

30 None

31 **Other Special Clauses:**

32 None

33 **Utah Code Sections Affected:**

34 AMENDS:

35 **11-13-203**, as last amended by Laws of Utah 2015, Chapter 265

36 **17B-1-103**, as last amended by Laws of Utah 2014, Chapter 377

37 **17B-1-641**, as last amended by Laws of Utah 2017, Chapter 11

38 **17D-1-103**, as last amended by Laws of Utah 2014, Chapter 357

39 **17D-2-103**, as enacted by Laws of Utah 2008, Chapter 360

40 **17D-3-103**, as enacted by Laws of Utah 2008, Chapter 360

41 **26A-1-108**, as last amended by Laws of Utah 2002, Chapter 249

42 **35A-8-402**, as renumbered and amended by Laws of Utah 2012, Chapter 212

43 **51-2a-201.5**, as last amended by Laws of Utah 2017, Chapter 11

44 **51-2a-401**, as enacted by Laws of Utah 2004, Chapter 206

45 **53G-3-202**, as renumbered and amended by Laws of Utah 2018, Chapter 3

46 **53G-5-404**, as renumbered and amended by Laws of Utah 2018, Chapter 3

47 **62A-3-104.1**, as last amended by Laws of Utah 2012, Chapter 347

48 **63G-2-502**, as last amended by Laws of Utah 2017, Chapter 11

49 **67-3-1**, as last amended by Laws of Utah 2017, Chapter 11

50 **67-3-3**, Utah Code Annotated 1953

51 **67-4-1**, as last amended by Laws of Utah 2017, Chapter 11

52 ENACTS:

53 **10-1-204**, Utah Code Annotated 1953

54 **11-13a-105**, Utah Code Annotated 1953

55 **17-15-31**, Utah Code Annotated 1953

56 **17-43-205**, Utah Code Annotated 1953

57 **17-43-310**, Utah Code Annotated 1953

58 [17C-1-608](#), Utah Code Annotated 1953
 59 [63E-1-103](#), Utah Code Annotated 1953
 60 [67-1a-15](#), Utah Code Annotated 1953



61
 62 *Be it enacted by the Legislature of the state of Utah:*

63 Section 1. Section **10-1-204** is enacted to read:

64 **10-1-204. Registration as a local government entity.**

65 (1) Each municipality shall register and maintain the municipality's registration as a
 66 local government entity, in accordance with Section [67-1a-15](#).

67 (2) A municipality that fails to comply with Subsection (1) or Section [67-1a-15](#) is
 68 subject to enforcement by the state auditor, in accordance with Section [67-3-1](#).

69 Section 2. Section **11-13-203** is amended to read:

70 **11-13-203. Interlocal entities -- Agreement to approve the creation of an**
 71 **interlocal entity -- Electric interlocal entity or energy services interlocal entity --**
 72 **Registration as a limited purpose entity.**

73 (1) An interlocal entity is:

- 74 (a) separate from the public agencies that create it;
- 75 (b) a body politic and corporate; and
- 76 (c) a political subdivision of the state.

77 (2) (a) Any two or more Utah public agencies may enter into an agreement to approve
 78 the creation of a Utah interlocal entity to accomplish the purpose of their joint or cooperative
 79 action, including undertaking and financing a facility or improvement to provide the service
 80 contemplated by that agreement.

81 (b) The creation, operation, governance, and fiscal procedures of an interlocal entity
 82 and its governing authority are governed by this chapter and are not subject to the statutes
 83 applicable to its members or other entities.

84 (3) (a) A Utah public agency and one or more public agencies may enter into an
 85 agreement to approve the creation of an electric interlocal entity to accomplish the purpose of

86 their joint or cooperative action if that purpose is to participate in the undertaking or financing
87 of:

- 88 (i) facilities to provide additional project capacity;
- 89 (ii) common facilities under Title 54, Chapter 9, Electric Power Facilities Act; or
- 90 (iii) electric generation or transmission facilities.

