interest earned by the investment of [~~monies~~] money held  
2845 in [~~any~~] a fund may be transferred by the corporation to other funds or accounts of the  
2846 corporation to the extent that the transfer does not reduce the amount of the fund to below the  
2847 capital reserve fund requirement.

2848 (c) The corporation may provide by resolution [~~or resolutions~~] that it may not issue

2849 bonds under a resolution [~~or resolutions~~] at any time if upon issuance the amount in the capital  
2850 reserve fund which will secure the bonds shall be less than the capital reserve fund  
2851 requirement, unless the corporation at the time of issuance of the bonds [~~shall deposit~~] deposits  
2852 in the fund from the proceeds of the bonds to be so issued, or other sources, an amount which,  
2853 together with the amount then in the fund, may not be less than the capital reserve fund  
2854 requirement.

2855 (d) In computing the amount of the capital reserve funds for the purpose of this part,  
2856 securities in which all or a portion of the funds shall be invested shall be valued at par, cost, or  
2857 by other method of valuation as the corporation may provide by resolution.

2858 (e) (i) "Capital reserve fund requirement" means, as of any particular date of  
2859 computation, and with respect to any particular issue of bonds, an amount as the corporation  
2860 may provide, or may have previously provided, by resolution, which amount may be in the  
2861 form of a sum certain or a formula.

2862 (ii) In establishing reserves and setting capital reserve fund requirements, the  
2863 corporation shall consider the following:

2864 (A) the qualifications for obtaining an investment grade rating from one or more  
2865 nationally recognized bond rating agencies;

2866 (B) the economic feasibility and marketability of the bonds being issued, taking into  
2867 account all security for the bonds, including the capital reserve fund; and

2868 (C) applicable requirements pertaining to reserve funds under federal and state income  
2869 tax laws and regulations.

2870 (f) (i) To assure the continued operation and solvency of the corporation for carrying  
2871 out of its corporate purposes, provision is made in Subsection (1)(b) for the accumulation in  
2872 the capital reserve funds of an amount equal to the maximum capital reserve fund requirement.

2873 (ii) The president of the corporation shall annually, [~~on or~~] before December [~~first~~] 1,  
2874 certify to the governor and to the director of finance the amount, if any, required to restore the  
2875 capital reserve funds to the capital reserve fund requirement.

2876 (iii) The governor may request from the Legislature an appropriation of the certified  
2877 amount to restore the capital reserve funds to the capital reserve fund requirement.

2878 (g) Amounts appropriated[~~, if any,~~] shall be repaid to the General Fund of the state,  
2879 from any [~~moneys~~] money in excess of the amounts which the corporation determines will keep

2880 it self-supporting.

2881 (2) The corporation may create ~~[and establish any]~~ other funds as may be necessary or  
2882 desirable for its corporate purposes.

2883 Section 71. Section **35A-8-516**, which is renumbered from Section 9-4-915 is  
2884 renumbered and amended to read:

2885 ~~[9-4-915].~~ **35A-8-516. Corporation money -- Depositing and paying out --**  
2886 **Power to contract with holders of notes and bonds -- Money held in trust.**

2887 (1) (a) All money of the corporation, except as otherwise authorized or provided in this  
2888 part, shall be deposited as soon as practicable in a separate account or accounts in banks or  
2889 trust companies organized under the laws of the state or national banking association.

2890 (b) The money in these accounts shall be paid out on checks signed by the president or  
2891 other officers or employees of the corporation as authorized by the corporation ~~[shall~~  
2892 ~~authorize]~~.

2893 (c) All deposits of money shall, if required by the corporation, be secured in a manner  
2894 as the corporation determines to be prudent, and all banks and trust companies are authorized  
2895 to give security for the deposits.

2896 (2) (a) Notwithstanding the provisions of this section, the corporation ~~[shall have~~  
2897 ~~power to]~~ may contract with the holders of any of its notes or bonds as to the custody,  
2898 collection, securing, investment, and payment of any money of the corporation and of any  
2899 money held in trust or otherwise for the payment of notes or bonds, and to carry out that  
2900 contract.

2901 (b) (i) Money held in trust or otherwise for the payment of notes or bonds or in any  
2902 way to secure notes or bonds and deposits of money may be secured in the same manner as  
2903 money of the corporation~~[, and all]~~.

2904 (ii) All banks and trust companies ~~[are authorized to]~~ may give security for the  
2905 deposits.

2906 Section 72. Section **35A-8-517**, which is renumbered from Section 9-4-916 is  
2907 renumbered and amended to read:

2908 ~~[9-4-916].~~ **35A-8-517. State pledge to holders of notes or bonds.**

2909 (1) The state ~~[does hereby pledge to]~~ pledges and ~~[agree]~~ agrees with the holders of any  
2910 notes or bonds issued under this act that the state will not limit or alter the rights hereby vested

2911 in the corporation to fulfill the terms of any agreements made with the holders [~~thereof~~] of the  
 2912 notes or bonds or in any way impair the rights and remedies of the holders until the notes and  
 2913 bonds, together with their interest, with interest on any unpaid installments of interest, and all  
 2914 costs and expenses in connection with any action or proceeding by or on behalf of the holders,  
 2915 are fully met and discharged.

2916 (2) The corporation [~~is authorized to~~] may include this pledge and agreement of the  
 2917 state in any agreement with the holders of the notes or bonds.

2918 Section 73. Section **35A-8-518**, which is renumbered from Section 9-4-917 is  
 2919 renumbered and amended to read:

2920 [~~9-4-917~~]. **35A-8-518. Notes, bonds, other obligations -- Not debt liability --**  
 2921 **Expenses payable from money provided -- Corporation without authority to incur**  
 2922 **liability on behalf of state -- Relationship to Governmental Immunity Act of Utah.**

2923 (1) (a) (i) Notes, bonds, and other obligations issued under this part [~~do~~] are not  
 2924 [~~constitute~~] a debt or liability of this state or of [~~any~~] a county, city, town, village, school  
 2925 district, or any other political subdivision of the state[~~, nor shall the~~].

2926 (ii) The notes, bonds, or other obligations do not constitute the loaning of credit of the  
 2927 state or of [~~any~~] a county, city, town, township, district, or any other political subdivision of the  
 2928 state[~~, nor may the~~].

2929 (iii) The notes, bonds, or other obligations [~~be~~] are payable from [~~funds~~] money other  
 2930 than [~~those~~] that of the corporation.

2931 (b) All notes, bonds, or other obligations shall contain on their face a statement to the  
 2932 effect that:

2933 (i) the corporation [~~is obligated to~~] shall pay the note, bond, or obligation solely from  
 2934 the revenues or other [~~funds~~] money of the corporation;

2935 (ii) neither this state nor any of its political [~~subdivision of it is~~] subdivisions are  
 2936 obligated to pay the note, bond, or obligation; and

2937 (iii) neither the faith and credit nor the taxing power of this state or any of its political  
 2938 [~~subdivision of it is~~] subdivisions are pledged to the payment of principal, or redemption price  
 2939 of, or the interest on the notes, bonds, or other obligations.

2940 (2) All expenses incurred in carrying out this [~~act shall be~~] part are payable solely from  
 2941 [~~funds~~] money provided under this part, and nothing in this part [~~shall be construed to~~

2942 ~~authorize~~ authorizes the corporation to incur indebtedness or liability on behalf of or payable  
 2943 by this state or any of its political ~~[subdivision of it]~~ subdivisions.

2944 (3) (a) Title 63G, Chapter 7, Governmental Immunity Act of Utah, ~~[shall apply]~~ applies  
 2945 to the corporation.

2946 (b) Notwithstanding Subsection (3)(a), no claim may be brought against the state, any  
 2947 public official or employee of the state, another public entity, or any public official or  
 2948 employee of another public entity, based on or arising from:

2949 (i) ~~[any]~~ a failure or alleged failure to fulfill a contractual obligation of the corporation;

2950 (ii) ~~[any]~~ an act or failure to act of the corporation or any of its trustees, officers,  
 2951 employees, agents, or representatives; or

2952 (iii) ~~[any]~~ failure of the corporation to comply with the requirements of any law or  
 2953 regulation.

2954 (c) The provisions of Subsection (3)(b) do not apply to a claim of a current or former  
 2955 officer or employee of the corporation for ~~[the]~~ retirement or insurance benefits.

2956 Section 74. Section **35A-8-519**, which is renumbered from Section 9-4-918 is  
 2957 renumbered and amended to read:

2958 ~~[9-4-918].~~ **35A-8-519. Corporation property, notes, and bonds -- Tax**  
 2959 **exemption except corporate franchise tax.**

2960 (1) All property acquired or held by the corporation under this part is declared to be  
 2961 public property used for essential public and governmental purposes~~[, and all]~~.

2962 (2) All the property, its income, and notes and bonds issued under this part, the interest  
 2963 payable on the notes and bonds, and income derived from the notes and bonds, ~~[shall at all~~  
 2964 ~~times be]~~ is exempt from all taxation of every kind and nature whatsoever imposed by the state,  
 2965 any county, any municipality, or any other political subdivision of the state, except for the  
 2966 corporate franchise tax.

2967 Section 75. Section **35A-8-520**, which is renumbered from Section 9-4-919 is  
 2968 renumbered and amended to read:

2969 ~~[9-4-919].~~ **35A-8-520. Corporation notes, bonds, obligations -- Legal**  
 2970 **investments.**

2971 (1) The notes, bonds, and other obligations issued under the authority of this part are  
 2972 ~~[declared to be]~~ securities in which all public officers and public bodies of the state and its



2973 political subdivisions, all banks, bankers, savings banks, trust companies, credit unions,  
2974 savings and loan associations, building and loan associations, investment companies, and other  
2975 persons carrying on a banking business, all insurance companies and insurance associations,  
2976 and others carrying on an insurance business, and all administrators, executors, guardians,  
2977 trustees, and other fiduciaries, pension, profit-sharing and retirement funds, and all other  
2978 persons who may now or may later be authorized to invest in notes, bonds, or other obligations  
2979 of the state, may properly and legally invest any [~~funds~~] money, including capital belonging to  
2980 them or within their control.

2981 (2) These notes, bonds, and other obligations are [~~declared~~] securities which may  
2982 properly and legally be deposited with and received by any state, county, or municipal officer,  
2983 or agency of the state for any purpose for which the deposit of notes, bonds, or other  
2984 obligations of the state is now or may later be authorized by law.

2985 Section 76. Section **35A-8-521**, which is renumbered from Section 9-4-920 is  
2986 renumbered and amended to read:

2987 [~~9-4-920~~]. **35A-8-521**. **Annual report to governor and Legislature -- Contents**  
2988 **-- Audits.**

2989 (1) (a) The corporation shall, following the close of each fiscal year, submit an annual  
2990 report of its activities for the preceding year to the governor and the Legislature.

2991 (b) Each report shall set forth a complete operating and financial statement of the  
2992 corporation during the fiscal year it covers.

2993 (c) At least once each year, an independent certified public accountant shall audit the  
2994 books and accounts of the corporation.

2995 (d) A complete copy of each annual audit report shall be:

2996 (i) included in the report to the governor and the Legislature under Subsection (2); and

2997 (ii) available for public inspection at the corporation's office.

2998 (2) The corporation shall, each fiscal year, submit a budget of its operations to the  
2999 Legislature and the governor.

3000 (3) (a) The corporation shall form an audit committee consisting of no less than three  
3001 trustees.

3002 (b) The audit committee [~~shall have~~] has exclusive authority to:

3003 (i) select and engage the independent certified public accountant to audit the

3004 corporation; and [to]

3005 (ii) supervise the audit.

3006 (4) The corporation shall provide additional information [~~when requested by~~] upon  
3007 request of the governor, the Legislature, a legislative committee, the legislative auditor general,  
3008 or the state auditor.

3009 Section 77. Section **35A-8-522**, which is renumbered from Section 9-4-922 is  
3010 renumbered and amended to read:

3011 ~~[9-4-922]~~. **35A-8-522. Part not restriction on powers of corporation --**  
3012 **Construed as alternative -- Bonds, notes, obligations issued need not comply with other**  
3013 **laws.**

3014 (1) (a) This part and its contents [~~is not or may not be construed as~~] are not a restriction  
3015 or limitation upon any other powers which the corporation might otherwise have under any  
3016 other law of this state[~~, and this~~].

3017 (b) This part is cumulative to those powers.

3018 (2) This part [~~does and shall be construed to provide~~] provides a complete, additional,  
3019 and alternative method for the doing of the things authorized in this part and [~~shall be regarded~~  
3020 as] is supplemental and additional to powers conferred by other laws.

3021 (3) The issuance of bonds, notes, and other obligations under [~~the provisions of~~] this  
3022 part need not comply with the requirements of any other state law applicable to the issuance of  
3023 bonds, notes, and other obligations.

3024 (4) Proceedings, notice, or approval are not required for the issuance of any bonds,  
3025 notes, and other obligations or any instrument as security [~~therefor~~] for them, except as  
3026 provided in this part.

3027 Section 78. Section **35A-8-523**, which is renumbered from Section 9-4-923 is  
3028 renumbered and amended to read:

3029 ~~[9-4-923]~~. **35A-8-523. Allocation to corporation of mortgage bonds qualified**  
3030 **under Internal Revenue Code.**

3031 (1) The entire amount of qualified mortgage bonds allowable to Utah pursuant to 26  
3032 U.S.C., Section 143, and the regulations issued under the code, is allocated to the Utah  
3033 Housing Corporation which, for purposes of 26 U.S.C., Section 143 and the regulations under  
3034 that section, has sole responsibility for issuing or approving the issuance of qualified mortgage

3035 bonds allowable to Utah.

3036 (2) The corporation is not required to issue or approve the issuance of qualified  
3037 mortgage bonds equal in amount to the amount allowed Utah.

3038 (3) Housing authorities in counties, cities, and towns in Utah may apply under 26  
3039 U.S.C., Section 143 to the corporation for funding of housing programs within their respective  
3040 jurisdictions.

3041 Section 79. Section **35A-8-524**, which is renumbered from Section 9-4-924 is  
3042 renumbered and amended to read:

3043 ~~[9-4-924].~~ **35A-8-524. Allocation of qualified mortgage bonds to counties,**  
3044 **cities, and towns.**

3045 (1) (a) The corporation [~~is authorized to~~] may allocate all or part of the amount to one  
3046 or more counties, cities, and towns within the state or to any authority or agency of any [~~such~~  
3047 ~~entities~~] entity that is authorized to issue qualified mortgage bonds.

3048 (b) An allocation may not be made under this section unless:

3049 (i) the entity applies to the corporation for an allocation; and

3050 (ii) the corporation finds that the proposed allocation would be in the best interest of  
3051 the state.

3052 (c) The corporation shall take the following factors into consideration before making  
3053 its finding:

3054 (i) the number of "low and moderate income persons," within the meaning of the Utah  
3055 Housing Corporation Act, within a given area;

3056 (ii) the likelihood that the proposed issuing entity would use the allocation to issue  
3057 qualified mortgage bonds in a timely manner;

3058 (iii) the cost to the proposed issuing entity to issue the bonds relative to the cost to the  
3059 corporation to issue the bonds;

3060 (iv) any special costs or benefits which would result from the issuance of [~~such~~] the  
3061 bonds by the proposed issuing entity;

3062 (v) the capability of the proposed issuing entity to administer an issuance of qualified  
3063 mortgage bonds;

3064 (vi) the needs of the proposed issuing entity relative to the needs of other counties,  
3065 cities, and towns;

3066 (vii) the effects of the proposed allocation on counties, cities, and towns which are not  
3067 served by the proposed issuing entity; and

3068 (viii) any other factors the corporation considers relevant to a determination of what is  
3069 in the best interest of Utah with regard to single family housing.

3070 (2) (a) The corporation shall specify the time within which an issuing entity shall use  
3071 the allocation.

3072 (b) Any part of the allocation which is not used within the time prescribed  
3073 automatically terminates.

3074 (c) The corporation may extend the time initially prescribed for use of the allocation.

3075 Section 80. Section **35A-8-525**, which is renumbered from Section 9-4-925 is  
3076 renumbered and amended to read:

3077 ~~[9-4-925]~~. **35A-8-525. Low-income housing tax credits.**

3078 (1) The corporation is designated the "Housing Credit Agency" for the state within the  
3079 meaning of 26 U.S.C. Sec. 42(h) and for the purposes of carrying out 26 U.S.C. Sec. 42 and  
3080 any regulations promulgated under that section.

3081 (2) The entire state housing credit ceiling for each calendar year is allocated to the  
3082 corporation.

3083 (3) The allocation of the state housing credit ceiling shall be made under the state's  
3084 qualified allocation plan within the meaning of 26 U.S.C. Sec. 42(m), as amended, and as  
3085 provided in Subsection (4).

3086 (4) The corporation may amend the state's qualified allocation plan as necessary to  
3087 comply with revisions to the low-income housing tax credit program under 26 U.S.C. Sec. 42,  
3088 or as may be necessary to further the goals and purposes of the low-income housing tax credit  
3089 program for the state.

3090 (5) The corporation, or a subsidiary of the corporation, may have a direct or indirect  
3091 ownership interest in, and may materially participate in the operation and management of, a  
3092 housing development or program that has received an allocation of the state housing credit  
3093 ceiling.

3094 Section 81. Section **35A-8-526**, which is renumbered from Section 9-4-926 is  
3095 renumbered and amended to read:

3096 ~~[9-4-926]~~. **35A-8-526. Asset disposition upon dissolution of corporation.**

3097 Upon dissolution of the corporation:

3098 (1) all liabilities and obligations of the corporation, including obligations to  
3099 bondholders, shall be paid, satisfied, discharged, or adequately provided for; and

3100 (2) all remaining [~~funds~~] money, property, rights, claims, and interests of the  
3101 corporation shall revert or be conveyed to the state.

3102 Section 82. Section **35A-8-527**, which is renumbered from Section 9-4-927 is  
3103 renumbered and amended to read:

3104 [~~9-4-927~~]. **35A-8-527**. **New housing grants -- Reimbursement from Housing**  
3105 **Relief Restricted Special Revenue Fund.**

3106 (1) Subject to the availability of funds in the Housing Relief Restricted Special  
3107 Revenue Fund created in Section 67-4-18, the corporation shall approve, on behalf of the state,  
3108 a grant of \$6,000 to a person who:

3109 (a) purchases a newly constructed, never-occupied residence in Utah using a 30-year  
3110 fixed interest rate note and mortgage; and

3111 (b) meets the requirements established in Subsections (2) and (3).

3112 (2) A person may not receive a grant under this section if the person's income, as  
3113 determined by the corporation, exceeds:

3114 (a) \$75,000 for a single person; or

3115 (b) \$150,000 for a married couple.

3116 (3) The corporation shall establish procedures for determining a person's eligibility for  
3117 a grant under this section, including establishing a limit on the time for which the [~~funds~~]  
3118 money for a grant may remain in escrow, which may not exceed 90 days.

3119 Section 83. Section **35A-8-601**, which is renumbered from Section 9-4-1201 is  
3120 renumbered and amended to read:

3121 **Part 6. Housing Coordination and Planning Act**

3122 [~~9-4-1201~~]. **35A-8-601**. **Title.**

3123 This part shall be known as the "Housing Coordination and Planning Act."

3124 Section 84. Section **35A-8-602**, which is renumbered from Section 9-4-1202 is  
3125 renumbered and amended to read:

3126 [~~9-4-1202~~]. **35A-8-602**. **Legislative policy and purpose.**

3127 (1) (a) It is the policy of the state that to promote the general welfare of its citizens it is

3128 necessary to remedy the unsafe and unsanitary housing conditions and the acute shortage of  
3129 decent, safe, and sanitary dwellings for families of medium and low income, in urban and rural  
3130 areas.

3131 (b) These conditions cause an increase and spread of disease and crime, and constitute  
3132 a menace to the health, safety, morals, and welfare of the state.

3133 (2) It is the policy of the state:

3134 (a) to make adequate provision of affordable housing for:

3135 (i) persons of medium or low income who are unable to provide themselves with  
3136 decent housing including:

3137 (A) elderly persons;

3138 (B) persons with disabilities;

3139 (C) veterans;

3140 (D) special needs populations;

3141 (E) low income persons living on tribal trust lands;

3142 (F) persons receiving public assistance under self-sufficiency programs; or

3143 (G) low income persons living in mobile homes, as defined in Section 70D-2-102; and

3144 (ii) during limited periods, for disaster victims; and

3145 (b) that the provision of safe and sanitary dwelling accommodations at rents or prices  
3146 that persons of medium and low income can afford will materially assist in developing more  
3147 desirable neighborhoods and alleviating the effects of poverty in this state.

3148 (3) The purposes of this part and Part [6] 2, Housing Authorities, are to meet these  
3149 problems by:

3150 (a) providing low-cost housing for medium and low income persons; and

3151 (b) encouraging cooperation between political subdivisions and the nonprofit sector to  
3152 make available low-cost housing in all areas of the state.

3153 (4) It is in the public interest to use the broad financial resources and technical services  
3154 available to government in cooperation with the ingenuity and expertise of private enterprise to  
3155 alleviate this lack of safe and sanitary dwellings while stimulating local industry, according to  
3156 the following principles:

3157 (a) The private sector, including nonprofit entities, shall be the primary source of  
3158 developing and providing affordable housing with state and local incentives to encourage

3159 housing development.

3160 (b) State money used in the development of housing shall:

3161 (i) be heavily leveraged when possible;

3162 (ii) be primarily invested as loans;

3163 (iii) be primarily spent on housing production; and

3164 (iv) give priority to needs of persons of medium or low income who are unable to

3165 provide themselves with decent housing including:

3166 (A) elderly persons;

3167 (B) persons with disabilities;

3168 (C) veterans;

3169 (D) special needs populations;

3170 (E) low income persons living on tribal trust lands;

3171 (F) persons receiving public assistance under self-sufficiency programs; and

3172 (G) low income persons living in mobile homes, as defined in Section 70D-2-102.

3173 (c) When possible based on economic feasibility and effectiveness, state housing

3174 programs shall encourage:

3175 (i) mixed income developments;

3176 (ii) socio-economic diversity in neighborhoods; and

3177 (iii) new, multifamily construction.

3178 (d) State resources may be used in partnership with political subdivisions or the private

3179 sector to promote affordable housing.

3180 (e) Within appropriations from the Legislature, the state may provide training and

3181 technical assistance to Utah's political subdivision, quasi-governmental, and nonprofit housing

3182 providers.

3183 Section 85. Section **35A-8-603**, which is renumbered from Section 9-4-1203 is

3184 renumbered and amended to read:

3185 **[9-4-1203]. 35A-8-603. Division -- Functions.**

3186 (1) In addition to any other functions the governor or Legislature may assign:

3187 (a) the division shall:

3188 (i) provide a clearinghouse of information for federal, state, and local housing

3189 assistance programs;

3190 (ii) establish, in cooperation with political subdivisions, model plans and management  
3191 methods to encourage or provide for the development of affordable housing that may be  
3192 adopted by political subdivisions by reference;

3193 (iii) undertake, in cooperation with political subdivisions, a realistic assessment of  
3194 problems relating to housing needs, such as:

3195 (A) inadequate supply of dwellings;

3196 (B) substandard dwellings; and

3197 (C) inability of medium and low income families to obtain adequate housing;

3198 (iv) provide the information obtained under Subsection (1)(a)(iii) to:

3199 (A) political subdivisions;

3200 (B) real estate developers;

3201 (C) builders;

3202 (D) lending institutions;

3203 (E) affordable housing advocates; and

3204 (F) others having use for the information;

3205 (v) advise political subdivisions of serious housing problems existing within their  
3206 jurisdiction that require concerted public action for solution; and

3207 (vi) assist political subdivisions in defining housing objectives and in preparing for  
3208 adoption a plan of action covering a five-year period designed to accomplish housing  
3209 objectives within their jurisdiction; and

3210 (b) within legislative appropriations, the division may accept for and on behalf of, and  
3211 bind the state to, any federal housing or homeless program in which the state is invited,  
3212 permitted, or authorized to participate in the distribution, disbursement, or administration of  
3213 any funds or service advanced, offered, or contributed in whole or in part by the federal  
3214 government.

3215 (2) The administration of any federal housing program in which the state is invited,  
3216 permitted, or authorized to participate in distribution, disbursement or administration of funds  
3217 or services, except those administered by the Utah Housing Corporation, is governed by  
3218 Sections ~~[9-4-701]~~ 35A-8-301 through ~~[9-4-708]~~ 35A-8-308.

3219 Section 86. Section **35A-8-604**, which is renumbered from Section 9-4-1204 is  
3220 renumbered and amended to read:



3221 ~~[9-4-1204].~~ 35A-8-604. **Technical assistance to political subdivisions for housing**  
3222 **plan.**

3223 (1) Within appropriations from the Legislature, the division shall establish a program  
3224 to assist municipalities to meet the requirements of Section 10-9a-408 and counties to meet the  
3225 requirements of Section 17-27a-408.

3226 (2) Assistance under this section may include:

3227 (a) financial assistance for the cost of developing a plan for low and moderate income  
3228 housing;

3229 (b) information on how to meet present and prospective needs for low and moderate  
3230 income housing; and

3231 (c) technical advice and consultation on how to facilitate the creation of low and  
3232 moderate income housing.

3233 ~~[(2)]~~ (3) The division shall annually report to the Workforce Services and Community  
3234 and Economic Development Interim Committee, and to the Health and Human Services  
3235 Interim Committee regarding the scope, amount, and type of assistance provided to  
3236 municipalities and counties under this section, including the number of low and moderate  
3237 income housing units constructed or rehabilitated within the state.

3238 Section 87. Section **35A-8-701**, which is renumbered from Section 9-4-1301 is  
3239 renumbered and amended to read:

3240 **Part 7. Domestic Violence Shelters**

3241 ~~[9-4-1301].~~ 35A-8-701. **Assistance to domestic violence shelters -- Rulemaking**  
3242 **authority.**

3243 (1) (a) The Division of Child and Family Services within the Department of Human  
3244 Services has statutory responsibility to provide violence services, including temporary shelter,  
3245 to victims of domestic violence pursuant to the provisions of Sections 62A-4a-101 and  
3246 62A-4a-105.

3247 (b) The division may assist the Division of Child and Family Services by providing for  
3248 the development, construction, and improvement of shelters for victims of domestic violence,  
3249 as described in Section 77-36-1, through loans and grants to nonprofit and governmental  
3250 entities.

3251 (2) ~~[No later than July 1, 2001, the]~~ The division shall, in accordance with Title 63G,

3252 Chapter 3, Utah Administrative Rulemaking Act, make rules establishing:

3253 (a) procedures for applying for loans and grants;

3254 (b) criteria for awarding loans and grants; and

3255 (c) requirements for the repayment of loans.

3256 (3) The division may appoint an advisory panel to:

3257 (a) assist the division in developing rules under Subsection (2); and

3258 (b) recommend how available funds should be disbursed.

3259 (4) The division shall make loans and grants with money specifically appropriated for  
3260 that purpose.

3261 (5) The division shall coordinate with the Division of Child and Family Services in  
3262 complying with the provisions of this section.

3263 Section 88. Section **35A-8-801**, which is renumbered from Section 9-4-1501 is  
3264 renumbered and amended to read:

3265 **Part 8. METHAMPHETAMINE HOUSING RECONSTRUCTION AND**  
3266 **REHABILITATION FUND ACT**

3267 **[9-4-1501]. 35A-8-801. Title.**

3268 This part is known as the "Methamphetamine Housing Reconstruction and  
3269 Rehabilitation Fund Act."

3270 Section 89. Section **35A-8-802**, which is renumbered from Section 9-4-1502 is  
3271 renumbered and amended to read:

3272 **[9-4-1502]. 35A-8-802. Definitions.**

3273 As used in this part:

3274 (1) "Contaminated by methamphetamine" means that a residence is:

3275 (a) polluted by hazardous materials as a result of the use, production, or presence of  
3276 methamphetamine in excess of decontamination standards adopted by the Department of  
3277 Health under Section 26-51-201; and

3278 (b) placed on a contamination list by a local health department in accordance with  
3279 Section 19-6-903.

3280 (2) "Fund" means the Methamphetamine Housing Reconstruction and Rehabilitation  
3281 Fund created in Section [9-4-1503] 35A-8-803.

3282 (3) "Qualified housing organization" means an affiliate located in this state of an

3283 organization if that organization:

3284 (a) is exempt from federal income taxation under Section 501(c)(3), Internal Revenue  
3285 Code;

3286 (b) operates on a worldwide basis;

3287 (c) has the primary purposes of:

3288 (i) constructing, reconstructing, and rehabilitating residences that are:

3289 (A) sold to low-income persons selected by the organization in accordance with any  
3290 rules the division makes as authorized by Section [~~9-4-1503~~] 35A-8-803; and

3291 (B) financed with loans that are not subject to interest as determined by the  
3292 organization in accordance with any rules the division makes as authorized by Section  
3293 [~~9-4-1503~~] 35A-8-803; and

3294 (ii) purchasing property upon which residences described in Subsection (3)(c)(i) are  
3295 constructed, reconstructed, or rehabilitated;

3296 (d) expends a portion of the repayment on the loans described in Subsection  
3297 (3)(c)(i)(B) to finance:

3298 (i) the construction, reconstruction, and rehabilitation of residences described in  
3299 Subsection (3)(c)(i); and

3300 (ii) the purchase of property upon which residences described in Subsection (3)(c)(i)  
3301 are constructed, reconstructed, or rehabilitated; and

3302 (e) has built more than 250,000 residences in total.

3303 (4) (a) "Residence" means a single-family residence.

3304 (b) "Residence" includes:

3305 (i) a condominium;

3306 (ii) a garage;

3307 (iii) real property appurtenant to a residence:

3308 (A) as determined by the division in accordance with any rules the division makes as  
3309 authorized by Section [~~9-4-1503~~] 35A-8-803; and

3310 (B) if that real property is contaminated by methamphetamine;

3311 (iv) a shed; or

3312 (v) a town home.

3313 (c) "Residence" does not include:

3314 (i) an apartment or other rental unit as determined by the division in accordance with  
3315 any rules the division makes as authorized by Section ~~[9-4-1503]~~ 35A-8-803; or

3316 (ii) an outbuilding except for a garage or shed.

3317 Section 90. Section **35A-8-803**, which is renumbered from Section 9-4-1503 is  
3318 renumbered and amended to read:

3319 ~~[9-4-1503]~~. **35A-8-803. Methamphetamine Housing Reconstruction and**  
3320 **Rehabilitation Fund -- Creation -- Interest -- Use of contributions and interest.**

3321 (1) There is created within the General Fund a restricted account known as the  
3322 Methamphetamine Housing Reconstruction and Rehabilitation Fund.

3323 (2) The fund ~~[shall be]~~ is funded by:

3324 (a) contributions deposited into the fund in accordance with Section 59-10-1314; and

3325 (b) interest described in Subsection (3).

3326 (3) (a) The fund shall earn interest.

3327 (b) Interest earned on the fund shall be deposited into the fund.

3328 (4) (a) The division shall distribute contributions and interest deposited into the fund to  
3329 one or more qualified housing organizations.

3330 (b) (i) Subject to Subsection (4)(b)(ii), a qualified housing organization that receives a  
3331 distribution from the division in accordance with Subsection (4)(a) shall expend the  
3332 distribution to:

3333 (A) reconstruct or rehabilitate one or more residences that are:

3334 (I) sold to low-income persons selected by the qualified housing organization in  
3335 accordance with any rules the division makes as authorized by this section; and

3336 (II) financed with loans that are not subject to interest as determined by the qualified  
3337 housing organization in accordance with any rules the division makes as authorized by this  
3338 section; or

3339 (B) purchase property upon which a residence described in Subsection (4)(b)(i)(A) is  
3340 reconstructed or rehabilitated.

3341 (ii) A qualified housing organization may not expend a distribution the qualified  
3342 housing organization receives in accordance with this Subsection (4) for any administrative  
3343 cost relating to an expenditure authorized by Subsection (4)(b)(i).

3344 (5) (a) In accordance with any rules the division makes as authorized under Subsection

3345 (6)(c), a qualified housing organization may apply to the division to receive a distribution  
3346 under Subsection (4).

3347 (b) A qualified housing organization may apply to the division to receive a distribution  
3348 under Subsection (4) by filing an application with the division:

- 3349 (i) on or before November 1; and
- 3350 (ii) on a form provided by the division.

3351 (c) The application:

3352 (i) shall include information required by the division establishing that the qualified  
3353 housing organization owns each residence with respect to which the qualified housing  
3354 organization plans to expend a distribution under Subsection (4);

3355 (ii) shall include information required by the division establishing the qualified housing  
3356 organization's plan to expend the distribution for a purpose described in Subsection (4)(b)(i);

3357 (iii) shall include information required by the division establishing that the qualified  
3358 housing organization's plan to expend the distribution meets conditions established in  
3359 accordance with Title 19, Chapter 6, Part 9, Illegal Drug Operations Site Reporting and  
3360 Decontamination Act, for a local health department to remove the residence from the local  
3361 health department's decontamination list; and

3362 (iv) may include other information the division requires by rule.

3363 (d) The division shall determine on or before the November 30 immediately following  
3364 the November 1 described in Subsection (5)(b) whether a qualified housing organization's  
3365 application to the division meets the requirements of Subsection (5)(c).

3366 (e) (i) The division shall distribute money credited to the fund to each qualified  
3367 housing organization that meets the requirements of Subsection (5)(c) as determined by the  
3368 division:

3369 (A) on or before the December 31 immediately following the November 1 described in  
3370 Subsection (5)(b); and

3371 (B) in accordance with this Subsection (5)(e).

3372 (ii) The division shall determine:

3373 (A) the population of the county in which a qualified housing organization that meets  
3374 the requirements of Subsection (5)(c) is headquartered; and

3375 (B) the total population of all of the counties in which the qualified housing

3376 organizations that meet the requirements of Subsection (5)(c) are headquartered.

3377 (iii) Except as provided in Subsection (5)(e)(iv), the division shall determine a  
3378 qualified housing organization's distribution by making the following calculation:

3379 (A) calculating a percentage determined by dividing the population of the county in  
3380 which the qualified housing organization that meets the requirements of Subsection (5)(c) is  
3381 headquartered by the population calculated under Subsection (5)(e)(ii)(B); and

3382 (B) multiplying the percentage determined under Subsection (5)(e)(iii)(A) by the fund  
3383 balance.

3384 (iv) If two or more qualified housing organizations that meet the requirements of  
3385 Subsection (5)(c) as determined by the division are headquartered within one county, the  
3386 division shall determine each qualified housing organization's distribution by:

3387 (A) making the calculation required by Subsection (5)(e)(iii); and

3388 (B) dividing the amount calculated under Subsection (5)(e)(iii) by the number of  
3389 qualified housing organizations that meet the requirements of Subsection (5)(c) as determined  
3390 by the division that are headquartered within the county.

3391 (6) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3392 division may make rules:

3393 (a) to define what constitutes:

3394 (i) a low-income person;

3395 (ii) a loan that is not subject to interest; or

3396 (iii) an apartment or other rental unit;

3397 (b) for determining the circumstances under which real property is appurtenant to a  
3398 residence;

3399 (c) prescribing information a qualified housing organization is required to include with  
3400 an application under Subsection (5);

3401 (d) for purposes of Subsection (5)(e), for determining the population of a county; or

3402 (e) for determining the county in which a qualified housing organization is  
3403 headquartered.

3404 Section 91. Section **35A-8-901**, which is renumbered from Section 9-12-101 is  
3405 renumbered and amended to read:

3406 **Part 9. Home Energy Assistance Target Program Act**

3407 **[9-12-101]. 35A-8-901. Title.**

3408 This ~~[chapter]~~ part is known as the "Home Energy Assistance Target (HEAT) Program  
3409 Act."

3410 Section 92. Section **35A-8-902**, which is renumbered from Section 9-12-102 is  
3411 renumbered and amended to read:

3412 **[9-12-102]. 35A-8-902. Assistance to low-income persons -- Contracts --**  
3413 **Administration.**

3414 (1) (a) The department may assist certain low-income families and individuals in the  
3415 payment of home energy costs.

3416 (b) Assistance given shall be made available to households throughout the state,  
3417 irrespective of the source of household energy supply.

3418 (2) The department may contract with one or more public or private agencies to  
3419 distribute and administer ~~[these funds]~~ this money subject to the criteria established by the  
3420 department.

3421 Section 93. Section **35A-8-903**, which is renumbered from Section 9-12-103 is  
3422 renumbered and amended to read:

3423 **[9-12-103]. 35A-8-903. Eligibility criteria.**

3424 (1) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
3425 department may make rules establishing eligibility criteria for recipients of assistance under  
3426 this ~~[chapter]~~ part.

3427 (2) A recipient of assistance under this ~~[chapter]~~ part shall demonstrate:

3428 ~~[(1)]~~ (a) that the recipient's family, household, or individual income is 150% of the  
3429 federal poverty level or less;

3430 ~~[(2)]~~ (b) that the recipient is responsible for paying the recipient's home energy costs;  
3431 and

3432 ~~[(3)]~~ (c) compliance with any rules established by the department under this section.

3433 Section 94. Section **35A-8-904**, which is renumbered from Section 9-12-104 is  
3434 renumbered and amended to read:

3435 **[9-12-104]. 35A-8-904. Guidelines for private contributions -- Assuring**  
3436 **equitable distribution.**

3437 The department shall coordinate with private contributors to home energy assistance

3438 programs, such as REACH and Lend-a-Hand to help assure equitable statewide distribution of  
3439 assistance to eligible customers of all vendors of energy services.

3440 Section 95. Section **35A-8-905**, which is renumbered from Section 9-12-105 is  
3441 renumbered and amended to read:

3442 **~~[9-12-105]~~. 35A-8-905. Payment method.**

3443 Direct payments for home energy costs shall be made jointly to the responsible  
3444 householder and to the vendor of energy services to whom the family or individual served owes  
3445 a payment except in certain cases, as established by rule by the department in accordance with  
3446 Title 63G, Chapter 3, Utah Administrative Rulemaking Act, where payments may be made  
3447 directly to the responsible householder.

3448 Section 96. Section **35A-8-1001**, which is renumbered from Section 9-12-201 is  
3449 renumbered and amended to read:

3450 **Part 10. Moratorium on Involuntary Termination of Utility Services**

3451 **~~[9-12-201]~~. 35A-8-1001. Moratorium on involuntary termination for  
3452 nonpayment of utility bills -- Eligibility criteria -- Department to establish and certify.**

3453 (1) (a) The department shall establish a program for a seasonal moratorium for  
3454 involuntary termination for nonpayment by residential customers of essential utility bills.

3455 (b) An essential utility is a utility regulated by the Public Service Commission under  
3456 Title 54, Public Utilities, which is in the business of the retail distribution of electricity or  
3457 natural gas.

3458 (c) A residential customer is a customer defined as in a residential class by the Public  
3459 Service Commission.

3460 (2) A residential customer shall meet the following criteria to qualify for the program:

3461 (a) gross household income is less than 125% of the federal poverty level or the  
3462 household has suffered a medical or other emergency, loss of employment, or is experiencing  
3463 other circumstances which have resulted in a substantial loss of income;

3464 (b) the customer has made application to public and private energy assistance  
3465 programs;

3466 (c) the customer is willing to make a good faith effort to pay these utility bills on a  
3467 consistent basis; and

3468 (d) any additional information required by the department.



3469 (3) (a) A residential customer may file with a local department office an affidavit  
3470 attesting eligibility under the criteria in Subsection (2).

3471 (b) The department shall certify that the customer has met the eligibility requirements  
3472 and forward a copy of the affidavit to the effected utility.

3473 Section 97. Section **35A-8-1002**, which is renumbered from Section 9-12-202 is  
3474 renumbered and amended to read:

3475 **[9-12-202]. 35A-8-1002. Contest of customer's eligibility -- Department to**  
3476 **determine case.**

3477 When a utility contests the eligibility of [any] a residential customer to participate in the  
3478 program, the executive director or [his] the executive director's designee shall act as an  
3479 administrative law judge to make a determination on the case.

3480 Section 98. Section **35A-8-1003**, which is renumbered from Section 9-12-203 is  
3481 renumbered and amended to read:

3482 **[9-12-203]. 35A-8-1003. Premoratorium customers' eligibility for moratorium**  
3483 **-- Criteria.**

3484 A residential customer that has had service of an essential utility discontinued for  
3485 nonpayment prior to the time the moratorium takes effect shall have service restored and  
3486 continued during the period of the moratorium if the customer meets the requirements of  
3487 Section ~~[9-12-201]~~ 35A-8-1001 and the customer has entered into a deferred payment  
3488 agreement with the utility as to arrearages.

3489 Section 99. Section **35A-8-1004**, which is renumbered from Section 9-12-204 is  
3490 renumbered and amended to read:

3491 **[9-12-204]. 35A-8-1004. Effective period of moratorium -- Extension by rule.**

3492 (1) The moratorium shall be in effect from November 15 to March 15 of each year.

3493 (2) The department may, by rule, begin the moratorium at an earlier date or extend it to  
3494 a later date when severe weather conditions warrant that action.

