

1 **BOND ELECTION NOTIFICATION REVISIONS**

2 2010 GENERAL SESSION

3 STATE OF UTAH

4 **Chief Sponsor: Gregory H. Hughes**

5 Senate Sponsor: Daniel R. Liljenquist

6 Cosponsor: Sheryl L. Allen

7
8 **LONG TITLE**

9 **General Description:**

10 This bill modifies notice and ballot requirements for bond elections.

11 **Highlighted Provisions:**

12 This bill:

13 ▶ requires a voter information pamphlet to be prepared for certain bond elections and
14 mailed to all households containing a registered voter who is eligible to vote on the
15 bonds;

16 ▶ requires additional information to be provided in a voter information pamphlet
17 prepared for a bond election;

18 ▶ changes ballot notification requirements by:
19 • requiring additional information to be provided on the ballot;
20 • deleting a provision requiring the type of bond to be identified on the ballot; and
21 • deleting a provision requiring notification of payment sources if the bond is
22 payable from tax proceeds and operating revenues; and

23 ▶ makes technical changes.

24 **Monies Appropriated in this Bill:**

25 None

26 **Other Special Clauses:**

27 None



28 **Utah Code Sections Affected:**

29 AMENDS:

30 **11-14-202**, as last amended by Laws of Utah 2009, Chapter 388

31 **11-14-206**, as last amended by Laws of Utah 2007, Chapter 351



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

34 Section 1. Section **11-14-202** is amended to read:

35 **11-14-202. Notice of election -- Contents -- Publication -- Mailing.**

36 (1) The governing body shall ensure that notice of the election is ~~[published]~~ provided:

37 (a) (i) ~~[(A)]~~ once per week during three consecutive weeks by publication in a
38 newspaper ~~[designated]~~ having general circulation in the local political subdivision in
39 accordance with Section 11-14-316; and

40 ~~[(B)]~~ (ii) the first publication described in Subsection (1)(a)(i)~~[(A)]~~ occurs not less than
41 21 nor more than 35 days before the election; ~~[and]~~

42 ~~[(C)] in a newspaper having general circulation in the local political subdivision; and]~~

43 (b) on a website, if available, in accordance with Section 45-1-101 for three weeks~~[-];~~

44 and

45 (c) in a local political subdivision where there is no newspaper of general circulation,
46 by posting notice of the bond election in at least five public places in the local political
47 subdivision at least 21 days before the election.

48 (2) When the debt service on the bonds to be issued will increase the property tax
49 imposed upon the average value of a residence by an amount that is greater than or equal to \$15
50 per year, the governing body shall~~[-]~~ prepare and mail a voter information pamphlet:

51 (a) at least seven days but not more than 30 days before the bond election~~[-if the bond~~
52 ~~election is not held on the date of a regular primary election, a municipal primary election, a~~
53 ~~regular general election, or a municipal general election, either mail: (a) written notice of the~~
54 ~~bond election on a minimum three inch by five inch postcard to every household containing a~~
55 ~~registered voter who is eligible to vote on the bonds; or (b) a voter information pamphlet~~
56 ~~prepared by the governing body, if one is prepared;];~~

57 (b) to each household containing a registered voter who is eligible to vote on the
58 bonds; and

59 (c) that includes the information required by [~~Subsection~~] Subsections (3) and (4).

60 [~~(3)(a) Except as provided in Subsection (3)(b), notice of the bond election need not~~
61 ~~be posted.~~]

62 [~~(b)(i) In a local political subdivision where there is no newspaper of general~~
63 ~~circulation, the legislative body may require that notice of a bond election be given by posting~~
64 ~~in lieu of the publication requirements of Subsection (1)(a)(i).~~]

65 [~~(ii) When the governing body imposes a posting requirement, the governing body~~
66 ~~shall ensure that notice of the bond election is posted in at least five public places in the local~~
67 ~~political subdivision at least 21 days before the election.~~]

68 [~~(4) Any notice~~] (3) The notice and voter information pamphlet required by this
69 section shall include:

70 (a) the date and place of the election;

71 (b) the hours during which the polls will be open; and

72 (c) the title and text of the ballot proposition.

73 (4) The voter information pamphlet required by this section shall include:

74 (a) the information required by Subsection (3); and

75 (b) an explanation of the property tax impact, if any, of the issuance of the bonds,

76 which may be based on information the governing body determines to be useful, including:

77 (i) expected debt service on the bonds to be issued;

78 (ii) expected retirement of general obligation bonds;

79 (iii) funds other than property taxes available to pay debt service on general obligation
80 bonds;

81 (iv) timing of expenditures of bond proceeds;

82 (v) property values; and

83 (vi) any additional information that the governing body determines may be useful to
84 explain the property tax impact of issuance of the bonds.