91 (b) By agreement with one or more public agencies that are not parties to the
92 agreement creating it, a Utah interlocal entity may be reorganized as an electric interlocal entity
93 if:

- 94 (i) the public agencies that are parties to the agreement creating the Utah interlocal
95 entity authorize, in the same manner required to amend the agreement creating the Utah
96 interlocal entity, the Utah interlocal entity to be reorganized as an electric interlocal entity; and
- 97 (ii) the purpose of the joint or cooperative action to be accomplished by the electric
98 interlocal entity meets the requirements of Subsection (3)(a).

99 (4) (a) Two or more Utah public agencies may enter into an agreement with one
100 another or with one or more public agencies to approve the creation of an energy services
101 interlocal entity to accomplish the purposes of their joint and cooperative action with respect to
102 facilities, services, and improvements necessary or desirable with respect to the acquisition,
103 generation, transmission, management, and distribution of electric energy for the use and
104 benefit of the public agencies that enter into the agreement.

105 (b) (i) A Utah interlocal entity that was created to facilitate the transmission or supply
106 of electric power may, by resolution adopted by its governing board, elect to become an energy
107 services interlocal entity.

108 (ii) Notwithstanding Subsection (4)(b)(i), a Utah interlocal entity that is also a project
109 entity may not elect to become an energy services interlocal entity.

110 (iii) An election under Subsection (4)(b)(i) does not alter, limit, or affect the validity or
111 enforceability of a previously executed contract, agreement, bond, or other obligation of the
112 Utah interlocal entity making the election.

113 (5) (a) Each interlocal entity shall register and maintain the interlocal entity's

114 registration as a limited purpose entity, in accordance with Section 67-1a-15.

115 (b) An interlocal entity that fails to comply with Subsection (5)(a) or Section 67-1a-15
116 is subject to enforcement by the state auditor, in accordance with Section 67-3-1.

117 Section 3. Section 11-13a-105 is enacted to read:

118 **11-13a-105. Registration as a limited purpose entity.**

119 (1) Each governmental nonprofit corporation shall register and maintain the
120 governmental nonprofit corporation's registration as a limited purpose entity, in accordance
121 with Section 67-1a-15.

122 (2) A governmental nonprofit corporation that fails to comply with Subsection (1) or
123 Section 67-1a-15 is subject to enforcement by the state auditor, in accordance with Section
124 67-3-1.

125 Section 4. Section 17-15-31 is enacted to read:

126 **17-15-31. Registration as a local government entity.**

127 (1) Each county shall register and maintain the county's registration as a local
128 government entity, in accordance with Section 67-1a-15.

129 (2) A county that fails to comply with Subsection (1) or Section 67-1a-15 is subject to
130 enforcement by the state auditor, in accordance with Section 67-3-1.

131 Section 5. Section 17-43-205 is enacted to read:

132 **17-43-205. Registration as a limited purpose entity.**

133 (1) Each local substance abuse authority shall register and maintain the authority's
134 registration as a limited purpose entity, in accordance with Section 67-1a-15.

135 (2) A local substance abuse authority that fails to comply with Subsection (1) or
136 Section 67-1a-15 is subject to enforcement by the state auditor, in accordance with Section
137 67-3-1.

138 Section 6. Section 17-43-310 is enacted to read:

139 **17-43-310. Registration as a limited purpose entity.**

140 (1) Each local mental health authority shall register and maintain the authority's
141 registration as a limited purpose entity, in accordance with Section 67-1a-15.

142 (2) A local mental health authority that fails to comply with Subsection (1) or Section
143 67-1a-15 is subject to enforcement by the state auditor, in accordance with Section 67-3-1.

144 Section 7. Section **17B-1-103** is amended to read:

145 **17B-1-103. Local district status and powers -- Registration as a limited purpose**
146 **entity.**

147 (1) A local district:

148 (a) is:

149 (i) a body corporate and politic with perpetual succession;

150 (ii) a quasi-municipal corporation; and

151 (iii) a political subdivision of the state; and

152 (b) may sue and be sued.