3495 Section 100. Section **41-1a-422** is amended to read:

3496 **41-1a-422. Support special group license plates -- Contributor -- Voluntary**  
3497 **contribution collection procedures.**

3498 (1) As used in this section:

3499 (a) (i) Except as provided in Subsection (1)(a)(ii), "contributor" means a person who

- 3500 has donated or in whose name at least \$25 has been donated to:
- 3501 (A) a scholastic scholarship fund of a single named institution;
- 3502 (B) the Department of Veterans' Affairs for veterans' programs;
- 3503 (C) the Division of Wildlife Resources for the Wildlife Resources Account created in  
3504 Section 23-14-13, for conservation of wildlife and the enhancement, preservation, protection,  
3505 access, and management of wildlife habitat;
- 3506 (D) the Department of Agriculture and Food for the benefit of conservation districts;
- 3507 (E) the Division of Parks and Recreation for the benefit of snowmobile programs;
- 3508 (F) the Guardian Ad Litem Services Account and the Children's Museum of Utah, with  
3509 the donation evenly divided between the two;
- 3510 (G) the Boy Scouts of America for the benefit of a Utah Boy Scouts of America  
3511 council as specified by the contributor;
- 3512 (H) No More Homeless Pets in Utah for distribution to organizations or individuals  
3513 that provide spay and neuter programs that subsidize the sterilization of domestic animals;
- 3514 (I) the Utah Alliance of Boys and Girls Clubs, Inc. to provide and enhance youth  
3515 development programs;
- 3516 (J) the Utah Association of Public School Foundations to support public education;
- 3517 (K) the Utah Housing Opportunity Restricted Account created in Section 61-2-204 to  
3518 assist people who have severe housing needs;
- 3519 (L) the Public Safety Honoring Heroes Restricted Account created in Section 53-1-118  
3520 to support the families of fallen Utah Highway Patrol troopers and other Department of Public  
3521 Safety employees;
- 3522 (M) the Division of Parks and Recreation for distribution to organizations that provide  
3523 support for Zion National Park;
- 3524 (N) the Firefighter Support Restricted Account created in Section 53-7-109 to support  
3525 firefighter organizations;
- 3526 (O) the Share the Road Bicycle Support Restricted Account created in Section  
3527 72-2-127 to support bicycle operation and safety awareness programs;
- 3528 (P) the Cancer Research Restricted Account created in Section 26-21a-302 to support  
3529 cancer research programs;
- 3530 (Q) Autism Awareness Restricted Account created in Section 53A-1-304 to support

3531 autism awareness programs; or

3532 (R) Humanitarian Service and Educational and Cultural Exchange Restricted Account  
3533 created in Section [~~9-17-102~~] 67-1a-302 to support humanitarian service and educational and  
3534 cultural programs.

3535 (ii) (A) For a veterans' special group license plate, "contributor" means a person who  
3536 has donated or in whose name at least a \$25 donation at the time of application and \$10 annual  
3537 donation thereafter has been made.

3538 (B) For a Utah Housing Opportunity special group license plate, "contributor" means a  
3539 person who:

3540 (I) has donated or in whose name at least \$30 has been donated at the time of  
3541 application and annually after the time of application; and

3542 (II) is a member of a trade organization for real estate licensees that has more than  
3543 15,000 Utah members.

3544 (C) For an Honoring Heroes special group license plate, "contributor" means a person  
3545 who has donated or in whose name at least \$35 has been donated at the time of application and  
3546 annually thereafter.

3547 (D) For a firefighter support special group license plate, "contributor" means a person  
3548 who:

3549 (I) has donated or in whose name at least \$15 has been donated at the time of  
3550 application and annually after the time of application; and

3551 (II) is a currently employed, volunteer, or retired firefighter.

3552 (E) For a cancer research special group license plate, "contributor" means a person who  
3553 has donated or in whose name at least \$35 has been donated at the time of application and  
3554 annually after the time of application.

3555 (b) "Institution" means a state institution of higher education as defined under Section  
3556 53B-3-102 or a private institution of higher education in the state accredited by a regional or  
3557 national accrediting agency recognized by the United States Department of Education.

3558 (2) (a) An applicant for original or renewal collegiate special group license plates under  
3559 Subsection (1)(a)(i) must be a contributor to the institution named in the application and  
3560 present the original contribution verification form under Subsection (2)(b) or make a  
3561 contribution to the division at the time of application under Subsection (3).

3562 (b) An institution with a support special group license plate shall issue to a contributor  
3563 a verification form designed by the commission containing:

- 3564 (i) the name of the contributor;
- 3565 (ii) the institution to which a donation was made;
- 3566 (iii) the date of the donation; and
- 3567 (iv) an attestation that the donation was for a scholastic scholarship.

3568 (c) The state auditor may audit each institution to verify that the moneys collected by  
3569 the institutions from contributors are used for scholastic scholarships.

3570 (d) After an applicant has been issued collegiate license plates or renewal decals, the  
3571 commission shall charge the institution whose plate was issued, a fee determined in accordance  
3572 with Section 63J-1-504 for management and administrative expenses incurred in issuing and  
3573 renewing the collegiate license plates.

3574 (e) If the contribution is made at the time of application, the contribution shall be  
3575 collected, treated, and deposited as provided under Subsection (3).

3576 (3) (a) An applicant for original or renewal support special group license plates under  
3577 this section must be a contributor to the sponsoring organization associated with the license  
3578 plate.

3579 (b) This contribution shall be:

- 3580 (i) unless collected by the named institution under Subsection (2), collected by the  
3581 division;
- 3582 (ii) considered a voluntary contribution for the funding of the activities specified under  
3583 this section and not a motor vehicle registration fee;
- 3584 (iii) deposited into the appropriate account less actual administrative costs associated  
3585 with issuing the license plates; and
- 3586 (iv) for a firefighter special group license plate, deposited into the appropriate account  
3587 less:

3588 (A) the costs of reordering firefighter special group license plate decals; and

3589 (B) the costs of replacing recognition special group license plates with new license  
3590 plates under Subsection 41-1a-1211(13).

3591 (c) The donation described in Subsection (1)(a) must be made in the 12 months prior to  
3592 registration or renewal of registration.

3593 (d) The donation described in Subsection (1)(a) shall be a one-time donation made to  
3594 the division when issuing original:

3595 (i) snowmobile license plates; or

3596 (ii) conservation license plates.

3597 (4) Veterans' license plates shall display one of the symbols representing the Army,  
3598 Navy, Air Force, Marines, Coast Guard, or American Legion.

3599 Section 101. Section **53B-18-1002** is amended to read:

3600 **53B-18-1002. Establishment of the center -- Purpose -- Duties and**  
3601 **responsibilities.**

3602 (1) There is established the Mormon Pioneer Heritage Center in connection with Utah  
3603 State University.

3604 (2) The purpose of the center is to coordinate interdepartmental research and extension  
3605 efforts in recreation, heritage tourism, and agricultural extension service and to enter into  
3606 cooperative contracts with the United States Departments of Agriculture and Interior, state,  
3607 county, and city officers, public and private organizations, and individuals to enhance Mormon  
3608 pioneer heritage.

3609 (3) The center has the following duties and responsibilities:

3610 (a) to support U.S. Congressional findings that the landscape, architecture, traditions,  
3611 products, and events in the counties convey the heritage of pioneer settlements and their role in  
3612 agricultural development;

3613 (b) to coordinate with extension agents in the counties to assist in the enhancement of  
3614 heritage businesses and the creation of heritage products;

3615 (c) to foster a close working relationship with all levels of government, the private  
3616 sector, residents, business interests, and local communities;

3617 (d) to support U.S. Congressional findings that the historical, cultural, and natural  
3618 heritage legacies of Mormon colonization and settlement are nationally significant;

3619 (e) to encourage research and studies relative to the variety of heritage resources along  
3620 the 250-mile Highway 89 corridor from Fairview to Kanab, Utah, and Highways 12 and 24, the  
3621 All American Road, to the extent those resources demonstrate:

3622 (i) the colonization of the western United States; and

3623 (ii) the expansion of the United States as a major world power;

3624 (f) to demonstrate that the great relocation to the western United States was facilitated  
3625 by:

3626 (i) the 1,400 mile trek from Illinois to the Great Salt Lake by the Mormon Pioneers;  
3627 and

3628 (ii) the subsequent colonization effort in Nevada, Utah, the southeast corner of Idaho,  
3629 the southwest corner of Wyoming, large areas of southeastern Oregon, much of southern  
3630 California, and areas along the eastern border of California; and

3631 (g) to assist in interpretive efforts that demonstrate how the Boulder Loop, Capitol  
3632 Reef National Park, Zion National Park, Bryce Canyon National Park, and the Highway 89 area  
3633 convey the compelling story of how early settlers:

3634 (i) interacted with Native Americans; and

3635 (ii) established towns and cities in a harsh, yet spectacular, natural environment.

3636 (4) The center, in collaboration with the U.S. Department of Interior, the National Park  
3637 Service, the U.S. Department of Agriculture, the U.S. Forest Service, [~~the Utah Department of~~  
3638 ~~Community and Culture,~~] the Utah Division of State History, and the alliance and its  
3639 intergovernmental local partners, shall:

3640 (a) assist in empowering communities in the counties to conserve, preserve, and  
3641 enhance the heritage of the communities while strengthening future economic opportunities;

3642 (b) help conserve, interpret, and develop the historical, cultural, natural, and  
3643 recreational resources within the counties; and

3644 (c) expand, foster, and develop heritage businesses and products relating to the cultural  
3645 heritage of the counties.

3646 (5) The center, in collaboration with the U.S. Department of the Interior, the National  
3647 Park Service, and with funding from the alliance, shall develop a heritage management plan.

3648 Section 102. Section **53C-3-203** is amended to read:

3649 **53C-3-203. Land Exchange Distribution Account.**

3650 (1) As used in this section, "account" means the Land Exchange Distribution Account  
3651 created in Subsection (2)(a).

3652 (2) (a) There is created within the General Fund a restricted account known as the Land  
3653 Exchange Distribution Account.

3654 (b) The account shall consist of revenue deposited in the account as required by

3655 Section 53C-3-202.

3656 (3) (a) The state treasurer shall invest money in the account according to Title 51,  
3657 Chapter 7, State Money Management Act.

3658 (b) The Division of Finance shall deposit interest or other earnings derived from  
3659 investment of account money into the General Fund.

3660 (4) The Legislature shall annually appropriate from the account in the following order:

3661 (a) \$1,000,000 to the Constitutional Defense Restricted Account, created in 63C-4-103,  
3662 to be used in accordance with Subsection 63C-4-103(6) for:

3663 (i) fiscal year 2010-11;

3664 (ii) fiscal year 2011-12; and

3665 (iii) fiscal year 2012-13; and

3666 (b) from the deposits to the account remaining after the appropriation in Subsection  
3667 (4)(a), the following amounts:

3668 (i) 55% of the deposits to counties in amounts proportionate to the amounts of mineral  
3669 revenue generated from the acquired land, exchanged land, acquired mineral interests, or  
3670 exchanged mineral interests located in each county, to be used to mitigate the impacts caused  
3671 by mineral development;

3672 (ii) 25% of the deposits to counties in amounts proportionate to the total surface and  
3673 mineral acreage within each county that was conveyed to the United States under the agreement  
3674 or an exchange, to be used to mitigate the loss of mineral development opportunities resulting  
3675 from the agreement or exchange;

3676 (iii) 1.68% of the deposits to the State Board of Education, to be used for education  
3677 research and experimentation in the use of staff and facilities designed to improve the quality  
3678 of education in Utah;

3679 (iv) 1.66% of the deposits to the Geological Survey, to be used for natural resources  
3680 development in the state;

3681 (v) 1.66% of the deposits to the Water Research Laboratory at Utah State University, to  
3682 be used for water development in the state; and

3683 (vi) 7.5% of the deposits to the Constitutional Defense Restricted Account created in  
3684 Section 63C-4-103.

3685 (5) Beginning with fiscal year 2009-10, the Legislature shall annually appropriate 1% of

3686 the deposits remaining in the account after the appropriation is made in accordance with  
3687 Subsection (4)(a) to the Geological Survey, to be used for test wells, other hydrologic studies,  
3688 and air quality monitoring in the West Desert.

3689 (6) Beginning with fiscal year 2009-10, the Legislature shall annually appropriate 6.5%  
3690 of the deposits remaining in the account after the appropriation is made in Subsection (4)(a) to  
3691 the Permanent Community Impact Fund created in Section [~~9-4-303~~] 63M-1-3003, to be used  
3692 for grants to political subdivisions of the state to mitigate the impacts resulting from the  
3693 development or use of school and institutional trust lands.

3694 Section 103. Section **54-7-13.6** is amended to read:

3695 **54-7-13.6. Low-income assistance program.**

3696 (1) As used in this section, "eligible customer" means an electrical corporation or a gas  
3697 corporation customer:

3698 (a) that earns no more than:

3699 (i) 125% of the federal poverty level; or

3700 (ii) another percentage of the federal poverty level as determined by the commission by  
3701 order; and

3702 (b) whose eligibility is certified by the Utah Department of [~~Community and Culture~~]  
3703 Workforce Services.

3704 (2) A customer's income eligibility for the program described in this section shall be  
3705 renewed annually.

3706 (3) An eligible customer may not receive assistance at more than one residential  
3707 location at any one time.

3708 (4) Notwithstanding Section 54-3-8, the commission may approve a low-income  
3709 assistance program to provide bill payment assistance to low-income residential customers of:

3710 (a) an electrical corporation with more than 50,000 customers; or

3711 (b) a gas corporation with more than 50,000 customers.

3712 (5) (a) (i) Subject to Subsection (5)(a)(ii), low-income assistance program funding  
3713 from each rate class may be in an amount determined by the commission.

3714 (ii) Low-income assistance program funding described in Subsection (5)(a)(i) may not  
3715 exceed 0.5% of the rate class's retail revenues.

3716 (b) (i) Low-income assistance program funding for bill payment assistance shall be



3717 provided through a surcharge on the monthly bill of each Utah retail customer of the electrical  
3718 corporation or gas corporation providing the program.

3719 (ii) The surcharge described in Subsection (5)(b)(i) may not be collected from  
3720 customers currently participating in the low-income assistance program.

3721 (c) (i) Subject to Subsection (5)(c)(ii), the monthly surcharge described in Subsection  
3722 (5)(b)(i) shall be calculated as an equal percentage of revenues from all rate schedules.

3723 (ii) The monthly surcharge described in Subsection (5)(b)(i) may not exceed \$50 per  
3724 month for any customer, adjusted periodically as the commission determines appropriate for  
3725 inflation.

3726 (6) (a) An eligible customer shall receive a billing credit on the monthly electric or gas  
3727 bill for the customer's residence.

3728 (b) The amount of the billing credit described in Subsection (6)(a) shall be determined  
3729 by the commission based on:

3730 (i) the projected funding of the low-income assistance program;

3731 (ii) the projected customer participation in the low-income assistance program; and

3732 (iii) other factors that the commission determines relevant.

3733 (c) The monthly billing credit and the monthly surcharge shall be adjusted concurrently  
3734 with the final order in a general rate increase or decrease case under Section 54-7-12 for the  
3735 electrical corporation or gas corporation providing the program or as determined by the  
3736 commission.

3737 Section 104. Section **59-10-1306** is amended to read:

3738 **59-10-1306. Homeless contribution -- Credit to Pamela Atkinson Homeless**  
3739 **Account.**

3740 (1) Except as provided in Section 59-10-1304, a resident or nonresident individual that  
3741 files an individual income tax return under this chapter may designate on the resident or  
3742 nonresident individual's individual income tax return a contribution to the Pamela Atkinson  
3743 Homeless Account as provided in this part.

3744 (2) The commission shall:

3745 (a) determine annually the total amount of contributions designated in accordance with  
3746 this section; and

3747 (b) credit the amount described in Subsection (2)(a) to the Pamela Atkinson Homeless

3748 Account created by Section [~~9-4-803~~] 35A-8-403.

3749 Section 105. Section **59-10-1314** is amended to read:

3750 **59-10-1314. Contribution to Methamphetamine Housing Reconstruction and**  
3751 **Rehabilitation Fund.**

3752 (1) For a taxable year beginning on or after January 1, 2010, but beginning on or before  
3753 December 31, 2012 only, a resident or nonresident individual that files an individual income  
3754 tax return under this chapter may designate on the resident or nonresident individual's  
3755 individual income tax return a contribution as provided in this section to be:

3756 (a) deposited into the Methamphetamine Housing Reconstruction and Rehabilitation  
3757 Fund created in Section [~~9-4-1503~~] 35A-8-803; and

3758 (b) expended for the purposes described in Section [~~9-4-1503~~] 35A-8-803.

3759 (2) The commission shall:

3760 (a) determine the total amount of contributions designated in accordance with this  
3761 section for the taxable year described in Subsection (1); and

3762 (b) credit the amount described in Subsection (2)(a) to the Methamphetamine Housing  
3763 Reconstruction and Rehabilitation Fund created in Section [~~9-4-1503~~] 35A-8-803.

3764 Section 106. Section **59-12-103** is amended to read:

3765 **59-12-103. Sales and use tax base -- Rates -- Effective dates -- Use of sales and use**  
3766 **tax revenues.**

3767 (1) A tax is imposed on the purchaser as provided in this part for amounts paid or  
3768 charged for the following transactions:

3769 (a) retail sales of tangible personal property made within the state;

3770 (b) amounts paid for:

3771 (i) telecommunications service, other than mobile telecommunications service, that  
3772 originates and terminates within the boundaries of this state;

3773 (ii) mobile telecommunications service that originates and terminates within the  
3774 boundaries of one state only to the extent permitted by the Mobile Telecommunications  
3775 Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or

3776 (iii) an ancillary service associated with a:

3777 (A) telecommunications service described in Subsection (1)(b)(i); or

3778 (B) mobile telecommunications service described in Subsection (1)(b)(ii);

- 3779 (c) sales of the following for commercial use:
- 3780 (i) gas;
- 3781 (ii) electricity;
- 3782 (iii) heat;
- 3783 (iv) coal;
- 3784 (v) fuel oil; or
- 3785 (vi) other fuels;
- 3786 (d) sales of the following for residential use:
- 3787 (i) gas;
- 3788 (ii) electricity;
- 3789 (iii) heat;
- 3790 (iv) coal;
- 3791 (v) fuel oil; or
- 3792 (vi) other fuels;
- 3793 (e) sales of prepared food;
- 3794 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
- 3795 user fees for theaters, movies, operas, museums, planetariums, shows of any type or nature,
- 3796 exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses, menageries,
- 3797 fairs, races, contests, sporting events, dances, boxing matches, wrestling matches, closed circuit
- 3798 television broadcasts, billiard parlors, pool parlors, bowling lanes, golf, miniature golf, golf
- 3799 driving ranges, batting cages, skating rinks, ski lifts, ski runs, ski trails, snowmobile trails,
- 3800 tennis courts, swimming pools, water slides, river runs, jeep tours, boat tours, scenic cruises,
- 3801 horseback rides, sports activities, or any other amusement, entertainment, recreation,
- 3802 exhibition, cultural, or athletic activity;
- 3803 (g) amounts paid or charged for services for repairs or renovations of tangible personal
- 3804 property, unless Section 59-12-104 provides for an exemption from sales and use tax for:
- 3805 (i) the tangible personal property; and
- 3806 (ii) parts used in the repairs or renovations of the tangible personal property described
- 3807 in Subsection (1)(g)(i), whether or not any parts are actually used in the repairs or renovations
- 3808 of that tangible personal property;
- 3809 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for

3810 assisted cleaning or washing of tangible personal property;

3811 (i) amounts paid or charged for tourist home, hotel, motel, or trailer court

3812 accommodations and services that are regularly rented for less than 30 consecutive days;

3813 (j) amounts paid or charged for laundry or dry cleaning services;

3814 (k) amounts paid or charged for leases or rentals of tangible personal property if within

3815 this state the tangible personal property is:

3816 (i) stored;

3817 (ii) used; or

3818 (iii) otherwise consumed;

3819 (l) amounts paid or charged for tangible personal property if within this state the

3820 tangible personal property is:

3821 (i) stored;

3822 (ii) used; or

3823 (iii) consumed; and

3824 (m) amounts paid or charged for a sale:

3825 (i) (A) of a product that:

3826 (I) is transferred electronically; and

3827 (II) would be subject to a tax under this chapter if the product was transferred in a

3828 manner other than electronically; or

3829 (B) of a repair or renovation of a product that:

3830 (I) is transferred electronically; and

3831 (II) would be subject to a tax under this chapter if the product was transferred in a

3832 manner other than electronically; and

3833 (ii) regardless of whether the sale provides:

3834 (A) a right of permanent use of the product; or

3835 (B) a right to use the product that is less than a permanent use, including a right:

3836 (I) for a definite or specified length of time; and

3837 (II) that terminates upon the occurrence of a condition.

3838 (2) (a) Except as provided in Subsections (2)(b) through (e), a state tax and a local tax

3839 is imposed on a transaction described in Subsection (1) equal to the sum of:

3840 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:

3841 (A) 4.70%; and  
3842 (B) (I) the tax rate the state imposes in accordance with Part 18, Additional State Sales  
3843 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211  
3844 through 59-12-215 is in a county in which the state imposes the tax under Part 18, Additional  
3845 State Sales and Use Tax Act; and  
3846 (II) the tax rate the state imposes in accordance with Part 20, Supplemental State Sales  
3847 and Use Tax Act, if the location of the transaction as determined under Sections 59-12-211  
3848 through 59-12-215 is in a city, town, or the unincorporated area of a county in which the state  
3849 imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and  
3850 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
3851 transaction under this chapter other than this part.  
3852 (b) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed  
3853 on a transaction described in Subsection (1)(d) equal to the sum of:  
3854 (i) a state tax imposed on the transaction at a tax rate of 2%; and  
3855 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
3856 transaction under this chapter other than this part.  
3857 (c) Except as provided in Subsection (2)(d) or (e), a state tax and a local tax is imposed  
3858 on amounts paid or charged for food and food ingredients equal to the sum of:  
3859 (i) a state tax imposed on the amounts paid or charged for food and food ingredients at  
3860 a tax rate of 1.75%; and  
3861 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the  
3862 amounts paid or charged for food and food ingredients under this chapter other than this part.  
3863 (d) (i) For a bundled transaction that is attributable to food and food ingredients and  
3864 tangible personal property other than food and food ingredients, a state tax and a local tax is  
3865 imposed on the entire bundled transaction equal to the sum of:  
3866 (A) a state tax imposed on the entire bundled transaction equal to the sum of:  
3867 (I) the tax rate described in Subsection (2)(a)(i)(A); and  
3868 (II) (Aa) the tax rate the state imposes in accordance with Part 18, Additional State  
3869 Sales and Use Tax Act, if the location of the transaction as determined under Sections  
3870 59-12-211 through 59-12-215 is in a county in which the state imposes the tax under Part 18,  
3871 Additional State Sales and Use Tax Act; and

3872 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental State  
3873 Sales and Use Tax Act, if the location of the transaction as determined under Sections  
3874 59-12-211 through 59-12-215 is in a city, town, or the unincorporated area of a county in which  
3875 the state imposes the tax under Part 20, Supplemental State Sales and Use Tax Act; and

3876 (B) a local tax imposed on the entire bundled transaction at the sum of the tax rates  
3877 described in Subsection (2)(a)(ii).

3878 (ii) Subject to Subsection (2)(d)(iii), for a bundled transaction other than a bundled  
3879 transaction described in Subsection (2)(d)(i):

3880 (A) if the sales price of the bundled transaction is attributable to tangible personal  
3881 property, a product, or a service that is subject to taxation under this chapter and tangible  
3882 personal property, a product, or service that is not subject to taxation under this chapter, the  
3883 entire bundled transaction is subject to taxation under this chapter unless:

3884 (I) the seller is able to identify by reasonable and verifiable standards the tangible  
3885 personal property, product, or service that is not subject to taxation under this chapter from the  
3886 books and records the seller keeps in the seller's regular course of business; or

3887 (II) state or federal law provides otherwise; or

3888 (B) if the sales price of a bundled transaction is attributable to two or more items of  
3889 tangible personal property, products, or services that are subject to taxation under this chapter  
3890 at different rates, the entire bundled transaction is subject to taxation under this chapter at the  
3891 higher tax rate unless:

3892 (I) the seller is able to identify by reasonable and verifiable standards the tangible  
3893 personal property, product, or service that is subject to taxation under this chapter at the lower  
3894 tax rate from the books and records the seller keeps in the seller's regular course of business; or

3895 (II) state or federal law provides otherwise.

3896 (iii) For purposes of Subsection (2)(d)(ii), books and records that a seller keeps in the  
3897 seller's regular course of business includes books and records the seller keeps in the regular  
3898 course of business for nontax purposes.

3899 (e) Subject to Subsections (2)(f) and (g), a tax rate repeal or tax rate change for a tax  
3900 rate imposed under the following shall take effect on the first day of a calendar quarter:

3901 (i) Subsection (2)(a)(i)(A);

3902 (ii) Subsection (2)(b)(i);

- 3903 (iii) Subsection (2)(c)(i); or  
3904 (iv) Subsection (2)(d)(i)(A)(I).
- 3905 (f) (i) A tax rate increase shall take effect on the first day of the first billing period that  
3906 begins after the effective date of the tax rate increase if the billing period for the transaction  
3907 begins before the effective date of a tax rate increase imposed under:
- 3908 (A) Subsection (2)(a)(i)(A);  
3909 (B) Subsection (2)(b)(i);  
3910 (C) Subsection (2)(c)(i); or  
3911 (D) Subsection (2)(d)(i)(A)(I).
- 3912 (ii) The repeal of a tax or a tax rate decrease shall take effect on the first day of the last  
3913 billing period that began before the effective date of the repeal of the tax or the tax rate  
3914 decrease if the billing period for the transaction begins before the effective date of the repeal of  
3915 the tax or the tax rate decrease imposed under:
- 3916 (A) Subsection (2)(a)(i)(A);  
3917 (B) Subsection (2)(b)(i);  
3918 (C) Subsection (2)(c)(i); or  
3919 (D) Subsection (2)(d)(i)(A)(I).
- 3920 (g) (i) For a tax rate described in Subsection (2)(g)(ii), if a tax due on a catalogue sale  
3921 is computed on the basis of sales and use tax rates published in the catalogue, a tax rate repeal  
3922 or change in a tax rate takes effect:
- 3923 (A) on the first day of a calendar quarter; and  
3924 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate change.
- 3925 (ii) Subsection (2)(g)(i) applies to the tax rates described in the following:
- 3926 (A) Subsection (2)(a)(i)(A);  
3927 (B) Subsection (2)(b)(i);  
3928 (C) Subsection (2)(c)(i); or  
3929 (D) Subsection (2)(d)(i)(A)(I).
- 3930 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
3931 the commission may by rule define the term "catalogue sale."
- 3932 (3) (a) The following state taxes shall be deposited into the General Fund:
- 3933 (i) the tax imposed by Subsection (2)(a)(i)(A);

3934 (ii) the tax imposed by Subsection (2)(b)(i);  
3935 (iii) the tax imposed by Subsection (2)(c)(i); or  
3936 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).  
3937 (b) The following local taxes shall be distributed to a county, city, or town as provided  
3938 in this chapter:  
3939 (i) the tax imposed by Subsection (2)(a)(ii);  
3940 (ii) the tax imposed by Subsection (2)(b)(ii);  
3941 (iii) the tax imposed by Subsection (2)(c)(ii); and  
3942 (iv) the tax imposed by Subsection (2)(d)(i)(B).  
3943 (4) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
3944 2003, the lesser of the following amounts shall be used as provided in Subsections (4)(b)  
3945 through (g):  
3946 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:  
3947 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and  
3948 (B) for the fiscal year; or  
3949 (ii) \$17,500,000.  
3950 (b) (i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount  
3951 described in Subsection (4)(a) shall be transferred each year as dedicated credits to the  
3952 Department of Natural Resources to:  
3953 (A) implement the measures described in Subsections 79-2-303(3)(a) through (d) to  
3954 protect sensitive plant and animal species; or  
3955 (B) award grants, up to the amount authorized by the Legislature in an appropriations  
3956 act, to political subdivisions of the state to implement the measures described in Subsections  
3957 79-2-303(3)(a) through (d) to protect sensitive plant and animal species.  
3958 (ii) Money transferred to the Department of Natural Resources under Subsection  
3959 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or any other  
3960 person to list or attempt to have listed a species as threatened or endangered under the  
3961 Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et seq.  
3962 (iii) At the end of each fiscal year:  
3963 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources  
3964 Conservation and Development Fund created in Section 73-10-24;



3965 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan  
3966 Program Subaccount created in Section 73-10c-5; and

3967 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan  
3968 Program Subaccount created in Section 73-10c-5.

3969 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in  
3970 Subsection (4)(a) shall be deposited each year in the Agriculture Resource Development Fund  
3971 created in Section 4-18-6.

3972 (d) (i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount described  
3973 in Subsection (4)(a) shall be transferred each year as dedicated credits to the Division of Water  
3974 Rights to cover the costs incurred in hiring legal and technical staff for the adjudication of  
3975 water rights.

3976 (ii) At the end of each fiscal year:

3977 (A) 50% of any unexpended dedicated credits shall lapse to the Water Resources  
3978 Conservation and Development Fund created in Section 73-10-24;

3979 (B) 25% of any unexpended dedicated credits shall lapse to the Utah Wastewater Loan  
3980 Program Subaccount created in Section 73-10c-5; and

3981 (C) 25% of any unexpended dedicated credits shall lapse to the Drinking Water Loan  
3982 Program Subaccount created in Section 73-10c-5.

3983 (e) (i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount described  
3984 in Subsection (4)(a) shall be deposited in the Water Resources Conservation and Development  
3985 Fund created in Section 73-10-24 for use by the Division of Water Resources.

3986 (ii) In addition to the uses allowed of the Water Resources Conservation and  
3987 Development Fund under Section 73-10-24, the Water Resources Conservation and  
3988 Development Fund may also be used to:

3989 (A) conduct hydrologic and geotechnical investigations by the Division of Water  
3990 Resources in a cooperative effort with other state, federal, or local entities, for the purpose of  
3991 quantifying surface and ground water resources and describing the hydrologic systems of an  
3992 area in sufficient detail so as to enable local and state resource managers to plan for and  
3993 accommodate growth in water use without jeopardizing the resource;

3994 (B) fund state required dam safety improvements; and

3995 (C) protect the state's interest in interstate water compact allocations, including the

3996 hiring of technical and legal staff.

3997 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described  
3998 in Subsection (4)(a) shall be deposited in the Utah Wastewater Loan Program Subaccount  
3999 created in Section 73-10c-5 for use by the Water Quality Board to fund wastewater projects.

4000 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described  
4001 in Subsection (4)(a) shall be deposited in the Drinking Water Loan Program Subaccount  
4002 created in Section 73-10c-5 for use by the Division of Drinking Water to:

4003 (i) provide for the installation and repair of collection, treatment, storage, and  
4004 distribution facilities for any public water system, as defined in Section 19-4-102;

4005 (ii) develop underground sources of water, including springs and wells; and

4006 (iii) develop surface water sources.

4007 (5) (a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
4008 2006, the difference between the following amounts shall be expended as provided in this  
4009 Subsection (5), if that difference is greater than \$1:

4010 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for the  
4011 fiscal year by a 1/16% tax rate on the transactions described in Subsection (1); and

4012 (ii) \$17,500,000.

4013 (b) (i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:

4014 (A) transferred each fiscal year to the Department of Natural Resources as dedicated  
4015 credits; and

4016 (B) expended by the Department of Natural Resources for watershed rehabilitation or  
4017 restoration.

4018 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described  
4019 in Subsection (5)(b)(i) shall lapse to the Water Resources Conservation and Development Fund  
4020 created in Section 73-10-24.

4021 (c) (i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the  
4022 remaining difference described in Subsection (5)(a) shall be:

4023 (A) transferred each fiscal year to the Division of Water Resources as dedicated  
4024 credits; and

4025 (B) expended by the Division of Water Resources for cloud-seeding projects  
4026 authorized by Title 73, Chapter 15, Modification of Weather.

4027 (ii) At the end of each fiscal year, 100% of any unexpended dedicated credits described  
4028 in Subsection (5)(c)(i) shall lapse to the Water Resources Conservation and Development Fund  
4029 created in Section 73-10-24.

4030 (d) After making the transfers required by Subsections (5)(b) and (c), 94% of the  
4031 remaining difference described in Subsection (5)(a) shall be deposited into the Water  
4032 Resources Conservation and Development Fund created in Section 73-10-24 for use by the  
4033 Division of Water Resources for:

4034 (i) preconstruction costs:

4035 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73, Chapter  
4036 26, Bear River Development Act; and

4037 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project  
4038 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

4039 (ii) the cost of employing a civil engineer to oversee any project authorized by Title 73,  
4040 Chapter 26, Bear River Development Act;

4041 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline project  
4042 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act; and

4043 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, 73-10-30, and  
4044 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i) through (iii).

4045 (e) Any unexpended monies described in Subsection (5)(d) that remain in the Water  
4046 Resources Conservation and Development Fund at the end of the fiscal year are nonlapsing.

4047 (f) After making the transfers required by Subsections (5)(b) and (c) and subject to  
4048 Subsection (5)(g), 6% of the remaining difference described in Subsection (5)(a) shall be  
4049 transferred each year as dedicated credits to the Division of Water Rights to cover the costs  
4050 incurred for employing additional technical staff for the administration of water rights.

4051 (g) At the end of each fiscal year, any unexpended dedicated credits described in  
4052 Subsection (5)(f) over \$150,000 lapse to the Water Resources Conservation and Development  
4053 Fund created in Section 73-10-24.

4054 (6) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,  
4055 2003, and for taxes listed under Subsection (3)(a), the amount of revenue generated by a 1/16%  
4056 tax rate on the transactions described in Subsection (1) for the fiscal year shall be deposited in  
4057 the Transportation Fund created by Section 72-2-102.

4058 (7) (a) Notwithstanding Subsection (3)(a) and until Subsection (7)(b) applies,  
4059 beginning on January 1, 2000, the Division of Finance shall deposit into the Centennial  
4060 Highway Fund Restricted Account created in Section 72-2-118 a portion of the taxes listed  
4061 under Subsection (3)(a) equal to the revenues generated by a 1/64% tax rate on the taxable  
4062 transactions under Subsection (1).

4063 (b) Notwithstanding Subsection (3)(a), when the highway general obligation bonds  
4064 have been paid off and the highway projects completed that are intended to be paid from  
4065 revenues deposited in the Centennial Highway Fund Restricted Account as determined by the  
4066 Executive Appropriations Committee under Subsection 72-2-118(6)(d), the Division of  
4067 Finance shall deposit into the Transportation Investment Fund of 2005 created by Section  
4068 72-2-124 a portion of the taxes listed under Subsection (3)(a) equal to the revenues generated  
4069 by a 1/64% tax rate on the taxable transactions under Subsection (1).

4070 (8) (a) Notwithstanding Subsection (3)(a) and in addition to the amount deposited in  
4071 Subsection (7)(a), for the 2010-11 fiscal year only, the Division of Finance shall deposit into  
4072 the Centennial Highway Fund Restricted Account created by Section 72-2-118 a portion of the  
4073 taxes listed under Subsection (3)(a) equal to 1.93% of the revenues collected from the  
4074 following taxes, which represents a portion of the approximately 17% of sales and use tax  
4075 revenues generated annually by the sales and use tax on vehicles and vehicle-related products:

- 4076 (i) the tax imposed by Subsection (2)(a)(i)(A);  
4077 (ii) the tax imposed by Subsection (2)(b)(i);  
4078 (iii) the tax imposed by Subsection (2)(c)(i); and  
4079 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).

4080 (b) Notwithstanding Subsection (3)(a), in addition to the amount deposited in  
4081 Subsection (7)(a), and until Subsection (8)(c) applies, for a fiscal year beginning on or after  
4082 July 1, 2011, the Division of Finance shall deposit into the Centennial Highway Fund  
4083 Restricted Account created by Section 72-2-118 a portion of the taxes listed under Subsection  
4084 (3)(a) equal to 8.3% of the revenues collected from the following taxes, which represents a  
4085 portion of the approximately 17% of sales and use tax revenues generated annually by the sales  
4086 and use tax on vehicles and vehicle-related products:

- 4087 (i) the tax imposed by Subsection (2)(a)(i)(A);  
4088 (ii) the tax imposed by Subsection (2)(b)(i);

- 4089 (iii) the tax imposed by Subsection (2)(c)(i); and  
4090 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).
- 4091 (c) Notwithstanding Subsection (3)(a) and in addition to the amounts deposited under  
4092 Subsection (7)(b), when the highway general obligation bonds have been paid off and the  
4093 highway projects completed that are intended to be paid from revenues deposited in the  
4094 Centennial Highway Fund Restricted Account as determined by the Executive Appropriations  
4095 Committee under Subsection 72-2-118(6)(d), the Division of Finance shall deposit into the  
4096 Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of the taxes  
4097 listed under Subsection (3)(a) equal to 8.3% of the revenues collected from the following taxes,  
4098 which represents a portion of the approximately 17% of sales and use tax revenues generated  
4099 annually by the sales and use tax on vehicles and vehicle-related products:
- 4100 (i) the tax imposed by Subsection (2)(a)(i)(A);  
4101 (ii) the tax imposed by Subsection (2)(b)(i);  
4102 (iii) the tax imposed by Subsection (2)(c)(i); and  
4103 (iv) the tax imposed by Subsection (2)(d)(i)(A)(I).
- 4104 (9) (a) Notwithstanding Subsection (3)(a) and for the fiscal year 2008-09 only, the  
4105 Division of Finance shall deposit \$55,000,000 of the revenues generated by the taxes listed  
4106 under Subsection (3)(a) into the Critical Highway Needs Fund created by Section 72-2-125.
- 4107 (b) Notwithstanding Subsection (3)(a) and until Subsection (9)(c) applies, for a fiscal  
4108 year beginning on or after July 1, 2009, the Division of Finance shall annually deposit  
4109 \$90,000,000 of the revenues generated by the taxes listed under Subsection (3)(a) into the  
4110 Critical Highway Needs Fund created by Section 72-2-125.
- 4111 (c) Notwithstanding Subsection (3)(a) and in addition to any amounts deposited under  
4112 Subsections (7) and (8), when the general obligation bonds authorized by Section 63B-16-101  
4113 have been paid off and the highway projects completed that are included in the prioritized  
4114 project list under Subsection 72-2-125(4) as determined in accordance with Subsection  
4115 72-2-125(6), the Division of Finance shall annually deposit \$90,000,000 of the revenues  
4116 generated by the taxes listed under Subsection (3)(a) into the Transportation Investment Fund  
4117 of 2005 created by Section 72-2-124.
- 4118 (10) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year  
4119 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies Fund

4120 created by Section [~~9-4-1409~~] 63M-1-3109 and expended as provided in Section [~~9-4-1409~~]  
4121 63M-1-3109.

4122 (11) (a) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection  
4123 (11)(a)(ii), and until Subsection (11)(b) applies, beginning on January 1, 2009, the Division of  
4124 Finance shall deposit into the Critical Highway Needs Fund created by Section 72-2-125 the  
4125 amount of tax revenue generated by a .025% tax rate on the transactions described in  
4126 Subsection (1).

4127 (ii) For purposes of Subsection (11)(a)(i), the Division of Finance may not deposit into  
4128 the Critical Highway Needs Fund any tax revenue generated by amounts paid or charged for  
4129 food and food ingredients, except for tax revenue generated by a bundled transaction  
4130 attributable to food and food ingredients and tangible personal property other than food and  
4131 food ingredients described in Subsection (2)(e).

4132 (b) (i) Notwithstanding Subsection (3)(a), except as provided in Subsection (11)(b)(ii),  
4133 and in addition to any amounts deposited under Subsections (7), (9), and (10), when the general  
4134 obligation bonds authorized by Section 63B-16-101 have been paid off and the highway  
4135 projects completed that are included in the prioritized project list under Subsection 72-2-125(4)  
4136 as determined in accordance with Subsection 72-2-125(6), the Division of Finance shall  
4137 deposit into the Transportation Investment Fund of 2005 created by Section 72-2-124 the  
4138 amount of tax revenue generated by a .025% tax rate on the transactions described in  
4139 Subsection (1).

4140 (ii) For purposes of Subsection (11)(b)(i), the Division of Finance may not deposit into  
4141 the Transportation Investment Fund of 2005 any tax revenue generated by amounts paid or  
4142 charged for food and food ingredients, except for tax revenue generated by a bundled  
4143 transaction attributable to food and food ingredients and tangible personal property other than  
4144 food and food ingredients described in Subsection (2)(e).

4145 (12) (a) Notwithstanding Subsection (3)(a), and except as provided in Subsection  
4146 (12)(b), beginning on January 1, 2009, the Division of Finance shall deposit into the  
4147 Transportation Fund created by Section 72-2-102 the amount of tax revenue generated by a  
4148 .025% tax rate on the transactions described in Subsection (1) to be expended to address  
4149 chokepoints in construction management.

4150 (b) For purposes of Subsection (12)(a), the Division of Finance may not deposit into

4151 the Transportation Fund any tax revenue generated by amounts paid or charged for food and  
4152 food ingredients, except for tax revenue generated by a bundled transaction attributable to food  
4153 and food ingredients and tangible personal property other than food and food ingredients  
4154 described in Subsection (2)(e).