85 (5) The governing body shall pay the costs associated with the notice required by this
86 section.

87 Section 2. Section **11-14-206** is amended to read:

88 **11-14-206. Ballots -- Submission of ballot language -- Form and contents.**

89 (1) At least 75 days before the election, the governing body shall prepare and submit to

90 the election officer:

91 (a) a ballot title for the bond proposition that includes the name of the local political
92 subdivision issuing the bonds and the word "bond" [~~or an identification of the type of bonds~~];
93 and

94 (b) a ballot proposition that meets the requirements of Subsection (2).

95 (2) (a) The ballot proposition shall include:

- 96 (i) the maximum principal amount of the bonds;
- 97 (ii) the maximum number of years from the issuance of the bonds to final maturity;
- 98 (iii) the general purpose for which the bonds are to be issued; and
- 99 (iv) if issuance of the bonds will require the increase of the property tax imposed upon

100 the average value of a residence by an amount that is greater than or equal to \$15 per year, the
101 following information in substantially the following form:

102 "NOTICE [~~OF PROPERTY TAX INCREASE DUE TO BOND ISSUANCE~~];
 103 [~~Passage of the proposition means that~~] If the bonds are issued, the annual property tax for the
 104 debt service on all of the (identify the issuer)'s bonds on a \$_____ (insert the average value of a
 105 residence in the taxing entity rounded to the nearest thousand dollars) residence [~~would~~
 106 increase.] (is not expected to change) or (is expected to increase/decrease \$_____ [per
 107 year]) [~~The tax on a (insert the value of a] and on a business property having the same value~~
 108 [~~as the average value of a residence in the taxing entity) business would] (is not expected to~~
 109 change) or (is expected to increase/decrease by an average of \$_____ [per year]).["]

110 If the bonds are not issued, (identify the issuer) will not be required to levy an annual
 111 property tax to pay debt service on the bonds in the estimated amount of \$_____ over a period of
 112 _____ years on a (insert the average value of a residence in the taxing entity rounded to the
 113 nearest thousand dollars) residence and in the estimated amount of \$_____ over a period of
 114 years on a business property having the same value.

115 The foregoing information is only an estimate and is not a limit on the amount of taxes
 116 that the governing body may be required to levy in order to pay debt service on the bonds. The
 117 governing body is obligated to levy taxes to the extent provided by law in order to pay the
 118 bonds."

119 (b) The governing body may include additional information on the ballot, including:

- 120 (i) expected debt service on the bonds to be issued;

- 121 (ii) expected retirement of general obligation bonds;
- 122 (iii) funds other than property taxes available to pay debt service on general obligation
- 123 bonds;
- 124 (iv) timing of expenditures of bond proceeds;
- 125 (v) property values; and
- 126 (vi) any additional information that the governing body determines may be useful to
- 127 explain the property tax impact of issuance of the bonds.

128 ~~(b)~~ (c) The purpose of the bonds may be stated in general terms and need not specify
 129 the particular projects for which the bonds are to be issued or the specific amount of bond
 130 proceeds to be expended for each project.

131 ~~(e)~~ (d) If the bonds are to be payable in part from tax proceeds and in part from the
 132 operating revenues of the local political subdivision, or from any combination of tax proceeds
 133 and operating revenues, the bond proposition ~~shall~~ may indicate those payment sources, but
 134 need not specify how the bonds are to be divided between those sources of payment.

135 ~~(d)~~ (e) (i) The bond proposition shall be followed by the words, "For the issuance of
 136 bonds" and "Against the issuance of bonds," with appropriate boxes in which the voter may
 137 indicate his choice.

138 (ii) Nothing in Subsection (2)~~(d)(i)~~(e)(i) prohibits the addition of descriptive
 139 information about the bonds.

140 (3) If a bond proposition is submitted to a vote on the same day as any other election
 141 held in the local political subdivision calling the bond election, the bond proposition may be
 142 combined with the candidate ballot in a manner consistent with Section 20A-6-301,
 143 20A-6-303, or 20A-6-402.

144 (4) The ballot form shall comply with the requirements of Title 20A, Chapter 6, Ballot
 145 Form.

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Office of Legislative Research and General Counsel