153 (2) A local district may:

154 (a) acquire, by any lawful means, or lease any real property, personal property, or a
155 groundwater right necessary or convenient to the full exercise of the district's powers;

156 (b) acquire, by any lawful means, any interest in real property, personal property, or a
157 groundwater right necessary or convenient to the full exercise of the district's powers;

158 (c) transfer an interest in or dispose of any property or interest described in Subsections
159 (2)(a) and (b);

160 (d) acquire or construct works, facilities, and improvements necessary or convenient to
161 the full exercise of the district's powers, and operate, control, maintain, and use those works,
162 facilities, and improvements;

163 (e) borrow money and incur indebtedness for any lawful district purpose;

164 (f) issue bonds, including refunding bonds:

165 (i) for any lawful district purpose; and

166 (ii) as provided in and subject to Part 11, Local District Bonds;

167 (g) levy and collect property taxes:

168 (i) for any lawful district purpose or expenditure, including to cover a deficit resulting
169 from tax delinquencies in a preceding year; and

- 170 (ii) as provided in and subject to Part 10, Local District Property Tax Levy;
- 171 (h) as provided in Title 78B, Chapter 6, Part 5, Eminent Domain, acquire by eminent
- 172 domain property necessary to the exercise of the district's powers;
- 173 (i) invest money as provided in Title 51, Chapter 7, State Money Management Act;
- 174 (j) (i) impose fees or other charges for commodities, services, or facilities provided by
- 175 the district, to pay some or all of the district's costs of providing the commodities, services, and
- 176 facilities, including the costs of:
 - 177 (A) maintaining and operating the district;
 - 178 (B) acquiring, purchasing, constructing, improving, or enlarging district facilities;
 - 179 (C) issuing bonds and paying debt service on district bonds; and
 - 180 (D) providing a reserve established by the board of trustees; and
- 181 (ii) take action the board of trustees considers appropriate and adopt regulations to
- 182 assure the collection of all fees and charges that the district imposes;
- 183 (k) if applicable, charge and collect a fee to pay for the cost of connecting a customer's
- 184 property to district facilities in order for the district to provide service to the property;
- 185 (l) enter into a contract that the local district board of trustees considers necessary,
- 186 convenient, or desirable to carry out the district's purposes, including a contract:
 - 187 (i) with the United States or any department or agency of the United States;
 - 188 (ii) to indemnify and save harmless; or
 - 189 (iii) to do any act to exercise district powers;
- 190 (m) purchase supplies, equipment, and materials;
- 191 (n) encumber district property upon terms and conditions that the board of trustees
- 192 considers appropriate;
- 193 (o) exercise other powers and perform other functions that are provided by law;
- 194 (p) construct and maintain works and establish and maintain facilities, including works
- 195 or facilities:
 - 196 (i) across or along any public street or highway, subject to Subsection (3) and if the
 - 197 district:

198 (A) promptly restores the street or highway, as much as practicable, to its former state
199 of usefulness; and

200 (B) does not use the street or highway in a manner that completely or unnecessarily
201 impairs the usefulness of it;

202 (ii) in, upon, or over any vacant public lands that are or become the property of the
203 state, including school and institutional trust lands, as defined in Section 53C-1-103, if the
204 director of the School and Institutional Trust Lands Administration, acting under Sections
205 53C-1-102 and 53C-1-303, consents; or

206 (iii) across any stream of water or watercourse, subject to Section 73-3-29;

207 (q) perform any act or exercise any power reasonably necessary for the efficient
208 operation of the local district in carrying out its purposes;

209 (r) (i) except for a local district described in Subsection (2)(r)(ii), designate an
210 assessment area and levy an assessment on land within the assessment area, as provided in
211 Title 11, Chapter 42, Assessment Area Act; or