4155 Section 107. Section **59-12-104** is amended to read:

4156 **59-12-104. Exemptions.**

4157 The following sales and uses are exempt from the taxes imposed by this chapter:

4158 (1) sales of aviation fuel, motor fuel, and special fuel subject to a Utah state excise tax  
4159 under Chapter 13, Motor and Special Fuel Tax Act;

4160 (2) sales to the state, its institutions, and its political subdivisions; however, this  
4161 exemption does not apply to sales of:

4162 (a) construction materials except:

4163 (i) construction materials purchased by or on behalf of institutions of the public  
4164 education system as defined in Utah Constitution Article X, Section 2, provided the  
4165 construction materials are clearly identified and segregated and installed or converted to real  
4166 property which is owned by institutions of the public education system; and

4167 (ii) construction materials purchased by the state, its institutions, or its political  
4168 subdivisions which are installed or converted to real property by employees of the state, its  
4169 institutions, or its political subdivisions; or

4170 (b) tangible personal property in connection with the construction, operation,  
4171 maintenance, repair, or replacement of a project, as defined in Section 11-13-103, or facilities  
4172 providing additional project capacity, as defined in Section 11-13-103;

4173 (3) (a) sales of an item described in Subsection (3)(b) from a vending machine if:

4174 (i) the proceeds of each sale do not exceed \$1; and

4175 (ii) the seller or operator of the vending machine reports an amount equal to 150% of  
4176 the cost of the item described in Subsection (3)(b) as goods consumed; and

4177 (b) Subsection (3)(a) applies to:

4178 (i) food and food ingredients; or

4179 (ii) prepared food;

4180 (4) (a) sales of the following to a commercial airline carrier for in-flight consumption:

4181 (i) alcoholic beverages;

- 4182 (ii) food and food ingredients; or
- 4183 (iii) prepared food;
- 4184 (b) sales of tangible personal property or a product transferred electronically:
- 4185 (i) to a passenger;
- 4186 (ii) by a commercial airline carrier; and
- 4187 (iii) during a flight for in-flight consumption or in-flight use by the passenger; or
- 4188 (c) services related to Subsection (4)(a) or (b);
- 4189 (5) (a) (i) beginning on July 1, 2008, and ending on September 30, 2008, sales of parts
- 4190 and equipment:
- 4191 (A) (I) by an establishment described in NAICS Code 336411 or 336412 of the 2002
- 4192 North American Industry Classification System of the federal Executive Office of the
- 4193 President, Office of Management and Budget; and
- 4194 (II) for:
- 4195 (Aa) installation in an aircraft, including services relating to the installation of parts or
- 4196 equipment in the aircraft;
- 4197 (Bb) renovation of an aircraft; or
- 4198 (Cc) repair of an aircraft; or
- 4199 (B) for installation in an aircraft operated by a common carrier in interstate or foreign
- 4200 commerce; or
- 4201 (ii) beginning on October 1, 2008, sales of parts and equipment for installation in an
- 4202 aircraft operated by a common carrier in interstate or foreign commerce; and
- 4203 (b) notwithstanding the time period of Subsection 59-1-1410(8) for filing for a refund,
- 4204 a person may claim the exemption allowed by Subsection (5)(a)(i)(B) for a sale by filing for a
- 4205 refund:
- 4206 (i) if the sale is made on or after July 1, 2008, but on or before September 30, 2008;
- 4207 (ii) as if Subsection (5)(a)(i)(B) were in effect on the day on which the sale is made;
- 4208 (iii) if the person did not claim the exemption allowed by Subsection (5)(a)(i)(B) for
- 4209 the sale prior to filing for the refund;
- 4210 (iv) for sales and use taxes paid under this chapter on the sale;
- 4211 (v) in accordance with Section 59-1-1410; and
- 4212 (vi) subject to any extension allowed for filing for a refund under Section 59-1-1410, if



4213 the person files for the refund on or before September 30, 2011;

4214 (6) sales of commercials, motion picture films, prerecorded audio program tapes or  
4215 records, and prerecorded video tapes by a producer, distributor, or studio to a motion picture  
4216 exhibitor, distributor, or commercial television or radio broadcaster;

4217 (7) (a) subject to Subsection (7)(b), sales of cleaning or washing of tangible personal  
4218 property if the cleaning or washing of the tangible personal property is not assisted cleaning or  
4219 washing of tangible personal property;

4220 (b) if a seller that sells at the same business location assisted cleaning or washing of  
4221 tangible personal property and cleaning or washing of tangible personal property that is not  
4222 assisted cleaning or washing of tangible personal property, the exemption described in  
4223 Subsection (7)(a) applies if the seller separately accounts for the sales of the assisted cleaning  
4224 or washing of the tangible personal property; and

4225 (c) for purposes of Subsection (7)(b) and in accordance with Title 63G, Chapter 3,  
4226 Utah Administrative Rulemaking Act, the commission may make rules:

4227 (i) governing the circumstances under which sales are at the same business location;  
4228 and

4229 (ii) establishing the procedures and requirements for a seller to separately account for  
4230 sales of assisted cleaning or washing of tangible personal property;

4231 (8) sales made to or by religious or charitable institutions in the conduct of their regular  
4232 religious or charitable functions and activities, if the requirements of Section 59-12-104.1 are  
4233 fulfilled;

4234 (9) sales of a vehicle of a type required to be registered under the motor vehicle laws of  
4235 this state if the vehicle is:

4236 (a) not registered in this state; and

4237 (b) (i) not used in this state; or

4238 (ii) used in this state:

4239 (A) if the vehicle is not used to conduct business, for a time period that does not  
4240 exceed the longer of:

4241 (I) 30 days in any calendar year; or

4242 (II) the time period necessary to transport the vehicle to the borders of this state; or

4243 (B) if the vehicle is used to conduct business, for the time period necessary to transport

4244 the vehicle to the borders of this state;

4245 (10) (a) amounts paid for an item described in Subsection (10)(b) if:

4246 (i) the item is intended for human use; and

4247 (ii) (A) a prescription was issued for the item; or

4248 (B) the item was purchased by a hospital or other medical facility; and

4249 (b) (i) Subsection (10)(a) applies to:

4250 (A) a drug;

4251 (B) a syringe; or

4252 (C) a stoma supply; and

4253 (ii) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the

4254 commission may by rule define the terms:

4255 (A) "syringe"; or

4256 (B) "stoma supply";

4257 (11) sales or use of property, materials, or services used in the construction of or

4258 incorporated in pollution control facilities allowed by Sections 19-2-123 through 19-2-127;

4259 (12) (a) sales of an item described in Subsection (12)(c) served by:

4260 (i) the following if the item described in Subsection (12)(c) is not available to the

4261 general public:

4262 (A) a church; or

4263 (B) a charitable institution;

4264 (ii) an institution of higher education if:

4265 (A) the item described in Subsection (12)(c) is not available to the general public; or

4266 (B) the item described in Subsection (12)(c) is prepaid as part of a student meal plan

4267 offered by the institution of higher education; or

4268 (b) sales of an item described in Subsection (12)(c) provided for a patient by:

4269 (i) a medical facility; or

4270 (ii) a nursing facility; and

4271 (c) Subsections (12)(a) and (b) apply to:

4272 (i) food and food ingredients;

4273 (ii) prepared food; or

4274 (iii) alcoholic beverages;

4275 (13) (a) except as provided in Subsection (13)(b), the sale of tangible personal property  
4276 or a product transferred electronically by a person:

4277 (i) regardless of the number of transactions involving the sale of that tangible personal  
4278 property or product transferred electronically by that person; and

4279 (ii) not regularly engaged in the business of selling that type of tangible personal  
4280 property or product transferred electronically;

4281 (b) this Subsection (13) does not apply if:

4282 (i) the sale is one of a series of sales of a character to indicate that the person is  
4283 regularly engaged in the business of selling that type of tangible personal property or product  
4284 transferred electronically;

4285 (ii) the person holds that person out as regularly engaged in the business of selling that  
4286 type of tangible personal property or product transferred electronically;

4287 (iii) the person sells an item of tangible personal property or product transferred  
4288 electronically that the person purchased as a sale that is exempt under Subsection (25); or

4289 (iv) the sale is of a vehicle or vessel required to be titled or registered under the laws of  
4290 this state in which case the tax is based upon:

4291 (A) the bill of sale or other written evidence of value of the vehicle or vessel being  
4292 sold; or

4293 (B) in the absence of a bill of sale or other written evidence of value, the fair market  
4294 value of the vehicle or vessel being sold at the time of the sale as determined by the  
4295 commission; and

4296 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
4297 commission shall make rules establishing the circumstances under which:

4298 (i) a person is regularly engaged in the business of selling a type of tangible personal  
4299 property or product transferred electronically;

4300 (ii) a sale of tangible personal property or a product transferred electronically is one of  
4301 a series of sales of a character to indicate that a person is regularly engaged in the business of  
4302 selling that type of tangible personal property or product transferred electronically; or

4303 (iii) a person holds that person out as regularly engaged in the business of selling a type  
4304 of tangible personal property or product transferred electronically;

4305 (14) (a) except as provided in Subsection (14)(b), amounts paid or charged on or after

4306 July 1, 2006, for a purchase or lease by a manufacturing facility except for a cogeneration  
4307 facility, of the following:

4308 (i) machinery and equipment that:

4309 (A) are used:

4310 (I) for a manufacturing facility except for a manufacturing facility that is a scrap  
4311 recycler described in Subsection 59-12-102(54)(b):

4312 (Aa) in the manufacturing process;

4313 (Bb) to manufacture an item sold as tangible personal property; and

4314 (Cc) beginning on July 1, 2009, in a manufacturing facility described in this Subsection  
4315 (14)(a)(i)(A)(I) in the state; or

4316 (II) for a manufacturing facility that is a scrap recycler described in Subsection  
4317 59-12-102(54)(b):

4318 (Aa) to process an item sold as tangible personal property; and

4319 (Bb) beginning on July 1, 2009, in a manufacturing facility described in this Subsection  
4320 (14)(a)(i)(A)(II) in the state; and

4321 (B) have an economic life of three or more years; and

4322 (ii) normal operating repair or replacement parts that:

4323 (A) have an economic life of three or more years; and

4324 (B) are used:

4325 (I) for a manufacturing facility except for a manufacturing facility that is a scrap  
4326 recycler described in Subsection 59-12-102(54)(b):

4327 (Aa) in the manufacturing process; and

4328 (Bb) in a manufacturing facility described in this Subsection (14)(a)(ii)(B)(I) in the  
4329 state; or

4330 (II) for a manufacturing facility that is a scrap recycler described in Subsection  
4331 59-12-102(54)(b):

4332 (Aa) to process an item sold as tangible personal property; and

4333 (Bb) in a manufacturing facility described in this Subsection (14)(a)(ii)(B)(II) in the  
4334 state;

4335 (b) amounts paid or charged on or after July 1, 2005, for a purchase or lease by a  
4336 manufacturing facility that is a cogeneration facility placed in service on or after May 1, 2006,

4337 of the following:

4338 (i) machinery and equipment that:

4339 (A) are used:

4340 (I) in the manufacturing process;

4341 (II) to manufacture an item sold as tangible personal property; and

4342 (III) beginning on July 1, 2009, in a manufacturing facility described in this Subsection

4343 (14)(b) in the state; and

4344 (B) have an economic life of three or more years; and

4345 (ii) normal operating repair or replacement parts that:

4346 (A) are used:

4347 (I) in the manufacturing process; and

4348 (II) in a manufacturing facility described in this Subsection (14)(b) in the state; and

4349 (B) have an economic life of three or more years;

4350 (c) amounts paid or charged for a purchase or lease made on or after January 1, 2008,

4351 by an establishment described in NAICS Subsector 212, Mining (except Oil and Gas), or

4352 NAICS Code 213113, Support Activities for Coal Mining, 213114, Support Activities for

4353 Metal Mining, or 213115, Support Activities for Nonmetallic Minerals (except Fuels) Mining,

4354 of the 2002 North American Industry Classification System of the federal Executive Office of

4355 the President, Office of Management and Budget, of the following:

4356 (i) machinery and equipment that:

4357 (A) are used:

4358 (I) (Aa) in the production process, other than the production of real property; or

4359 (Bb) in research and development; and

4360 (II) beginning on July 1, 2009, in an establishment described in this Subsection (14)(c)

4361 in the state; and

4362 (B) have an economic life of three or more years; and

4363 (ii) normal operating repair or replacement parts that:

4364 (A) have an economic life of three or more years; and

4365 (B) are used in:

4366 (I) (Aa) the production process, except for the production of real property; and

4367 (Bb) an establishment described in this Subsection (14)(c) in the state; or

4368 (II) (Aa) research and development; and  
4369 (Bb) in an establishment described in this Subsection (14)(c) in the state;  
4370 (d) (i) amounts paid or charged for a purchase or lease made on or after July 1, 2010,  
4371 but on or before June 30, 2014, by an establishment described in NAICS Code 518112, Web  
4372 Search Portals, of the 2002 North American Industry Classification System of the federal  
4373 Executive Office of the President, Office of Management and Budget, of the following:  
4374 (A) machinery and equipment that:  
4375 (I) are used in the operation of the web search portal;  
4376 (II) have an economic life of three or more years; and  
4377 (III) are used in a new or expanding establishment described in this Subsection (14)(d)  
4378 in the state; and  
4379 (B) normal operating repair or replacement parts that:  
4380 (I) are used in the operation of the web search portal;  
4381 (II) have an economic life of three or more years; and  
4382 (III) are used in a new or expanding establishment described in this Subsection (14)(d)  
4383 in the state; or  
4384 (ii) amounts paid or charged for a purchase or lease made on or after July 1, 2014, by  
4385 an establishment described in NAICS Code 518112, Web Search Portals, of the 2002 North  
4386 American Industry Classification System of the federal Executive Office of the President,  
4387 Office of Management and Budget, of the following:  
4388 (A) machinery and equipment that:  
4389 (I) are used in the operation of the web search portal; and  
4390 (II) have an economic life of three or more years; and  
4391 (B) normal operating repair or replacement parts that:  
4392 (I) are used in the operation of the web search portal; and  
4393 (II) have an economic life of three or more years;  
4394 (e) for purposes of this Subsection (14) and in accordance with Title 63G, Chapter 3,  
4395 Utah Administrative Rulemaking Act, the commission:  
4396 (i) shall by rule define the term "establishment"; and  
4397 (ii) may by rule define what constitutes:  
4398 (A) processing an item sold as tangible personal property;

- 4399 (B) the production process, except for the production of real property;
- 4400 (C) research and development; or
- 4401 (D) a new or expanding establishment described in Subsection (14)(d) in the state; and
- 4402 (f) on or before October 1, 2011, and every five years after October 1, 2011, the
- 4403 commission shall:
  - 4404 (i) review the exemptions described in this Subsection (14) and make
  - 4405 recommendations to the Revenue and Taxation Interim Committee concerning whether the
  - 4406 exemptions should be continued, modified, or repealed; and
    - 4407 (ii) include in its report:
      - 4408 (A) an estimate of the cost of the exemptions;
      - 4409 (B) the purpose and effectiveness of the exemptions; and
      - 4410 (C) the benefits of the exemptions to the state;
  - 4411 (15) (a) sales of the following if the requirements of Subsection (15)(b) are met:
    - 4412 (i) tooling;
    - 4413 (ii) special tooling;
    - 4414 (iii) support equipment;
    - 4415 (iv) special test equipment; or
    - 4416 (v) parts used in the repairs or renovations of tooling or equipment described in
    - 4417 Subsections (15)(a)(i) through (iv); and
      - 4418 (b) sales of tooling, equipment, or parts described in Subsection (15)(a) are exempt if:
        - 4419 (i) the tooling, equipment, or parts are used or consumed exclusively in the
        - 4420 performance of any aerospace or electronics industry contract with the United States
        - 4421 government or any subcontract under that contract; and
          - 4422 (ii) under the terms of the contract or subcontract described in Subsection (15)(b)(i),
          - 4423 title to the tooling, equipment, or parts is vested in the United States government as evidenced
          - 4424 by:
            - 4425 (A) a government identification tag placed on the tooling, equipment, or parts; or
            - 4426 (B) listing on a government-approved property record if placing a government
            - 4427 identification tag on the tooling, equipment, or parts is impractical;
        - 4428 (16) sales of newspapers or newspaper subscriptions;
        - 4429 (17) (a) except as provided in Subsection (17)(b), tangible personal property or a

4430 product transferred electronically traded in as full or part payment of the purchase price, except  
4431 that for purposes of calculating sales or use tax upon vehicles not sold by a vehicle dealer,  
4432 trade-ins are limited to other vehicles only, and the tax is based upon:

4433 (i) the bill of sale or other written evidence of value of the vehicle being sold and the  
4434 vehicle being traded in; or

4435 (ii) in the absence of a bill of sale or other written evidence of value, the then existing  
4436 fair market value of the vehicle being sold and the vehicle being traded in, as determined by the  
4437 commission; and

4438 (b) notwithstanding Subsection (17)(a), Subsection (17)(a) does not apply to the  
4439 following items of tangible personal property or products transferred electronically traded in as  
4440 full or part payment of the purchase price:

4441 (i) money;

4442 (ii) electricity;

4443 (iii) water;

4444 (iv) gas; or

4445 (v) steam;

4446 (18) (a) (i) except as provided in Subsection (18)(b), sales of tangible personal property  
4447 or a product transferred electronically used or consumed primarily and directly in farming  
4448 operations, regardless of whether the tangible personal property or product transferred  
4449 electronically:

4450 (A) becomes part of real estate; or

4451 (B) is installed by a:

4452 (I) farmer;

4453 (II) contractor; or

4454 (III) subcontractor; or

4455 (ii) sales of parts used in the repairs or renovations of tangible personal property or a  
4456 product transferred electronically if the tangible personal property or product transferred  
4457 electronically is exempt under Subsection (18)(a)(i); and

4458 (b) notwithstanding Subsection (18)(a), amounts paid or charged for the following are  
4459 subject to the taxes imposed by this chapter:

4460 (i) (A) subject to Subsection (18)(b)(i)(B), the following if used in a manner that is



4461 incidental to farming:

4462 (I) machinery;

4463 (II) equipment;

4464 (III) materials; or

4465 (IV) supplies; and

4466 (B) tangible personal property that is considered to be used in a manner that is

4467 incidental to farming includes:

4468 (I) hand tools; or

4469 (II) maintenance and janitorial equipment and supplies;

4470 (ii) (A) subject to Subsection (18)(b)(ii)(B), tangible personal property or a product

4471 transferred electronically if the tangible personal property or product transferred electronically

4472 is used in an activity other than farming; and

4473 (B) tangible personal property or a product transferred electronically that is considered

4474 to be used in an activity other than farming includes:

4475 (I) office equipment and supplies; or

4476 (II) equipment and supplies used in:

4477 (Aa) the sale or distribution of farm products;

4478 (Bb) research; or

4479 (Cc) transportation; or

4480 (iii) a vehicle required to be registered by the laws of this state during the period

4481 ending two years after the date of the vehicle's purchase;

4482 (19) sales of hay;

4483 (20) exclusive sale during the harvest season of seasonal crops, seedling plants, or

4484 garden, farm, or other agricultural produce if the seasonal crops are, seedling plants are, or

4485 garden, farm, or other agricultural produce is sold by:

4486 (a) the producer of the seasonal crops, seedling plants, or garden, farm, or other

4487 agricultural produce;

4488 (b) an employee of the producer described in Subsection (20)(a); or

4489 (c) a member of the immediate family of the producer described in Subsection (20)(a);

4490 (21) purchases made using a coupon as defined in 7 U.S.C. Sec. 2012 that is issued

4491 under the Food Stamp Program, 7 U.S.C. Sec. 2011 et seq.;

4492 (22) sales of nonreturnable containers, nonreturnable labels, nonreturnable bags,  
4493 nonreturnable shipping cases, and nonreturnable casings to a manufacturer, processor,  
4494 wholesaler, or retailer for use in packaging tangible personal property to be sold by that  
4495 manufacturer, processor, wholesaler, or retailer;

4496 (23) a product stored in the state for resale;

4497 (24) (a) purchases of a product if:

4498 (i) the product is:

4499 (A) purchased outside of this state;

4500 (B) brought into this state:

4501 (I) at any time after the purchase described in Subsection (24)(a)(i)(A); and

4502 (II) by a nonresident person who is not living or working in this state at the time of the  
4503 purchase;

4504 (C) used for the personal use or enjoyment of the nonresident person described in  
4505 Subsection (24)(a)(i)(B)(II) while that nonresident person is within the state; and

4506 (D) not used in conducting business in this state; and

4507 (ii) for:

4508 (A) a product other than a boat described in Subsection (24)(a)(ii)(B), the first use of  
4509 the product for a purpose for which the product is designed occurs outside of this state;

4510 (B) a boat, the boat is registered outside of this state; or

4511 (C) a vehicle other than a vehicle sold to an authorized carrier, the vehicle is registered  
4512 outside of this state;

4513 (b) the exemption provided for in Subsection (24)(a) does not apply to:

4514 (i) a lease or rental of a product; or

4515 (ii) a sale of a vehicle exempt under Subsection (33); and

4516 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for  
4517 purposes of Subsection (24)(a), the commission may by rule define what constitutes the  
4518 following:

4519 (i) conducting business in this state if that phrase has the same meaning in this  
4520 Subsection (24) as in Subsection (63);

4521 (ii) the first use of a product if that phrase has the same meaning in this Subsection (24)  
4522 as in Subsection (63); or

4523 (iii) a purpose for which a product is designed if that phrase has the same meaning in  
4524 this Subsection (24) as in Subsection (63);

4525 (25) a product purchased for resale in this state, in the regular course of business, either  
4526 in its original form or as an ingredient or component part of a manufactured or compounded  
4527 product;

4528 (26) a product upon which a sales or use tax was paid to some other state, or one of its  
4529 subdivisions, except that the state shall be paid any difference between the tax paid and the tax  
4530 imposed by this part and Part 2, Local Sales and Use Tax Act, and no adjustment is allowed if  
4531 the tax paid was greater than the tax imposed by this part and Part 2, Local Sales and Use Tax  
4532 Act;

4533 (27) any sale of a service described in Subsections 59-12-103(1)(b), (c), and (d) to a  
4534 person for use in compounding a service taxable under the subsections;

4535 (28) purchases made in accordance with the special supplemental nutrition program for  
4536 women, infants, and children established in 42 U.S.C. Sec. 1786;

4537 (29) beginning on July 1, 1999, through June 30, 2014, sales or leases of rolls, rollers,  
4538 refractory brick, electric motors, or other replacement parts used in the furnaces, mills, or ovens  
4539 of a steel mill described in SIC Code 3312 of the 1987 Standard Industrial Classification  
4540 Manual of the federal Executive Office of the President, Office of Management and Budget;

4541 (30) sales of a boat of a type required to be registered under Title 73, Chapter 18, State  
4542 Boating Act, a boat trailer, or an outboard motor if the boat, boat trailer, or outboard motor is:

4543 (a) not registered in this state; and

4544 (b) (i) not used in this state; or

4545 (ii) used in this state:

4546 (A) if the boat, boat trailer, or outboard motor is not used to conduct business, for a  
4547 time period that does not exceed the longer of:

4548 (I) 30 days in any calendar year; or

4549 (II) the time period necessary to transport the boat, boat trailer, or outboard motor to  
4550 the borders of this state; or

4551 (B) if the boat, boat trailer, or outboard motor is used to conduct business, for the time  
4552 period necessary to transport the boat, boat trailer, or outboard motor to the borders of this  
4553 state;

- 4554 (31) sales of aircraft manufactured in Utah;
- 4555 (32) amounts paid for the purchase of telecommunications service for purposes of  
4556 providing telecommunications service;
- 4557 (33) sales, leases, or uses of the following:
- 4558 (a) a vehicle by an authorized carrier; or
- 4559 (b) tangible personal property that is installed on a vehicle:
- 4560 (i) sold or leased to or used by an authorized carrier; and
- 4561 (ii) before the vehicle is placed in service for the first time;
- 4562 (34) (a) 45% of the sales price of any new manufactured home; and
- 4563 (b) 100% of the sales price of any used manufactured home;
- 4564 (35) sales relating to schools and fundraising sales;
- 4565 (36) sales or rentals of durable medical equipment if:
- 4566 (a) a person presents a prescription for the durable medical equipment; and
- 4567 (b) the durable medical equipment is used for home use only;
- 4568 (37) (a) sales to a ski resort of electricity to operate a passenger ropeway as defined in  
4569 Section 72-11-102; and
- 4570 (b) the commission shall by rule determine the method for calculating sales exempt  
4571 under Subsection (37)(a) that are not separately metered and accounted for in utility billings;
- 4572 (38) sales to a ski resort of:
- 4573 (a) snowmaking equipment;
- 4574 (b) ski slope grooming equipment;
- 4575 (c) passenger ropeways as defined in Section 72-11-102; or
- 4576 (d) parts used in the repairs or renovations of equipment or passenger ropeways  
4577 described in Subsections (38)(a) through (c);
- 4578 (39) sales of natural gas, electricity, heat, coal, fuel oil, or other fuels for industrial use;
- 4579 (40) (a) subject to Subsection (40)(b), sales or rentals of the right to use or operate for  
4580 amusement, entertainment, or recreation an unassisted amusement device as defined in Section  
4581 59-12-102;
- 4582 (b) if a seller that sells or rents at the same business location the right to use or operate  
4583 for amusement, entertainment, or recreation one or more unassisted amusement devices and  
4584 one or more assisted amusement devices, the exemption described in Subsection (40)(a)

4585 applies if the seller separately accounts for the sales or rentals of the right to use or operate for  
4586 amusement, entertainment, or recreation for the assisted amusement devices; and

4587 (c) for purposes of Subsection (40)(b) and in accordance with Title 63G, Chapter 3,  
4588 Utah Administrative Rulemaking Act, the commission may make rules:

4589 (i) governing the circumstances under which sales are at the same business location;  
4590 and

4591 (ii) establishing the procedures and requirements for a seller to separately account for  
4592 the sales or rentals of the right to use or operate for amusement, entertainment, or recreation for  
4593 assisted amusement devices;

4594 (41) (a) sales of photocopies by:

4595 (i) a governmental entity; or

4596 (ii) an entity within the state system of public education, including:

4597 (A) a school; or

4598 (B) the State Board of Education; or

4599 (b) sales of publications by a governmental entity;

4600 (42) amounts paid for admission to an athletic event at an institution of higher  
4601 education that is subject to the provisions of Title IX of the Education Amendments of 1972,  
4602 20 U.S.C. Sec. 1681 et seq.;

4603 (43) (a) sales made to or by:

4604 (i) an area agency on aging; or

4605 (ii) a senior citizen center owned by a county, city, or town; or

4606 (b) sales made by a senior citizen center that contracts with an area agency on aging;

4607 (44) sales or leases of semiconductor fabricating, processing, research, or development  
4608 materials regardless of whether the semiconductor fabricating, processing, research, or  
4609 development materials:

4610 (a) actually come into contact with a semiconductor; or

4611 (b) ultimately become incorporated into real property;

4612 (45) an amount paid by or charged to a purchaser for accommodations and services  
4613 described in Subsection 59-12-103(1)(i) to the extent the amount is exempt under Section  
4614 59-12-104.2;

4615 (46) beginning on September 1, 2001, the lease or use of a vehicle issued a temporary

4616 sports event registration certificate in accordance with Section 41-3-306 for the event period  
4617 specified on the temporary sports event registration certificate;

4618 (47) sales or uses of electricity, if the sales or uses are:

4619 (a) made under a tariff adopted by the Public Service Commission of Utah only for  
4620 purchase of electricity produced from a new wind, geothermal, biomass, or solar power energy  
4621 source, as designated in the tariff by the Public Service Commission of Utah; and

4622 (b) for an amount of electricity that is:

4623 (i) unrelated to the amount of electricity used by the person purchasing the electricity  
4624 under the tariff described in Subsection (47)(a); and

4625 (ii) equivalent to the number of kilowatthours specified in the tariff described in  
4626 Subsection (47)(a) that may be purchased under the tariff described in Subsection (47)(a);

4627 (48) sales or rentals of mobility enhancing equipment if a person presents a  
4628 prescription for the mobility enhancing equipment;

4629 (49) sales of water in a:

4630 (a) pipe;

4631 (b) conduit;

4632 (c) ditch; or

4633 (d) reservoir;

4634 (50) sales of currency or coinage that constitute legal tender of the United States or of a  
4635 foreign nation;

4636 (51) (a) sales of an item described in Subsection (51)(b) if the item:

4637 (i) does not constitute legal tender of any nation; and

4638 (ii) has a gold, silver, or platinum content of 80% or more; and

4639 (b) Subsection (51)(a) applies to a gold, silver, or platinum:

4640 (i) ingot;

4641 (ii) bar;

4642 (iii) medallion; or

4643 (iv) decorative coin;

4644 (52) amounts paid on a sale-leaseback transaction;

4645 (53) sales of a prosthetic device:

4646 (a) for use on or in a human; and

4647 (b) (i) for which a prescription is required; or  
4648 (ii) if the prosthetic device is purchased by a hospital or other medical facility;  
4649 (54) (a) except as provided in Subsection (54)(b), purchases, leases, or rentals of  
4650 machinery or equipment by an establishment described in Subsection (54)(c) if the machinery  
4651 or equipment is primarily used in the production or postproduction of the following media for  
4652 commercial distribution:  
4653 (i) a motion picture;  
4654 (ii) a television program;  
4655 (iii) a movie made for television;  
4656 (iv) a music video;  
4657 (v) a commercial;  
4658 (vi) a documentary; or  
4659 (vii) a medium similar to Subsections (54)(a)(i) through (vi) as determined by the  
4660 commission by administrative rule made in accordance with Subsection (54)(d); or  
4661 (b) notwithstanding Subsection (54)(a), purchases, leases, or rentals of machinery or  
4662 equipment by an establishment described in Subsection (54)(c) that is used for the production  
4663 or postproduction of the following are subject to the taxes imposed by this chapter:  
4664 (i) a live musical performance;  
4665 (ii) a live news program; or  
4666 (iii) a live sporting event;  
4667 (c) the following establishments listed in the 1997 North American Industry  
4668 Classification System of the federal Executive Office of the President, Office of Management  
4669 and Budget, apply to Subsections (54)(a) and (b):  
4670 (i) NAICS Code 512110; or  
4671 (ii) NAICS Code 51219; and  
4672 (d) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
4673 commission may by rule:  
4674 (i) prescribe what constitutes a medium similar to Subsections (54)(a)(i) through (vi);  
4675 or  
4676 (ii) define:  
4677 (A) "commercial distribution";

- 4678 (B) "live musical performance";
- 4679 (C) "live news program"; or
- 4680 (D) "live sporting event";
- 4681 (55) (a) leases of seven or more years or purchases made on or after July 1, 2004 but on
- 4682 or before June 30, 2019, of machinery or equipment that:
- 4683 (i) is leased or purchased for or by a facility that:
- 4684 (A) is a renewable energy production facility;
- 4685 (B) is located in the state; and
- 4686 (C) (I) becomes operational on or after July 1, 2004; or
- 4687 (II) has its generation capacity increased by one or more megawatts on or after July 1,
- 4688 2004 as a result of the use of the machinery or equipment;
- 4689 (ii) has an economic life of five or more years; and
- 4690 (iii) is used to make the facility or the increase in capacity of the facility described in
- 4691 Subsection (55)(a)(i) operational up to the point of interconnection with an existing
- 4692 transmission grid including:
- 4693 (A) a wind turbine;
- 4694 (B) generating equipment;
- 4695 (C) a control and monitoring system;
- 4696 (D) a power line;
- 4697 (E) substation equipment;
- 4698 (F) lighting;
- 4699 (G) fencing;
- 4700 (H) pipes; or
- 4701 (I) other equipment used for locating a power line or pole; and
- 4702 (b) this Subsection (55) does not apply to:
- 4703 (i) machinery or equipment used in construction of:
- 4704 (A) a new renewable energy production facility; or
- 4705 (B) the increase in the capacity of a renewable energy production facility;
- 4706 (ii) contracted services required for construction and routine maintenance activities;
- 4707 and
- 4708 (iii) unless the machinery or equipment is used or acquired for an increase in capacity



4709 of the facility described in Subsection (55)(a)(i)(C)(II), machinery or equipment used or  
4710 acquired after:

4711 (A) the renewable energy production facility described in Subsection (55)(a)(i) is  
4712 operational as described in Subsection (55)(a)(iii); or

4713 (B) the increased capacity described in Subsection (55)(a)(i) is operational as described  
4714 in Subsection (55)(a)(iii);

4715 (56) (a) leases of seven or more years or purchases made on or after July 1, 2004 but on  
4716 or before June 30, 2019, of machinery or equipment that:

4717 (i) is leased or purchased for or by a facility that:

4718 (A) is a waste energy production facility;

4719 (B) is located in the state; and

4720 (C) (I) becomes operational on or after July 1, 2004; or

4721 (II) has its generation capacity increased by one or more megawatts on or after July 1,  
4722 2004 as a result of the use of the machinery or equipment;

4723 (ii) has an economic life of five or more years; and

4724 (iii) is used to make the facility or the increase in capacity of the facility described in  
4725 Subsection (56)(a)(i) operational up to the point of interconnection with an existing  
4726 transmission grid including:

4727 (A) generating equipment;

4728 (B) a control and monitoring system;

4729 (C) a power line;

4730 (D) substation equipment;

4731 (E) lighting;

4732 (F) fencing;

4733 (G) pipes; or

4734 (H) other equipment used for locating a power line or pole; and

4735 (b) this Subsection (56) does not apply to:

4736 (i) machinery or equipment used in construction of:

4737 (A) a new waste energy facility; or

4738 (B) the increase in the capacity of a waste energy facility;

4739 (ii) contracted services required for construction and routine maintenance activities;

4740 and

4741 (iii) unless the machinery or equipment is used or acquired for an increase in capacity  
4742 described in Subsection (56)(a)(i)(C)(II), machinery or equipment used or acquired after:

4743 (A) the waste energy facility described in Subsection (56)(a)(i) is operational as  
4744 described in Subsection (56)(a)(iii); or

4745 (B) the increased capacity described in Subsection (56)(a)(i) is operational as described  
4746 in Subsection (56)(a)(iii);

4747 (57) (a) leases of five or more years or purchases made on or after July 1, 2004 but on  
4748 or before June 30, 2019, of machinery or equipment that:

4749 (i) is leased or purchased for or by a facility that:

4750 (A) is located in the state;

4751 (B) produces fuel from biomass energy including:

4752 (I) methanol; or

4753 (II) ethanol; and

4754 (C) (I) becomes operational on or after July 1, 2004; or

4755 (II) has its capacity to produce fuel increase by 25% or more on or after July 1, 2004 as  
4756 a result of the installation of the machinery or equipment;

4757 (ii) has an economic life of five or more years; and

4758 (iii) is installed on the facility described in Subsection (57)(a)(i);

4759 (b) this Subsection (57) does not apply to:

4760 (i) machinery or equipment used in construction of:

4761 (A) a new facility described in Subsection (57)(a)(i); or

4762 (B) the increase in capacity of the facility described in Subsection (57)(a)(i); or

4763 (ii) contracted services required for construction and routine maintenance activities;

4764 and

4765 (iii) unless the machinery or equipment is used or acquired for an increase in capacity  
4766 described in Subsection (57)(a)(i)(C)(II), machinery or equipment used or acquired after:

4767 (A) the facility described in Subsection (57)(a)(i) is operational; or

4768 (B) the increased capacity described in Subsection (57)(a)(i) is operational;

4769 (58) (a) subject to Subsection (58)(b) or (c), sales of tangible personal property or a

4770 product transferred electronically to a person within this state if that tangible personal property

4771 or product transferred electronically is subsequently shipped outside the state and incorporated  
4772 pursuant to contract into and becomes a part of real property located outside of this state;

4773 (b) the exemption under Subsection (58)(a) is not allowed to the extent that the other  
4774 state or political entity to which the tangible personal property is shipped imposes a sales, use,  
4775 gross receipts, or other similar transaction excise tax on the transaction against which the other  
4776 state or political entity allows a credit for sales and use taxes imposed by this chapter; and

4777 (c) notwithstanding the time period of Subsection 59-1-1410(8) for filing for a refund,  
4778 a person may claim the exemption allowed by this Subsection (58) for a sale by filing for a  
4779 refund:

4780 (i) if the sale is made on or after July 1, 2004, but on or before June 30, 2008;

4781 (ii) as if this Subsection (58) as in effect on July 1, 2008, were in effect on the day on  
4782 which the sale is made;

4783 (iii) if the person did not claim the exemption allowed by this Subsection (58) for the  
4784 sale prior to filing for the refund;

4785 (iv) for sales and use taxes paid under this chapter on the sale;

4786 (v) in accordance with Section 59-1-1410; and

4787 (vi) subject to any extension allowed for filing for a refund under Section 59-1-1410, if  
4788 the person files for the refund on or before June 30, 2011;

4789 (59) purchases:

4790 (a) of one or more of the following items in printed or electronic format:

4791 (i) a list containing information that includes one or more:

4792 (A) names; or

4793 (B) addresses; or

4794 (ii) a database containing information that includes one or more:

4795 (A) names; or

4796 (B) addresses; and

4797 (b) used to send direct mail;

4798 (60) redemptions or repurchases of a product by a person if that product was:

4799 (a) delivered to a pawnbroker as part of a pawn transaction; and

4800 (b) redeemed or repurchased within the time period established in a written agreement  
4801 between the person and the pawnbroker for redeeming or repurchasing the product;

4802 (61) (a) purchases or leases of an item described in Subsection (61)(b) if the item:  
4803 (i) is purchased or leased by, or on behalf of, a telecommunications service provider;  
4804 and  
4805 (ii) has a useful economic life of one or more years; and  
4806 (b) the following apply to Subsection (61)(a):  
4807 (i) telecommunications enabling or facilitating equipment, machinery, or software;  
4808 (ii) telecommunications equipment, machinery, or software required for 911 service;  
4809 (iii) telecommunications maintenance or repair equipment, machinery, or software;  
4810 (iv) telecommunications switching or routing equipment, machinery, or software; or  
4811 (v) telecommunications transmission equipment, machinery, or software;  
4812 (62) (a) beginning on July 1, 2006, and ending on June 30, 2016, purchases of tangible  
4813 personal property or a product transferred electronically that are used in the research and  
4814 development of coal-to-liquids, oil shale, or tar sands technology; and  
4815 (b) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
4816 commission may, for purposes of Subsection (62)(a), make rules defining what constitutes  
4817 purchases of tangible personal property or a product transferred electronically that are used in  
4818 the research and development of coal-to-liquids, oil shale, and tar sands technology;  
4819 (63) (a) purchases of tangible personal property or a product transferred electronically  
4820 if:  
4821 (i) the tangible personal property or product transferred electronically is:  
4822 (A) purchased outside of this state;  
4823 (B) brought into this state at any time after the purchase described in Subsection  
4824 (63)(a)(i)(A); and  
4825 (C) used in conducting business in this state; and  
4826 (ii) for:  
4827 (A) tangible personal property or a product transferred electronically other than the  
4828 tangible personal property described in Subsection (63)(a)(ii)(B), the first use of the property  
4829 for a purpose for which the property is designed occurs outside of this state; or  
4830 (B) a vehicle other than a vehicle sold to an authorized carrier, the vehicle is registered  
4831 outside of this state;  
4832 (b) the exemption provided for in Subsection (63)(a) does not apply to:

- 4833 (i) a lease or rental of tangible personal property or a product transferred electronically;  
4834 or
- 4835 (ii) a sale of a vehicle exempt under Subsection (33); and
- 4836 (c) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for  
4837 purposes of Subsection (63)(a), the commission may by rule define what constitutes the  
4838 following:
- 4839 (i) conducting business in this state if that phrase has the same meaning in this  
4840 Subsection (63) as in Subsection (24);
- 4841 (ii) the first use of tangible personal property or a product transferred electronically if  
4842 that phrase has the same meaning in this Subsection (63) as in Subsection (24); or
- 4843 (iii) a purpose for which tangible personal property or a product transferred  
4844 electronically is designed if that phrase has the same meaning in this Subsection (63) as in  
4845 Subsection (24);
- 4846 (64) sales of disposable home medical equipment or supplies if:
- 4847 (a) a person presents a prescription for the disposable home medical equipment or  
4848 supplies;
- 4849 (b) the disposable home medical equipment or supplies are used exclusively by the  
4850 person to whom the prescription described in Subsection (64)(a) is issued; and
- 4851 (c) the disposable home medical equipment and supplies are listed as eligible for  
4852 payment under:
- 4853 (i) Title XVIII, federal Social Security Act; or
- 4854 (ii) the state plan for medical assistance under Title XIX, federal Social Security Act;
- 4855 (65) sales:
- 4856 (a) to a public transit district under Title 17B, Chapter 2a, Part 8, Public Transit  
4857 District Act; or
- 4858 (b) of tangible personal property to a subcontractor of a public transit district, if the  
4859 tangible personal property is:
- 4860 (i) clearly identified; and
- 4861 (ii) installed or converted to real property owned by the public transit district;
- 4862 (66) sales of construction materials:
- 4863 (a) purchased on or after July 1, 2010;

- 4864 (b) purchased by, on behalf of, or for the benefit of an international airport:
- 4865 (i) located within a county of the first class; and
- 4866 (ii) that has a United States customs office on its premises; and
- 4867 (c) if the construction materials are:
- 4868 (i) clearly identified;
- 4869 (ii) segregated; and
- 4870 (iii) installed or converted to real property:
- 4871 (A) owned or operated by the international airport described in Subsection (66)(b); and
- 4872 (B) located at the international airport described in Subsection (66)(b);
- 4873 (67) sales of construction materials:
- 4874 (a) purchased on or after July 1, 2008;
- 4875 (b) purchased by, on behalf of, or for the benefit of a new airport:
- 4876 (i) located within a county of the second class; and
- 4877 (ii) that is owned or operated by a city in which an airline as defined in Section
- 4878 59-2-102 is headquartered; and
- 4879 (c) if the construction materials are:
- 4880 (i) clearly identified;
- 4881 (ii) segregated; and
- 4882 (iii) installed or converted to real property:
- 4883 (A) owned or operated by the new airport described in Subsection (67)(b);
- 4884 (B) located at the new airport described in Subsection (67)(b); and
- 4885 (C) as part of the construction of the new airport described in Subsection (67)(b);
- 4886 (68) sales of fuel to a common carrier that is a railroad for use in a locomotive engine;
- 4887 (69) purchases and sales described in Section ~~[9-3-511]~~ 63H-4-111; and
- 4888 (70) (a) sales of tangible personal property to an aircraft maintenance, repair, and
- 4889 overhaul provider for use in the maintenance, repair, overhaul, or refurbishment in this state of
- 4890 a fixed wing turbine powered aircraft if that fixed wing turbine powered aircraft's registration
- 4891 lists a state or country other than this state as the location of registry of the fixed wing turbine
- 4892 powered aircraft; or
- 4893 (b) sales of tangible personal property by an aircraft maintenance, repair, and overhaul
- 4894 provider in connection with the maintenance, repair, overhaul, or refurbishment in this state of

4895 a fixed wing turbine powered aircraft if that fixed wing turbine powered aircraft's registration  
4896 lists a state or country other than this state as the location of registry of the fixed wing turbine  
4897 powered aircraft.

4898 Section 108. Section **59-12-204** is amended to read:

4899 **59-12-204. Sales and use tax ordinance provisions -- Tax rate -- Distribution of**  
4900 **tax revenues -- Commission requirement to retain an amount to be deposited into the**  
4901 **Qualified Emergency Food Agencies Fund.**

4902 (1) The tax ordinance adopted pursuant to this part shall impose a tax upon those  
4903 transactions listed in Subsection 59-12-103(1).

4904 (2) (a) The tax ordinance under Subsection (1) shall include a provision imposing a tax  
4905 upon every transaction listed in Subsection 59-12-103(1) made within a county, including areas  
4906 contained within the cities and towns located in the county:

4907 (i) at the rate of 1% of the purchase price paid or charged; and

4908 (ii) if the transaction is consummated within the county in accordance with Section  
4909 59-12-205.

4910 (b) Notwithstanding Subsection (2)(a), a tax ordinance under this Subsection (2) shall  
4911 include a provision prohibiting a county, city, or town from imposing a tax under this section  
4912 on the sales and uses described in Section 59-12-104 to the extent the sales and uses are  
4913 exempt from taxation under Section 59-12-104.

4914 (3) Such tax ordinance shall include provisions substantially the same as those  
4915 contained in Part 1, Tax Collection, insofar as they relate to sales or use tax, except that the  
4916 name of the county as the taxing agency shall be substituted for that of the state where  
4917 necessary for the purpose of this part and that an additional license is not required if one has  
4918 been or is issued under Section 59-12-106.

4919 (4) Such tax ordinance shall include a provision that the county shall contract, prior to  
4920 the effective date of the ordinance, with the commission to perform all functions incident to the  
4921 administration or operation of the ordinance.

4922 (5) Such tax ordinance shall include a provision that the sale, storage, use, or other  
4923 consumption of tangible personal property, the purchase price or the cost of which has been  
4924 subject to sales or use tax under a sales and use tax ordinance enacted in accordance with this  
4925 part by any county, city, or town in any other county in this state, shall be exempt from the tax

4926 due under this ordinance.

4927 (6) Such tax ordinance shall include a provision that any person subject to the  
4928 provisions of a city or town sales and use tax shall be exempt from the county sales and use tax  
4929 if the city or town sales and use tax is levied under an ordinance including provisions in  
4930 substance as follows:

4931 (a) a provision imposing a tax upon every transaction listed in Subsection 59-12-103(1)  
4932 made within the city or town at the rate imposed by the county in which it is situated pursuant  
4933 to Subsection (2);

4934 (b) notwithstanding Subsection (2)(a), a provision prohibiting the city or town from  
4935 imposing a tax under this section on the sales and uses described in Section 59-12-104 to the  
4936 extent the sales and uses are exempt from taxation under Section 59-12-104;

4937 (c) provisions substantially the same as those contained in Part 1, Tax Collection,  
4938 insofar as they relate to sales and use taxes, except that the name of the city or town as the  
4939 taxing agency shall be substituted for that of the state where necessary for the purposes of this  
4940 part;

4941 (d) a provision that the city or town shall contract prior to the effective date of the city  
4942 or town sales and use tax ordinance with the commission to perform all functions incident to  
4943 the administration or operation of the sales and use tax ordinance of the city or town;

4944 (e) a provision that the sale, storage, use, or other consumption of tangible personal  
4945 property, the gross receipts from the sale of or the cost of which has been subject to sales or use  
4946 tax under a sales and use tax ordinance enacted in accordance with this part by any county  
4947 other than the county in which the city or town is located, or city or town in this state, shall be  
4948 exempt from the tax; and

4949 (f) a provision that the amount of any tax paid under Part 1, Tax Collection, shall not  
4950 be included as a part of the purchase price paid or charged for a taxable item.

4951 (7) Notwithstanding any other provision of this section, beginning July 1, 2000, the  
4952 commission shall:

4953 (a) determine and retain the portion of sales and use tax imposed under this section:

4954 (i) by each county and by each city and town within that county whose legislative body  
4955 consents by resolution to the commission's retaining and depositing sales and use tax revenues  
4956 as provided in this Subsection (7); and



- 4957 (ii) that is equal to the revenues generated by a 1/64% tax rate;
- 4958 (b) deposit the revenues described in Subsection (7)(a) into a special fund of the  
4959 county, or a city, town, or other political subdivision of the state located within that county, that  
4960 has issued bonds to finance sports or recreational facilities or that is leasing sports or  
4961 recreational facilities, in order to repay those bonds or to pay the lease payments; and
- 4962 (c) continue to deposit those revenues into the special fund only as long as the bonds or  
4963 leases are outstanding.
- 4964 (8) (a) Notwithstanding any other provision of this section, beginning on July 1, 2009,  
4965 the commission shall calculate and retain a portion of the sales and use tax collected under this  
4966 part as provided in this Subsection (8).
- 4967 (b) For a city, town, or unincorporated area of a county that imposes a tax under this  
4968 part, the commission shall calculate a percentage each month by dividing the sales and use tax  
4969 collected under this part for that month within the boundaries of that city, town, or  
4970 unincorporated area of a county by the total sales and use tax collected under this part for that  
4971 month within the boundaries of all of the cities, towns, and unincorporated areas of the  
4972 counties that impose a tax under this part.
- 4973 (c) For a city, town, or unincorporated area of a county that imposes a tax under this  
4974 part, the commission shall retain each month an amount equal to the product of:
- 4975 (i) the percentage the commission determines for the month under Subsection (8)(b)  
4976 for the city, town, or unincorporated area of a county; and
- 4977 (ii) \$25,417.
- 4978 (d) The commission shall deposit an amount the commission retains in accordance  
4979 with this Subsection (8) into the Qualified Emergency Food Agencies Fund created by Section  
4980 ~~[9-4-1409]~~ 63M-1-3109.
- 4981 (e) An amount the commission deposits into the Qualified Emergency Food Agencies  
4982 Fund shall be expended as provided in Section ~~[9-4-1409]~~ 63M-1-3109.
- 4983 Section 109. Section **59-12-1102** is amended to read:
- 4984 **59-12-1102. Base -- Rate -- Imposition of tax -- Distribution of revenue --**  
4985 **Administration -- Commission requirement to retain an amount to be deposited into the**  
4986 **Qualified Emergency Food Agencies Fund -- Enactment or repeal of tax -- Effective date**  
4987 **-- Notice requirements.**

4988 (1) (a) (i) Subject to Subsections (2) through (6), and in addition to any other tax  
4989 authorized by this chapter, a county may impose by ordinance a county option sales and use tax  
4990 of .25% upon the transactions described in Subsection 59-12-103(1).

4991 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this  
4992 section on the sales and uses described in Section 59-12-104 to the extent the sales and uses are  
4993 exempt from taxation under Section 59-12-104.

4994 (b) For purposes of this Subsection (1), the location of a transaction shall be  
4995 determined in accordance with Sections 59-12-211 through 59-12-215.

4996 (c) The county option sales and use tax under this section shall be imposed:

4997 (i) upon transactions that are located within the county, including transactions that are  
4998 located within municipalities in the county; and

4999 (ii) except as provided in Subsection (1)(d) or (5), beginning on the first day of  
5000 January:

5001 (A) of the next calendar year after adoption of the ordinance imposing the tax if the  
5002 ordinance is adopted on or before May 25; or

5003 (B) of the second calendar year after adoption of the ordinance imposing the tax if the  
5004 ordinance is adopted after May 25.

5005 (d) Notwithstanding Subsection (1)(c)(ii), the county option sales and use tax under  
5006 this section shall be imposed:

5007 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before  
5008 September 4, 1997; or

5009 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during 1997  
5010 but after September 4, 1997.

5011 (2) (a) Before imposing a county option sales and use tax under Subsection (1), a  
5012 county shall hold two public hearings on separate days in geographically diverse locations in  
5013 the county.

5014 (b) (i) At least one of the hearings required by Subsection (2)(a) shall have a starting  
5015 time of no earlier than 6 p.m.

5016 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than seven  
5017 days after the day the first advertisement required by Subsection (2)(c) is published.

5018 (c) (i) Before holding the public hearings required by Subsection (2)(a), the county

5019 shall advertise:

5020 (A) its intent to adopt a county option sales and use tax;

5021 (B) the date, time, and location of each public hearing; and

5022 (C) a statement that the purpose of each public hearing is to obtain public comments

5023 regarding the proposed tax.

5024 (ii) The advertisement shall be published:

5025 (A) in a newspaper of general circulation in the county once each week for the two

5026 weeks preceding the earlier of the two public hearings; and

5027 (B) on the Utah Public Notice Website created in Section 63F-1-701, for two weeks

5028 preceding the earlier of the two public hearings.

5029 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8

5030 page in size, and the type used shall be no smaller than 18 point and surrounded by a 1/4-inch

5031 border.

5032 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that

5033 portion of the newspaper where legal notices and classified advertisements appear.

5034 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:

5035 (A) the advertisement shall appear in a newspaper that is published at least five days a

5036 week, unless the only newspaper in the county is published less than five days a week; and

5037 (B) the newspaper selected shall be one of general interest and readership in the

5038 community, and not one of limited subject matter.

5039 (d) The adoption of an ordinance imposing a county option sales and use tax is subject

5040 to a local referendum election and shall be conducted as provided in Title 20A, Chapter 7, Part

5041 6, Local Referenda - Procedures.

5042 (3) (a) Subject to Subsection (5), if the aggregate population of the counties imposing a

5043 county option sales and use tax under Subsection (1) is less than 75% of the state population,

5044 the tax levied under Subsection (1) shall be distributed to the county in which the tax was

5045 collected.

5046 (b) Subject to Subsection (5), if the aggregate population of the counties imposing a

5047 county option sales and use tax under Subsection (1) is greater than or equal to 75% of the state

5048 population:

5049 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed to

5050 the county in which the tax was collected; and

5051 (ii) except as provided in Subsection (3)(c), 50% of the tax collected under Subsection  
5052 (1) in each county shall be distributed proportionately among all counties imposing the tax,  
5053 based on the total population of each county.

5054 (c) Except as provided in Subsection (5), the amount to be distributed annually to a  
5055 county under Subsection (3)(b)(ii), when combined with the amount distributed to the county  
5056 under Subsection (3)(b)(i), does not equal at least \$75,000, then:

5057 (i) the amount to be distributed annually to that county under Subsection (3)(b)(ii) shall  
5058 be increased so that, when combined with the amount distributed to the county under  
5059 Subsection (3)(b)(i), the amount distributed annually to the county is \$75,000; and

5060 (ii) the amount to be distributed annually to all other counties under Subsection  
5061 (3)(b)(ii) shall be reduced proportionately to offset the additional amount distributed under  
5062 Subsection (3)(c)(i).

5063 (d) The commission shall establish rules to implement the distribution of the tax under  
5064 Subsections (3)(a), (b), and (c).

5065 (4) (a) Except as provided in Subsection (4)(b) or (c), a tax authorized under this part  
5066 shall be administered, collected, and enforced in accordance with:

5067 (i) the same procedures used to administer, collect, and enforce the tax under:

5068 (A) Part 1, Tax Collection; or

5069 (B) Part 2, Local Sales and Use Tax Act; and

5070 (ii) Chapter 1, General Taxation Policies.

5071 (b) Notwithstanding Subsection (4)(a), a tax under this part is not subject to  
5072 Subsections 59-12-205(2) through (6).

5073 (c) Notwithstanding Subsection (4)(a), the fee charged by the commission under  
5074 Section 59-12-206 shall be based on the distribution amounts resulting after:

5075 (i) the applicable distribution calculations under Subsection (3) have been made; and

5076 (ii) the commission retains the amount required by Subsection (5).

5077 (5) (a) Beginning on July 1, 2009, the commission shall calculate and retain a portion  
5078 of the sales and use tax collected under this part as provided in this Subsection (5).

5079 (b) For a county that imposes a tax under this part, the commission shall calculate a  
5080 percentage each month by dividing the sales and use tax collected under this part for that

5081 month within the boundaries of that county by the total sales and use tax collected under this  
5082 part for that month within the boundaries of all of the counties that impose a tax under this part.

5083 (c) For a county that imposes a tax under this part, the commission shall retain each  
5084 month an amount equal to the product of:

5085 (i) the percentage the commission determines for the month under Subsection (5)(b)  
5086 for the county; and

5087 (ii) \$6,354.

5088 (d) The commission shall deposit an amount the commission retains in accordance  
5089 with this Subsection (5) into the Qualified Emergency Food Agencies Fund created by Section  
5090 ~~[9-4-1409]~~ 63M-1-3109.

5091 (e) An amount the commission deposits into the Qualified Emergency Food Agencies  
5092 Fund shall be expended as provided in Section ~~[9-4-1409]~~ 63M-1-3109.

5093 (6) (a) For purposes of this Subsection (6):

5094 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County  
5095 Consolidations and Annexations.

5096 (ii) "Annexing area" means an area that is annexed into a county.

5097 (b) (i) Except as provided in Subsection (6)(c) or (d), if, on or after July 1, 2004, a  
5098 county enacts or repeals a tax under this part:

5099 (A) (I) the enactment shall take effect as provided in Subsection (1)(c); or

5100 (II) the repeal shall take effect on the first day of a calendar quarter; and

5101 (B) after a 90-day period beginning on the date the commission receives notice meeting  
5102 the requirements of Subsection (6)(b)(ii) from the county.

5103 (ii) The notice described in Subsection (6)(b)(i)(B) shall state:

5104 (A) that the county will enact or repeal a tax under this part;

5105 (B) the statutory authority for the tax described in Subsection (6)(b)(ii)(A);

5106 (C) the effective date of the tax described in Subsection (6)(b)(ii)(A); and

5107 (D) if the county enacts the tax described in Subsection (6)(b)(ii)(A), the rate of the  
5108 tax.

5109 (c) (i) The enactment of a tax shall take effect on the first day of the first billing period:

5110 (A) that begins after the effective date of the enactment of the tax; and

5111 (B) if the billing period for the transaction begins before the effective date of the

5112 enactment of the tax under Subsection (1).

5113 (ii) The repeal of a tax shall take effect on the first day of the last billing period:

5114 (A) that began before the effective date of the repeal of the tax; and

5115 (B) if the billing period for the transaction begins before the effective date of the repeal

5116 of the tax imposed under Subsection (1).

5117 (d) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
5118 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
5119 Subsection (6)(b)(i) takes effect:

5120 (A) on the first day of a calendar quarter; and

5121 (B) beginning 60 days after the effective date of the enactment or repeal under

5122 Subsection (6)(b)(i).

5123 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
5124 commission may by rule define the term "catalogue sale."

5125 (e) (i) Except as provided in Subsection (6)(f) or (g), if, for an annexation that occurs  
5126 on or after July 1, 2004, the annexation will result in the enactment or repeal of a tax under this  
5127 part for an annexing area, the enactment or repeal shall take effect:

5128 (A) on the first day of a calendar quarter; and

5129 (B) after a 90-day period beginning on the date the commission receives notice meeting  
5130 the requirements of Subsection (6)(e)(ii) from the county that annexes the annexing area.

5131 (ii) The notice described in Subsection (6)(e)(i)(B) shall state:

5132 (A) that the annexation described in Subsection (6)(e)(i) will result in an enactment or  
5133 repeal of a tax under this part for the annexing area;

5134 (B) the statutory authority for the tax described in Subsection (6)(e)(ii)(A);

5135 (C) the effective date of the tax described in Subsection (6)(e)(ii)(A); and

5136 (D) the rate of the tax described in Subsection (6)(e)(ii)(A).

5137 (f) (i) The enactment of a tax shall take effect on the first day of the first billing period:

5138 (A) that begins after the effective date of the enactment of the tax; and

5139 (B) if the billing period for the transaction begins before the effective date of the

5140 enactment of the tax under Subsection (1).

5141 (ii) The repeal of a tax shall take effect on the first day of the last billing period:

5142 (A) that began before the effective date of the repeal of the tax; and

5143 (B) if the billing period for the transaction begins before the effective date of the repeal  
5144 of the tax imposed under Subsection (1).

5145 (g) (i) If a tax due under this chapter on a catalogue sale is computed on the basis of  
5146 sales and use tax rates published in the catalogue, an enactment or repeal of a tax described in  
5147 Subsection (6)(e)(i) takes effect:

5148 (A) on the first day of a calendar quarter; and

5149 (B) beginning 60 days after the effective date of the enactment or repeal under  
5150 Subsection (6)(e)(i).

5151 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
5152 commission may by rule define the term "catalogue sale."

5153 Section 110. Section **59-21-1** is amended to read:

5154 **59-21-1. Disposition of federal mineral lease monies -- Priority to political**  
5155 **subdivisions impacted by mineral development -- Disposition of mineral bonus payments**  
5156 **-- Appropriation of monies attributable to royalties from extraction of minerals on**  
5157 **federal land located within boundaries of Grand Staircase-Escalante National**  
5158 **Monument.**

5159 (1) Except as provided in Subsections (2) through (4), all monies received from the  
5160 United States under the provisions of the Mineral Lands Leasing Act, 30 U.S.C. Sec. 181 et  
5161 seq., shall:

5162 (a) be deposited in the Mineral Lease Account of the General Fund; and

5163 (b) be appropriated by the Legislature giving priority to those subdivisions of the state  
5164 socially or economically impacted by development of minerals leased under the Mineral Lands  
5165 Leasing Act, for:

5166 (i) planning;

5167 (ii) construction and maintenance of public facilities; and

5168 (iii) provision of public services.

5169 (2) Seventy percent of money received from federal mineral lease bonus payments  
5170 shall be deposited into the Permanent Community Impact Fund and shall be used as provided  
5171 in [~~Title 9, Chapter 4, Part 3,~~] Title 63M, Chapter 1, Part 30, Community Impact Alleviation.

5172 (3) Thirty percent of money received from federal mineral lease bonus payments shall  
5173 be deposited in the Mineral Bonus Account created by Subsection 59-21-2(1) and appropriated

5174 as provided in that subsection.

5175 (4) (a) For purposes of this Subsection (4):

5176 (i) the "boundaries of the Grand Staircase-Escalante National Monument" means the  
5177 boundaries:

5178 (A) established by Presidential Proclamation No. 6920, 61 Fed. Reg. 50,223 (1996);  
5179 and

5180 (B) modified by:

5181 (I) Pub. L. No. 105-335, 112 Stat. 3139; and

5182 (II) Pub. L. No. 105-355, 112 Stat. 3247; and

5183 (ii) a special service district, school district, or federal land is considered to be located  
5184 within the boundaries of the Grand Staircase-Escalante National Monument if a portion of the  
5185 special service district, school district, or federal land is located within the boundaries  
5186 described in Subsection (4)(a)(i).

5187 (b) Beginning on July 1, 1999, the Legislature shall appropriate, as provided in  
5188 Subsections (4)(c) through (g), monies received from the United States that are attributable to  
5189 royalties from the extraction of minerals on federal land that, on September 18, 1996, was  
5190 located within the boundaries of the Grand Staircase-Escalante National Monument.

5191 (c) The Legislature shall annually appropriate 40% of the monies described in  
5192 Subsection (4)(b) to the Department of Transportation to be distributed by the Department of  
5193 Transportation to special service districts that are:

5194 (i) established by counties under Title 17D, Chapter 1, Special Service District Act;

5195 (ii) socially or economically impacted by the development of minerals under the  
5196 Mineral Lands Leasing Act; and

5197 (iii) located within the boundaries of the Grand Staircase-Escalante National  
5198 Monument.

5199 (d) The Department of Transportation shall distribute the money described in  
5200 Subsection (4)(c) in amounts proportionate to the amount of federal mineral lease money  
5201 generated by the county in which a special service district is located.

5202 (e) The Legislature shall annually appropriate 40% of the monies described in  
5203 Subsection (4)(b) to the State Board of Education to be distributed equally to school districts  
5204 that are:



5205 (i) socially or economically impacted by the development of minerals under the  
5206 Mineral Lands Leasing Act; and

5207 (ii) located within the boundaries of the Grand Staircase-Escalante National  
5208 Monument.

5209 (f) The Legislature shall annually appropriate 2.25% of the monies described in  
5210 Subsection (4)(b) to the Utah Geological Survey to facilitate the development of energy and  
5211 mineral resources in counties that are:

5212 (i) socially or economically impacted by the development of minerals under the  
5213 Mineral Lands Leasing Act; and

5214 (ii) located within the boundaries of the Grand Staircase-Escalante National  
5215 Monument.

5216 (g) Seventeen and three-fourths percent of the monies described in Subsection (4)(b)  
5217 shall be deposited annually into the State School Fund established by Utah Constitution Article  
5218 X, Section 5.

5219 Section 111. Section **59-21-2** is amended to read:

5220 **59-21-2. Mineral Bonus Account created -- Contents -- Use of Mineral Bonus**  
5221 **Account money -- Mineral Lease Account created -- Contents -- Appropriation of monies**  
5222 **from Mineral Lease Account.**

5223 (1) (a) There is created a restricted account within the General Fund known as the  
5224 "Mineral Bonus Account."

5225 (b) The Mineral Bonus Account consists of federal mineral lease bonus payments  
5226 deposited pursuant to Subsection 59-21-1(3).

5227 (c) The Legislature shall make appropriations from the Mineral Bonus Account in  
5228 accordance with Section 35 of the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 191.

5229 (d) The state treasurer shall:

5230 (i) invest the money in the Mineral Bonus Account by following the procedures and  
5231 requirements of Title 51, Chapter 7, State Money Management Act; and

5232 (ii) deposit all interest or other earnings derived from the account into the Mineral  
5233 Bonus Account.

5234 (2) (a) There is created a restricted account within the General Fund known as the  
5235 "Mineral Lease Account."

5236 (b) The Mineral Lease Account consists of federal mineral lease money deposited  
5237 pursuant to Subsection 59-21-1(1).

5238 (c) The Legislature shall make appropriations from the Mineral Lease Account as  
5239 provided in Subsection 59-21-1(1) and this Subsection (2).

5240 (d) The Legislature shall annually appropriate 32.5% of all deposits made to the  
5241 Mineral Lease Account to the Permanent Community Impact Fund established by Section  
5242 [~~9-4-303~~] 63M-1-3003.

5243 (e) The Legislature shall annually appropriate 2.25% of all deposits made to the  
5244 Mineral Lease Account to the State Board of Education, to be used for education research and  
5245 experimentation in the use of staff and facilities designed to improve the quality of education in  
5246 Utah.

5247 (f) The Legislature shall annually appropriate 2.25% of all deposits made to the  
5248 Mineral Lease Account to the Utah Geological Survey, to be used for activities carried on by  
5249 the survey having as a purpose the development and exploitation of natural resources in the  
5250 state.

5251 (g) The Legislature shall annually appropriate 2.25% of all deposits made to the  
5252 Mineral Lease Account to the Water Research Laboratory at Utah State University, to be used  
5253 for activities carried on by the laboratory having as a purpose the development and exploitation  
5254 of water resources in the state.

5255 (h) (i) The Legislature shall annually appropriate to the Department of Transportation  
5256 40% of all deposits made to the Mineral Lease Account to be distributed as provided in  
5257 Subsection (2)(h)(ii) to:

5258 (A) counties;

5259 (B) special service districts established:

5260 (I) by counties;

5261 (II) under Title 17D, Chapter 1, Special Service District Act; and

5262 (III) for the purpose of constructing, repairing, or maintaining roads; or

5263 (C) special service districts established:

5264 (I) by counties;

5265 (II) under Title 17D, Chapter 1, Special Service District Act; and

5266 (III) for other purposes authorized by statute.

5267 (ii) The Department of Transportation shall allocate the funds specified in Subsection  
5268 (2)(h)(i):

5269 (A) in amounts proportionate to the amount of mineral lease money generated by each  
5270 county; and

5271 (B) to a county or special service district established by a county under Title 17D,  
5272 Chapter 1, Special Service District Act, as determined by the county legislative body.

5273 (i) (i) The Legislature shall annually appropriate 5% of all deposits made to the  
5274 Mineral Lease Account to the Department of [~~Community and Culture~~] Workforce Services to  
5275 be distributed to:

5276 (A) special service districts established:

5277 (I) by counties;

5278 (II) under Title 17D, Chapter 1, Special Service District Act; and

5279 (III) for the purpose of constructing, repairing, or maintaining roads; or

5280 (B) special service districts established:

5281 (I) by counties;

5282 (II) under Title 17D, Chapter 1, Special Service District Act; and

5283 (III) for other purposes authorized by statute.

5284 (ii) The [~~Department of Community and Culture~~] Governor's Office of Economic  
5285 Development may distribute the amounts described in Subsection (2)(i)(i) only to special  
5286 service districts established under Title 17D, Chapter 1, Special Service District Act, by  
5287 counties:

5288 (A) of the third, fourth, fifth, or sixth class;

5289 (B) in which 4.5% or less of the mineral lease moneys within the state are generated;

5290 and

5291 (C) that are significantly socially or economically impacted as provided in Subsection  
5292 (2)(i)(iii) by the development of minerals under the Mineral Lands Leasing Act, 30 U.S.C. Sec.  
5293 181 et seq.

5294 (iii) The significant social or economic impact required under Subsection (2)(i)(ii)(C)  
5295 shall be as a result of:

5296 (A) the transportation within the county of hydrocarbons, including solid hydrocarbons  
5297 as defined in Section 59-5-101;

5298 (B) the employment of persons residing within the county in hydrocarbon extraction,  
5299 including the extraction of solid hydrocarbons as defined in Section 59-5-101; or

5300 (C) a combination of Subsections (2)(i)(iii)(A) and (B).

5301 (iv) For purposes of distributing the appropriations under this Subsection (2)(i) to  
5302 special service districts established by counties under Title 17D, Chapter 1, Special Service  
5303 District Act, the [~~Department of Community and Culture~~] Governor's Office of Economic  
5304 Development shall:

5305 (A) (I) allocate 50% of the appropriations equally among the counties meeting the  
5306 requirements of Subsections (2)(i)(ii) and (iii); and

5307 (II) allocate 50% of the appropriations based on the ratio that the population of each  
5308 county meeting the requirements of Subsections (2)(i)(ii) and (iii) bears to the total population  
5309 of all of the counties meeting the requirements of Subsections (2)(i)(ii) and (iii); and

5310 (B) after making the allocations described in Subsection (2)(i)(iv)(A), distribute the  
5311 allocated revenues to special service districts established by the counties under Title 17D,  
5312 Chapter 1, Special Service District Act, as determined by the [~~executive~~] director of the  
5313 [~~Department of Community and Culture~~] Governor's Office of Economic Development after  
5314 consulting with the county legislative bodies of the counties meeting the requirements of  
5315 Subsections (2)(i)(ii) and (iii).

5316 (v) The [~~executive~~] director of the [~~Department of Community and Culture~~] Governor's  
5317 Office of Economic Development:

5318 (A) shall determine whether a county meets the requirements of Subsections (2)(i)(ii)  
5319 and (iii);

5320 (B) shall distribute the appropriations under Subsection (2)(i)(i) to special service  
5321 districts established by counties under Title 17D, Chapter 1, Special Service District Act, that  
5322 meet the requirements of Subsections (2)(i)(ii) and (iii); and

5323 (C) in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
5324 may make rules:

5325 (I) providing a procedure for making the distributions under this Subsection (2)(i) to  
5326 special service districts; and

5327 (II) defining the term "population" for purposes of Subsection (2)(i)(iv).

5328 (j) (i) The Legislature shall annually make the following appropriations from the

5329 Mineral Lease Account:

5330 (A) an amount equal to 52 cents multiplied by the number of acres of school or  
5331 institutional trust lands, lands owned by the Division of Parks and Recreation, and lands owned  
5332 by the Division of Wildlife Resources that are not under an in lieu of taxes contract, to each  
5333 county in which those lands are located;

5334 (B) to each county in which school or institutional trust lands are transferred to the  
5335 federal government after December 31, 1992, an amount equal to the number of transferred  
5336 acres in the county multiplied by a payment per acre equal to the difference between 52 cents  
5337 per acre and the per acre payment made to that county in the most recent payment under the  
5338 federal payment in lieu of taxes program, 31 U.S.C. Sec. 6901 et seq., unless the federal  
5339 payment was equal to or exceeded the 52 cents per acre, in which case a payment under this  
5340 Subsection (2)(j)(i)(B) may not be made for the transferred lands;

5341 (C) to each county in which federal lands, which are entitlement lands under the federal  
5342 in lieu of taxes program, are transferred to the school or institutional trust, an amount equal to  
5343 the number of transferred acres in the county multiplied by a payment per acre equal to the  
5344 difference between the most recent per acre payment made under the federal payment in lieu of  
5345 taxes program and 52 cents per acre, unless the federal payment was equal to or less than 52  
5346 cents per acre, in which case a payment under this Subsection (2)(j)(i)(C) may not be made for  
5347 the transferred land; and

5348 (D) to a county of the fifth or sixth class, an amount equal to the product of:

5349 (I) \$1,000; and

5350 (II) the number of residences described in Subsection (2)(j)(iv) that are located within  
5351 the county.

5352 (ii) A county receiving money under Subsection (2)(j)(i) may, as determined by the  
5353 county legislative body, distribute the money or a portion of the money to:

5354 (A) special service districts established by the county under Title 17D, Chapter 1,  
5355 Special Service District Act;

5356 (B) school districts; or

5357 (C) public institutions of higher education.

5358 (iii) (A) Beginning in fiscal year 1994-95 and in each year after fiscal year 1994-95, the  
5359 Division of Finance shall increase or decrease the amounts per acre provided for in Subsections

5360 (2)(j)(i)(A) through (C) by the average annual change in the Consumer Price Index for all urban  
5361 consumers published by the Department of Labor.

5362 (B) For fiscal years beginning on or after fiscal year 2001-02, the Division of Finance  
5363 shall increase or decrease the amount described in Subsection (2)(j)(i)(D)(I) by the average  
5364 annual change in the Consumer Price Index for all urban consumers published by the  
5365 Department of Labor.

5366 (iv) Residences for purposes of Subsection (2)(j)(i)(D)(II) are residences that are:

5367 (A) owned by:

5368 (I) the Division of Parks and Recreation; or

5369 (II) the Division of Wildlife Resources;

5370 (B) located on lands that are owned by:

5371 (I) the Division of Parks and Recreation; or

5372 (II) the Division of Wildlife Resources; and

5373 (C) are not subject to taxation under:

5374 (I) Chapter 2, Property Tax Act; or

5375 (II) Chapter 4, Privilege Tax.

5376 (k) The Legislature shall annually appropriate to the Permanent Community Impact  
5377 Fund all deposits remaining in the Mineral Lease Account after making the appropriations  
5378 provided for in Subsections (2)(d) through (j).

5379 (3) (a) Each agency, board, institution of higher education, and political subdivision  
5380 receiving money under this chapter shall provide the Legislature, through the Office of the  
5381 Legislative Fiscal Analyst, with a complete accounting of the use of that money on an annual  
5382 basis.

5383 (b) The accounting required under Subsection (3)(a) shall:

5384 (i) include actual expenditures for the prior fiscal year, budgeted expenditures for the  
5385 current fiscal year, and planned expenditures for the following fiscal year; and

5386 (ii) be reviewed by the Economic Development and Human Resources Appropriation  
5387 Subcommittee as part of its normal budgetary process under Title 63J, Chapter 1, Budgetary  
5388 Procedures Act.

5389 Section 112. Section **61-2c-105** is amended to read:

5390 **61-2c-105. Scope of chapter -- Exemptions.**

5391 (1) (a) Except as to an individual who will engage in an activity as a mortgage loan  
5392 originator, this chapter applies to a closed-end residential mortgage loan secured by a first lien  
5393 or equivalent security interest on a dwelling.

5394 (b) This chapter does not apply to a transaction covered by Title 70C, Utah Consumer  
5395 Credit Code.

5396 (2) The following are exempt from this chapter:

5397 (a) the federal government;

5398 (b) a state;

5399 (c) a political subdivision of a state;

5400 (d) an agency of or entity created by a governmental entity described in Subsections

5401 (2)(a) through (c) including:

5402 (i) the Utah Housing Corporation created in [~~Title 9, Chapter 4, Part 9;~~] Title 35A,

5403 Chapter 8, Part 5, Utah Housing Corporation Act;

5404 (ii) the Federal National Mortgage Corporation;

5405 (iii) the Federal Home Loan Mortgage Corporation;

5406 (iv) the Federal Deposit Insurance Corporation;

5407 (v) the Resolution Trust Corporation;

5408 (vi) the Government National Mortgage Association;

5409 (vii) the Federal Housing Administration;

5410 (viii) the National Credit Union Administration;

5411 (ix) the Farmers Home Administration; and

5412 (x) the United States Department of Veterans Affairs;

5413 (e) a depository institution;

5414 (f) an entity that controls, is controlled by, or is under common control with a

5415 depository institution;

5416 (g) an employee or agent of an entity described in Subsections (2)(a) through (f):

5417 (i) when that person acts on behalf of the entity described in Subsections (2)(a) through

5418 (f); and

5419 (ii) including an employee of:

5420 (A) a depository institution;

5421 (B) a subsidiary of a depository institution that is:

- 5422 (I) owned and controlled by the depository institution; and
- 5423 (II) regulated by a federal banking agency, as defined in 12 U.S.C. Sec. 5102; or
- 5424 (C) an institution regulated by the Farm Credit Administration;
- 5425 (h) except as provided in Subsection (3), a person who:
- 5426 (i) makes a loan:
- 5427 (A) secured by an interest in real property;
- 5428 (B) with the person's own money; and
- 5429 (C) for the person's own investment; and
- 5430 (ii) that does not engage in the business of making loans secured by an interest in real
- 5431 property;
- 5432 (i) except as provided in Subsection (3), a person who receives a mortgage, deed of
- 5433 trust, or consensual security interest on real property if the individual or entity:
- 5434 (i) is the seller of real property; and
- 5435 (ii) receives the mortgage, deed of trust, or consensual security interest on real property
- 5436 as security for a separate money obligation;
- 5437 (j) a person who receives a mortgage, deed of trust, or consensual security interest on
- 5438 real property if:
- 5439 (i) the person receives the mortgage, deed of trust, or consensual security interest as
- 5440 security for an obligation payable on an installment or deferred payment basis;
- 5441 (ii) the obligation described in Subsection (2)(j)(i) arises from a person providing
- 5442 materials or services used in the improvement of the real property that is the subject of the
- 5443 mortgage, deed of trust, or consensual security interest; and
- 5444 (iii) the mortgage, deed of trust, or consensual security interest is created without the
- 5445 consent of the owner of the real property that is the subject of the mortgage, deed of trust, or
- 5446 consensual security interest;
- 5447 (k) a nonprofit corporation that:
- 5448 (i) is exempt from paying federal income taxes;
- 5449 (ii) is certified by the United States Small Business Administration as a small business
- 5450 investment company;
- 5451 (iii) is organized to promote economic development in this state; and
- 5452 (iv) has as its primary activity providing financing for business expansion;



- 5453 (l) except as provided in Subsection (3), a court appointed fiduciary; or
- 5454 (m) an attorney admitted to practice law in this state:
- 5455 (i) if the attorney is not principally engaged in the business of negotiating residential
- 5456 mortgage loans; and
- 5457 (ii) when the attorney renders services in the course of the attorney's practice as an
- 5458 attorney.

5459 (3) An individual who will engage in an activity as a mortgage loan originator is  
5460 exempt from this chapter only if the individual is an employee or agent exempt under  
5461 Subsection (2)(g).

5462 (4) (a) Notwithstanding Subsection (2)(m), an attorney exempt from this chapter may  
5463 not engage in conduct described in Section 61-2c-301 when transacting business of residential  
5464 mortgage loans.

5465 (b) If an attorney exempt from this chapter violates Subsection (4)(a), the attorney:

- 5466 (i) is not subject to enforcement by the division under Part 4, Enforcement; and
- 5467 (ii) is subject to disciplinary action generally applicable to an attorney admitted to
- 5468 practice law in this state.

5469 (c) If the division receives a complaint alleging an attorney exempt from this chapter is  
5470 in violation of Subsection (4)(a), the division shall forward the complaint to the Utah State Bar  
5471 for disciplinary action.

5472 (5) (a) An individual who is exempt under Subsection (2) or (3) may voluntarily obtain  
5473 a license under this chapter by complying with Part 2, Licensure.

5474 (b) An individual who voluntarily obtains a license pursuant to this Subsection (5)  
5475 shall comply with all the provisions of this chapter.

5476 Section 113. Section **62A-1-111** is amended to read:

5477 **62A-1-111. Department authority.**

5478 The department may, in addition to all other authority and responsibility granted to it by  
5479 law:

- 5480 (1) adopt rules, not inconsistent with law, as the department may consider necessary or
- 5481 desirable for providing social services to the people of this state;
- 5482 (2) establish and manage client trust accounts in the department's institutions and
- 5483 community programs, at the request of the client or the client's legal guardian or representative,

5484 or in accordance with federal law;

5485 (3) purchase, as authorized or required by law, services that the department is  
5486 responsible to provide for legally eligible persons;

5487 (4) conduct adjudicative proceedings for clients and providers in accordance with the  
5488 procedures of Title 63G, Chapter 4, Administrative Procedures Act;

5489 (5) establish eligibility standards for its programs, not inconsistent with state or federal  
5490 law or regulations;

5491 (6) take necessary steps, including legal action, to recover money or the monetary value  
5492 of services provided to a recipient who was not eligible;

5493 (7) set and collect fees for its services;

5494 (8) license agencies, facilities, and programs, except as otherwise allowed, prohibited,  
5495 or limited by law;

5496 (9) acquire, manage, and dispose of any real or personal property needed or owned by  
5497 the department, not inconsistent with state law;

5498 (10) receive gifts, grants, devises, and donations; gifts, grants, devises, donations, or  
5499 the proceeds thereof, may be credited to the program designated by the donor, and may be used  
5500 for the purposes requested by the donor, as long as the request conforms to state and federal  
5501 policy; all donated funds shall be considered private, nonlapsing funds and may be invested  
5502 under guidelines established by the state treasurer;

5503 (11) accept and employ volunteer labor or services; the department is authorized to  
5504 reimburse volunteers for necessary expenses, when the department considers that  
5505 reimbursement to be appropriate;

5506 (12) carry out the responsibility assigned in the Workforce Services Plan by the State  
5507 Council on Workforce Services;

5508 (13) carry out the responsibility assigned by Section [~~9-4-802~~] 35A-8-402 with respect  
5509 to coordination of services for the homeless;

5510 (14) carry out the responsibility assigned by Section 62A-5a-105 with respect to  
5511 coordination of services for students with a disability;

5512 (15) provide training and educational opportunities for its staff;

5513 (16) collect child support payments and any other money due to the department;

5514 (17) apply the provisions of Title 78B, Chapter 12, Utah Child Support Act, to parents

5515 whose child lives out of the home in a department licensed or certified setting;

5516 (18) establish policy and procedures in cases where the department is given custody  
5517 of a minor by the juvenile court pursuant to Section 78A-6-117; any policy and procedures  
5518 shall include:

5519 (a) designation of interagency teams for each juvenile court district in the state;

5520 (b) delineation of assessment criteria and procedures;

5521 (c) minimum requirements, and timeframes, for the development and implementation  
5522 of a collaborative service plan for each minor placed in department custody; and

5523 (d) provisions for submittal of the plan and periodic progress reports to the court;

5524 (19) carry out the responsibilities assigned to it by statute;

5525 (20) examine and audit the expenditures of any public funds provided to local  
5526 substance abuse authorities, local mental health authorities, local area agencies on aging, and  
5527 any person, agency, or organization that contracts with or receives funds from those authorities  
5528 or agencies. Those local authorities, area agencies, and any person or entity that contracts with  
5529 or receives funds from those authorities or area agencies, shall provide the department with any  
5530 information the department considers necessary. The department is further authorized to issue  
5531 directives resulting from any examination or audit to local authorities, area agencies, and  
5532 persons or entities that contract with or receive funds from those authorities with regard to any  
5533 public funds. If the department determines that it is necessary to withhold funds from a local  
5534 mental health authority or local substance abuse authority based on failure to comply with state  
5535 or federal law, policy, or contract provisions, it may take steps necessary to ensure continuity of  
5536 services. For purposes of this Subsection (20) "public funds" means the same as that term is  
5537 defined in Section 62A-15-102; and

5538 (21) pursuant to Subsection 62A-2-106(1)(d), accredit one or more agencies and  
5539 persons to provide intercountry adoption services.

5540 Section 114. Section **63A-3-205** is amended to read:

5541 **63A-3-205. Revolving loan funds -- Standards and procedures -- Annual report.**

5542 (1) As used in this section, "revolving loan fund" means:

5543 (a) the Water Resources Conservation and Development Fund, created in Section  
5544 73-10-24;

5545 (b) the Water Resources Construction Fund, created in Section 73-10-8;

- 5546 (c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;
- 5547 (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean
- 5548 Fuels and Vehicle Technology Program Act;
- 5549 (e) the Water Development Security Fund and its subaccounts created in Section
- 5550 73-10c-5;
- 5551 (f) the Agriculture Resource Development Fund, created in Section 4-18-6;
- 5552 (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-4;
- 5553 (h) the Permanent Community Impact Fund, created in Section [~~9-4-303~~] 63M-1-3003;
- 5554 (i) the Petroleum Storage Tank Loan Fund, created in Section 19-6-405.3;
- 5555 (j) the Uintah Basin Revitalization Fund, created in Section 9-10-102;
- 5556 (k) the Navajo Revitalization Fund, created in Section 9-11-104; and
- 5557 (l) the Energy Efficiency Fund, created in Section 11-45-201.
- 5558 (2) The division shall for each revolving loan fund:
- 5559 (a) make rules establishing standards and procedures governing:
- 5560 (i) payment schedules and due dates;
- 5561 (ii) interest rate effective dates;
- 5562 (iii) loan documentation requirements; and
- 5563 (iv) interest rate calculation requirements; and
- 5564 (b) make an annual report to the Legislature containing:
- 5565 (i) the total dollars loaned by that fund during the last fiscal year;
- 5566 (ii) a listing of each loan currently more than 90 days delinquent, in default, or that was
- 5567 restructured during the last fiscal year;
- 5568 (iii) a description of each project that received money from that revolving loan fund;
- 5569 (iv) the amount of each loan made to that project;
- 5570 (v) the specific purpose for which the proceeds of the loan were to be used, if any;
- 5571 (vi) any restrictions on the use of the loan proceeds;
- 5572 (vii) the present value of each loan at the end of the fiscal year calculated using the
- 5573 interest rate paid by the state on the bonds providing the revenue on which the loan is based or,
- 5574 if that is unknown, on the average interest rate paid by the state on general obligation bonds
- 5575 issued during the most recent fiscal year in which bonds were sold; and
- 5576 (viii) the financial position of each revolving loan fund, including the fund's cash

5577 investments, cash forecasts, and equity position.