212 (ii) for a local district created to assess a groundwater right in a critical management
213 area described in Subsection 17B-1-202(1), designate an assessment area and levy an
214 assessment, as provided in Title 11, Chapter 42, Assessment Area Act, on a groundwater right
215 to facilitate a groundwater management plan;

216 (s) contract with another political subdivision of the state to allow the other political
217 subdivision to use the district's surplus water or capacity or have an ownership interest in the
218 district's works or facilities, upon the terms and for the consideration, whether monetary or
219 nonmonetary consideration or no consideration, that the district's board of trustees considers to
220 be in the best interests of the district and the public;

221 (t) upon the terms and for the consideration, whether monetary or nonmonetary
222 consideration or no consideration, that the district's board of trustees considers to be in the best
223 interests of the district and the public, agree:

224 (i) (A) with[:(~~A~~)] another political subdivision of the state; or

225 (B) with a public or private owner of property[:(~~F~~)] on which the district has a

226 right-of-way[;] or [~~(H)~~] adjacent to which the district owns fee title to property; and
227 (ii) to allow the use of property:
228 (A) owned by the district; or
229 (B) on which the district has a right-of-way; and
230 (u) if the local district receives, as determined by the local district board of trustees,
231 adequate monetary or nonmonetary consideration in return:
232 (i) provide services or nonmonetary assistance to a nonprofit entity;
233 (ii) waive fees required to be paid by a nonprofit entity; or
234 (iii) provide monetary assistance to a nonprofit entity, whether from the local district's
235 own funds or from funds the local district receives from the state or any other source.
236 (3) With respect to a local district's use of a street or highway, as provided in
237 Subsection (2)(p)(i):
238 (a) the district shall comply with the reasonable rules and regulations of the
239 governmental entity, whether state, county, or municipal, with jurisdiction over the street or
240 highway, concerning:
241 (i) an excavation and the refilling of an excavation;
242 (ii) the relaying of pavement; and
243 (iii) the protection of the public during a construction period; and
244 (b) the governmental entity, whether state, county, or municipal, with jurisdiction over
245 the street or highway:
246 (i) may not require the district to pay a license or permit fee or file a bond; and
247 (ii) may require the district to pay a reasonable inspection fee.
248 (4) (a) A local district may:
249 (i) acquire, lease, or construct and operate electrical generation, transmission, and
250 distribution facilities, if:
251 (A) the purpose of the facilities is to harness energy that results inherently from the
252 district's[~~:(H)~~] operation of a project or facilities that the district is authorized to operate[;] or
253 [~~(H)~~] from the district providing a service that the district is authorized to provide;

254 (B) the generation of electricity from the facilities is incidental to the primary
255 operations of the district; and

256 (C) operation of the facilities will not hinder or interfere with the primary operations of
257 the district;

258 (ii) (A) use electricity generated by the facilities; or

259 (B) subject to Subsection (4)(b), sell electricity generated by the facilities to an electric
260 utility or municipality with an existing system for distributing electricity.

261 (b) A district may not act as a retail distributor or seller of electricity.

262 (c) Revenue that a district receives from the sale of electricity from electrical
263 generation facilities it owns or operates under this section may be used for any lawful district
264 purpose, including the payment of bonds issued to pay some or all of the cost of acquiring or
265 constructing the facilities.

266 (5) A local district may adopt and, after adoption, alter a corporate seal.

267 (6) (a) Each local district shall register and maintain the local district's registration as a
268 limited purpose entity, in accordance with Section 67-1a-15.

269 (b) A local district that fails to comply with Subsection (6)(a) or Section 67-1a-15 is
270 subject to enforcement by the state auditor, in accordance with Section 67-3-1.

271 ~~[(6)]~~ (7) (a) As used in this Subsection ~~[(6)]~~ (7), "knife" means a cutting instrument
272 that includes a sharpened or pointed blade.