5578 Section 115. Section **63A-5-306** is amended to read:

5579 **63A-5-306. Leasing of state fair park -- Lease -- Terms -- Demolition of facilities**  
 5580 **-- Limits on debt or obligations.**

5581 (1) As used in this section:

5582 (a) "Corporation" means the Utah State Fair Corporation created in Section [~~9-4-1103~~]  
 5583 63H-6-103.

5584 (b) "Division" means the Division of Facilities Construction and Management.

5585 (c) "State fair park" means the property and buildings owned by the state located at 155  
 5586 North 1000 West, Salt Lake City, Utah.

5587 (2) The division:

5588 (a) may lease the state fair park to the corporation for a period not to exceed 50 years:

5589 (i) subject to the corporation satisfying the requirements of Subsection (5)(b)(i); and

5590 (ii) except that on June 30, 2017, that portion of the state fair park known as the White

5591 Ball Field located on the south side of North Temple Street shall revert to the division and not

5592 be a part of any continuing lease agreement between the division and the corporation, unless

5593 otherwise agreed upon by the division and the corporation prior to June 30, 2017;

5594 (b) shall ensure that any lease entered into under Subsection (2)(a):

5595 (i) defines which party is responsible for repairs and maintenance to the grounds and  
 5596 buildings;

5597 (ii) defines any restrictions on the use of the property or buildings, including the

5598 construction of any new buildings or facilities at the state fair park;

5599 (iii) requires that for each year under the lease the corporation holds a state fair meeting

5600 the requirements of Subsection [~~9-4-1103~~] 63H-6-103(5)(a)(vi); and

5601 (iv) provides for the renegotiation or termination of the lease if the corporation:

5602 (A) no longer operates as an independent public nonprofit corporation as provided in

5603 Title [~~9~~] 63H, Chapter [~~4~~] 6, [~~Part 11~~]; Utah State Fair Corporation Act; or

5604 (B) engages in any activity inconsistent with Title [~~9~~] 63H, Chapter [~~4~~] 6, [~~Part 11~~];

5605 Utah State Fair Corporation Act;

5606 (c) may:

5607 (i) require that any lease entered into under Subsection (2)(a) grants the division the

5608 right to unilaterally terminate the lease at its discretion; and

5609 (ii) provide a process to determine compensation, if any, the division shall pay the  
5610 corporation for termination of the lease under Subsection (2)(c)(i); and

5611 (d) if the lease described in Subsection (2)(a) is amended or renewed after the effective  
5612 date of this act and except as provided in Subsection (3), shall require the corporation under the  
5613 lease to:

5614 (i) obtain the approval of the State Building Board before demolishing a facility at the  
5615 state fair park; and

5616 (ii) include the approval requirement described in Subsection (2)(d)(i) in any sublease  
5617 entered into, renewed, or amended after the effective date of this act.

5618 (3) (a) The approval required under Subsection (2)(d) does not apply to a facility  
5619 demolished in accordance with a contract entered into but not amended before the effective  
5620 date of this act.

5621 (b) Notwithstanding Subsection (3)(a), before a facility described in Subsection (3)(a)  
5622 is demolished, the corporation shall notify the division concerning any demolishing of the  
5623 facility.

5624 (4) The State Building Board shall notify the state historic preservation office of any  
5625 State Building Board meeting at which consideration will be given to a proposal to demolish  
5626 facilities at the state fair park.

5627 (5) (a) Notwithstanding Subsection (2), the division may review and adjust the amount  
5628 of any payments made by the corporation under the lease every three years beginning July 1,  
5629 2000.

5630 (b) (i) The division may lease the state fair park to the corporation for a period not to  
5631 exceed 50 years, if the corporation demonstrates to the satisfaction of the division that the lease  
5632 period will result in significant capital improvements at the state fair park by a private or public  
5633 entity.

5634 (ii) The corporation may enter into a sublease of up to 50 years, subject to satisfying  
5635 the requirements of Subsections (2)(d)(i) and (5)(b)(i).

5636 (6) The state shall assume the responsibilities of the corporation under any contract that  
5637 is in effect on the day a lease between the division and the corporation terminates if:

5638 (a) the contract is for the lease or construction of a building or facility at the state park;

5639 and

5640 (b) the lease between the division and the corporation is terminated in accordance with  
5641 Subsection (2)(b)(iv).

5642 (7) (a) Payments made by the corporation under a lease with the division shall be  
5643 deposited into the Capital Project Fund.

5644 (b) If, in accordance with Subsection (5), the payments made by the corporation under  
5645 a lease with the division are increased from the amount paid on July 1, 1997, the lease  
5646 payments made by the division shall be dedicated to capital improvements at the state fair park  
5647 unless, as part of the capital budget, the Legislature directs that the money be used for other  
5648 capital improvements.

5649 (8) (a) A debt or obligation contracted by the corporation is a debt or obligation of the  
5650 corporation.

5651 (b) The state is not liable for and assumes no legal or moral responsibility for any debt  
5652 or obligation described in Subsection (8)(a), unless the Legislature through statute or an  
5653 appropriation act specifically:

5654 (i) authorizes the corporation to contract for that debt or obligation; and

5655 (ii) accepts liability for or assumes responsibility for the debt or obligation.

5656 Section 116. Section **63B-1b-102** is amended to read:

5657 **63B-1b-102. Definitions.**

5658 As used in this chapter:

5659 (1) "Agency bonds" means any bond, note, contract, or other evidence of indebtedness  
5660 representing loans or grants made by an authorizing agency.

5661 (2) "Authorized official" means the state treasurer or other person authorized by a bond  
5662 document to perform the required action.

5663 (3) "Authorizing agency" means the board, person, or unit with legal responsibility for  
5664 administering and managing revolving loan funds.

5665 (4) "Bond document" means:

5666 (a) a resolution of the commission; or

5667 (b) an indenture or other similar document authorized by the commission that  
5668 authorizes and secures outstanding revenue bonds from time to time.

5669 (5) "Commission" means the State Bonding Commission created in Section

- 5670 63B-1-201.
- 5671 (6) "Revenue bonds" means any special fund revenue bonds issued under this chapter.
- 5672 (7) "Revolving Loan Funds" means:
- 5673 (a) the Water Resources Conservation and Development Fund, created in Section
- 5674 73-10-24;
- 5675 (b) the Water Resources Construction Fund, created in Section 73-10-8;
- 5676 (c) the Water Resources Cities Water Loan Fund, created in Section 73-10-22;
- 5677 (d) the Clean Fuel Conversion Funds, created in Title 19, Chapter 1, Part 4, Clean
- 5678 Fuels and Vehicle Technology Program Act;
- 5679 (e) the Water Development Security Fund and its subaccounts created in Section
- 5680 73-10c-5;
- 5681 (f) the Agriculture Resource Development Fund, created in Section 4-18-6;
- 5682 (g) the Utah Rural Rehabilitation Fund, created in Section 4-19-4;
- 5683 (h) the Permanent Community Impact Fund, created in Section [~~9-4-303~~] 63M-1-3003;
- 5684 (i) the Petroleum Storage Tank Loan Fund, created in Section 19-6-405.3; and
- 5685 (j) the Transportation Infrastructure Loan Fund, created in Section 72-2-202.
- 5686 Section 117. Section **63B-1b-202** is amended to read:
- 5687 **63B-1b-202. Custodial officer -- Powers and duties.**
- 5688 (1) (a) There is created within the Division of Finance an officer responsible for the
- 5689 care, custody, safekeeping, collection, and accounting of all bonds, notes, contracts, trust
- 5690 documents, and other evidences of indebtedness:
- 5691 (i) owned or administered by the state or any of its agencies; and
- 5692 (ii) except as provided in Subsection (1)(b), relating to revolving loan funds.
- 5693 (b) Notwithstanding Subsection (1)(a), the officer described in Subsection (1)(a) is not
- 5694 responsible for the care, custody, safekeeping, collection, and accounting of a bond, note,
- 5695 contract, trust document, or other evidence of indebtedness relating to the:
- 5696 (i) Agriculture Resource Development Fund, created in Section 4-18-6;
- 5697 (ii) Utah Rural Rehabilitation Fund, created in Section 4-19-4;
- 5698 (iii) Petroleum Storage Tank Loan Fund, created in Section 19-6-405.3;
- 5699 (iv) Olene Walker Housing Loan Fund, created in Section [~~9-4-702~~] 35A-8-302;
- 5700 (v) Business Development for Disadvantaged Rural Communities Restricted Account,



5701 created in Section 63M-1-2003; and

5702 (vi) Brownfields Fund, created in Section 19-8-120.

5703 (2) (a) Each authorizing agency shall deliver to this officer for the officer's care,  
5704 custody, safekeeping, collection, and accounting all bonds, notes, contracts, trust documents,  
5705 and other evidences of indebtedness:

5706 (i) owned or administered by the state or any of its agencies; and

5707 (ii) except as provided in Subsection (1)(b), relating to revolving loan funds.

5708 (b) This officer shall:

5709 (i) establish systems, programs, and facilities for the care, custody, safekeeping,  
5710 collection, and accounting for the bonds, notes, contracts, trust documents, and other evidences  
5711 of indebtedness submitted to the officer under this Subsection (2); and

5712 (ii) shall make available updated reports to each authorizing agency as to the status of  
5713 loans under their authority.

5714 (3) The officer described in Section 63B-1b-201 shall deliver to the officer described in  
5715 Subsection (1)(a) for the care, custody, safekeeping, collection, and accounting by the officer  
5716 described in Subsection (1)(a) of all bonds, notes, contracts, trust documents, and other  
5717 evidences of indebtedness closed as provided in Subsection 63B-1b-201(2)(b).

5718 Section 118. Section **63E-1-102** is amended to read:

5719 **63E-1-102. Definitions.**

5720 As used in this title:

5721 (1) "Authorizing statute" means the statute creating an entity as an independent entity.

5722 (2) "Committee" means the Retirement and Independent Entities Committee created in  
5723 Section 63E-1-201.

5724 (3) "Independent corporation" means a corporation incorporated in accordance with  
5725 Chapter 2, Independent Corporations Act.

5726 (4) (a) "Independent entity" means an entity having a public purpose relating to the  
5727 state or its citizens that is individually created by the state or is given by the state the right to  
5728 exist and conduct its affairs as an:

5729 (i) independent state agency; or

5730 (ii) independent corporation.

5731 (b) "Independent entity" includes the:

- 5732 (i) Dairy Commission created in Title 4, Chapter 22, Dairy Promotion Act;
- 5733 (ii) Heber Valley Railroad Authority created in [~~Title 9, Chapter 3, Part 5,~~] Title 63H,
- 5734 Chapter 4, Heber Valley Historic Railroad Authority;
- 5735 (iii) Utah State Railroad Museum Authority created in [~~Title 9, Chapter 3, Part 6,~~] Title
- 5736 63H, Chapter 5, Utah State Railroad Museum Authority;
- 5737 (iv) Utah Science Center Authority created in [~~Title 9, Chapter 3, Part 4,~~] Title 63H,
- 5738 Chapter 3, Utah Science Center Authority;
- 5739 (v) Utah Housing Corporation created in [~~Title 9, Chapter 4, Part 9,~~] Title 35A,
- 5740 Chapter 8, Part 5, Utah Housing Corporation Act;
- 5741 (vi) Utah State Fair Corporation created in [~~Title 9, Chapter 4, Part 11,~~] Title 63H,
- 5742 Chapter 6, Utah State Fair Corporation Act;
- 5743 (vii) Workers' Compensation Fund created in Title 31A, Chapter 33, Workers'
- 5744 Compensation Fund;
- 5745 (viii) Utah State Retirement Office created in Title 49, Chapter 11, Utah State
- 5746 Retirement Systems Administration;
- 5747 (ix) School and Institutional Trust Lands Administration created in Title 53C, Chapter
- 5748 1, Part 2, School and Institutional Trust Lands Administration;
- 5749 (x) Utah Communications Agency Network created in Title 63C, Chapter 7, Utah
- 5750 Communications Agency Network Act;
- 5751 (xi) Utah Generated Renewable Energy Electricity Network Authority created in Title
- 5752 63H, Chapter 2, Utah Generated Renewable Energy Electricity Network Authority Act; and
- 5753 (xii) Utah Capital Investment Corporation created in Title 63M, Chapter 1, Part 12,
- 5754 Utah Venture Capital Enhancement Act.
- 5755 (c) Notwithstanding this Subsection (4), "independent entity" does not include:
- 5756 (i) the Public Service Commission of Utah created in Section 54-1-1;
- 5757 (ii) an institution within the state system of higher education;
- 5758 (iii) a city, county, or town;
- 5759 (iv) a local school district;
- 5760 (v) a local district under Title 17B, Limited Purpose Local Government Entities - Local
- 5761 Districts; or
- 5762 (vi) a special service district under Title 17D, Chapter 1, Special Service District Act.

5763 (5) "Independent state agency" means an entity that is created by the state, but is  
5764 independent of the governor's direct supervisory control.

5765 (6) "Money held in trust" means money maintained for the benefit of:

5766 (a) one or more private individuals, including public employees;

5767 (b) one or more public or private entities; or

5768 (c) the owners of a quasi-public corporation.

5769 (7) "Public corporation" means an artificial person, public in ownership, individually  
5770 created by the state as a body politic and corporate for the administration of a public purpose  
5771 relating to the state or its citizens.

5772 (8) "Quasi-public corporation" means an artificial person, private in ownership,  
5773 individually created as a corporation by the state which has accepted from the state the grant of  
5774 a franchise or contract involving the performance of a public purpose relating to the state or its  
5775 citizens.

5776 Section 119. Section **63E-1-203** is amended to read:

5777 **63E-1-203. Exemptions from committee activities.**

5778 Notwithstanding the other provisions of this Part 2, Retirement and Independent  
5779 Entities Committee, and Subsection 63E-1-102(4), the following independent entities are  
5780 exempt from the study by the committee under Section 63E-1-202:

5781 (1) the Utah Housing Corporation created in [~~Title 9, Chapter 4, Part 9,~~] Title 35A,  
5782 Chapter 8, Part 5, Utah Housing Corporation Act; and

5783 (2) the Workers' Compensation Fund created in Title 31A, Chapter 33, Workers'  
5784 Compensation Fund.

5785 Section 120. Section **63H-3-101**, which is renumbered from Section 9-3-401 is  
5786 renumbered and amended to read:

5787 **CHAPTER 3. UTAH SCIENCE CENTER AUTHORITY**

5788 [~~9-3-401~~]. **63H-3-101. Short title.**

5789 This [~~part~~] chapter is known as the "Utah Science Center Authority."

5790 Section 121. Section **63H-3-102**, which is renumbered from Section 9-3-402 is  
5791 renumbered and amended to read:

5792 [~~9-3-402~~]. **63H-3-102. Legislative findings -- State purpose.**

5793 (1) The Legislature finds and declares that:

5794 (a) a Utah Science Center Authority can promote science, Utah's effort in high  
5795 technology, engineering, the arts, culture, Utah's unique origins, and can enhance tourism and  
5796 provide a valuable educational forum, and other benefits for Utah's citizens; and

5797 (b) fostering the development of science, arts, tourism, culture, and educational  
5798 facilities is a state purpose affecting the welfare of all state citizens and the growth of the  
5799 economy statewide.

5800 (2) It is therefore the purpose of this ~~[part]~~ chapter that the state provide a means to  
5801 foster the development of science, technology, engineering, arts, tourism, cultural, and  
5802 educational facilities in order to further the welfare of the citizens of the state and its economic  
5803 growth.

5804 Section 122. Section **63H-3-103**, which is renumbered from Section 9-3-403 is  
5805 renumbered and amended to read:

5806 **~~[9-3-403].~~ 63H-3-103. Creation -- Members -- Chair -- Powers -- Quorum --**  
5807 **Per diem and expenses.**

5808 (1) There is created an independent state agency and a body politic and corporate  
5809 known as the "Utah Science Center Authority."

5810 (2) (a) The authority ~~[shall be]~~ is composed of 13 members.

5811 (b) The governor shall appoint:

5812 (i) three members representing the informal science and arts community that could  
5813 include members from the board of directors of the Hansen Planetarium, the Hogle Zoo, the  
5814 Children's Museum of Utah, the Utah Museum of Natural History, and other related museums,  
5815 centers, and agencies;

5816 (ii) one member of the State Board of Education;

5817 (iii) one member of the Division of Housing and Community Development of the  
5818 Department of ~~[Community and Culture]~~ Workforce Services;

5819 (iv) one member of the Board of Tourism Development;

5820 (v) one member of the State Board of Regents; and

5821 (vi) three public members representing Utah industry, the diverse regions of the state,  
5822 and the public at large.

5823 (c) The county legislative body of Salt Lake County shall appoint one member to  
5824 represent Salt Lake County.

5825 (d) The mayor of Salt Lake City shall appoint one member to represent Salt Lake City  
5826 Corporation.

5827 (e) The State Science Advisor or the advisor's designee is also a member of the  
5828 authority.

5829 (f) In appointing the three public members, the governor shall ensure that there is  
5830 representation from the science, technology, and business communities.

5831 (3) All members shall be residents of Utah.

5832 (4) Each member [~~shall be~~] is appointed for four-year terms beginning July 1 of the  
5833 year appointed.

5834 (5) (a) Except as required by Subsection (5)(b), as terms of current authority members  
5835 expire, the governor shall appoint each new member or reappointed member to a four-year  
5836 term.

5837 (b) Notwithstanding the requirements of Subsection (5)(a), the governor shall, at the  
5838 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
5839 authority members are staggered so that approximately half of the authority is appointed every  
5840 two years.

5841 (6) A member may be removed from office by the governor or for cause by an  
5842 affirmative vote of nine members of the authority.

5843 (7) When a vacancy occurs in the membership for any reason, the replacement [~~shall~~  
5844 ~~be~~] is appointed by the governor for the unexpired term.

5845 (8) Each public member shall hold office for the term of [~~his~~] the member's  
5846 appointment and until the member's successor has been appointed and qualified.

5847 (9) A public member is eligible for reappointment, but may not serve more than two  
5848 full consecutive terms.

5849 (10) The governor shall appoint the chair of the authority from among its members.

5850 (11) The members shall elect from among their number a vice chair and other officers  
5851 they may determine.

5852 (12) The chair and vice chair [~~shall be~~] are elected for two-year terms.

5853 (13) The powers of the authority [~~shall be~~] are vested in its members.

5854 (14) Seven members constitute a quorum for transaction of authority business.

5855 (15) A member may not receive compensation or benefits for the member's service, but

5856 may receive per diem and travel expenses in accordance with:

5857 (a) Section 63A-3-106;

5858 (b) Section 63A-3-107; and

5859 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and

5860 63A-3-107.

5861 Section 123. Section **63H-3-104**, which is renumbered from Section 9-3-404 is

5862 renumbered and amended to read:

5863 ~~[9-3-404].~~ **63H-3-104. Executive director -- Powers and duties.**

5864 (1) ~~(a)~~ The members shall appoint an executive director who shall be an employee of  
5865 the authority, but who may not be a member of the authority~~[-, and who shall serve].~~

5866 (b) The executive director serves at the pleasure of the members and ~~[receive]~~ receives  
5867 compensation as set by the members and approved by the governor.

5868 (2) The executive director shall:

5869 (a) administer, manage, and direct the affairs and activities of the authority in

5870 accordance with the policies, control, and direction of the members;

5871 (b) approve all accounts for allowable expenses of the authority or of any of its

5872 employees and expenses incidental to the operation of the authority;

5873 (c) attend the meetings of the authority;

5874 (d) keep a record of the proceedings of the authority;

5875 (e) maintain and be custodian of all books, documents, and papers filed with the

5876 authority; and

5877 (f) perform other duties as directed by the members in carrying out the purposes of this

5878 part.

5879 Section 124. Section **63H-3-105**, which is renumbered from Section 9-3-405 is

5880 renumbered and amended to read:

5881 ~~[9-3-405].~~ **63H-3-105. Member or employee -- Disclosure of interest.**

5882 ~~[Any]~~ (1) A member or employee of the authority who has, will have, or later acquires

5883 an interest, direct or indirect, in ~~[any]~~ a transaction with the authority shall immediately

5884 disclose the nature and extent of that interest in writing to the authority as soon as the member

5885 has knowledge of the actual or prospective interest.

5886 (2) This disclosure shall be entered upon the minutes of the authority.

5887           (3) Upon this disclosure that member or employee may participate in any action by the  
5888 authority authorizing the transaction.

5889           Section 125. Section **63H-3-106**, which is renumbered from Section 9-3-406 is  
5890 renumbered and amended to read:

5891           ~~[9-3-406].~~     **63H-3-106. Officer or employee -- No forfeiture of office or**  
5892 **employment.**

5893           Notwithstanding the provisions of any other law, ~~[no]~~ an officer or employee of this  
5894 state ~~[shall be deemed to have forfeited or shall forfeit his]~~ does not forfeit an office of or  
5895 employment within the state by reason of ~~[his]~~ the person's acceptance of membership on the  
5896 authority or ~~[his]~~ service on it.

5897           Section 126. Section **63H-3-107**, which is renumbered from Section 9-3-407 is  
5898 renumbered and amended to read:

5899           ~~[9-3-407].~~     **63H-3-107. Authority -- Powers.**

5900           (1) (a) The authority shall create, operate, and maintain a center that ~~[shall promote]~~  
5901 promotes the purposes described in Section ~~[9-3-402]~~ 63H-3-102.

5902           (b) The center shall:

5903           (i) have an extensive outreach program that serves all regions of the state; and  
5904           (ii) collaborate and coordinate with education, arts, technology, and engineering  
5905 entities, including schools and industries.

5906           (2) The authority has perpetual succession as a body politic and corporate and may:

5907           (a) adopt, amend, and repeal rules, policies, and procedures for the regulation of its  
5908 affairs and the conduct of its business;

5909           (b) sue and be sued in its own name;

5910           (c) maintain an office at ~~[any]~~ a place ~~[or places]~~ within this state it ~~[may designate]~~  
5911 designates;

5912           (d) adopt, amend, and repeal bylaws and rules, not inconsistent with this ~~[part]~~ chapter,  
5913 to carry into effect the powers and purposes of the authority and the conduct of its business;

5914           (e) purchase, lease, sell, and otherwise dispose of property and rights-of-way;

5915           (f) employ experts, advisory groups, and other professionals it considers necessary;

5916           (g) employ and retain independent legal counsel;

5917           (h) make and execute contracts and all other instruments necessary or convenient for

5918 the performance of its duties and the exercise of its duties under this ~~[part]~~ chapter to create,  
5919 operate, and maintain a Science Center in Utah;

5920 (i) procure insurance for liability and against any loss in connection with its property  
5921 and other assets in amounts and from insurers it considers desirable;

5922 (j) borrow money, receive ~~[appropriation]~~ appropriations from the Legislature, and  
5923 receive other public money and accept aid or contributions from any source of money,  
5924 property, labor, or other things of value to be held, used, and applied to carry out the purposes  
5925 of this ~~[part]~~ chapter subject to the conditions upon which the grants and contributions are  
5926 made, including gifts or grants from any department, agency, or instrumentality of the United  
5927 States or of this state for any purpose consistent with this ~~[part]~~ chapter;

5928 (k) enter into agreements with any department, agency, or instrumentality or political  
5929 subdivision of the United States or this state for the purpose of providing for the creation,  
5930 operation, and maintenance of a Science Center in Utah; and

5931 (l) to do any act necessary or convenient to the exercise of the powers granted by this  
5932 ~~[part]~~ chapter.

5933 (3) (a) All money received by the authority under Subsection (2)(j) and from any other  
5934 source ~~[shall be]~~ is for the exclusive use of the authority to create, operate, maintain, improve,  
5935 and provide for a Science Center in Utah.

5936 (b) The money received by the authority may not be used for any other purpose or by  
5937 any other entity.

5938 Section 127. Section **63H-3-108**, which is renumbered from Section 9-3-409 is  
5939 renumbered and amended to read:

5940 ~~[9-3-409]~~. **63H-3-108. Actions on validity or enforceability of bonds -- Time**  
5941 **for bringing action.**

5942 (1) In ~~[any]~~ a suit, action, or proceeding involving the validity or enforceability of  
5943 ~~[any]~~ a bond issued under this chapter or the security for them, ~~[any-such]~~ the bond reciting in  
5944 substance that it has been issued by the authority in connection with the Utah Science Center  
5945 ~~[shall be]~~ is conclusively considered to have been issued for that purpose.

5946 (2) (a) After receiving notice described in Subsection (2)(a)(ii), a person may contest:

5947 (i) (A) the legality of a resolution;

5948 (B) notice of bonds to be issued; or



5949 (C) a provision made for the security and payment of the bonds; and  
 5950 (ii) for a period of 30 days after the publication of the resolution authorizing the bonds,  
 5951 or a notice of bonds to be issued by the authority containing those items described in Section  
 5952 11-14-316:

5953 (A) in a newspaper having general circulation in the area of operation; and

5954 (B) as required in Section 45-1-101.

5955 (b) After the 30-day period no one has any cause of action to contest the regularity,  
 5956 formality, or legality of the notice of bonds to be issued or the bonds for any cause whatsoever.

5957 Section 128. Section **63H-3-109**, which is renumbered from Section 9-3-410 is  
 5958 renumbered and amended to read:

5959 **~~[9-3-410]~~. 63H-3-109. Relation to certain acts.**

5960 (1) The authority is exempt from:

5961 (a) Title 51, Chapter 5, Funds Consolidation Act;

5962 (b) Title 63A, Chapter 1, Department of Administrative Services;

5963 (c) Title 63G, Chapter 6, Utah Procurement Code;

5964 (d) Title 63J, Chapter 1, Budgetary Procedures Act; and

5965 (e) Title 67, Chapter 19, Utah State Personnel Management Act.

5966 (2) The authority [~~shall be~~] is subject to audit by:

5967 (a) the state auditor pursuant to Title 67, Chapter 3, Auditor; and

5968 (b) the legislative auditor general pursuant to Section 36-12-15.

5969 (3) The authority shall annually report to the Retirement and Independent Entities  
 5970 Committee created under Section 63E-1-201 concerning the authority's implementation of this  
 5971 part.

5972 Section 129. Section **63H-3-110**, which is renumbered from Section 9-3-411 is  
 5973 renumbered and amended to read:

5974 **~~[9-3-411]~~. 63H-3-110. Sales tax exemption.**

5975 The authority and its operators are exempt from sales and use tax imposed under Title  
 5976 59, Chapter 12, Sales and Use Tax Act.

5977 Section 130. Section **63H-4-101**, which is renumbered from Section 9-3-501 is  
 5978 renumbered and amended to read:

5979 **CHAPTER 4. HEBER VALLEY HISTORIC RAILROAD AUTHORITY**

5980 ~~[9-3-501].~~ 63H-4-101. Title.

5981 This [part] chapter is known as the "Heber Valley Historic Railroad Authority."

5982 Section 131. Section 63H-4-102, which is renumbered from Section 9-3-502 is  
5983 renumbered and amended to read:

5984 ~~[9-3-502].~~ 63H-4-102. Creation -- Members -- Chair -- Powers -- Quorum --  
5985 **Per diem and expenses.**

5986 (1) There is created an independent state agency and a body politic and corporate  
5987 known as the "Heber Valley Historic Railroad Authority."

5988 (2) The authority [~~shall be~~] is composed of eight members as follows:

5989 (a) one member of the county legislative body of Wasatch County;

5990 (b) the mayor of Heber City;

5991 (c) the mayor of Midway;

5992 (d) the executive director of the Department of Transportation or the executive  
5993 director's designee;

5994 (e) the executive director of Parks and Recreation, or the executive director's designee;  
5995 and

5996 (f) three public members appointed by the governor with the consent of the Senate,  
5997 being private citizens of the state, as follows:

5998 (i) two people representing the tourism industry, one each from Wasatch and Utah  
5999 counties; and

6000 (ii) one person representing the public at large.

6001 (3) All members shall be residents of the state.

6002 (4) (a) Except as required by Subsection (4)(b), the three public members [~~shall be~~] are  
6003 appointed for four-year terms beginning July 1, 2010.

6004 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the  
6005 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
6006 authority members are staggered so that approximately half of the authority is appointed every  
6007 two years.

6008 (5) Any of the three public members may be removed from office by the governor or  
6009 for cause by an affirmative vote of any four members of the authority.

6010 (6) When a vacancy occurs in the membership for any reason, the replacement [~~shall~~]

6011 ~~be]~~ is appointed for the unexpired term by the governor with consent of the Senate for the  
6012 unexpired term.

6013 (7) Each public member shall hold office for the term of appointment and until a  
6014 successor has been appointed and qualified.

6015 (8) ~~[Any]~~ A public member is eligible for reappointment, but may not serve more than  
6016 two full consecutive terms.

6017 (9) The governor shall appoint the chair of the authority from among its members.

6018 (10) The members shall elect from among their number a vice chair and other officers  
6019 they may determine.

6020 (11) The powers of the authority ~~[shall be]~~ are vested in its members.

6021 (12) (a) Four members constitute a quorum for transaction of authority business.

6022 (b) An affirmative vote of at least four members is necessary for any action ~~[to be]~~  
6023 taken by the authority.

6024 (13) (a) (i) Members who are not government employees ~~[shall]~~ may not receive ~~[no]~~  
6025 compensation or benefits for their services, but may receive per diem and expenses incurred in  
6026 the performance of the member's official duties at the rates established by the Division of  
6027 Finance under Sections 63A-3-106 and 63A-3-107.

6028 (ii) Members may decline to receive per diem and expenses for their service.

6029 (b) (i) State government officer and employee members who do not receive salary, per  
6030 diem, or expenses from their agency for their service may receive per diem and expenses  
6031 incurred in the performance of their official duties from the authority at the rates established by  
6032 the Division of Finance under Sections 63A-3-106 and 63A-3-107.

6033 (ii) State government officer and employee members may decline to receive per diem  
6034 and expenses for their service.

6035 (c) (i) Local government members who do not receive salary, per diem, or expenses  
6036 from the entity that they represent for their service may receive per diem and expenses incurred  
6037 in the performance of their official duties at the rates established by the Division of Finance  
6038 under Sections 63A-3-106 and 63A-3-107.

6039 (ii) Local government members may decline to receive per diem and expenses for their  
6040 service.

6041 Section 132. Section **63H-4-103**, which is renumbered from Section 9-3-503 is

6042 renumbered and amended to read:

6043 ~~[9-3-503].~~ **63H-4-103. Executive director -- Powers and duties.**

6044 (1) (a) The members shall appoint an executive director who ~~[shall be]~~ is an employee  
6045 of the authority, but who ~~[may]~~ is not ~~[be]~~ a member of the authority~~[-, and who shall serve].~~

6046 (b) The executive director serves at the pleasure of the members and ~~[receive]~~ receives  
6047 compensation as set by the members and approved by the governor.

6048 (2) The executive director shall:

6049 (a) administer, manage, and direct the affairs and activities of the authority in  
6050 accordance with the policies, control, and direction of the members;

6051 (b) approve all accounts for allowable expenses of the authority or of any of its  
6052 employees and expenses incidental to the operation of the authority;

6053 (c) attend the meetings of the authority;

6054 (d) keep a record of the proceedings of the authority;

6055 (e) maintain and be custodian of all books, documents, and papers filed with the  
6056 authority; and

6057 (f) perform other duties as directed by the members in carrying out the purposes of this  
6058 ~~[part]~~ chapter.

6059 Section 133. Section **63H-4-104**, which is renumbered from Section 9-3-504 is  
6060 renumbered and amended to read:

6061 ~~[9-3-504].~~ **63H-4-104. Member or employee -- Disclosure of interest.**

6062 ~~[Any]~~ (1) A member or employee of the authority who has, will have, or later acquires  
6063 an interest, direct or indirect, in ~~[any]~~ a transaction with the authority shall immediately  
6064 disclose the nature and extent of that interest in writing to the authority as soon as the member  
6065 or employee has knowledge of the actual or prospective interest.

6066 (2) This disclosure shall be entered upon the minutes of the authority.

6067 (3) Upon this disclosure that member or employee may participate in any action by the  
6068 authority authorizing the transaction.

6069 Section 134. Section **63H-4-105**, which is renumbered from Section 9-3-505 is  
6070 renumbered and amended to read:

6071 ~~[9-3-505].~~ **63H-4-105. Officer or employee -- No forfeiture of office or  
6072 employment.**

6073 Notwithstanding the provisions of any other law, [~~no~~] an officer or employee of this  
6074 state [~~shall be considered to have forfeited or shall~~] does not forfeit an officer's or employee's  
6075 office or employment by reason of acceptance of membership on the authority or service on it.

6076 Section 135. Section **63H-4-106**, which is renumbered from Section 9-3-506 is  
6077 renumbered and amended to read:

6078 **[9-3-506]. 63H-4-106. Authority -- Powers.**

6079 (1) The authority shall operate and maintain a scenic and historic railroad in and  
6080 around the Heber Valley.

6081 (2) The authority has perpetual succession as a body politic and corporate and may:

6082 (a) adopt, amend, and repeal rules, policies, and procedures for the regulation of its  
6083 affairs and the conduct of its business;

6084 (b) sue and be sued in its own name;

6085 (c) maintain an office at [~~any~~] a place [~~or places~~] within this state it [~~may designate~~]  
6086 designates;

6087 (d) adopt, amend, and repeal bylaws and rules, not inconsistent with this [~~part~~] chapter,  
6088 to carry into effect the powers and purposes of the authority and the conduct of its business;

6089 (e) purchase, lease, sell, and otherwise dispose of property and rights-of-way;

6090 (f) employ experts and other professionals it considers necessary;

6091 (g) employ and retain independent legal counsel;

6092 (h) make and execute contracts and all other instruments necessary or convenient for  
6093 the performance of its duties and the exercise of its duties under this [~~part~~] chapter to operate  
6094 and maintain a scenic railroad in and around the Heber Valley;

6095 (i) procure insurance for liability and against any loss in connection with its property  
6096 and other assets in amounts and from insurers it considers desirable;

6097 (j) receive [~~appropriation~~] appropriations from the Legislature and receive other public  
6098 money and accept aid or contributions from any source of money, property, labor, or other  
6099 things of value to be held, used, and applied to carry out the purposes of this [~~part~~] chapter,  
6100 subject to the conditions upon which the grants and contributions are made, including [~~but not~~  
6101 ~~limited to~~]; gifts or grants from any department, agency, or instrumentality of the United States  
6102 or of this state for any purpose consistent with this [~~part~~] chapter;

6103 (k) enter into agreements with any department, agency, or instrumentality of the United

6104 States or this state for the purpose of providing for the operation and maintenance of a scenic  
6105 railway in and around the Heber Valley; and

6106 (l) do any act necessary or convenient to the exercise of the powers granted by this  
6107 ~~[part]~~ chapter.

6108 (3) (a) All money received by the authority under Subsection (2)(j) and from any other  
6109 source ~~[shall be]~~ is for the exclusive use of the authority to operate, maintain, improve, and  
6110 provide for a scenic and historic railway in and around the Heber Valley.

6111 (b) The money received by the authority may not be used for any other purpose or by  
6112 any other entity.

6113 Section 136. Section **63H-4-107**, which is renumbered from Section 9-3-507 is  
6114 renumbered and amended to read:

6115 ~~[9-3-507]~~. **63H-4-107. Notes, bonds, other obligation -- Not debt liability --**  
6116 **Expenses payable from funds provided -- Agency without authority to incur liability on**  
6117 **behalf of state.**

6118 (1) (a) An obligation or liability of the authority does not constitute a debt or liability  
6119 of this state or of any of its political subdivisions nor does any obligation or liability constitute  
6120 the loaning of credit of the state or of any of its political subdivisions nor may any obligation or  
6121 liability of the authority be payable from funds other than those of the authority.

6122 (b) All obligations of the authority shall contain a statement to the effect that the  
6123 authority is obligated to pay them solely from the revenues or other funds of the authority and  
6124 that this state or its political subdivisions are not obligated to pay them and that neither the  
6125 faith and credit nor the taxing power of this state or any of its political subdivisions is pledged  
6126 to the payment of them.

6127 (2) All expenses incurred in carrying out this part ~~[shall be]~~ are payable solely from  
6128 ~~[funds]~~ money of the authority provided under this ~~[part]~~ chapter, and nothing in this ~~[part]~~  
6129 chapter may be construed to authorize the authority to incur indebtedness or liability on behalf  
6130 of or payable by this state or any of its political subdivisions.

6131 Section 137. Section **63H-4-108**, which is renumbered from Section 9-3-508 is  
6132 renumbered and amended to read:

6133 ~~[9-3-508]~~. **63H-4-108. Relation to certain acts.**

6134 (1) The authority is exempt from:

- 6135 (a) Title 51, Chapter 5, Funds Consolidation Act;  
 6136 (b) Title 63A, Utah Administrative Services Code;  
 6137 (c) Title 63G, Chapter 6, Utah Procurement Code;  
 6138 (d) Title 63J, Chapter 1, Budgetary Procedures Act; and  
 6139 (e) Title 67, Chapter 19, Utah State Personnel Management Act.

6140 (2) The authority [~~shall be~~] is subject to audit by the state auditor pursuant to Title 67,  
 6141 Chapter 3, Auditor, and by the legislative auditor general pursuant to Section 36-12-15.

6142 Section 138. Section **63H-4-109**, which is renumbered from Section 9-3-509 is  
 6143 renumbered and amended to read:

6144 **[9-3-509]. 63H-4-109. Duty to maintain rails.**

6145 The authority shall maintain the rails, bed, right-of-way, and related property upon  
 6146 which the authority's train shall operate in compliance with state and federal statutes, rules, and  
 6147 regulations.

6148 Section 139. Section **63H-4-110**, which is renumbered from Section 9-3-510 is  
 6149 renumbered and amended to read:

6150 **[9-3-510]. 63H-4-110. Lease of rails from Department of Transportation and**  
 6151 **Division of Parks and Recreation.**

6152 The Department of Transportation and the Division of Parks and Recreation shall  
 6153 jointly lease the rails, bed, right-of-way, and related property for not more than \$1 per year to  
 6154 the authority.

6155 Section 140. Section **63H-4-111**, which is renumbered from Section 9-3-511 is  
 6156 renumbered and amended to read:

6157 **[9-3-511]. 63H-4-111. Sales tax exemption.**

6158 The authority and its operators are exempt from sales and use tax imposed under Title  
 6159 59, Chapter 12, Sales and Use Tax Act, for their purchases and sales related to the operation  
 6160 and maintenance of a scenic and historic railroad in and around the Heber Valley.

6161 Section 141. Section **63H-5-101**, which is renumbered from Section 9-3-601 is  
 6162 renumbered and amended to read:

6163 **CHAPTER 5. UTAH STATE RAILROAD MUSEUM AUTHORITY**

6164 **[9-3-601]. 63H-5-101. Title.**

6165 This [~~part~~] chapter is known as the "Utah State Railroad Museum Authority."

6166 Section 142. Section **63H-5-102**, which is renumbered from Section 9-3-602 is  
6167 renumbered and amended to read:

6168 **[9-3-602]. 63H-5-102. Creation -- Members -- Chair -- Powers -- Quorum --**  
6169 **Per diem and expenses.**

6170 (1) There is created an independent body politic and corporate known as the "Utah  
6171 State Railroad Museum Authority," hereafter referred to in this [part] chapter as "the authority."

6172 (2) The authority is composed of 11 members as follows:

6173 (a) one member of the county legislative body of Weber County appointed by that  
6174 legislative body;

6175 (b) two members of the county legislative body of Box Elder County appointed by that  
6176 legislative body;

6177 (c) the executive director of the Department of Transportation or the director's  
6178 designee; and

6179 (d) seven public members appointed by the governor, as follows:

6180 (i) two individuals representing the tourism industry, one each from Weber and Box  
6181 Elder Counties;

6182 (ii) one individual representing the public at large; and

6183 (iii) four individuals representing railroad historic and heritage preservation  
6184 organizations active in Weber and Box Elder Counties, as follows:

6185 (A) one individual representing the Railroad and Locomotive Historical Society  
6186 Golden Spike Chapter;

6187 (B) one individual representing the Golden Spike Heritage Foundation;

6188 (C) one individual representing the Golden Spike Association; and

6189 (D) one individual representing the Corinne Historical Society.

6190 (3) All members shall be residents of the state.

6191 (4) (a) Except as required by Subsection (4)(b), the governor shall appoint the seven  
6192 public members for four-year terms beginning July 1.

6193 (b) Notwithstanding the requirements of Subsection (4)(a), the governor shall, at the  
6194 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
6195 authority members appointed under Subsection (2)(d) are staggered so that approximately  
6196 one-half of the seven public members are appointed every two years.



6197 (5) Any of the seven public members may be removed from office by the governor or  
6198 for cause by an affirmative vote of six members of the authority.

6199 (6) When a vacancy occurs in the public membership for any reason, the governor shall  
6200 appoint a replacement for the unexpired term.

6201 (7) Each public member shall hold office for the term of the member's appointment and  
6202 until a successor has been appointed and qualified.

6203 (8) A public member is eligible for reappointment, but may not serve more than two  
6204 full consecutive terms.

6205 (9) The governor shall appoint the chair of the authority from among its members.

6206 (10) (a) The members shall elect from among their membership a vice chair and other  
6207 officers as they may determine.

6208 (b) The officers serve as the executive committee for the authority.

6209 (11) The powers of the authority are vested in its members.

6210 (12) (a) Six members constitute a quorum for transaction of authority business.

6211 (b) An affirmative vote of at least six members is necessary for an action to be taken  
6212 by the authority.

6213 (13) (a) A member who is not a government employee receives no compensation or  
6214 benefits for the member's services, but may receive per diem and expenses incurred in the  
6215 performance of the member's official duties at rates established by the Division of Finance  
6216 under Sections 63A-3-106 and 63A-3-107.

6217 (b) A state government officer or employee member who does not receive salary, per  
6218 diem, or expenses from the member's agency for the member's service may receive per diem  
6219 and expenses incurred in the performance of official duties from the authority at rates  
6220 established by the Division of Finance under Sections 63A-3-106 and 63A-3-107.

6221 (c) A local government member who does not receive salary, per diem, or expenses for  
6222 the member's service from the entity that the member represents may receive per diem and  
6223 expenses incurred in the performance of the member's official duties at rates established by the  
6224 Division of Finance under Sections 63A-3-106 and 63A-3-107.

6225 (d) A member may decline to receive per diem and expenses for the member's services.

6226 Section 143. Section **63H-5-103**, which is renumbered from Section 9-3-603 is  
6227 renumbered and amended to read:

6228 **[9-3-603]. 63H-5-103. Executive director -- Powers and duties.**

6229 (1) (a) The members of the authority shall appoint an executive director who is an  
6230 employee of the authority, but who is not a member of the authority.

6231 (b) The executive director serves at the pleasure of the members and receives  
6232 compensation as set by the members and approved by the governor.

6233 (2) The executive director shall:

6234 (a) administer, manage, and direct the affairs and activities of the authority in  
6235 accordance with the policies, control, and direction of the members of the authority;

6236 (b) approve all accounts for allowable expenses of the authority or of any of its  
6237 employees and expenses incidental to the operation of the authority;

6238 (c) attend meetings of the authority;

6239 (d) keep a record of the proceedings of the authority;

6240 (e) maintain and be the custodian of all books, documents, and papers filed with the  
6241 authority;

6242 (f) document and maintain records concerning ownership of all assets owned or under  
6243 the control of the authority; and

6244 (g) perform other duties as directed by the members of the authority in carrying out the  
6245 purposes of this ~~[part]~~ chapter.

6246 Section 144. Section **63H-5-104**, which is renumbered from Section 9-3-604 is  
6247 renumbered and amended to read:

6248 **[9-3-604]. 63H-5-104. Member or employee -- Disclosure of interest.**

6249 (1) A member or employee of the authority who has, will have, or later acquires an  
6250 interest, direct or indirect, in a transaction with the authority shall immediately disclose the  
6251 nature and extent of that interest in writing to the authority as soon as the individual has  
6252 knowledge of the actual or prospective interest.

6253 (2) The disclosure shall be entered upon the minutes of the authority.

6254 (3) After making the disclosure, the member or employee may participate in any action  
6255 by the authority authorizing the transaction.

6256 Section 145. Section **63H-5-105**, which is renumbered from Section 9-3-605 is  
6257 renumbered and amended to read:

6258 **[9-3-605]. 63H-5-105. Officer or employee -- No forfeiture of office or**

6259 **employment.**

6260 Notwithstanding any other provision of law, an officer or employee of this state does  
6261 not forfeit the office or employment with the state by reason of acceptance of membership on  
6262 the authority or service on it.

6263 Section 146. Section **63H-5-106**, which is renumbered from Section 9-3-606 is  
6264 renumbered and amended to read:

6265 **[9-3-606]. 63H-5-106. Authority -- Powers.**

6266 (1) The authority shall:

6267 (a) facilitate or operate and maintain a scenic and historic railroad in and around Weber  
6268 and Box Elder Counties;

6269 (b) facilitate or operate and maintain one or more railroad history museums in and  
6270 around Weber and Box Elder Counties;

6271 (c) facilitate the restoration, preservation, and public display of railroad artifacts and  
6272 heritage in and around Weber and Box Elder Counties; and

6273 (d) facilitate the restoration, preservation, and operation of historically significant  
6274 railroad related properties in and around Weber and Box Elder Counties for public benefit.

6275 (2) The authority has perpetual succession as a body politic and corporate and may:

6276 (a) adopt, amend, and repeal policies and procedures for the regulation of its affairs and  
6277 the conduct of its business;

6278 (b) sue and be sued in its own name;

6279 (c) maintain an office at a place [~~or places~~] it designates within the state;

6280 (d) adopt, amend, and repeal bylaws and rules, consistent with this [~~part~~] chapter, to  
6281 carry into effect the powers and purposes of the authority and the conduct of its business;

6282 (e) purchase, lease, sell, and otherwise dispose of property and rights-of-way;

6283 (f) employ experts and other professionals it considers necessary;

6284 (g) employ and retain independent legal counsel;

6285 (h) make and execute contracts and all other instruments necessary or convenient for  
6286 the performance of its duties under this [~~part~~] chapter as described in Subsection (1);

6287 (i) procure insurance for liability and against any loss in connection with its property  
6288 and other assets in amounts and from insurers it considers desirable;

6289 (j) receive appropriations from the Legislature and receive other public [~~moneys~~]

6290 money and accept aid or contributions from any source of money, property, labor, or other  
 6291 things of value to be held, used, and applied to carry out the purposes of this [part] chapter,  
 6292 subject to the conditions upon which the grants and contributions are made, including gifts or  
 6293 grants from a department, agency, or instrumentality of the United States or of this state for any  
 6294 purpose consistent with this [part] chapter;

6295 (k) enter into agreements with a department, agency, or instrumentality of the United  
 6296 States or this state for the purpose of providing for the operation and maintenance of a scenic  
 6297 railway in and around Weber and Box Elder Counties; and

6298 (l) do any act necessary or convenient to the exercise of the powers granted to the  
 6299 authority by this [part] chapter.

6300 (3) (a) All [~~monies~~] money received by the authority under Subsection (2)(j) and from  
 6301 any other source [~~are~~] is for the exclusive use of the authority in the performance and exercise  
 6302 of its duties under this [part] chapter as described in Subsection (1).

6303 (b) [~~Monies~~] Money received by the authority may not be used for any other purpose or  
 6304 by any other entity.

6305 Section 147. Section **63H-5-107**, which is renumbered from Section 9-3-607 is  
 6306 renumbered and amended to read:

6307 ~~[9-3-607].~~ **63H-5-107. Notes, bonds, other obligation -- Not debt liability --**  
 6308 **Expenses payable from funds provided -- Agency without authority to incur liability on**  
 6309 **behalf of state.**

6310 (1) (a) An obligation or liability of the authority does not constitute:

6311 (i) a debt or liability of the state or of any of its political subdivisions; or

6312 (ii) the loaning of credit of the state or of any of its political subdivisions.

6313 (b) An obligation or liability of the authority is payable only from [~~funds~~] money of the  
 6314 authority.

6315 (2) An obligation of the authority shall contain a statement to the effect:

6316 (a) that the authority is obligated to pay the obligation solely from the revenues or other  
 6317 [~~funds~~] money of the authority;

6318 (b) that neither the state nor its political subdivisions are obligated to pay it; and

6319 (c) that neither the faith and credit nor the taxing power of the state or any of its

6320 political subdivisions is pledged to the payment of the obligation.

6321 (3) (a) Expenses incurred in carrying out this [part] chapter are payable solely from  
6322 [funds] money of the authority provided under this [part] chapter.

6323 (b) Nothing in this [part] chapter authorizes the authority to incur indebtedness or  
6324 liability on behalf of or payable by the state or any of its political subdivisions.

6325 Section 148. Section **63H-5-108**, which is renumbered from Section 9-3-608 is  
6326 renumbered and amended to read:

6327 **[9-3-608]. 63H-5-108. Relation to certain acts.**

6328 (1) The authority is exempt from:

6329 (a) Title 51, Chapter 5, Funds Consolidation Act;

6330 (b) Title 63A, Chapter 1, Department of Administrative Services;

6331 (c) Title 63G, Chapter 6, Utah Procurement Code;

6332 (d) Title 63J, Chapter 1, Budgetary Procedures Act; and

6333 (e) Title 67, Chapter 19, Utah State Personnel Management Act.

6334 (2) The authority is subject to audit by the state auditor pursuant to Title 67, Chapter 3,  
6335 Auditor, and by the legislative auditor general pursuant to Section 36-12-15.

6336 Section 149. Section **63H-5-109**, which is renumbered from Section 9-3-609 is  
6337 renumbered and amended to read:

6338 **[9-3-609]. 63H-5-109. Duty to maintain rails and operating equipment.**

6339 The authority shall maintain the rails, bed, right-of-way, and related property owned by  
6340 the authority upon which the authority's train operates in compliance with state and federal  
6341 statutes, rules, and regulations.

6342 Section 150. Section **63H-5-110**, which is renumbered from Section 9-3-610 is  
6343 renumbered and amended to read:

6344 **[9-3-610]. 63H-5-110. Lease of rails or equipment from Department of  
6345 Transportation and Division of Parks and Recreation.**

6346 The Department of Transportation and the Division of Parks and Recreation may jointly  
6347 lease the rails, bed, right-of-way, and related property for the operation of a scenic and historic  
6348 railroad in and around Weber and Box Elder Counties, for not more than \$1 per year to the  
6349 authority.

6350 Section 151. Section **63H-6-101**, which is renumbered from Section 9-4-1101 is  
6351 renumbered and amended to read:

6352                                   **CHAPTER 6. UTAH STATE FAIR CORPORATION ACT**6353                   ~~[9-4-1101].~~    **63H-6-101. Title.**6354                   This ~~[part]~~ chapter is known as the "Utah State Fair Corporation Act."6355                   Section 152. Section **63H-6-102**, which is renumbered from Section 9-4-1102 is

6356 renumbered and amended to read:

6357                   ~~[9-4-1102].~~    **63H-6-102. Definitions.**6358                   As used in this ~~[part]~~ chapter:

6359                   (1) "Board" means the board of directors of the corporation.

6360                   (2) "Corporation" means the Utah State Fair Corporation created by this ~~[part]~~ chapter.

6361                   (3) "State fair park" means the property owned by the state located at 155 North 1000

6362 West, Salt Lake City, Utah.

6363                   Section 153. Section **63H-6-103**, which is renumbered from Section 9-4-1103 is

6364 renumbered and amended to read:

6365                   ~~[9-4-1103].~~    **63H-6-103. Utah State Fair Corporation -- Legal status -- Powers.**6366                   (1) There is created an independent public nonprofit corporation known as the "Utah  
6367 State Fair Corporation."6368                   (2) The board shall file articles of incorporation for the corporation with the Division  
6369 of Corporations and Commercial Code.6370                   (3) The corporation ~~[shall]~~, subject to this ~~[part]~~ chapter, ~~[have]~~ has all powers and  
6371 authority permitted nonprofit corporations by law.

6372                   (4) The corporation shall, subject to approval of the board:

6373                   (a) have general management, supervision, and control over all activities relating to the  
6374 state fair and have charge of all state expositions except as otherwise provided by statute;

6375                   (b) for public entertainment, displays, and exhibits or similar events:

6376                   (i) provide, sponsor, or arrange the events;

6377                   (ii) publicize and promote the events; and

6378                   (iii) secure funds to cover the cost of the exhibits from:

6379                   (A) private contributions;

6380                   (B) public appropriations;

6381                   (C) admission charges; and

6382                   (D) other lawful means;

- 6383 (c) establish the time, place, and purpose of state expositions; and  
6384 (d) acquire and designate exposition sites.
- 6385 (5) (a) The corporation shall:
- 6386 (i) use generally accepted accounting principals in accounting for its assets, liabilities,  
6387 and operations;
- 6388 (ii) seek corporate sponsorships for the state fair park and for individual buildings or  
6389 facilities within the fair park;
- 6390 (iii) work with county and municipal governments, the Salt Lake Convention and  
6391 Visitor's Bureau, the Utah Travel Council, and other entities to develop and promote  
6392 expositions and the use of the state fair park;
- 6393 (iv) develop and maintain a marketing program to promote expositions and the use of  
6394 the state fair park;
- 6395 (v) in cooperation with the Division of Facilities Construction and Management,  
6396 maintain the physical appearance and structural integrity of the state fair park and the buildings  
6397 located at the state fair park;
- 6398 (vi) hold an annual exhibition that:
- 6399 (A) is called the state fair or a similar name;
- 6400 (B) includes expositions of livestock, poultry, agricultural, domestic science,  
6401 horticultural, floricultural, mineral, and industrial products, manufactured articles, and  
6402 domestic animals that, in the corporation's opinion will best stimulate agricultural, industrial,  
6403 artistic, and educational pursuits and the sharing of talents among the people of Utah;
- 6404 (C) includes the award of premiums for the best specimens of the exhibited articles and  
6405 animals;
- 6406 (D) permits competition by livestock exhibited by citizens of other states and territories  
6407 of the United States; and
- 6408 (E) is arranged according to plans approved by the board;
- 6409 (vii) fix the conditions of entry to the exposition described in Subsection (5)(a)(vi); and  
6410 (viii) publish a list of premiums that will be awarded at the exhibition described in  
6411 Subsection (5)(a)(vi) for the best specimens of exhibited articles and animals.
- 6412 (b) In addition to the state fair to be held in accordance with Subsection (5)(a)(vi), the  
6413 corporation may hold other exhibitions of livestock, poultry, agricultural, domestic science,

6414 horticultural, floricultural, mineral, and industrial products, manufactured articles, and  
6415 domestic animals that, in its opinion, will best stimulate agricultural, industrial, artistic, and  
6416 educational pursuits and the sharing of talents among the people of Utah.

6417 (6) The corporation may:

6418 (a) employ advisers, consultants, and agents, including financial experts and  
6419 independent legal counsel, and fix their compensation;

6420 (b) procure insurance against any loss in connection with its property and other assets,  
6421 including mortgage loans;

6422 (c) receive and accept aid or contributions of money, property, labor, or other things of  
6423 value from any source, including any grants or appropriations from any department, agency, or  
6424 instrumentality of the United States or Utah;

6425 (d) hold, use, loan, grant, and apply that aid and those contributions to carry out the  
6426 purposes of the corporation, subject to the conditions, if any, upon which the aid and  
6427 contributions were made;

6428 (e) enter into management agreements with any person or entity for the performance of  
6429 its functions or powers;

6430 (f) establish whatever accounts and procedures as necessary to budget, receive, and  
6431 disburse, account for, and audit all funds received, appropriated, or generated;

6432 (g) enter into agreements for the leasing of any of the facilities at the state fair park, if  
6433 approved by the board; and

6434 (h) sponsor events as approved by the board.

6435 (7) (a) Except as provided in Subsection (7)(c), as an independent agency of Utah, the  
6436 corporation is exempt from:

6437 (i) Title 51, Chapter 5, Funds Consolidation Act;

6438 (ii) Title 51, Chapter 7, State Money Management Act;

6439 (iii) Title 63A, Utah Administrative Services Code;

6440 (iv) Title 63G, Chapter 6, Utah Procurement Code;

6441 (v) Title 63J, Chapter 1, Budgetary Procedures Act; and

6442 (vi) Title 67, Chapter 19, Utah State Personnel Management Act.

6443 (b) The board shall adopt policies parallel to and consistent with:

6444 (i) Title 51, Chapter 5, Funds Consolidation Act;



- 6445 (ii) Title 51, Chapter 7, State Money Management Act;  
6446 (iii) Title 63A, Utah Administrative Services Code;  
6447 (iv) Title 63G, Chapter 6, Utah Procurement Code; and  
6448 (v) Title 63J, Chapter 1, Budgetary Procedures Act.  
6449 (c) The corporation shall comply with the legislative approval requirements for new  
6450 facilities established in Subsection 63A-5-104(3).

6451 Section 154. Section **63H-6-104**, which is renumbered from Section 9-4-1104 is  
6452 renumbered and amended to read:

6453 ~~[9-4-1104]~~. **63H-6-104. Board of Directors -- Membership -- Term -- Quorum --**  
6454 **Vacancies.**

- 6455 (1) The corporation ~~[shall be]~~ is governed by a board of directors.  
6456 (2) The board ~~[shall be]~~ is composed of 11 members appointed by the governor with  
6457 the consent of the Senate.  
6458 (3) The governor shall ensure that:  
6459 (a) two members of the board are residents of Salt Lake County in which the state fair  
6460 is held;  
6461 (b) there is at least one member of the board from each judicial district;  
6462 (c) two members of the board are residents of the First Congressional District;  
6463 (d) two members of the board are residents of the Second Congressional District;  
6464 (e) two members of the board are residents of the Third Congressional District; and  
6465 (f) two members of the board represent agricultural interests.  
6466 (4) (a) (i) Except as provided in Subsection (4)(a)(ii), the governor shall appoint board  
6467 members to serve terms that expire on the December 1 four years after the year that the board  
6468 member was appointed.  
6469 (ii) In making appointments to the board, the governor shall ensure that the terms of  
6470 approximately 1/4 of the board expire each year.  
6471 (b) Except as provided in Subsection (4)(c), board members ~~[shall]~~ serve until their  
6472 successors are appointed and qualified.  
6473 (c) (i) If a board member is absent from three consecutive board meetings without  
6474 excuse, that member's appointment is terminated, the position is vacant, and the governor shall  
6475 appoint a replacement.

6476 (ii) The governor may remove any member of the board at will.  
6477 (d) The governor shall fill any vacancy that occurs on the board for any reason by  
6478 appointing a person according to the procedures of this section for the unexpired term of the  
6479 vacated member.

6480 (5) The governor shall select the board's chair.

6481 (6) Six members of the board are a quorum for the transaction of business.

6482 (7) The board may elect a vice chair and any other board offices.

6483 Section 155. Section **63H-6-105**, which is renumbered from Section 9-4-1105 is  
6484 renumbered and amended to read:

6485 ~~[9-4-1105]~~. **63H-6-105. Executive director.**

6486 (1) (a) The board shall:

6487 (i) hire an executive director for the corporation as provided in this subsection;

6488 (ii) conduct a national search to find applicants for the position of executive director;

6489 and

6490 (iii) establish the salary, benefits, and other compensation of the executive director.

6491 (b) The board may appoint an interim director while searching for a permanent  
6492 executive director.

6493 (c) The executive director serves at the pleasure of the board and may be terminated by  
6494 the board at will.

6495 (d) The executive director is an employee of the corporation.

6496 (e) The executive director may not be a member of the board.

6497 (2) The executive director shall:

6498 (a) act as the executive officer of the board and the corporation;

6499 (b) administer, manage, and direct the affairs and activities of the corporation in  
6500 accordance with the policies and under the control and direction of the board;

6501 (c) keep the board, the governor, the Legislature, and its agencies, and other affected  
6502 officers, associations, and groups informed about the operations of the corporation;

6503 (d) recommend to the board any necessary or desirable changes in the statutes  
6504 governing the corporation;

6505 (e) recommend to the board an annual administrative budget covering the operations  
6506 of the corporation and, upon approval, submit the budget to the governor and the Legislature

6507 for their examination and approval;

6508 (f) after approval, direct and control the subsequent expenditures of the budget;

6509 (g) employ, within the limitations of the budget, staff personnel and consultants to

6510 accomplish the purpose of the corporation, and establish their qualifications, duties, and

6511 compensation;

6512 (h) keep in convenient form all records and accounts of the corporation, including

6513 those necessary for the administration of the state fair;

6514 (i) in cooperation with the board, create:

6515 (i) business plans for the corporation;

6516 (ii) a financial plan for the corporation that projects self-sufficiency for the corporation

6517 within two years; and

6518 (iii) a master plan for the state fair park;

6519 (j) approve all accounts for:

6520 (i) salaries;

6521 (ii) allowable expenses of the corporation and its employees and consultants; and

6522 (iii) expenses incidental to the operation of the corporation; and

6523 (k) perform other duties as directed by the board.

6524 Section 156. Section **63H-6-106**, which is renumbered from Section 9-4-1106 is

6525 renumbered and amended to read:

6526 **[9-4-1106]. 63H-6-106. Financial reports -- Audit -- Surety bonds.**

6527 (1) (a) The corporation shall, following the close of each fiscal year, submit an annual  
6528 report of its activities for the preceding year to the governor and the Legislature.

6529 (b) The report shall contain:

6530 (i) a complete operating report detailing the corporation's activities; and

6531 (ii) financial statements of the corporation audited by a certified public accountant

6532 according to generally accepted auditing standards.

6533 (2) (a) At least once ~~[per]~~ a year, the state auditor shall:

6534 (i) audit the books and accounts of the corporation; or

6535 (ii) contract with a nationally recognized independent certified public accountant to  
6536 conduct the audit and review the audit report when it is completed.

6537 (b) The corporation shall reimburse the state auditor for the costs of the audit.

6538 (c) If the audit is conducted by an independent auditor, the independent auditor shall  
6539 submit a copy of the audit to the state auditor for review within 90 days after the end of the  
6540 fiscal year covered by the audit.

6541 (3) (a) The corporation shall maintain a surety bond in the penal sum of \$25,000 for  
6542 each member of the board.

6543 (b) The corporation shall maintain a surety bond in the penal sum of \$50,000 for the  
6544 executive director.

6545 (c) The corporation shall ensure that each surety bond is:

6546 (i) conditioned upon the faithful performance of the duties of office to which it  
6547 attaches;

6548 (ii) [is] issued by a surety company authorized to transact business in Utah as a surety;  
6549 and

6550 (iii) filed in the office of the State Treasurer.

6551 (d) The corporation shall pay the cost of the surety bonds.

6552 Section 157. Section **63H-6-107**, which is renumbered from Section 9-4-1107 is  
6553 renumbered and amended to read:

6554 **[9-4-1107]. 63H-6-107. Enterprise Fund -- Creation -- Revenue -- Uses.**

6555 (1) (a) There is created an enterprise fund entitled the Utah State Fair Fund.

6556 (b) The executive director shall administer the fund under the direction of the board.

6557 (2) The fund consists of money generated from the following revenue sources:

6558 (a) lease payments from person or entities leasing the state fair park or any other  
6559 facilities owned by the corporation;

6560 (b) revenues received from any expositions or other events wholly or partially  
6561 sponsored by the corporation;

6562 (c) aid or contributions of money, property, labor, or other things of value from any  
6563 source, including any grants or appropriations from any department, agency, or instrumentality  
6564 of the United States or Utah;

6565 (d) appropriations made to the fund by the Legislature; and

6566 (e) any other income obtained by the corporation.

6567 (3) (a) The fund shall earn interest.

6568 (b) All interest earned on fund money shall be deposited into the fund.

6569 (4) The executive director may use fund money to operate, maintain, and support the  
6570 Utah state fair, the state fair park, and other expositions sponsored by the corporation.

6571 Section 158. Section **63I-1-209** is amended to read:

6572 **63I-1-209. Repeal dates, Title 9.**

6573 [~~(1) Title 9, Chapter 1, Part 8, Commission on National and Community Service Act, is~~  
6574 ~~repealed July 1, 2014.~~]

6575 [~~(2) Title 9, Chapter 3, Part 5, Heber Valley Historic Railroad Authority, is repealed~~  
6576 ~~July 1, 2020.~~]

6577 [~~(3) Title 9, Chapter 4, Part 9, Utah Housing Corporation Act, is repealed July 1,~~  
6578 ~~2016.~~]

6579 Section 159. Section **63I-1-235** is amended to read:

6580 **63I-1-235. Repeal dates, Title 35A.**

6581 (1) Title 35A, Utah Workforce Services Code, is repealed July 1, 2015.

6582 (2) Section 35A-3-114, the Displaced Homemaker Program, together with the  
6583 provision for funding that program contained in Subsection 17-16-21(2)(b), is repealed July 1,  
6584 2012.

6585 (3) Title 35A, Chapter 8, Part 5, Utah Housing Corporation Act, is repealed July 1,  
6586 2016.

6587 Section 160. Section **63I-1-263** is amended to read:

6588 **63I-1-263. Repeal dates, Titles 63 to 63M.**

6589 (1) Section 63A-4-204, authorizing the Risk Management Fund to provide coverage to  
6590 any public school district which chooses to participate, is repealed July 1, 2016.

6591 (2) Section 63A-5-603, State Facility Energy Efficiency Fund, is repealed July 1, 2016.

6592 (3) Section 63C-8-106, Rural residency training program, is repealed July 1, 2015.

6593 (4) Subsection 63G-6-502(5)(b)(ii) authorizing certain transportation agencies to award  
6594 a contract for a design-build transportation project in certain circumstances, is repealed July 1,  
6595 2015.

6596 (5) Title 63H, Chapter 4, Heber Valley Historic Railroad Authority, is repealed July 1,  
6597 2020.

6598 [~~(5)~~] (6) The Resource Development Coordinating Committee, created in Section  
6599 63J-4-501, is repealed July 1, 2015.

6600            [~~(6)~~] (7) Title 63M, Chapter 1, Part 4, Enterprise Zone Act, is repealed July 1, 2018.

6601            [~~(7)~~] (8) (a) Title 63M, Chapter 1, Part 11, Recycling Market Development Zone Act,  
6602 is repealed July 1, 2020.

6603            (b) Sections 59-7-610 and 59-10-1007 regarding tax credits for certain persons in  
6604 recycling market development zones, are repealed for taxable years beginning on or after  
6605 January 1, 2011.

6606            (c) Notwithstanding Subsection [~~(7)~~] (8)(b), a person may not claim a tax credit under  
6607 Section 59-7-610 or 59-10-1007:

6608            (i) for the purchase price of machinery or equipment described in Section 59-7-610 or  
6609 59-10-1007, if the machinery or equipment is purchased on or after July 1, 2010; or

6610            (ii) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), if  
6611 the expenditure is made on or after July 1, 2010.

6612            (d) Notwithstanding Subsections [~~(7)~~] (8)(b) and (c), a person may carry forward a tax  
6613 credit in accordance with Section 59-7-610 or 59-10-1007 if:

6614            (i) the person is entitled to a tax credit under Section 59-7-610 or 59-10-1007; and

6615            (ii) (A) for the purchase price of machinery or equipment described in Section  
6616 59-7-610 or 59-10-1007, the machinery or equipment is purchased on or before June 30, 2010;  
6617 or

6618            (B) for an expenditure described in Subsection 59-7-610(1)(b) or 59-10-1007(1)(b), the  
6619 expenditure is made on or before June 30, 2010.

6620            [~~(8)~~] (9) Title 63M, Chapter 7, Part 4, Sentencing Commission, is repealed January 1,  
6621 2012.

6622            [~~(9)~~] (10) The Crime Victim Reparations Board, created in Section 63M-7-504, is  
6623 repealed July 1, 2017.

6624            [~~(10)~~] (11) Title 63M, Chapter 8, Utah Commission for Women and Families Act, is  
6625 repealed July 1, 2011.

6626            [~~(11)~~] (12) Title 63M, Chapter 9, Families, Agencies, and Communities Together for  
6627 Children and Youth At Risk Act, is repealed July 1, 2016.

6628            [~~(12)~~] (13) Title 63M, Chapter 11, Utah Commission on Aging, is repealed July 1,  
6629 2012.

6630            Section 161. Section **63I-1-267** is amended to read:

6631 **63I-1-267. Repeal dates, Title 67.**

6632 (1) Section 67-1-15 is repealed December 31, 2017.

6633 (2) Sections 67-1a-10 and 67-1a-11 creating the Commission on Civic and Character  
6634 Education and establishing its duties are repealed on July 1, 2021.

6635 (3) Title 67, Chapter 1a, Part 2, Commission on National and Community Service Act,  
6636 is repealed July 1, 2014.

6637 Section 162. Section **63I-4-102** is amended to read:

6638 **63I-4-102. Definitions.**

6639 (1) (a) "Activity" means to provide a good or service.

6640 (b) "Activity" includes to:

6641 (i) manufacture a good or service;

6642 (ii) process a good or service;

6643 (iii) sell a good or service;

6644 (iv) offer for sale a good or service;

6645 (v) rent a good or service;

6646 (vi) lease a good or service;

6647 (vii) deliver a good or service;

6648 (viii) distribute a good or service; or

6649 (ix) advertise a good or service.

6650 (2) (a) Except as provided in Subsection (2)(b), "agency" means:

6651 (i) the state; or

6652 (ii) an entity of the state including a department, office, division, authority,  
6653 commission, or board.

6654 (b) "Agency" does not include:

6655 (i) the Legislature;

6656 (ii) an entity or agency of the Legislature;

6657 (iii) the state auditor;

6658 (iv) the state treasurer;

6659 (v) the Office of the Attorney General;

6660 (vi) the Dairy Commission created in Title 4, Chapter 22, Dairy Promotion Act;

6661 [~~(vii) the Heber Valley Railroad Authority created in Title 9, Chapter 3, Part 5, Heber~~

- 6662 ~~Valley Historic Railroad Authority;~~
- 6663           ~~[(viii)]~~ (vii) the Utah Science Center Authority created in ~~[Title 9, Chapter 3, Part 4]~~
- 6664 Title 63H, Chapter 3, Utah Science Center Authority;
- 6665           (viii) the Heber Valley Railroad Authority created in Title 63H, Chapter 4, Heber
- 6666 Valley Historic Railroad Authority;
- 6667           (ix) the Utah State Railroad Museum Authority created in ~~[Title 9, Chapter 3, Part 6]~~
- 6668 Title 63H, Chapter 5, Utah State Railroad Museum Authority;
- 6669           (x) the Utah Housing Corporation created in ~~[Title 9, Chapter 4, Part 9,]~~ Title 35A,
- 6670 Chapter 8, Part 5, Utah Housing Corporation Act;
- 6671           (xi) the Utah State Fair Corporation created in ~~[Title 9, Chapter 4, Part 11]~~ Title 63H,
- 6672 Chapter 6, Utah State Fair Corporation Act;
- 6673           (xii) the Workers' Compensation Fund created in Title 31A, Chapter 33, Workers'
- 6674 Compensation Fund;
- 6675           (xiii) the Utah State Retirement Office created in Title 49, Chapter 11, Utah State
- 6676 Retirement Systems Administration;
- 6677           (xiv) a charter school chartered by the State Charter School Board or a board of
- 6678 trustees of a higher education institution under Title 53A, Chapter 1a, Part 5, The Utah Charter
- 6679 Schools Act;
- 6680           (xv) the Utah Schools for the Deaf and the Blind created in Title 53A, Chapter 25b,
- 6681 Utah Schools for the Deaf and the Blind;
- 6682           (xvi) an institution of higher education as defined in Section 53B-3-102;
- 6683           (xvii) the School and Institutional Trust Lands Administration created in Title 53C,
- 6684 Chapter 1, Part 2, School and Institutional Trust Lands Administration;
- 6685           (xviii) the Utah Communications Agency Network created in Title 63C, Chapter 7,
- 6686 Utah Communications Agency Network Act; or
- 6687           (xix) the Utah Capital Investment Corporation created in Title 63M, Chapter 1, Part 12,
- 6688 Utah Venture Capital Enhancement Act.
- 6689           (3) "Agency head" means the chief administrative officer of an agency.
- 6690           (4) "Board" means the Privatization Policy Board created in Section 63I-4-201.
- 6691           (5) "Commercial activity" means to engage in an activity that can be obtained in whole
- 6692 or in part from a private enterprise.



- 6693 (6) "Local entity" means:
- 6694 (a) a political subdivision of the state, including a:
- 6695 (i) county;
- 6696 (ii) city;
- 6697 (iii) town;
- 6698 (iv) local school district;
- 6699 (v) local district; or
- 6700 (vi) special service district;
- 6701 (b) an agency of an entity described in this Subsection (6), including a department,
- 6702 office, division, authority, commission, or board; and
- 6703 (c) an entity created by an interlocal cooperative agreement under Title 11, Chapter 13,
- 6704 Interlocal Cooperation Act, between two or more entities described in this Subsection (6).
- 6705 (7) "Private enterprise" means a person that for profit:
- 6706 (a) manufactures a good or service;
- 6707 (b) processes a good or service;
- 6708 (c) sells a good or service;
- 6709 (d) offers for sale a good or service;
- 6710 (e) rents a good or service;
- 6711 (f) leases a good or service;
- 6712 (g) delivers a good or service;
- 6713 (h) distributes a good or service; or
- 6714 (i) advertises a good or service.
- 6715 (8) "Privatize" means that an activity engaged in by an agency is transferred so that a
- 6716 private enterprise engages in the activity including a transfer by:
- 6717 (a) contract;
- 6718 (b) transfer of property; or
- 6719 (c) another arrangement.
- 6720 Section 163. Section **63J-4-502** is amended to read:
- 6721 **63J-4-502. Membership -- Terms -- Chair -- Expenses.**
- 6722 (1) The Resource Development Coordinating Committee shall consist of the following
- 6723 25 members:

- 6724 (a) the state science advisor;
- 6725 (b) a representative from the Department of Agriculture and Food appointed by the  
6726 executive director;
- 6727 (c) a representative from the Division of Housing and Community Development within  
6728 the Department of [~~Community and Culture~~] Workforce Services appointed by the executive  
6729 director;
- 6730 (d) a representative from the Department of Environmental Quality appointed by the  
6731 executive director;
- 6732 (e) a representative from the Department of Natural Resources appointed by the  
6733 executive director;
- 6734 (f) a representative from the Department of Transportation appointed by the executive  
6735 director;
- 6736 (g) a representative from the Governor's Office of Economic Development appointed  
6737 by the director;
- 6738 (h) a representative from the Division of Housing and Community Development  
6739 appointed by the director;
- 6740 (i) a representative from the Division of State History appointed by the director;
- 6741 (j) a representative from the Division of Air Quality appointed by the director;
- 6742 (k) a representative from the Division of Drinking Water appointed by the director;
- 6743 (l) a representative from the Division of Environmental Response and Remediation  
6744 appointed by the director;
- 6745 (m) a representative from the Division of Radiation appointed by the director;
- 6746 (n) a representative from the Division of Solid and Hazardous Waste appointed by the  
6747 director;
- 6748 (o) a representative from the Division of Water Quality appointed by the director;
- 6749 (p) a representative from the Division of Oil, Gas, and Mining appointed by the  
6750 director;
- 6751 (q) a representative from the Division of Parks and Recreation appointed by the  
6752 director;
- 6753 (r) a representative from the Division of Forestry, Fire, and State Lands appointed by  
6754 the director;

- 6755 (s) a representative from the Utah Geological Survey appointed by the director;  
6756 (t) a representative from the Division of Water Resources appointed by the director;  
6757 (u) a representative from the Division of Water Rights appointed by the director;  
6758 (v) a representative from the Division of Wildlife Resources appointed by the director;  
6759 (w) a representative from the School and Institutional Trust Lands Administration  
6760 appointed by the director;  
6761 (x) a representative from the Division of Facilities Construction and Management  
6762 appointed by the director; and  
6763 (y) a representative from the Division of Homeland Security appointed by the director.  
6764 (2) (a) As particular issues require, the committee may, by majority vote of the  
6765 members present, and with the concurrence of the state planning coordinator, appoint  
6766 additional temporary members to serve as ex officio voting members.  
6767 (b) Those ex officio members may discuss and vote on the issue or issues for which  
6768 they were appointed.  
6769 (3) A chair shall be selected by a majority vote of committee members with the  
6770 concurrence of the state planning coordinator.  
6771 (4) A member may not receive compensation or benefits for the member's service, but  
6772 may receive per diem and travel expenses in accordance with:  
6773 (a) Section 63A-3-106;  
6774 (b) Section 63A-3-107; and  
6775 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
6776 63A-3-107.  
6777 Section 164. Section **63J-7-102** is amended to read:  
6778 **63J-7-102. Scope and applicability of chapter.**  
6779 (1) Except as provided in Subsection (2), and except as otherwise provided by a statute  
6780 superseding provisions of this chapter by explicit reference to this chapter, the provisions of  
6781 this chapter apply to each agency and govern each grant received on or after May 5, 2008.  
6782 (2) This chapter does not govern:  
6783 (a) a grant deposited into a General Fund restricted account;  
6784 (b) a grant deposited into a Trust and Agency Fund as defined in Section 51-5-4;  
6785 (c) a grant deposited into an Enterprise Fund as defined in Section 51-5-4;

- 6786 (d) a grant made to the state without a restriction or other designated purpose that is  
6787 deposited into the General Fund as free revenue;
- 6788 (e) a grant made to the state that is restricted only to "education" and that is deposited  
6789 into the Education Fund or Uniform School Fund as free revenue;
- 6790 (f) in-kind donations;
- 6791 (g) a tax, fees, penalty, fine, surcharge, money judgment, or other money due the state  
6792 when required by state law or application of state law;
- 6793 (h) a contribution made under Title 59, Chapter 10, Part 13, Individual Income Tax  
6794 Contribution Act;
- 6795 (i) a grant received by an agency from another agency or political subdivision;
- 6796 (j) a grant to the Dairy Commission created in Title 4, Chapter 22, Dairy Promotion  
6797 Act;
- 6798 (k) a grant to the Utah Science Center Authority created in Title 63H, Chapter 3, Utah  
6799 Science Center Authority;
- 6800 ~~[(k)]~~ (l) a grant to the Heber Valley Railroad Authority created in ~~[Title 9, Chapter 3,~~  
6801 ~~Part 5;]~~ Title 63H, Chapter 4, Heber Valley Historic Railroad Authority;
- 6802 ~~[(l) a grant to the Utah Science Center Authority created in Title 63H, Chapter 3, Utah~~  
6803 ~~Science Center Authority;]~~
- 6804 (m) a grant to the Utah State Railroad Museum Authority created in ~~[Title 9, Chapter 3,~~  
6805 ~~Part 6]~~ Title 63H, Chapter 5, Utah State Railroad Museum Authority;
- 6806 (n) a grant to the Utah Housing Corporation created in ~~[Title 9, Chapter 4, Part 9;]~~ Title  
6807 35A, Chapter 8, Part 5, Utah Housing Corporation Act;
- 6808 (o) a grant to the Utah State Fair Corporation created in ~~[Title 9, Chapter 4, Part 11]~~  
6809 Title 63H, Chapter 6, Utah State Fair Corporation Act;
- 6810 (p) a grant to the Workers' Compensation Fund created in Title 31A, Chapter 33,  
6811 Workers' Compensation Fund;
- 6812 (q) a grant to the Utah State Retirement Office created in Title 49, Chapter 11, Utah  
6813 State Retirement Systems Administration;
- 6814 (r) a grant to the School and Institutional Trust Lands Administration created in Title  
6815 53C, Chapter 1, Part 2, School and Institutional Trust Lands Administration;
- 6816 (s) a grant to the Utah Communications Agency Network created in Title 63C, Chapter

- 6817 7, Utah Communications Agency Network Act;
- 6818 (t) a grant to the Medical Education Program created in Section 63C-8-102;
- 6819 (u) a grant to the Utah Capital Investment Corporation created in Title 63M, Chapter 1,
- 6820 Part 12, Utah Venture Capital Enhancement Act;
- 6821 (v) a grant to the State Charter School Finance Authority created in Section
- 6822 53A-20b-103;
- 6823 (w) a grant to the State Building Ownership Authority created in Section 63B-1-304;
- 6824 (x) a grant to the Utah Comprehensive Health Insurance Pool created in Section
- 6825 31A-29-104; or
- 6826 (y) a grant to the Military Installation Development Authority created in Section
- 6827 63H-1-201.
- 6828 (3) An agency need not seek legislative review or approval of grants under Part 2,
- 6829 Grant Approval Requirements, if:
- 6830 (a) the governor has declared a state of emergency; and
- 6831 (b) the grant is donated to the agency to assist victims of the state of emergency under
- 6832 Subsection 63K-4-201(1).
- 6833 Section 165. Section **63K-1-102** is amended to read:
- 6834 **63K-1-102. Definitions.**
- 6835 (1) (a) "Absent" means:
- 6836 (i) not physically present or not able to be communicated with for 48 hours; or
- 6837 (ii) for local government officers, as defined by local ordinances.
- 6838 (b) "Absent" does not include a person who can be communicated with via telephone,
- 6839 radio, or telecommunications.
- 6840 (2) "Attack" means a nuclear, conventional, biological, or chemical warfare action
- 6841 against the United States of America or this state.
- 6842 (3) "Department" means the Department of Administrative Services, the Department of
- 6843 Agriculture and Food, the Alcoholic Beverage Control Commission, the Department of
- 6844 Commerce, [~~the Department of Community and Culture,~~] the Department of Corrections, the
- 6845 Department of Environmental Quality, the Department of Financial Institutions, the
- 6846 Department of Health, the Department of Human Resource Management, the Department of
- 6847 Workforce Services, the Labor Commission, the National Guard, the Department of Insurance,

6848 the Department of Natural Resources, the Department of Public Safety, the Public Service  
6849 Commission, the Department of Human Services, the State Tax Commission, the Department  
6850 of Technology Services, the Department of Transportation, any other major administrative  
6851 subdivisions of state government, the State Board of Education, the State Board of Regents, the  
6852 Utah Housing Corporation, the Workers' Compensation Fund, the State Retirement Board, and  
6853 each institution of higher education within the system of higher education.

6854 (4) "Disaster" means a situation causing, or threatening to cause, widespread damage,  
6855 social disruption, or injury or loss of life or property resulting from attack, internal disturbance,  
6856 natural phenomenon, or technological hazard.

6857 (5) "Division" means the Division of Homeland Security established in Title 53,  
6858 Chapter 2, Part 1, Homeland Security Act.

6859 (6) "Emergency interim successor" means a person designated by this chapter to  
6860 exercise the powers and discharge the duties of an office when the person legally exercising the  
6861 powers and duties of the office is unavailable.