273 (b) The authority to regulate a knife is reserved to the state except where the
274 Legislature specifically delegates responsibility to a local district.

275 (c) Unless specifically authorized by the Legislature by statute, a local district may not
276 adopt or enforce a regulation or rule pertaining to a knife.

277 Section 8. Section **17B-1-641** is amended to read:

278 **17B-1-641. Local district may expand uniform procedures -- Limitation.**

279 (1) Subject to Subsection (2), a local district may expand the uniform accounting,
280 budgeting, and reporting procedure prescribed in the Uniform Accounting Manual for Local
281 Districts prepared by the state auditor under Subsection ~~67-3-1[(15)]~~(16), to better serve the

282 needs of the district.

283 (2) A local district may not deviate from or alter the basic prescribed classification
284 systems for the identity of funds and accounts set forth in the Uniform Accounting Manual for
285 Local Districts.

286 Section 9. Section **17C-1-608** is enacted to read:

287 **17C-1-608. Registration as a limited purpose entity.**

288 (1) Each community reinvestment agency shall register and maintain the community
289 reinvestment agency's registration as a limited purpose entity, in accordance with Section
290 67-1a-15.

291 (2) A community reinvestment agency that fails to comply with Subsection (1) or
292 Section 67-1a-15 is subject to enforcement by the state auditor, in accordance with Section
293 67-3-1.

294 Section 10. Section **17D-1-103** is amended to read:

295 **17D-1-103. Special service district status, powers, and duties -- Registration as a**
296 **limited purpose entity -- Limitation on districts providing jail service.**

297 (1) A special service district:

298 (a) is:

299 (i) a body corporate and politic with perpetual succession, separate and distinct from
300 the county or municipality that creates it;

301 (ii) a quasi-municipal corporation; and

302 (iii) a political subdivision of the state; and

303 (b) may sue and be sued.

304 (2) A special service district may:

305 (a) exercise the power of eminent domain possessed by the county or municipality that
306 creates the special service district;

307 (b) enter into a contract that the governing authority considers desirable to carry out
308 special service district functions, including a contract:

309 (i) with the United States or an agency of the United States, the state, an institution of

310 higher education, a county, a municipality, a school district, a local district, another special
311 service district, or any other political subdivision of the state; or

312 (ii) that includes provisions concerning the use, operation, and maintenance of special
313 service district facilities and the collection of fees or charges with respect to commodities,
314 services, or facilities that the district provides;

315 (c) acquire or construct facilities;

316 (d) acquire real or personal property, or an interest in real or personal property,
317 including water and water rights, whether by purchase, lease, gift, devise, bequest, or
318 otherwise, and whether the property is located inside or outside the special service district, and
319 own, hold, improve, use, finance, or otherwise deal in and with the property or property right;

320 (e) sell, convey, lease, exchange, transfer, or otherwise dispose of all or any part of the
321 special service district's property or assets, including water and water rights;

322 (f) mortgage, pledge, or otherwise encumber all or any part of the special service
323 district's property or assets, including water and water rights;

324 (g) enter into a contract with respect to the use, operation, or maintenance of all or any
325 part of the special service district's property or assets, including water and water rights;

326 (h) accept a government grant or loan and comply with the conditions of the grant or
327 loan;

328 (i) use an officer, employee, property, equipment, office, or facility of the county or
329 municipality that created the special service district, subject to reimbursement as provided in
330 Subsection (3);

331 (j) employ one or more officers, employees, or agents, including one or more
332 engineers, accountants, attorneys, or financial consultants, and establish their compensation;

333 (k) designate an assessment area and levy an assessment as provided in Title 11,
334 Chapter 42, Assessment Area Act;

335 (l) contract with a franchised, certificated public utility for the construction and
336 operation of an electrical service distribution system within the special service district;

337 (m) borrow money and incur indebtedness;

338 (n) as provided in Part 5, Special Service District Bonds, issue bonds for the purpose of
339 acquiring, constructing, and equipping any of the facilities required for the services the special
340 service district is authorized to provide, including:

341 (i) bonds payable in whole or in part from taxes levied on the taxable property in the
342 special service district;

343 (ii) bonds payable from revenues derived from the operation of revenue-producing
344 facilities of the special service district;

345 (iii) bonds payable from both taxes and revenues;

346 (iv) guaranteed bonds, payable in whole or in part from taxes levied on the taxable
347 property in the special service district;

348 (v) tax anticipation notes;

349 (vi) bond anticipation notes;

350 (vii) refunding bonds;

351 (viii) special assessment bonds; and

352 (ix) bonds payable in whole or in part from mineral lease payments as provided in
353 Section [11-14-308](#);

354 (o) except as provided in Subsection [~~(4)~~] [\(5\)](#), impose fees or charges or both for
355 commodities, services, or facilities that the special service district provides;

356 (p) provide to an area outside the special service district's boundary, whether inside or
357 outside the state, a service that the special service district is authorized to provide within its
358 boundary, if the governing body makes a finding that there is a public benefit to providing the
359 service to the area outside the special service district's boundary;

360 (q) provide other services that the governing body determines will more effectively
361 carry out the purposes of the special service district; and

362 (r) adopt an official seal for the special service district.

363 (3) (a) Each special service district shall register and maintain the special service
364 district's registration as a limited purpose entity, in accordance with Section [67-1a-15](#).

365 (b) A special service district that fails to comply with Subsection (3)(a) or Section

366 67-1a-15 is subject to enforcement by the state auditor, in accordance with Section 67-3-1.

367 ~~[(3)]~~ (4) Each special service district that uses an officer, employee, property,
368 equipment, office, or facility of the county or municipality that created the special service
369 district shall reimburse the county or municipality a reasonable amount for what the special
370 service district uses.

371 ~~[(4)]~~ (5) (a) A special service district that provides jail service as provided in
372 Subsection 17D-1-201(10) may not impose a fee or charge for the service it provides.

373 (b) Subsection ~~[(4)]~~ (5)(a) may not be construed to limit a special service district that
374 provides jail service from:

375 (i) entering into a contract with the federal government, the state, or a political
376 subdivision of the state to provide jail service for compensation; or

377 (ii) receiving compensation for jail service it provides under a contract described in
378 Subsection ~~[(4)]~~ (5)(b)(i).

379 Section 11. Section **17D-2-103** is amended to read:

380 **17D-2-103. Status and authority of a local building authority -- Registration as a**
381 **limited purpose entity.**

382 (1) A local building authority:

383 ~~[(1)]~~ (a) is a public entity and an instrumentality of the state, created by a local entity
384 solely for the purpose of constructing, acquiring, improving, or extending, and financing the
385 costs of, one or more projects on behalf of the local entity;

386 ~~[(2)]~~ (b) shall be known as the "Local Building Authority of (name of the creating local
387 entity)"; and

388 ~~[(3)]~~ (c) may:

389 ~~[(a)]~~ (i) as provided in this chapter, construct, acquire, improve, or extend, and finance
390 the costs of, one or more projects on behalf of the creating local entity, in order to accomplish
391 the public purposes for which the creating local entity exists; and

392 ~~[(b)]~~ (ii) as provided in Part 5, Local Building Authority Bonds, issue and sell its bonds
393 for the purpose of paying the costs of constructing, acquiring, improving, or extending a

394 project.

395 (2) (a) Each local building authority shall register and maintain the local building
396 authority's registration as a limited purpose entity, in accordance with Section 67-1a-15.

397 (b) A local building authority that fails to comply with Subsection (2)(a) or Section
398 67-1a-15 is subject to enforcement by the state auditor, in accordance with Section 67-3-1.