6862 (7) "Executive director" means the person with ultimate responsibility for managing  
6863 and overseeing the operations of each department, however denominated.

6864 (8) "Internal disturbance" means a riot, prison break, terrorism, or strike.

6865 (9) "Natural phenomenon" means any earthquake, tornado, storm, flood, landslide,  
6866 avalanche, forest or range fire, drought, epidemic, or other catastrophic event.

6867 (10) (a) "Office" includes all state and local offices, the powers and duties of which are  
6868 defined by constitution, statutes, charters, optional plans, ordinances, articles, or by-laws.

6869 (b) "Office" does not include the office of governor or the legislative or judicial offices.

6870 (11) "Place of governance" means the physical location where the powers of an office  
6871 are being exercised.

6872 (12) "Political subdivision" includes counties, cities, towns, townships, districts,  
6873 authorities, and other public corporations and entities whether organized and existing under  
6874 charter or general law.

6875 (13) "Political subdivision officer" means a person holding an office in a political  
6876 subdivision.

6877 (14) "State officer" means the attorney general, the state treasurer, the state auditor, and  
6878 the executive director of each department.

6879 (15) "Technological hazard" means any hazardous materials accident, mine accident,  
6880 train derailment, air crash, radiation incident, pollution, structural fire, or explosion.

6881 (16) "Unavailable" means:

6882 (a) absent from the place of governance during a disaster that seriously disrupts normal  
6883 governmental operations, whether or not that absence or inability would give rise to a vacancy  
6884 under existing constitutional or statutory provisions; or

6885 (b) as otherwise defined by local ordinance.

6886 Section 166. Section **63M-1-201** is amended to read:

6887 **63M-1-201. Creation of office.**

6888 (1) There is created the Governor's Office of Economic Development.

6889 (2) The office shall:

6890 (a) be responsible for economic development within the state;

6891 (b) perform economic development planning for the state;

6892 (c) administer and coordinate all state or federal grant programs which are, or become  
6893 available, for economic development;

6894 (d) administer any other programs over which the office is given administrative  
6895 supervision by the governor;

6896 (e) annually submit a report to the Legislature by October 1; and

6897 (f) perform any other duties as provided by the Legislature.

6898 (3) The office may solicit and accept contributions of money, services, and facilities  
6899 from any other source, public or private, but may not use the money for publicizing the  
6900 exclusive interest of the donor.

6901 (4) Money received under Subsection (3) shall be deposited in the General Fund as  
6902 dedicated credits of the office.

6903 (5) (a) The office is recognized as an issuing authority as defined in Subsection  
6904 63M-1-2902(7), entitled to issue bonds from the Small Issue Bond Account created in  
6905 Subsection 63M-1-2906(1)(c) as a part of the state's private activity bond volume cap  
6906 authorized by the Internal Revenue Code of 1986 and computed under Section 146 of the code.

6907 (b) To promote and encourage the issuance of bonds from the Small Issue Bond  
6908 Account for manufacturing projects, the office may:

6909 (i) develop campaigns and materials that inform qualified small manufacturing

6910 businesses about the existence of the program and the application process;  
6911 (ii) assist small businesses in applying for and qualifying for these bonds; or  
6912 (iii) develop strategies to lower the cost to small businesses of applying for and  
6913 qualifying for these bonds, including making arrangements with financial advisors,  
6914 underwriters, bond counsel, and other professionals involved in the issuance process to provide  
6915 their services at a reduced rate when the division can provide them with a high volume of  
6916 applicants or issues.

6917 Section 167. Section **63M-1-604** is amended to read:

6918 **63M-1-604. Members -- Appointment -- Terms -- Qualifications -- Vacancies --**  
6919 **Chair and vice chair -- Executive secretary -- Executive committee -- Quorum --**  
6920 **Expenses.**

6921 (1) The council comprises the following nonvoting members or their designees:

6922 (a) the adviser;

6923 (b) the executive director of the Department of Natural Resources;

6924 [~~(c) the executive director of the Department of Community and Culture;~~]

6925 [~~(d)~~] (c) the executive director of the Department of Health;

6926 [~~(e)~~] (d) the executive director of the Department of Environmental Quality;

6927 [~~(f)~~] (e) the commissioner of agriculture and food;

6928 [~~(g)~~] (f) the commissioner of higher education;

6929 [~~(h)~~] (g) the state planning coordinator; and

6930 [~~(i)~~] (h) the executive director of the Department of Transportation.

6931 (2) The governor may appoint other voting members, not to exceed 12.

6932 (3) (a) Except as required by Subsection (3)(b), as terms of current council members  
6933 expire, the governor shall appoint each new member or reappointed member to a four-year  
6934 term.

6935 (b) Notwithstanding the requirements of Subsection (3)(a), the governor shall, at the  
6936 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
6937 council members are staggered so that approximately half of the council is appointed every two  
6938 years.

6939 (4) The governor shall consider all institutions of higher education in the state in the  
6940 appointment of council members.



6941 (5) The voting members of the council shall be experienced or knowledgeable in the  
6942 application of science and technology to business, industry, or public problems and have  
6943 demonstrated their interest in and ability to contribute to the accomplishment of the purposes of  
6944 this part.

6945 (6) When a vacancy occurs in the membership for any reason, the replacement shall be  
6946 appointed for the unexpired term.

6947 (7) (a) Each year the council shall select from its membership a chair and a vice chair.

6948 (b) The chair and vice chair shall hold office for one year or until a successor is  
6949 appointed and qualified.

6950 (8) The adviser serves as executive secretary of the council.

6951 (9) An executive committee shall be established consisting of the chair, vice chair, and  
6952 the adviser.

6953 (10) (a) In order to conduct business matters of the council at regularly convened  
6954 meetings, a quorum consisting of a simple majority of the total voting membership of the  
6955 council is required.

6956 (b) All matters of business affecting public policy require not less than a simple  
6957 majority of affirmative votes of the total membership.

6958 (11) A member may not receive compensation or benefits for the member's service, but  
6959 may receive per diem and travel expenses in accordance with:

6960 (a) Section 63A-3-106;

6961 (b) Section 63A-3-107; and

6962 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
6963 63A-3-107.

6964 Section 168. Section **63M-1-1503** is amended to read:

6965 **63M-1-1503. Advisory board.**

6966 (1) (a) There is created within the office the Utah Pioneer Communities Advisory  
6967 Board.

6968 (b) The Permanent Community Impact Fund Board created in Section [~~9-4-304~~]  
6969 ~~63M-1-3004~~ shall act as the advisory board.

6970 (2) The advisory board shall have the powers and duties described in Section  
6971 63M-1-1504 and shall operate the Utah Pioneer Communities Program in accordance with

6972 Section 63M-1-1505.

6973 (3) The director shall designate an employee of the office to serve as a nonvoting  
6974 secretary for the advisory board.

6975 (4) A member may not receive compensation or benefits for the member's service, but  
6976 may receive per diem and travel expenses in accordance with:

6977 (a) Section 63A-3-106;

6978 (b) Section 63A-3-107; and

6979 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
6980 63A-3-107.

6981 Section 169. Section **63M-1-2901**, which is renumbered from Section 9-4-501 is  
6982 renumbered and amended to read:

**Part 29. Bond Volume Cap Allocation**

**~~[9-4-501].~~ 63M-1-2901. Legislative intent.**

6985 It is the intent of the Legislature to establish procedures to most effectively and  
6986 equitably allocate this state's private activity bond volume cap authorized by the Internal  
6987 Revenue Code of 1986 in order to maximize the social and economic benefits to this state.

6988 Section 170. Section **63M-1-2902**, which is renumbered from Section 9-4-502 is  
6989 renumbered and amended to read:

**~~[9-4-502].~~ 63M-1-2902. Definitions.**

6991 As used in this part:

6992 (1) "Allocated volume cap" means ~~[any]~~ a volume cap for which a certificate of  
6993 allocation is in effect or for which bonds have been issued.

6994 (2) "Allotment accounts" means the various accounts created in Section ~~[9-4-506]~~  
6995 63M-1-2906.

6996 (3) "Board of review" means the Private Activity Bond Review Board created in  
6997 Section ~~[9-4-503]~~ 63M-1-2903.

6998 (4) "Bond" means any obligation for which an allocation of volume cap is required by  
6999 the code.

7000 (5) "Code" means the Internal Revenue Code of 1986, as amended, and any related  
7001 Internal Revenue Service regulations.

7002 (6) "Form 8038" means the Department of the Treasury tax form 8038 (OMB No.

7003 1545-0720) or any other federal tax form or other method of reporting required by the  
7004 Department of the Treasury under Section 149(e) of the code.

7005 (7) "Issuing authority" means:

7006 (a) any county, city, or town in the state;

7007 (b) any not-for-profit corporation or joint agency, or other entity acting on behalf of  
7008 one or more counties, cities, towns, or any combination of these;

7009 (c) the state; or

7010 (d) any other entity authorized to issue bonds under state law.

7011 (8) "State" means the state of Utah and any of its agencies, institutions, and divisions  
7012 authorized to issue bonds or certificates under state law.

7013 (9) "Volume cap" means the private activity bond volume cap for the state as computed  
7014 under Section 146 of the code.

7015 (10) "Year" means each calendar year [~~beginning calendar year 1992~~].

7016 Section 171. Section **63M-1-2903**, which is renumbered from Section 9-4-503 is  
7017 renumbered and amended to read:

7018 **[9-4-503]. 63M-1-2903. Private Activity Bond Review Board.**

7019 (1) There is created within the [~~department~~] office the Private Activity Bond Review  
7020 Board, composed of 11 members as follows:

7021 (a) five ex officio members who [~~shall be~~] are:

7022 (i) the [~~executive~~] director of the [~~department~~] office or the [~~executive~~] director's  
7023 designee;

7024 (ii) the director of the Division of Business and Economic Development or the  
7025 director's designee;

7026 (iii) the state treasurer or the treasurer's designee;

7027 (iv) the chair of the Board of Regents or the chair's designee; and

7028 (v) the chair of the Utah Housing Corporation or the chair's designee; and

7029 (b) six local government members who [~~shall be~~] are:

7030 (i) three elected or appointed county officials, nominated by the Utah Association of  
7031 Counties and appointed by the governor with the consent of the Senate; and

7032 (ii) three elected or appointed municipal officials, nominated by the Utah League of  
7033 Cities and Towns and appointed by the governor with the consent of the Senate.

7034 (2) (a) Except as required by Subsection (2)(b), the terms of office for the local  
7035 government members of the board of review shall be four-year terms.

7036 (b) Notwithstanding the requirements of Subsection (2)(a), the governor shall, at the  
7037 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
7038 board members are staggered so that approximately half of the board is appointed every two  
7039 years.

7040 (c) Members may be reappointed only once.

7041 (3) (a) If a local government member ceases to be an elected or appointed official of  
7042 the city or county the member is appointed to represent, that membership on the board of  
7043 review terminates immediately and there shall be a vacancy in the membership.

7044 (b) When a vacancy occurs in the membership for any reason, the replacement shall be  
7045 appointed within 30 days in the manner of the regular appointment for the unexpired term, and  
7046 until his successor is appointed and qualified.

7047 (4) (a) The chair of the board of review ~~shall be~~ is the ~~executive~~ director of the  
7048 ~~department~~ office or the ~~executive~~ director's designee.

7049 (b) The chair is nonvoting except in the case of a tie vote.

7050 (5) Six members of the board of review constitute a quorum.

7051 (6) Formal action by the board of review requires a majority vote of a quorum.

7052 (7) A member may not receive compensation or benefits for the member's service, but  
7053 may receive per diem and travel expenses in accordance with:

7054 (a) Section 63A-3-106;

7055 (b) Section 63A-3-107; and

7056 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
7057 63A-3-107.

7058 (8) The chair of the board of review serves as the state official designated under state  
7059 law to make certifications required to be made under Section 146 of the code including the  
7060 certification required by Section 149(e)(2)(F) of the code.

7061 Section 172. Section **63M-1-2904**, which is renumbered from Section 9-4-504 is  
7062 renumbered and amended to read:

7063 ~~[9-4-504]~~. **63M-1-2904**. **Powers, functions, and duties of board of review.**

7064 The board of review shall:

7065 (1) make, subject to the limitations of the code, allocations of volume cap to issuing  
7066 authorities;

7067 (2) determine the amount of volume cap to be allocated with respect to approved  
7068 applications;

7069 (3) maintain a record of all applications filed by issuing authorities under Section  
7070 [~~9-4-505~~] 63M-1-2905 and all certificates of allocation issued under Section [~~9-4-507~~]  
7071 63M-1-2907;

7072 (4) maintain a record of all bonds issued by issuing authorities during each year;

7073 (5) determine the amount of volume cap to be treated as a carryforward under Section  
7074 146(f) of the code and allocate this carryforward to one or more qualified carryforward  
7075 purposes;

7076 (6) make available upon reasonable request a certified copy of all or any part of the  
7077 records maintained by the board of review under this part or a summary of them, including  
7078 information relating to the volume cap for each year and any amounts available for allocation  
7079 under this part;

7080 (7) promulgate rules for the allocation of volume cap under this part; and

7081 (8) charge reasonable fees for the performance of duties prescribed by this part,  
7082 including application, filing, and processing fees.

7083 Section 173. Section **63M-1-2905**, which is renumbered from Section 9-4-505 is  
7084 renumbered and amended to read:

7085 ~~[9-4-505]~~. **63M-1-2905**. **Allocation of volume cap.**

7086 (1) (a) Subject to Subsection (1)(b), the volume cap for each year shall be distributed  
7087 by the board of review to the various allotment accounts as set forth in Section [~~9-4-506~~]  
7088 63M-1-2906.

7089 (b) The board of review may distribute up to 50% of each increase in the volume cap  
7090 that occurs after March 11, 1999, for use in development that occurs in quality growth areas,  
7091 depending upon the board's analysis of the relative need for additional volume cap between  
7092 development in quality growth areas and the allotment accounts under Section [~~9-4-506~~]  
7093 63M-1-2906.

7094 (2) To obtain an allocation of the volume cap, issuing authorities shall submit to the  
7095 board of review an application containing information required by the procedures and

7096 processes of the board of review.

7097 (3) (a) The board of review shall establish criteria for making allocations of volume  
7098 cap that are consistent with the purposes of the code and this part.

7099 (b) In making an allocation of volume cap the board of review shall consider the  
7100 following:

7101 ~~[(a)]~~ (i) the principal amount of the bonds proposed to be issued;

7102 ~~[(b)]~~ (ii) the nature and the location of the project or the type of program;

7103 ~~[(c)]~~ (iii) the likelihood that the bonds will be sold and the timeframe of bond issuance;

7104 ~~[(d)]~~ (iv) whether the project or program could obtain adequate financing without an  
7105 allocation of volume cap;

7106 ~~[(e)]~~ (v) the degree to which an allocation of volume cap is required for the project or  
7107 program to proceed or continue;

7108 ~~[(f)]~~ (vi) the social, health, economic, and educational effects of the project or program  
7109 on the local community and state as a whole;

7110 ~~[(g)]~~ (vii) the anticipated economic development created or retained within the local  
7111 community and the state as a whole;

7112 ~~[(h)]~~ (viii) the anticipated number of jobs, both temporary and permanent, created or  
7113 retained within the local community and the state as a whole;

7114 ~~[(i)]~~ (ix) if the project is a residential rental project, the degree to which the residential  
7115 rental project:

7116 ~~[(i)]~~ (A) targets lower income populations; and

7117 ~~[(i)]~~ (B) is accessible housing; and

7118 ~~[(j)]~~ (x) whether the project meets the principles of quality growth recommended by the  
7119 Quality Growth Commission created under Section 11-38-201.

7120 (4) The board of review shall evidence an allocation of volume cap by issuing a  
7121 certificate in accordance with Section ~~[9-4-507]~~ 63M-1-2907.

7122 (5) (a) From January 1 to June 30, the board shall set aside at least 50% of the Small  
7123 Issue Bond Account that may be allocated only to manufacturing projects.

7124 (b) From July 1 to August 15, the board shall set aside at least 50% of the Pool  
7125 Account that may be allocated only to manufacturing projects.

7126 Section 174. Section **63M-1-2906**, which is renumbered from Section 9-4-506 is

7127 renumbered and amended to read:

7128 ~~[9-4-506]~~. 63M-1-2906. Allotment accounts.

7129 (1) There are created the following allotment accounts:

7130 (a) the Single Family Housing Account, for which eligible issuing authorities are those  
7131 authorized under the code and state statute to issue qualified mortgage bonds under Section 143  
7132 of the code;

7133 (b) the Student Loan Account, for which eligible issuing authorities are those  
7134 authorized under the code and state statute to issue qualified student loan bonds under Section  
7135 144(b) of the code;

7136 (c) the Small Issue Bond Account, for which eligible issuing authorities are those  
7137 authorized under the code and state statute to issue:

7138 (i) qualified small issue bonds under Section 144(a) of the code; or

7139 (ii) qualified exempt facility bonds for qualified residential rental projects under  
7140 Section 142(d) of the code;

7141 (d) the Exempt Facilities Account, for which eligible issuing authorities are those  
7142 authorized under the code and state statute to issue bonds requiring an allocation of volume cap  
7143 other than for purposes described in Subsections (1)(a), (b), or (c);

7144 (e) the Pool Account, for which eligible issuing authorities are those authorized under  
7145 the code and state statute to issue bonds requiring an allocation of volume cap; and

7146 (f) the Carryforward Account, for which eligible issuing authorities are those with  
7147 projects or programs qualifying under Section 146(f) of the code.

7148 (2) (a) The volume cap shall be distributed to the various allotment accounts on  
7149 January 1 of each year on the following basis:

7150 (i) 42% to the Single Family Housing Account;

7151 (ii) 33% to the Student Loan Account;

7152 (iii) 1% to the Exempt Facilities Account; and

7153 (iv) 24% to the Small Issue Bond Account.

7154 (b) From July 1 to September 30 of each year, the board of review may transfer any  
7155 unallocated volume cap from the Exempt Facilities Account or the Small Issue Bond Account  
7156 to the Pool Account.

7157 (c) The board of review, upon written notification by the issuing authorities eligible for

7158 volume cap allocation from the Single Family Housing Account or the Student Loan Account  
7159 that all or a portion of volume cap distributed into that allotment account will not be used, may  
7160 transfer the unused volume cap between the Single Family Housing Account and the Student  
7161 Loan Account.

7162 (d) From October 1 to the third Friday of December of each year, the board of review  
7163 shall transfer all unallocated volume cap [~~shall be transferred~~] into the Pool Account.

7164 (e) [~~Unallocated~~] On the third Saturday of December, the board of review shall transfer  
7165 uncollected volume cap or allocated volume cap for which bonds have not been issued prior to  
7166 the third Saturday of December [~~shall be transferred on that date~~] into the Carryforward  
7167 Account.

7168 (f) If the authority to issue bonds designated in any allotment account is rescinded by  
7169 amendment to the code, the board of review may transfer any unallocated volume cap from that  
7170 allotment account to any other allotment account.

7171 Section 175. Section **63M-1-2907**, which is renumbered from Section 9-4-507 is  
7172 renumbered and amended to read:

7173 **[9-4-507]. 63M-1-2907. Certificates of allocation.**

7174 (1) (a) After an allocation of volume cap for a project or program is approved by the  
7175 board of review, the board shall issue a numbered certificate of allocation [~~shall be issued~~]  
7176 stating the amount of the allocation, the allotment account for which the allocation is being  
7177 made, and the expiration date of the allocation.

7178 (b) The certificates of allocation shall be mailed to the issuing authority within 10  
7179 working days of the date of approval.

7180 (c) No bonds are entitled to any allocation of the volume cap unless the issuing  
7181 authority received a certificate of allocation with respect to the bonds.

7182 (d) (i) Certificates of allocation shall remain in effect for a period of 90 days from the  
7183 date of approval.

7184 (ii) If bonds for which a certificate has been approved are not issued within the 90-day  
7185 period, the certificate of allocation is void and volume cap shall be returned to the applicable  
7186 allotment account for reallocation by the board of review.

7187 (2) (a) An issuing authority receiving an allocation of volume cap from the  
7188 Carryforward Account shall receive a certificate of allocation similar to the certificates of



7189 allocation described in Subsection (1) from the board of review stating the amount of allocation  
7190 from the Carryforward Account that [~~have~~] has been allocated to the issuing authority and the  
7191 expiration of the allocation.

7192 (b) If in the judgment of the board of review [~~any~~] an issuing authority or [~~any~~] a  
7193 person or entity responsible for a project or program receiving an allocation from the  
7194 Carryforward Account does not proceed with diligence in providing for the issuance of the  
7195 bonds with respect to the project or program, and because of the lack of [~~such~~] diligence the  
7196 volume cap cannot be used, the board of review may exclude from its consideration for a given  
7197 period of time, determined by the board of review, [~~applications~~] an application of [~~these~~] the  
7198 issuing [~~authorities or persons or entities~~] authority, person, or entity. The board of review  
7199 may, at any time, review and modify its decisions relating to this exclusion.

7200 Section 176. Section **63M-1-2908**, which is renumbered from Section 9-4-508 is  
7201 renumbered and amended to read:

7202 [~~9-4-508~~]. **63M-1-2908. Issuing authorities -- Limitations -- Duties.**

7203 (1) (a) Any law to the contrary notwithstanding, an issuing authority issuing bonds  
7204 without a certificate of allocation issued under Section [~~9-4-507~~] 63M-1-2907, or an issuing  
7205 authority issuing bonds after the expiration of a certificate of allocation, is not entitled to an  
7206 allocation of the volume cap for those bonds.

7207 (b) An issuing authority issuing bonds in excess of the amount set forth in the related  
7208 certificate of allocation is not entitled to an allocation of the volume cap for the excess.

7209 (2) Each issuing authority shall:

7210 (a) advise the board of review, within 15 days after the issuance of bonds, of the  
7211 principal amount of bonds issued under each certificate of allocation by delivering to the board  
7212 of review a copy of the Form 8038 that was delivered or shall be delivered to the Internal  
7213 Revenue Service in connection with the bonds, or, if no Form 8038 is required to be delivered  
7214 to the Internal Revenue Service, a completed copy of a Form 8038 prepared for the board of  
7215 review with respect to the bonds; and

7216 (b) if all or a stated portion of the bonds for which a certificate of allocation was  
7217 received will not be issued, advise the board of review in writing, within 15 days of the earlier  
7218 of:

7219 (i) the final decision not to issue all or a stated portion of the bonds; or

7220 (ii) the expiration of the certificate of allocation.

7221 (3) Failure by an issuing authority to notify the board of review under Subsection (2),  
7222 including failure to timely deliver a Form 8038, may, in the sole discretion of the board of  
7223 review, result in the issuing authority being denied further consideration of applications.

7224 Section 177. Section **63M-1-2909**, which is renumbered from Section 9-4-509 is  
7225 renumbered and amended to read:

7226 **[9-4-509]. 63M-1-2909. Procedures -- Adjudicative proceedings.**

7227 The board of review shall comply with the procedures and requirements of Title 63G,  
7228 Chapter 4, Administrative Procedures Act, in its adjudicative proceedings.

7229 Section 178. Section **63M-1-3001**, which is renumbered from Section 9-4-301 is  
7230 renumbered and amended to read:

7231 **Part 30. Community Impact Alleviation**

7232 **[9-4-301]. 63M-1-3001. Legislative intent -- Purpose and policy.**

7233 (1) It is the intent of the Legislature to make available funds received by the state from  
7234 federal mineral lease revenues under Section 59-21-2, bonus payments on federal oil shale  
7235 lease tracts U-A and U-B, and all other bonus payments on federal mineral leases to be used for  
7236 the alleviation of social, economic, and public finance impacts resulting from the development  
7237 of natural resources in this state, subject to the limitations provided for in Section 35 of the  
7238 Mineral Leasing Act of 1920 (41 Stat. 450, 30 U.S.C. Sec. 191).

7239 (2) The purpose of this part is to maximize the long term benefit of funds derived from  
7240 these lease revenues and bonus payments by fostering funding mechanisms which will,  
7241 consistent with sound financial practices, result in the greatest use of financial resources for the  
7242 greatest number of citizens of this state, with priority given to those communities designated as  
7243 impacted by the development of natural resources covered by the Mineral Leasing Act.

7244 (3) (a) The policy of this state is to promote cooperation and coordination between the  
7245 state and its agencies and political subdivisions with individuals, firms, and business  
7246 organizations engaged in the development of the natural resources of this state.

7247 (b) The purpose of such efforts include private sector participation, financial and  
7248 otherwise, in the alleviation of impacts associated with resources development activities.

7249 Section 179. Section **63M-1-3002**, which is renumbered from Section 9-4-302 is  
7250 renumbered and amended to read:

7251 ~~[9-4-302]~~. 63M-1-3002. **Definitions.**

7252 As used in this part:

7253 (1) "Bonus payments" means that portion of the bonus payments received by the  
7254 United States government under the Leasing Act paid to the state under Section 35 of the  
7255 Leasing Act, 30 U.S.C. Sec. 191, together with any interest that had accrued on those  
7256 payments.

7257 (2) "Impact board" means the Permanent Community Impact Fund Board created under  
7258 Section ~~[9-4-304]~~ 63M-1-3004.

7259 (3) "Impact fund" means the Permanent Community Impact Fund established by this  
7260 chapter.

7261 (4) "Interlocal Agency" means a legal or administrative entity created by a subdivision  
7262 or combination of subdivisions under the authority of Title 11, Chapter 13, Interlocal  
7263 Cooperation Act.

7264 (5) "Leasing Act" means the Mineral Lands Leasing Act of 1920, 30 U.S.C. Sec. 181 et  
7265 seq.

7266 (6) "Subdivision" means a county, city, town, county service area, special service  
7267 district, special improvement district, water conservancy district, water improvement district,  
7268 sewer improvement district, housing authority, building authority, school district, or public  
7269 postsecondary institution organized under the laws of this state.

7270 Section 180. Section **63M-1-3003**, which is renumbered from Section 9-4-303 is  
7271 renumbered and amended to read:

7272 ~~[9-4-303]~~. 63M-1-3003. **Impact fund -- Deposits and contents -- Use of fund**  
7273 **money.**

7274 (1) There is created an enterprise fund entitled the "Permanent Community Impact  
7275 Fund."

7276 (2) The fund consists of:

7277 (a) all amounts appropriated to the impact fund under Section 59-21-2;

7278 (b) bonus payments deposited to the impact fund pursuant to Subsection 59-21-1(2);

7279 (c) all amounts appropriated to the impact fund under Section 53C-3-203;

7280 (d) all amounts received for the repayment of loans made by the impact board under

7281 this chapter; and

7282 (e) all other money appropriated or otherwise made available to the impact fund by the  
7283 Legislature.

7284 (3) The state treasurer shall:

7285 (a) invest the money in the impact fund by following the procedures and requirements  
7286 of Title 51, Chapter 7, State Money Management Act; and

7287 (b) deposit all interest or other earnings derived from those investments into the impact  
7288 fund.

7289 (4) The amounts in the impact fund available for loans, grants, administrative costs, or  
7290 other purposes of this part shall be limited to that which the Legislature appropriates for these  
7291 purposes.

7292 (5) Federal mineral lease revenue received by the state under the Leasing Act that is  
7293 deposited into the impact fund shall be used:

7294 (a) in a manner consistent with:

7295 (i) the Leasing Act; and

7296 (ii) this part; and

7297 (b) for loans, grants, or both to state agencies or subdivisions that are socially or  
7298 economically impacted by the leasing of minerals under the Leasing Act.

7299 (6) The money described in Subsection (2)(c) shall be used for grants to political  
7300 subdivisions of the state to mitigate the impacts resulting from the development or use of  
7301 school and institutional trust lands.

7302 Section 181. Section **63M-1-3004**, which is renumbered from Section 9-4-304 is  
7303 renumbered and amended to read:

7304 **~~[9-4-304].~~ 63M-1-3004. Permanent Community Impact Fund Board created --**  
7305 **Members -- Terms -- Chair -- Expenses.**

7306 (1) There is created within the [~~Department of Community and Culture~~] Governor's  
7307 Office of Economic Development the Permanent Community Impact Fund Board composed of  
7308 11 members as follows:

7309 (a) the chair of the Board of Water Resources or the chair's designee;

7310 (b) the chair of the Water Quality Board or the chair's designee;

7311 (c) the director of the [~~department~~] office or the director's designee;

7312 (d) the state treasurer;

- 7313 (e) the chair of the Transportation Commission or the chair's designee;
- 7314 (f) a locally elected official who resides in Carbon, Emery, Grand, or San Juan County;
- 7315 (g) a locally elected official who resides in Juab, Millard, Sanpete, Sevier, Piute, or
- 7316 Wayne County;
- 7317 (h) a locally elected official who resides in Duchesne, Daggett, or Uintah County;
- 7318 (i) a locally elected official who resides in Beaver, Iron, Washington, Garfield, or Kane
- 7319 County; and
- 7320 (j) a locally elected official from each of the two counties that produced the most
- 7321 mineral lease money during the previous four-year period, prior to the term of appointment, as
- 7322 determined by the Department of Community and Culture.
- 7323 (2) (a) The members specified under Subsections (1)(f) through (j) may not reside in
- 7324 the same county and shall be:
- 7325 (i) nominated by the Board of Directors of the Southeastern Association of
- 7326 Governments, Central Utah Association of Governments, Uintah Basin Association of
- 7327 Governments, and Southwestern Association of Governments, respectively, except that a
- 7328 member under Subsection (1)(j) shall be nominated by the Board of Directors of the
- 7329 Association of Governments from the region of the state in which the county is located; and
- 7330 (ii) appointed by the governor with the consent of the Senate.
- 7331 (b) Except as required by Subsection (2)(c), as terms of current board members expire,
- 7332 the governor shall appoint each new member or reappointed member to a four-year term.
- 7333 (c) Notwithstanding the requirements of Subsection (2)(b), the governor shall, at the
- 7334 time of appointment or reappointment, adjust the length of terms to ensure that the terms of
- 7335 board members are staggered so that approximately half of the board is appointed every two
- 7336 years.
- 7337 (d) When a vacancy occurs in the membership for any reason, the replacement shall be
- 7338 appointed for the unexpired term.
- 7339 (3) The terms of office for the members of the impact board specified under
- 7340 Subsections (1)(a) through (1)(e) shall run concurrently with the terms of office for the
- 7341 councils, boards, committees, commission, departments, or offices from which the members
- 7342 come.
- 7343 (4) The [executive] director of the [department] office, or the [executive] director's

7344 designee, shall be the chair of the impact board.

7345 (5) A member may not receive compensation or benefits for the member's service, but  
7346 may receive per diem and travel expenses in accordance with:

7347 (a) Section 63A-3-106;

7348 (b) Section 63A-3-107; and

7349 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
7350 63A-3-107.

7351 Section 182. Section **63M-1-3005**, which is renumbered from Section 9-4-305 is  
7352 renumbered and amended to read:

7353 ~~[9-4-305]~~. **63M-1-3005. Duties -- Loans -- Interest.**

7354 (1) The impact board shall:

7355 (a) make grants and loans from the amounts appropriated by the Legislature out of the  
7356 impact fund to state agencies, subdivisions, and interlocal agencies that are or may be socially  
7357 or economically impacted, directly or indirectly, by mineral resource development for:

7358 (i) planning;

7359 (ii) construction and maintenance of public facilities; and

7360 (iii) provision of public services;

7361 (b) establish the criteria by which the loans and grants will be made;

7362 (c) determine the order in which projects will be funded;

7363 (d) in conjunction with other agencies of the state or of subdivisions or of interlocal  
7364 agencies, conduct studies, investigations, and research into the effects of proposed mineral  
7365 resource development projects upon local communities;

7366 (e) sue and be sued in accordance with applicable law;

7367 (f) qualify for, accept, and administer grants, gifts, loans, or other funds from the  
7368 federal government and from other sources, public or private; and

7369 (g) perform other duties assigned to it under Sections 11-13-306 and 11-13-307.

7370 (2) Money, including all loan repayments and interest, in the impact fund derived from  
7371 bonus payments may be used for any of the purposes set forth in Subsection (1)(a) but may  
7372 only be given in the form of loans to be paid back into the impact fund by the agency,  
7373 subdivision, or interlocal agency.

7374 (3) The average annual return to the impact fund on all bonus money may not be less

7375 than 1/2 of the average interest rate paid by the state on general obligation bonds issued during  
7376 the most recent fiscal year in which bonds were sold.

7377 (4) (a) "Provision of public services" under Subsection (1)(a) includes contracts with  
7378 public postsecondary institutions to fund research, education, or public service programs that  
7379 benefit impacted counties or political subdivisions of the counties.

7380 (b) Each contract under Subsection (4)(a) shall be:

7381 (i) based on an application to the impact board from the impacted county; and

7382 (ii) approved by the county legislative body.

7383 (c) For purposes of this section, a land use plan is a public service program.

7384 Section 183. Section **63M-1-3006**, which is renumbered from Section 9-4-306 is  
7385 renumbered and amended to read:

7386 ~~[9-4-306].~~ **63M-1-3006. Powers.**

7387 The impact board may:

7388 (1) appoint, where it considers [~~this~~] it appropriate, a hearing examiner or  
7389 administrative law judge with authority to conduct any hearings, make determinations, and  
7390 enter appropriate findings of facts, conclusions of law, and orders under authority of the impact  
7391 board under Sections 11-13-306 and 11-13-307;

7392 (2) appoint additional professional and administrative staff necessary to effectuate  
7393 Sections 11-13-306 and 11-13-307;

7394 (3) make independent studies regarding matters submitted to it under Sections  
7395 11-13-306 and 11-13-307 that the impact board, in its discretion, considers necessary, which  
7396 studies shall be made a part of the record and may be considered in the impact board's  
7397 determination; and

7398 (4) make rules under Title 63G, Chapter 3, Utah Administrative Rulemaking Act it  
7399 considers necessary to perform its responsibilities under Sections 11-13-306 and 11-13-307.

7400 Section 184. Section **63M-1-3007**, which is renumbered from Section 9-4-307 is  
7401 renumbered and amended to read:

7402 ~~[9-4-307].~~ **63M-1-3007. Impact fund administered by impact board --**  
7403 **Eligibility for assistance -- Review by board -- Administration costs -- Annual report.**

7404 (1) (a) The impact board shall:

7405 (i) administer the impact fund in a manner that will keep a portion of the impact fund

7406 revolving;

7407       (ii) determine provisions for repayment of loans; and

7408       (iii) establish criteria for determining eligibility for assistance under this part.

7409       (b) (i) Criteria for awarding loans or grants made from funds described in Subsection

7410 ~~[9-4-303(5)]~~ 63M-1-3003(5) shall be consistent with Subsection ~~[9-4-303(5)]~~ 63M-1-3003(5).

7411       (ii) Criteria for awarding grants made from funds described in Subsection

7412 ~~[9-4-303(2)(c)]~~ 63M-1-3003(2)(c) shall be consistent with Subsection ~~[9-4-303(6)]~~

7413 63M-1-3003(6).

7414       (c) In order to receive assistance under this part, subdivisions and interlocal agencies

7415 shall submit formal applications containing the information that the impact board requires.

7416       (2) In determining eligibility for loans and grants under this part, the impact board shall

7417 consider the following:

7418       (a) the subdivision's or interlocal agency's current mineral lease production;

7419       (b) the feasibility of the actual development of a resource that may impact the

7420 subdivision or interlocal agency directly or indirectly;

7421       (c) current taxes being paid by the subdivision's or interlocal agency's residents;

7422       (d) the borrowing capacity of the subdivision or interlocal agency, its ability and

7423 willingness to sell bonds or other securities in the open market, and its current and authorized

7424 indebtedness;

7425       (e) all possible additional sources of state and local revenue, including utility user

7426 charges;

7427       (f) the availability of federal assistance funds;

7428       (g) probable growth of population due to actual or prospective natural resource

7429 development in an area;

7430       (h) existing public facilities and services;

7431       (i) the extent of the expected direct or indirect impact upon public facilities and

7432 services of the actual or prospective natural resource development in an area; and

7433       (j) the extent of industry participation in an impact alleviation plan, either as specified

7434 in Title 63M, Chapter 5, Resource Development Act, or otherwise.

7435       (3) The impact board may not fund ~~[any]~~ an education project that could otherwise

7436 have reasonably been funded by a school district through a program of annual budgeting,



7437 capital budgeting, bonded indebtedness, or special assessments.

7438 (4) The impact board may restructure all or part of the agency's or subdivision's  
7439 liability to repay loans for extenuating circumstances.

7440 (5) The impact board shall:

7441 (a) review the proposed uses of the impact fund for loans or grants before approving  
7442 them and may condition its approval on whatever assurances that the impact board considers to  
7443 be necessary to ensure that the proceeds of the loan or grant will be used in accordance with the  
7444 Leasing Act and this part; and

7445 (b) ensure that each loan specifies the terms for repayment and is evidenced by general  
7446 obligation, special assessment, or revenue bonds, notes, or other obligations of the appropriate  
7447 subdivision or interlocal agency issued to the impact board under whatever authority for the  
7448 issuance of those bonds, notes, or obligations exists at the time of the loan.

7449 (6) The impact board shall allocate from the impact fund to the department those funds  
7450 that are appropriated by the Legislature for the administration of the impact fund, but this  
7451 amount may not exceed 2% of the annual receipts to the impact fund.

7452 (7) The department shall make an annual report to the Legislature concerning the  
7453 number and type of loans and grants made as well as a list of subdivisions and interlocal  
7454 agencies that received this assistance.

7455 Section 185. Section **63M-1-3101**, which is renumbered from Section 9-4-1401 is  
7456 renumbered and amended to read:

7457 **Part 31. State Community Services Act**

7458 **~~[9-4-1401].~~ 63M-1-3101. Title.**

7459 This part is known as the "State Community Services Act."

7460 Section 186. Section **63M-1-3102**, which is renumbered from Section 9-4-1402 is  
7461 renumbered and amended to read:

7462 **~~[9-4-1402].~~ 63M-1-3102. Definitions.**

7463 As used in this part:

7464 (1) "Community action agency" means a local subdivision of the state, a combination  
7465 of political subdivisions, a separate public agency, or a private nonprofit agency which has the  
7466 authority under its applicable charter or laws to receive funds to support community action  
7467 activities and other appropriate measures designed to identify and deal with the causes of

7468 poverty in the state, and which is designated as a community action agency by federal law,  
7469 federal regulations, or the governor.

7470 (2) "Community action program budget" means state [~~funds~~] money, federal block  
7471 grants, and federal categorical grants that are received by the state for community action  
7472 activities.

7473 (3) "Community action statewide organization" means community action programs,  
7474 organized on a statewide basis, to enhance the capability of community action agencies.

7475 (4) "Community Services Block Grant" means the Federal Community Services Block  
7476 Grant Act, 42 U.S.C. 9901 et seq., and any corresponding federal regulations.

7477 (5) "Local share" means cash or in-kind goods and services donated to a community  
7478 action agency to carry out its responsibilities.

7479 (6) "Low-income person" means a person who is a member of a household with a gross  
7480 annual income equal to or less than 125% of the poverty standard accepted by the federal  
7481 agency designated to establish poverty guidelines.

7482 (7) "Office" means the State Community Services Office created in Section [~~9-4-1403~~]  
7483 63M-1-3103.

7484 (8) "Service area" means the geographical area within the jurisdiction of a community  
7485 action agency or a community action statewide organization.

7486 Section 187. Section **63M-1-3103**, which is renumbered from Section 9-4-1403 is  
7487 renumbered and amended to read:

7488 [~~9-4-1403~~]. **63M-1-3103. State Community Services Office created -- Purpose.**

7489 (1) There is created within the Division of Housing and Community Development the  
7490 State Community Services Office.

7491 (2) The office shall strengthen communities by reducing poverty and improving the  
7492 quality of life for low-income persons in this state.

7493 Section 188. Section **63M-1-3104**, which is renumbered from Section 9-4-1404 is  
7494 renumbered and amended to read:

7495 [~~9-4-1404~~]. **63M-1-3104. Duties of office.**

7496 The office shall:

7497 (1) coordinate state activities designed to reduce poverty;

7498 (2) encourage entities in the private sector to participate in efforts to ameliorate poverty

- 7499 in the community;
- 7500 (3) cooperate with agencies of local, state, and federal government in reducing poverty
- 7501 and implementing community, social, and economic programs;
- 7502 (4) receive and expend funds for the purposes outlined in this part;
- 7503 (5) enter into contracts with and award grants to public and private nonprofit agencies
- 7504 and organizations;
- 7505 (6) develop a state plan based on needs identified by community action agencies and
- 7506 community action statewide organizations;
- 7507 (7) designate community action agencies to receive funds through the Community
- 7508 Services Block Grant program;
- 7509 (8) fund community action agencies and community action statewide organizations;
- 7510 (9) make rules in conjunction with the division pursuant to Title 63G, Chapter 3, Utah
- 7511 Administrative Rulemaking Act, to carry out the purposes of this part;
- 7512 (10) provide assistance to local governments or private organizations for the purpose of
- 7513 establishing and operating a community action agency;
- 7514 (11) provide technical assistance to community action agencies to improve program
- 7515 planning, program development, administration, and the mobilization of public and private
- 7516 resources;
- 7517 (12) convene public meetings which provide citizens the opportunity to comment on
- 7518 public policies and programs to reduce poverty;
- 7519 (13) advise the governor and Legislature of the nature and extent of poverty in the state
- 7520 and make recommendations concerning changes in state and federal policies and programs;
- 7521 (14) encourage Utah's nonprofit humanitarian assistance agencies serving low-income
- 7522 persons by facilitating, coordinating, training, partnerships, and providing technical assistance
- 7523 in addressing Utah's low-income persons by enhancing management, improving service and
- 7524 program delivery, and preserving flexibility and local initiative;
- 7525 (15) develop and implement management goals which fulfill the Community Services
- 7526 Block Grant mission, state requirements, and the mandates of federal legislation;
- 7527 (16) prepare a Community Services Block Grant plan which contains provisions
- 7528 describing how the state will carry out the assurances of the Community Services Block Grant
- 7529 Act;

7530 (17) act as the state agency responsible for the evaluation and improvement of  
7531 emergency food assistance services in the state;

7532 (18) monitor the impact of social policies on the emergency food network;

7533 (19) provide training and technical assistance to all grantees to assist them in program  
7534 development and implementation, compliance with state and federal regulations, and reporting  
7535 and management information systems;

7536 (20) make the distributions required by Section ~~[9-4-1409]~~ 63M-1-3109; and

7537 (21) administer other programs to alleviate poverty assigned to the office.