399 Section 12. Section 17D-3-103 is amended to read:

400 **17D-3-103. Conservation district status, authority, and duties -- Registration as a**
401 **limited purpose entity.**

402 (1) A conservation district created under this chapter:

403 (a) is a body corporate and politic;

404 (b) is a political subdivision of the state; and

405 (c) may sue and be sued.

406 (2) (a) A conservation district may:

407 (i) survey, investigate, and research soil erosion, floodwater, nonpoint source water
408 pollution, flood control, water pollution, sediment damage, and watershed development;

409 (ii) subject to Subsection (2)(b), devise and implement on state or private land a
410 measure to prevent soil erosion, floodwater or sediment damage, nonpoint source water
411 pollution, or other degradation of a watershed or of property affecting a watershed;

412 (iii) subject to Subsection (2)(b), devise and implement a measure to conserve,
413 develop, utilize, or dispose of water on state or private land;

414 (iv) construct, improve, operate, and maintain a structure that the board of supervisors
415 considers necessary or convenient for the conservation district to carry out its purposes under
416 this chapter;

417 (v) acquire property, real or personal, by purchase or otherwise, and maintain, improve,
418 and administer that property consistent with the purposes of this chapter;

419 (vi) enter into a contract in the name of the conservation district;

420 (vii) receive money from:

421 (A) a federal or state agency;

422 (B) a county, municipality, or other political subdivision of the state; or
423 (C) a private source;
424 (viii) subject to Subsection (2)(c), make recommendations governing land use within
425 the conservation district, including:
426 (A) the observance of particular methods of cultivation;
427 (B) the use of specific crop programs and tillage practices;
428 (C) the avoidance of tilling and cultivating highly erosive areas where erosion may not
429 be adequately controlled if cultivated;
430 (D) the construction of terraces, terrace outlets, check dams, dikes, ponds, or other
431 structures; and
432 (E) the development or restoration, or both, of range or forest lands or other natural
433 resources, whether in private, state, or federal ownership;
434 (ix) make recommendations for county and municipal land use authorities within the
435 conservation district to consider with respect to land use applications and other development
436 proposals;
437 (x) employ clerical and other staff personnel, including legal staff, subject to available
438 funds; and
439 (xi) perform any other act that the board of supervisors considers necessary or
440 convenient for the efficient and effective administration of the conservation district.
441 (b) A conservation district's authority under Subsections (2)(a)(ii) and (iii) is subject to
442 the consent of:
443 (i) the land occupier; and
444 (ii) in the case of school and institutional trust lands, as defined in Section [53C-1-103](#),
445 the director of the School and Institutional Trust Lands Administration, in accordance with
446 Sections [53C-1-102](#) and [53C-1-303](#).
447 (c) (i) Each recommendation under Subsection (2)(a)(viii) shall be uniform throughout
448 the conservation district or, if the board of supervisors classifies land under Subsection
449 (2)(c)(ii), throughout each land classification.

450 (ii) The board of supervisors may uniformly classify land within the conservation
451 district with respect to soil type, degree of slope, degree of threatened or existing erosion,
452 cropping and tillage practices in use, or other relevant factors.

453 (3) (a) Each conservation district shall annually submit to the commission, no later
454 than the date that the commission prescribes:

455 (i) a copy of the minutes of each conservation district meeting;

456 (ii) a copy of the conservation district's annual work plan; and

457 (iii) an accounting of the conservation district's financial affairs, as provided in
458 Subsection (3)(b).

459 (b) The accounting required under Subsection (3)(a)(iii) shall:

460 (i) be prepared by a disinterested person; and

461 (ii) show the conservation district's debits and credits, including accounts payable and
462 accounts receivable, the purpose of each debit, the source of each credit, and the actual cash
463 balance on hand.

464 (4) (a) Each conservation district shall register and maintain the conservation district's
465 registration as a limited purpose entity, in accordance with Section [67-1a-15](#).

466 (b) A conservation district that fails to comply with Subsection (4)(a) or Section
467 [67-1a-15](#) is subject to enforcement by the state auditor, in accordance with Section [67-3-1](#).