7538 Section 189. Section **63M-1-3105**, which is renumbered from Section 9-4-1405 is  
7539 renumbered and amended to read:

7540 ~~[9-4-1405]~~. **63M-1-3105. Distribution of Community Services Block Grant**  
7541 **funds.**

7542 The office shall distribute Community Services Block Grant ~~[funds]~~ money received by  
7543 the office ~~[shall be distributed]~~ as follows:

7544 (1) 90% to community action agencies;

7545 (2) 5% to:

7546 (a) organizations with a statewide focus to accomplish specific objectives that  
7547 complement the Community Services Block Grant poverty programs;

7548 (b) provide training and technical assistance for grantees of Community Services Block  
7549 Grant funds; or

7550 (c) supplement anti-poverty projects; and

7551 (3) 5% to reimburse costs incurred by the office in administration of this part.

7552 Section 190. Section **63M-1-3106**, which is renumbered from Section 9-4-1406 is  
7553 renumbered and amended to read:

7554 ~~[9-4-1406]~~. **63M-1-3106. Evaluations -- Reports.**

7555 (1) The office shall periodically evaluate grantees of Community Services Block Grant  
7556 ~~[funds]~~ money as established by rule by the division in accordance with Title 63G, Chapter 3,  
7557 Utah Administrative Rulemaking Act.

7558 (2) Grantees of Community Services Block Grant funds shall submit to the office a  
7559 year-end report, covering a reporting period consistent with the federal fiscal year, which  
7560 provides an ~~[account]~~ accounting of all programs operated with or supported by Community

7561 Services Block Grant [~~funds~~] money, including:

7562 (a) types of programs operated by that grantee;

7563 (b) the program outcomes;

7564 (c) the number of persons served;

7565 (d) the number of times service was given; and

7566 (e) an accounting of all Community Services Block Grant [~~funds~~] money expended by  
7567 the grantee.

7568 (3) The office shall report annually to the appropriate legislative appropriations  
7569 subcommittee on the distribution and expenditure of Community Services Block Grant [~~funds~~]  
7570 money.

7571 Section 191. Section **63M-1-3107**, which is renumbered from Section 9-4-1407 is  
7572 renumbered and amended to read:

7573 ~~[9-4-1407]~~. **63M-1-3107. Program development by grantees.**

7574 Grantees of Community Services Block Grant funds shall develop specific programs  
7575 and goals, consistent with the Community Services Block Grant Act, designed to provide the  
7576 most effective solutions to the problems of poverty identified in their communities within the  
7577 constraints of available funding, including projects related to:

7578 (1) employment;

7579 (2) education;

7580 (3) income management;

7581 (4) housing;

7582 (5) emergency assistance;

7583 (6) nutrition;

7584 (7) linkages and coordination with other programs;

7585 (8) health; and

7586 (9) self-sufficiency.

7587 Section 192. Section **63M-1-3108**, which is renumbered from Section 9-4-1408 is  
7588 renumbered and amended to read:

7589 ~~[9-4-1408]~~. **63M-1-3108. Recognition of community action agencies.**

7590 The office [~~shall have the power to~~] may:

7591 (1) recognize eligible organizations as community action agencies;

7592 (2) withdraw the recognition or terminate funding of a designated community action  
7593 agency for cause, as established by rule; or

7594 (3) change the boundaries and the number of recognized community action agencies,  
7595 provided that the governing board of each affected community action agency concurs in the  
7596 action.

7597 Section 193. Section **63M-1-3109**, which is renumbered from Section 9-4-1409 is  
7598 renumbered and amended to read:

7599 ~~[9-4-1409]~~. **63M-1-3109. Qualified Emergency Food Agencies Fund --**

7600 **Expenditure of revenues.**

7601 (1) As used in this section:

7602 (a) "Association of governments" means the following created under the authority of  
7603 Title 11, Chapter 13, Interlocal Cooperation Act:

7604 (i) an association of governments; or

7605 (ii) a regional council that acts as an association of governments.

7606 (b) "Food and food ingredients" is as defined in Section 59-12-102.

7607 (c) "Pounds of food donated" means the aggregate number of pounds of food and food  
7608 ingredients that are donated:

7609 (i) to a qualified emergency food agency; and

7610 (ii) by a person, other than an organization that as part of its activities operates a  
7611 program that has as the program's primary purpose to:

7612 (A) warehouse and distribute food to other agencies and organizations providing food  
7613 and food ingredients to low-income persons; or

7614 (B) provide food and food ingredients directly to low-income persons.

7615 (d) "Qualified emergency food agency" means an organization that:

7616 (i) is:

7617 (A) exempt from federal income taxation under Section 501(c)(3), Internal Revenue  
7618 Code; or

7619 (B) an association of governments;

7620 (ii) as part of its activities operates a program that has as the program's primary purpose  
7621 to:

7622 (A) warehouse and distribute food to other agencies and organizations providing food

7623 and food ingredients to low-income persons; or

7624 (B) provide food and food ingredients directly to low-income persons; and

7625 (iii) the office determines to be a qualified emergency food agency.

7626 (2) There is created a restricted special revenue fund known as the Qualified

7627 Emergency Food Agencies Fund.

7628 (3) (a) The Qualified Emergency Food Agencies Fund shall be funded by the sales and

7629 use tax revenues described in:

7630 (i) Section 59-12-103;

7631 (ii) Section 59-12-204; and

7632 (iii) Section 59-12-1102.

7633 (b) Any interest earned on the Qualified Emergency Food Agencies Fund shall be

7634 deposited into the General Fund.

7635 (4) The office shall for a fiscal year distribute [~~monies~~] money deposited into the

7636 Qualified Emergency Food Agencies Fund to qualified emergency food agencies within the

7637 state as provided in this section.

7638 (5) A qualified emergency food agency shall file an application with the office before

7639 the qualified emergency food agency may receive a distribution under this section.

7640 (6) Except as provided in Subsection (7), the office shall for a fiscal year distribute to a

7641 qualified emergency food agency an amount equal to the product of:

7642 (a) the pounds of food donated to the qualified emergency food agency during that

7643 fiscal year; and

7644 (b) \$.12.

7645 (7) If the [~~monies~~] money deposited into the Qualified Emergency Food Agencies Fund

7646 [~~are~~] is insufficient to make the distributions required by Subsection (6), the office shall make

7647 distributions to qualified emergency food agencies in the order that the office receives

7648 applications from the qualified emergency food agencies until all of the [~~monies~~] money

7649 deposited into the Qualified Emergency Food Agencies Fund for the fiscal year [~~are~~] is

7650 expended.

7651 (8) A qualified emergency food agency may expend a distribution received in

7652 accordance with this section only for a purpose related to:

7653 (a) warehousing and distributing food and food ingredients to other agencies and

7654 organizations providing food and food ingredients to low-income persons; or  
7655 (b) providing food and food ingredients directly to low-income persons.  
7656 (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
7657 Division of Housing and Community Development may make rules providing procedures for  
7658 implementing the distributions required by this section, including:  
7659 (a) standards for determining and verifying the amount of a distribution that a qualified  
7660 emergency food agency may receive;  
7661 (b) procedures for a qualified emergency food agency to apply for a distribution,  
7662 including the frequency with which a qualified emergency food agency may apply for a  
7663 distribution; and  
7664 (c) consistent with Subsection (1)(d), determining whether an entity is a qualified  
7665 emergency food agency.  
7666 Section 194. Section **63M-7-301** is amended to read:  
7667 **63M-7-301. Definitions -- Creation of council -- Membership -- Terms.**  
7668 (1) (a) As used in this part, "council" means the Utah Substance Abuse Advisory  
7669 Council created in this section.  
7670 (b) There is created within the governor's office the Utah Substance Abuse Advisory  
7671 Council.  
7672 (2) The council shall be comprised of the following voting members:  
7673 (a) the attorney general or the attorney general's designee;  
7674 (b) a county commissioner designated by the Utah Association of Counties;  
7675 (c) the commissioner of public safety or the commissioner's designee;  
7676 (d) the director of the Division of Substance Abuse and Mental Health or the director's  
7677 designee;  
7678 (e) the state superintendent of public instruction or the superintendent's designee;  
7679 (f) the director of the Department of Health or the director's designee;  
7680 (g) the executive director of the Commission on Criminal and Juvenile Justice or the  
7681 executive director's designee;  
7682 (h) the governor or the governor's designee;  
7683 (i) the executive director of the Department of Corrections or the executive director's  
7684 designee;



- 7685 (j) the director of the Division of Juvenile Justice Services or the director's designee;
- 7686 (k) the executive director of the private nonprofit Utah Domestic Violence Council or  
7687 the executive director's designee;
- 7688 (l) the director of the Division of Indian Affairs or the director's designee;
- 7689 (m) the state court administrator or the state court administrator's designee;
- 7690 (n) the following members designated to serve four-year terms:
- 7691 (i) a member of the House of Representatives designated by the speaker of the House  
7692 of Representatives;
- 7693 (ii) a member of the Senate designated by the president of the Senate; and
- 7694 (iii) a representative designated by the Utah League of Cities and Towns; [and]  
7695 ~~[(iv) a representative from the Office of Ethnic Affairs within the Department of~~  
7696 ~~Community and Culture designated by the director of the office or a designee;]~~
- 7697 (o) the following members appointed by the governor to serve four-year terms:
- 7698 (i) a representative of the Utah National Guard;
- 7699 (ii) one resident of the state who has been personally affected by alcohol or other drug  
7700 abuse; and
- 7701 (iii) one citizen representative;
- 7702 (p) in addition to the voting members described in Subsections (2)(a) through (o), the  
7703 following voting members may be appointed by a majority of the members described in  
7704 Subsections (2)(a) through (o) to serve four-year terms:
- 7705 (i) a person knowledgeable in criminal justice issues;
- 7706 (ii) a person knowledgeable in substance abuse treatment issues;
- 7707 (iii) a person knowledgeable in substance abuse prevention issues; and
- 7708 (iv) a person knowledgeable in judiciary issues; and
- 7709 (q) in addition to the voting members described in Subsections (2)(a) through (p), one  
7710 or more chairs or co-chairs of a committee established by the council under Subsection  
7711 63M-7-302(5) may be appointed as a voting member by a majority of the members described in  
7712 Subsections (2)(a) through (p).
- 7713 (3) A person other than a person described in Subsection (2) may not be appointed as a  
7714 voting member of the council.
- 7715 Section 195. Section **67-1a-201**, which is renumbered from Section 9-1-801 is

7716 renumbered and amended to read:

7717 **[9-1-801]. 67-1a-201. Title.**

7718 This part is known as the "Commission on National and Community Service Act."

7719 Section 196. Section **67-1a-202**, which is renumbered from Section 9-1-802 is

7720 renumbered and amended to read:

7721 **[9-1-802]. 67-1a-202. Definitions.**

7722 (1) "Act" means the National Community and Service Trust Act of 1993, 42 U.S.C.  
7723 12501 et seq.

7724 (2) "Commission" means the Utah Commission on Volunteers created in Section  
7725 ~~[9-1-803]~~ 67-1a-203.

7726 (3) "Corporation" means the Corporation for National and Community Service  
7727 described in the act.

7728 Section 197. Section **67-1a-203**, which is renumbered from Section 9-1-803 is  
7729 renumbered and amended to read:

7730 **[9-1-803]. 67-1a-203. Creation -- Members -- Appointment -- Terms --**  
7731 **Vacancies -- Per diem and expenses.**

7732 (1) There is created within the lieutenant governor's office the Utah Commission on  
7733 Volunteers consisting of the following 25 members:

7734 (a) the lieutenant governor;

7735 (b) the commissioner of higher education or the commissioner's designee;

7736 (c) the superintendent of public instruction or the superintendent's designee;

7737 (d) nine members appointed by the governor as follows:

7738 (i) an individual with expertise in the educational, training, and developmental needs of  
7739 youth, particularly disadvantaged youth;

7740 (ii) an individual with experience in promoting the involvement of older adults in  
7741 service and volunteerism;

7742 (iii) a representative of community-based agencies or community-based organizations  
7743 within the state;

7744 (iv) a representative of local governments in the state;

7745 (v) a representative of local labor organizations in the state;

7746 (vi) a representative of business;

7747 (vii) an individual between the ages of 16 and 25 who is a participant or supervisor in a  
7748 volunteer or service program;

7749 (viii) a representative of a National Service Program; and

7750 (ix) a representative of the corporation as a nonvoting, ex officio member; and

7751 (e) 13 members appointed by the governor from the following groups:

7752 (i) local educators;

7753 (ii) experts in the delivery of human, educational, cultural, environmental, or public  
7754 safety services to communities and individuals;

7755 (iii) representatives of Native American tribes;

7756 (iv) out-of-school youth or other at-risk youth; and

7757 (v) representatives of entities that receive assistance under the Domestic Volunteer  
7758 Service Act of 1973, 42 U.S.C. 4950 et seq.

7759 (2) (a) In appointing persons to serve on the commission, the governor shall ensure  
7760 that:

7761 (i) no more than 13 members of the commission are members of the same political  
7762 party; and

7763 (ii) no more than six members of the commission are state government employees.

7764 (b) In appointing persons to serve on the commission, the governor shall strive for  
7765 balance on the commission according to race, ethnicity, age, gender, and disability  
7766 characteristics.

7767 (3) (a) Except as required by Subsection (3)(b), as terms of current commission  
7768 members expire, the governor shall appoint each new member or reappointed member to a  
7769 three-year term.

7770 (b) Notwithstanding the requirements of Subsection (3)(a), the governor shall, at the  
7771 time of appointment or reappointment, adjust the length of terms to ensure that the terms of  
7772 commission members are staggered so that approximately one-third of the commission is  
7773 appointed every year.

7774 (4) When a vacancy occurs in the membership for any reason, the replacement shall be  
7775 appointed for the unexpired term.

7776 (5) A member appointed by the governor may not serve more than two consecutive  
7777 terms.

7778 (6) A member may not receive compensation or benefits for the member's service, but  
7779 may receive per diem and travel expenses in accordance with:

7780 (a) Section 63A-3-106;

7781 (b) Section 63A-3-107; and

7782 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
7783 63A-3-107.

7784 (7) (a) The lieutenant governor is the chair of the commission.

7785 (b) The commission shall select a vice chair from among its members.

7786 Section 198. Section **67-1a-204**, which is renumbered from Section 9-1-805 is  
7787 renumbered and amended to read:

7788 **[9-1-805]. 67-1a-204. Election of officers.**

7789 (1) The [~~officers of the~~] commission shall [~~be~~] have as officers a chair, vice chair,  
7790 secretary, and treasurer. [~~All officers shall be~~]

7791 (2) An officer is elected by the voting commission members from among the members  
7792 of the commission and shall serve for a term of one year. [~~Vacancies in any~~]

7793 (3) A vacancy in an office [~~shall be~~] is filled with an election by the commission for  
7794 the remainder of the officer's unexpired term.

7795 Section 199. Section **67-1a-205**, which is renumbered from Section 9-1-806 is  
7796 renumbered and amended to read:

7797 **[9-1-806]. 67-1a-205. Officers' duties.**

7798 (1) The chair shall:

7799 (a) preside at all meetings of the commission;

7800 (b) appoint all subcommittee chairs;

7801 (c) assist all chairs in the planning of subcommittee activities;

7802 (d) supervise all chairs as to the management of subcommittee plans;

7803 (e) authorize and execute the wishes of the commission; and

7804 (f) serve as an ex officio member of all subcommittees.

7805 (2) The vice chair shall:

7806 (a) assist the chair, and, in the absence of the chair, perform [~~those~~] the chair's duties;

7807 (b) accept special assignments from the chair; and

7808 (c) perform other duties as delegated by the commission.

7809 (3) The secretary shall:

7810 (a) keep an updated list of names, addresses, and telephone numbers of all commission  
7811 and subcommittee members; and

7812 (b) keep a record of attendance at meetings.

7813 (4) The treasurer shall:

7814 (a) oversee the preparation of all funding applications; and

7815 (b) report on finances to the commission at each meeting.

7816 Section 200. Section **67-1a-206**, which is renumbered from Section 9-1-807 is

7817 renumbered and amended to read:

7818 **[9-1-807]**. **67-1a-206**. **Subcommittees**.

7819 (1) The commission shall create subcommittees to advise and assist the commission in  
7820 carrying out its duties and responsibilities, including strategic planning.

7821 (2) These subcommittees shall include Youth Voice, Volunteer Recognition,  
7822 Evaluation, Community Collaboration, and Resource Development.

7823 (a) (i) The subcommittee on Youth Voice shall have at least five members between the  
7824 ages of 16 and 25.

7825 (ii) It shall develop and recommend policies and programs to the commission and bring  
7826 the perspective of young people to all commission discussions and decisions.

7827 (b) (i) The subcommittee on Volunteer Recognition shall have at least five members.

7828 (ii) It shall:

7829 (A) assist with the implementation of governor's awards relating to exemplary  
7830 volunteer service in the state[;];

7831 (B) work with individual communities to develop local recognition programs[;]; and

7832 (C) explore additional opportunities to recognize individuals and organizations  
7833 addressing community needs through volunteer service.

7834 (c) (i) The subcommittee on Evaluation shall have at least five members.

7835 (ii) It shall evaluate each program funded by the corporation and by state organizations  
7836 that support the purpose of the commission to assure their on-going quality.

7837 (d) (i) The subcommittee on Community Collaboration shall have at least five  
7838 members.

7839 (ii) It shall promote communication and information sharing between state and local

7840 private and public initiatives to meet community needs.

7841 (e) (i) The subcommittee on Resource Development shall have at least five members.

7842 (ii) It shall develop and implement strategies to secure local, state, and federal  
7843 resources to reinforce, expand, and initiate quality community programs across the state.

7844 (3) Subcommittee chairs shall be appointed by the commission chair from among  
7845 commission members, but the subcommittees' members need not be limited to commission  
7846 members.

7847 (4) The commission chair, in consultation with the subcommittee chairs, shall name the  
7848 committees' members.

7849 Section 201. Section **67-1a-207**, which is renumbered from Section 9-1-808 is  
7850 renumbered and amended to read:

7851 **~~[9-1-808]~~. 67-1a-207. Meetings -- Quorum.**

7852 (1) The commission shall meet at least quarterly. [~~Any~~]

7853 (2) A commission member who fails to attend at least 75% of called meetings in [~~any~~]  
7854 a calendar year shall be automatically removed from the commission.

7855 [~~(2)~~] (3) A quorum is a simple majority of the commission's voting members.

7856 Section 202. Section **67-1a-208**, which is renumbered from Section 9-1-809 is  
7857 renumbered and amended to read:

7858 **~~[9-1-809]~~. 67-1a-208. Commission duties.**

7859 (1) The commission shall, in the performance of its tasks and functions:

7860 (a) ensure that its funding decisions meet all federal and state statutory requirements;

7861 (b) recommend innovative, creative, statewide service programs to increase volunteer  
7862 participation in all age groups and community-based problem-solving among diverse  
7863 participants;

7864 (c) develop and implement a centralized, organized system of obtaining information  
7865 and technical support concerning volunteerism and community service recruitment, projects,  
7866 training methods, materials, and activities throughout the state and share the information and  
7867 support upon request;

7868 (d) promote strong interagency collaboration as an avenue for maximizing resources  
7869 and providing that model on the state level;

7870 (e) provide public recognition and support of individual volunteer efforts and

7871 successful or promising private sector initiatives and public/private partnerships that address  
7872 community needs;

7873 (f) stimulate increased community awareness of the impact of volunteer services in the  
7874 state;

7875 (g) utilize local, state, and, subject to Title 63J, Chapter 5, Federal Funds Procedures  
7876 Act, federal resources to reinforce, expand, and initiate quality service programs;

7877 (h) assist in the planning and implementation of volunteer programs;

7878 (i) serve as the state's liaison and voice to appropriate national and state organizations  
7879 that support its mission;

7880 (j) develop a three-year comprehensive state and community service plan and establish  
7881 state priorities;

7882 (k) preselect programs and prepare applications to the corporation pursuant to the act;

7883 (l) administer the grants program and oversee and monitor the performance and  
7884 progress of funded programs;

7885 (m) implement comprehensive, nonduplicative evaluation and monitoring systems;

7886 (n) provide technical assistance to local nonprofit organizations and other entities;

7887 (o) assist in the development of programs established in the act;

7888 (p) develop mechanisms for recruitment and placement of people interested in  
7889 participating in national service programs;

7890 (q) assist in the provision of health care and child care benefits to participants under the  
7891 act;

7892 (r) make priority program recommendations to the corporation;

7893 (s) coordinate its activities with the activities of other state agencies that administer  
7894 federal block grants; and

7895 (t) coordinate its activities with the activities of other volunteer service programs.

7896 (2) The commission may not directly operate or run a national service program  
7897 receiving financial assistance, in any form, from the corporation.

7898 (3) (a) The commission may, subject to Title 63J, Chapter 5, Federal Funds Procedures  
7899 Act, receive and accept federal funds, and may receive and accept private gifts, donations, or  
7900 funds from any source.

7901 (b) [~~All money~~] Money received under Subsection (3)(a) shall be deposited with the

7902 state and ~~[shall be]~~ continuously available to the commission to carry out the purposes of this  
7903 part.

7904 Section 203. Section **67-1a-209**, which is renumbered from Section 9-1-810 is  
7905 renumbered and amended to read:

7906 ~~[9-1-810].~~ **67-1a-209. Administration, reporting, and expenses.**

7907 [(1)] The ~~[Division of Housing and Community Development]~~ Office of the Lieutenant  
7908 Governor shall provide necessary administrative and staff support services to the commission.

7909 ~~[(2) The commission shall report to the office of the lieutenant governor.]~~

7910 Section 204. Section **67-1a-210**, which is renumbered from Section 9-1-811 is  
7911 renumbered and amended to read:

7912 ~~[9-1-811].~~ **67-1a-210. Enactment of bylaws.**

7913 The commission may enact bylaws for its own governance.

7914 Section 205. Section **67-1a-301**, which is renumbered from Section 9-17-101 is  
7915 renumbered and amended to read:

7916 **CHAPTER 3. HUMANITARIAN SERVICE AND EDUCATIONAL AND**  
7917 **CULTURAL EXCHANGE RESTRICTED ACCOUNT ACT**

7918 ~~[9-17-101].~~ **67-1a-301. Title.**

7919 This chapter is known as the "Humanitarian Service and Educational and Cultural  
7920 Exchange Restricted Account Act."

7921 Section 206. Section **67-1a-302**, which is renumbered from Section 9-17-102 is  
7922 renumbered and amended to read:

7923 ~~[9-17-102].~~ **67-1a-302. Humanitarian Service and Educational and Cultural**  
7924 **Exchange Restricted Account.**

7925 (1) There is created in the General Fund a restricted account known as the  
7926 "Humanitarian Service and Educational and Cultural Exchange Restricted Account."

7927 (2) The account ~~[shall be]~~ is funded by:

7928 (a) contributions deposited into the account in accordance with Section 41-1a-422;

7929 (b) private contributions; and

7930 (c) donations or grants from public or private entities.

7931 (3) Funds in the account are nonlapsing.

7932 (4) Upon appropriation by the Legislature, the ~~[department]~~ Office of the Lieutenant



7933 Governor shall distribute [~~funds~~] money in the account to one or more charitable organizations  
7934 that:

7935 (a) qualify as being tax exempt under Section 501(c)(3) of the Internal Revenue Code;

7936 (b) have a national parent organization which:

7937 (i) provides international humanitarian service projects; and

7938 (ii) has youth programs including programs to foster leadership in high school students,  
7939 humanitarian service in high school and college, and conducts and promotes community  
7940 service projects;

7941 (c) have a non-profit youth exchange program that does not compensate those who  
7942 administer the program within the state;

7943 (d) have an annual leadership conference, which does not compensate those who  
7944 administer the program within the state;

7945 (e) have high school service clubs, which promote humanitarian services on a state  
7946 level, a national level, and an international level; and

7947 (f) have college service clubs, which promote humanitarian service on a state level, a  
7948 national level, and an international level.

7949 (5) (a) An organization described in Subsection (4) may apply to the [~~department~~]  
7950 lieutenant governor's office to receive a distribution in accordance with Subsection (4).

7951 (b) An organization that receives a distribution from the [~~department~~] lieutenant  
7952 governor's office in accordance with Subsection (4) shall expend the distribution only to:

7953 (i) pay the costs of supporting the following programs within the state:

7954 (A) youth programs including programs to foster leadership in high school students and  
7955 humanitarian service in high school and college;

7956 (B) community service projects;

7957 (C) a non-profit youth exchange program;

7958 (D) an annual leadership conference;

7959 (E) high school service clubs, which promote humanitarian service on a state level, a  
7960 national level, and an international level; and

7961 (F) college service clubs, which promote humanitarian service on a state level, a  
7962 national level, and an international level; and

7963 (ii) pay the costs of issuing or reordering Humanitarian Service and Educational and

7964 Cultural Exchange support special group license plate decals.

7965 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the  
7966 [~~department~~] lieutenant governor's office may make rules providing procedures for an  
7967 organization to apply to the [~~department~~] office to receive a distribution under Subsection (4).

7968 Section 207. Section **67-4-18** is amended to read:

7969 **67-4-18. Housing Relief Restricted Special Revenue Fund -- Payments to Utah**  
7970 **Housing Corporation.**

7971 (1) As used in this section, "fund" means the Housing Relief Restricted Special  
7972 Revenue Fund created by this section.

7973 (2) There is created the Housing Relief Restricted Special Revenue Fund.

7974 (3) The fund shall be comprised of money deposited in the fund from money received  
7975 as a result of the federal American Recovery and Reinvestment Act of 2009.

7976 (4) Money in the fund shall be expended to fund grants to be made by the Utah  
7977 Housing Corporation in accordance with Section [~~9-4-927~~] 35A-8-527.

7978 (5) The treasurer may place funds in an escrow account, upon which the Utah Housing  
7979 Corporation may draw to make grants in accordance with Section [~~9-4-927~~] 35A-8-527.

7980 (6) The treasurer may use money from the fund to pay the costs of escrow and other  
7981 expenses of the corporation in connection with its duties under Section [~~9-4-927~~] 35A-8-527.

7982 (7) The treasurer shall administer the fund and make payments from the fund in  
7983 accordance with this section and Section [~~9-4-927~~] 35A-8-527.

7984 Section 208. Section **67-22-2** is amended to read:

7985 **67-22-2. Compensation -- Other state officers.**

7986 (1) As used in this section:

7987 (a) "Appointed executive" means the:

7988 (i) Commissioner of the Department of Agriculture and Food;

7989 (ii) Commissioner of the Insurance Department;

7990 (iii) Commissioner of the Labor Commission;

7991 (iv) Director, Alcoholic Beverage Control Commission;

7992 (v) Commissioner of the Department of Financial Institutions;

7993 (vi) Executive Director, Department of Commerce;

7994 (vii) Executive Director, Commission on Criminal and Juvenile Justice;

7995 (viii) Adjutant General;

7996 [~~(ix) Executive Director, Department of Community and Culture;~~]

7997 [~~(x)~~ (ix) Executive Director, Department of Corrections;

7998 [~~(xi)~~ (x) Commissioner, Department of Public Safety;

7999 [~~(xii)~~ (xi) Executive Director, Department of Natural Resources;

8000 [~~(xiii)~~ (xii) Director, Governor's Office of Planning and Budget;

8001 [~~(xiv)~~ (xiii) Executive Director, Department of Administrative Services;

8002 [~~(xv)~~ (xiv) Executive Director, Department of Human Resource Management;

8003 [~~(xvi)~~ (xv) Executive Director, Department of Environmental Quality;

8004 [~~(xvii)~~ (xvi) Director, Governor's Office of Economic Development;

8005 [~~(xviii)~~ (xvii) Executive Director, Utah Science Technology and Research Governing

8006 Authority;

8007 [~~(xix)~~ (xviii) Executive Director, Department of Workforce Services;

8008 [~~(xx)~~ (xix) Executive Director, Department of Health, Nonphysician;

8009 [~~(xxi)~~ (xx) Executive Director, Department of Human Services;

8010 [~~(xxii)~~ (xxi) Executive Director, Department of Transportation;

8011 [~~(xxiii)~~ (xxii) Executive Director, Department of Technology Services; and

8012 [~~(xxiv)~~ (xxiii) Executive Director, Department of Veterans Affairs.

8013 (b) "Board or commission executive" means:

8014 (i) Members, Board of Pardons and Parole;

8015 (ii) Chair, State Tax Commission;

8016 (iii) Commissioners, State Tax Commission;

8017 (iv) Executive Director, State Tax Commission;

8018 (v) Chair, Public Service Commission; and

8019 (vi) Commissioners, Public Service Commission.

8020 (c) "Deputy" means the person who acts as the appointed executive's second in

8021 command as determined by the Department of Human Resource Management.

8022 (2) (a) The executive director of the Department of Human Resource Management

8023 shall:

8024 (i) before October 31 of each year, recommend to the governor a compensation plan for

8025 the appointed executives and the board or commission executives; and

8026 (ii) base those recommendations on market salary studies conducted by the Department  
8027 of Human Resource Management.

8028 (b) (i) The Department of Human Resource Management shall determine the salary  
8029 range for the appointed executives by:

8030 (A) identifying the salary range assigned to the appointed executive's deputy;

8031 (B) designating the lowest minimum salary from those deputies' salary ranges as the  
8032 minimum salary for the appointed executives' salary range; and

8033 (C) designating 105% of the highest maximum salary range from those deputies' salary  
8034 ranges as the maximum salary for the appointed executives' salary range.

8035 (ii) If the deputy is a medical doctor, the Department of Human Resource Management  
8036 may not consider that deputy's salary range in designating the salary range for appointed  
8037 executives.

8038 (c) In establishing the salary ranges for board or commission executives, the  
8039 Department of Human Resource Management shall set the maximum salary in the salary range  
8040 for each of those positions at 90% of the salary for district judges as established in the annual  
8041 appropriation act under Section 67-8-2.

8042 (3) (a) (i) Except as provided in Subsection (3)(a)(ii), the governor shall establish a  
8043 specific salary for each appointed executive within the range established under Subsection  
8044 (2)(b).

8045 (ii) If the executive director of the Department of Health is a physician, the governor  
8046 shall establish a salary within the highest physician salary range established by the Department  
8047 of Human Resource Management.

8048 (iii) The governor may provide salary increases for appointed executives within the  
8049 range established by Subsection (2)(b) and identified in Subsection (3)(a)(ii).

8050 (b) The governor shall apply the same overtime regulations applicable to other FLSA  
8051 exempt positions.

8052 (c) The governor may develop standards and criteria for reviewing the appointed  
8053 executives.

8054 (4) Salaries for other Schedule A employees, as defined in Section 67-19-15, that are  
8055 not provided for in this chapter, or in Title 67, Chapter 8, Utah Elected Official and Judicial  
8056 Salary Act, shall be established as provided in Section 67-19-15.

8057 (5) (a) The Legislature fixes benefits for the appointed executives and the board or  
8058 commission executives as follows:

8059 (i) the option of participating in a state retirement system established by Title 49, Utah  
8060 State Retirement and Insurance Benefit Act, or in a deferred compensation plan administered  
8061 by the State Retirement Office in accordance with the Internal Revenue Code and its  
8062 accompanying rules and regulations;

8063 (ii) health insurance;

8064 (iii) dental insurance;

8065 (iv) basic life insurance;

8066 (v) unemployment compensation;

8067 (vi) workers' compensation;

8068 (vii) required employer contribution to Social Security;

8069 (viii) long-term disability income insurance;

8070 (ix) the same additional state-paid life insurance available to other noncareer service  
8071 employees;

8072 (x) the same severance pay available to other noncareer service employees;

8073 (xi) the same leave, holidays, and allowances granted to Schedule B state employees as  
8074 follows:

8075 (A) sick leave;

8076 (B) converted sick leave if accrued prior to January 1, 2014;

8077 (C) educational allowances;

8078 (D) holidays; and

8079 (E) annual leave except that annual leave shall be accrued at the maximum rate  
8080 provided to Schedule B state employees;

8081 (xii) the option to convert accumulated sick leave to cash or insurance benefits as  
8082 provided by law or rule upon resignation or retirement according to the same criteria and  
8083 procedures applied to Schedule B state employees;

8084 (xiii) the option to purchase additional life insurance at group insurance rates according  
8085 to the same criteria and procedures applied to Schedule B state employees; and

8086 (xiv) professional memberships if being a member of the professional organization is a  
8087 requirement of the position.

8088 (b) Each department shall pay the cost of additional state-paid life insurance for its  
8089 executive director from its existing budget.

8090 (6) The Legislature fixes the following additional benefits:

8091 (a) for the executive director of the State Tax Commission a vehicle for official and  
8092 personal use;

8093 (b) for the executive director of the Department of Transportation a vehicle for official  
8094 and personal use;

8095 (c) for the executive director of the Department of Natural Resources a vehicle for  
8096 commute and official use;

8097 (d) for the Commissioner of Public Safety:

8098 (i) an accidental death insurance policy if POST certified; and

8099 (ii) a public safety vehicle for official and personal use;

8100 (e) for the executive director of the Department of Corrections:

8101 (i) an accidental death insurance policy if POST certified; and

8102 (ii) a public safety vehicle for official and personal use;

8103 (f) for the Adjutant General a vehicle for official and personal use; and

8104 (g) for each member of the Board of Pardons and Parole a vehicle for commute and  
8105 official use.

8106 Section 209. Section **72-4-302** is amended to read:

8107 **72-4-302. Utah State Scenic Byway Committee -- Creation -- Membership --**

8108 **Meetings -- Expenses.**

8109 (1) There is created the Utah State Scenic Byway Committee.

8110 (2) (a) The committee shall consist of the following [~~15~~] 14 members:

8111 (i) a representative from each of the following entities appointed by the governor:

8112 (A) the Governor's Office of Economic Development;

8113 (B) the Utah Department of Transportation;

8114 [~~(C)~~] ~~the Department of Community and Culture;~~

8115 [~~(D)~~] (C) the Division of State Parks and Recreation;

8116 [~~(E)~~] (D) the Federal Highway Administration;

8117 [~~(F)~~] (E) the National Park Service;

8118 [~~(G)~~] (F) the National Forest Service; and

- 8119            [~~H~~] G the Bureau of Land Management;
- 8120            (ii) one local government tourism representative appointed by the governor;
- 8121            (iii) a representative from the private business sector appointed by the governor;
- 8122            (iv) three local elected officials from a county, city, or town within the state appointed
- 8123 by the governor;
- 8124            (v) a member from the House of Representatives appointed by the speaker of the
- 8125 House of Representatives; and
- 8126            (vi) a member from the Senate appointed by the president of the Senate.
- 8127            (b) Except as provided in Subsection (2)(c), the members appointed in this Subsection
- 8128 (2) shall be appointed for a four-year term of office.
- 8129            (c) The governor shall, at the time of appointment or reappointment for appointments
- 8130 made under Subsection (2)(a)(i), (ii), (iii), or (iv) adjust the length of terms to ensure that the
- 8131 terms of committee members are staggered so that approximately half of the committee is
- 8132 appointed every two years.
- 8133            (d) (i) The appointments made under Subsection (2)(a)(v) and (2)(a)(vi) by the speaker
- 8134 of the House and the president of the Senate may not be from the same political party.
- 8135            (ii) The speaker of the House and the president of the Senate shall alternate the
- 8136 appointments made under Subsections (2)(a)(v) and (2)(a)(vi) as follows:
- 8137            (A) if the speaker appoints a member under Subsection (2)(a)(v), the next appointment
- 8138 made by the speaker following the expiration of the existing member's four-year term of office
- 8139 shall be from a different political party; and
- 8140            (B) if the president appoints a member under Subsection (2)(a)(vi), the next
- 8141 appointment made by the president following the expiration of the existing member's four-year
- 8142 term of office shall be from a different political party.
- 8143            (3) (a) The representative from the Governor's Office of Economic Development shall
- 8144 chair the committee.
- 8145            (b) The members appointed under Subsections (2)(a)(i)(E) through [~~H~~] G serve as
- 8146 nonvoting, ex officio members of the committee.
- 8147            (4) The Governor's Office of Economic Development and the department shall provide
- 8148 staff support to the committee.
- 8149            (5) (a) The chair may call a meeting of the committee only with the concurrence of the

8150 department.

8151 (b) A majority of the voting members of the committee constitute a quorum.

8152 (c) Action by a majority vote of a quorum of the committee constitutes action by the  
8153 committee.

8154 (6) A member may not receive compensation or benefits for the member's service, but  
8155 may receive per diem and travel expenses in accordance with:

8156 (a) Section 63A-3-106;

8157 (b) Section 63A-3-107; and

8158 (c) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
8159 63A-3-107.

8160 Section 210. Section **73-10c-3** is amended to read:

8161 **73-10c-3. Water Development Coordinating Council created -- Purpose --**

8162 **Members.**

8163 (1) (a) There is created within the Department of Natural Resources a Water  
8164 Development Coordinating Council. The council comprises:

8165 (i) the director of the Division of Water Resources;

8166 (ii) the executive secretary of the Water Quality Board;

8167 (iii) the executive secretary of the Drinking Water Board;

8168 (iv) the executive director of the Department of [~~Community and Culture~~] Workforce  
8169 Services or the executive director's designee; and

8170 (v) the state treasurer or the treasurer's designee.

8171 (b) The council shall choose a chair and vice chair from among its own members.

8172 (c) A member may not receive compensation or benefits for the member's service, but  
8173 may receive per diem and travel expenses in accordance with:

8174 (i) Section 63A-3-106;

8175 (ii) Section 63A-3-107; and

8176 (iii) rules made by the Division of Finance pursuant to Sections 63A-3-106 and  
8177 63A-3-107.

8178 (2) The purposes of the council are to:

8179 (a) coordinate the use and application of the funds available to the state to give  
8180 financial assistance to political subdivisions of this state so as to promote the conservation,



8181 development, treatment, restoration, and protection of the waters of this state;

8182 (b) promote the coordination of the financial assistance programs administered by the  
8183 state and the use of the financing alternative most economically advantageous to the state and  
8184 its political subdivisions;

8185 (c) promote the consideration by the Board of Water Resources, Drinking Water  
8186 Board, and Water Quality Board of regional solutions to the water and wastewater needs of  
8187 individual political subdivisions of this state; and

8188 (d) assess the adequacy and needs of the state and its political subdivisions with respect  
8189 to water-related infrastructures and advise the governor and the Legislature on those funding  
8190 needs.

8191 Section 211. **Legislative finding -- Transition.**

8192 (1) The Legislature finds that the restructuring of the Department of Community and  
8193 Culture and the dispersion of its functions, divisions, and programs to other entities of state  
8194 government is in the best interest of the state, since the restructuring and dispersion will  
8195 improve the efficiency of government, reduce the cost of government, and better focus the state  
8196 and its employees on providing community and cultural development opportunities throughout  
8197 the state and in administering and coordinating all state and federal grant programs which are,  
8198 or become, available for community and cultural development.

8199 (2) It is the intent of the Legislature that the restructuring process for the Department of  
8200 Community and Culture shall begin with the movement of components of the Division of  
8201 Housing and Community Development and associated programs to the Governor's Office of  
8202 Economic Development and the Department of Workforce Services by July 1, 2011.

8203 (3) (a) It is the further intent of the Legislature that a multicultural commission shall be  
8204 established in the Office of the Lieutenant Governor as part of this reorganization of  
8205 community and cultural responsibilities.

8206 (b) Members of the commission shall represent and reflect the growing diversity of the  
8207 various cultures within the state.

8208 (4) (a) It is the further intent of the Legislature that the governor appoint an interim  
8209 transitional executive director to the Department of Community and Culture for the purpose of  
8210 coordinating and directing the restructuring of the department and the transitioning of its  
8211 remaining divisions and functions by July 1, 2012.

8212 (b) The interim director shall involve stakeholders in the transition discussions and  
8213 meetings and solicit input as to the proper dispersion or restructuring of divisions, functions,  
8214 and programs and whether they should be kept at the state level or be channeled into local  
8215 government.

8216 (c) Stakeholder groups that shall be included in the discussions and meetings are:  
8217 (i) representatives from community and culture entities located throughout the state;  
8218 (ii) representatives of the arts, libraries, history, and museums; and  
8219 (iii) Indian tribal leaders.

8220 (5) The implementation of the restructuring and dispersion should be structured so that  
8221 the state experiences reduced administrative costs, increased government efficiencies, and the  
8222 redirection of resources from administrative functions of the Department of Community and  
8223 Culture to community and culture resource services in the state.

8224 (6) The interim director and other individuals identified by the governor may request  
8225 assistance from the agencies identified as recipients of the restructuring, and request assistance,  
8226 support, and involvement from local government, private business, and legislative staff in  
8227 making the transition.

8228 (7) (a) The interim director shall report to the Legislature's Workforce Services and  
8229 Community and Economic Development Interim Committee on or before July 20, 2011, and  
8230 October 19, 2011, and to the Legislative Management Committee no later than December 15,  
8231 2011, regarding the department's implementation of its restructuring and transition.

8232 (b) The report shall include the anticipated cost savings, stakeholder recommendations,  
8233 and statutory or rule changes required to implement the restructuring and transition.

8234 Section 212. **Repealer.**

8235 This bill repeals:

8236 Section **35A-3-309, Information regarding home ownership.**

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Legislative Review Note  
as of 2-11-11 11:44 AM

Office of Legislative Research and General Counsel