468 Section 13. Section **26A-1-108** is amended to read:

469 **26A-1-108. Jurisdiction and duties of local health departments -- Registration as**
470 **a limited purpose entity.**

471 (1) A local health department has jurisdiction in all unincorporated and incorporated
472 areas of the county or counties in which it is established and shall enforce state health laws,
473 Department of Health, Department of Environmental Quality, and local health department
474 rules, regulations, and standards within those areas.

475 (2) (a) Each local health department shall register and maintain the local health
476 department's registration as a limited purpose entity, in accordance with Section [67-1a-15](#).

477 (b) A local health department that fails to comply with Subsection (2)(a) or Section

478 67-1a-15 is subject to enforcement by the state auditor, in accordance with Section 67-3-1.

479 Section 14. Section **35A-8-402** is amended to read:

480 **35A-8-402. Creation of housing authority authorized -- Procedure -- Registration**
481 **as a limited purpose entity.**

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

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

486 (a) on its own motion; or

487 (b) upon the filing of a petition signed by 25 electors of the city or county asserting that
488 there is need for an authority to function in the city or county and requesting that its governing
489 body make a declaration to that effect.

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

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

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

496 (4) (a) In any suit, action, or proceeding involving the validity or enforcement of a
497 contract of the authority, an authority shall be conclusively deemed to have become established
498 and authorized to transact business and exercise its powers upon proof of the adoption of the
499 resolution prescribed in Subsection (3).

500 (b) A copy of the resolution duly certified by the clerk shall be admissible in evidence
501 in a suit, action, or proceeding.

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

506 (6) (a) Each housing authority shall register and maintain the housing authority's
507 registration as a limited purpose entity, in accordance with Section 67-1a-15.

508 (b) A housing authority that fails to comply with Subsection (6)(a) or Section 67-1a-15
509 is subject to enforcement by the state auditor, in accordance with Section 67-3-1.

510 Section 15. Section **51-2a-201.5** is amended to read:

511 **51-2a-201.5. Accounting reports required -- Reporting to state auditor --**
512 **Registration as a limited purpose entity.**

513 (1) As used in this section:

514 (a) (i) "Federal pass through money" means federal money received by a nonprofit
515 corporation through a subaward or contract from the state or a political subdivision.

516 (ii) "Federal pass through money" does not include federal money received by a
517 nonprofit corporation as payment for goods or services purchased by the state or political
518 subdivision from the nonprofit corporation.

519 (b) (i) "Local money" means money that is owned, held, or administered by a political
520 subdivision of the state that is derived from fee or tax revenues.

521 (ii) "Local money" does not include:

522 (A) money received by a nonprofit corporation as payment for goods or services
523 purchased from the nonprofit corporation; or

524 (B) contributions or donations received by the political subdivision.

525 (c) (i) "State money" means money that is owned, held, or administered by a state
526 agency and derived from state fee or tax revenues.

527 (ii) "State money" does not include:

528 (A) money received by a nonprofit corporation as payment for goods or services
529 purchased from the nonprofit corporation; or

530 (B) contributions or donations received by the state agency.

531 (2) (a) The governing board of a nonprofit corporation whose revenues or expenditures
532 of federal pass through money, state money, and local money is \$1,000,000 or more shall cause
533 an audit to be made of its accounts by an independent certified public accountant.

534 (b) The governing board of a nonprofit corporation whose revenues or expenditures of
535 federal pass through money, state money, and local money is at least \$350,000 but less than
536 \$1,000,000 shall cause a review to be made of its accounts by an independent certified public
537 accountant.

538 (c) The governing board of a nonprofit corporation whose revenues or expenditures of
539 federal pass through money, state money, and local money is at least \$100,000 but less than
540 \$350,000 shall cause a compilation to be made of its accounts by an independent certified
541 public accountant.

542 (d) The governing board of a nonprofit corporation whose revenues or expenditures of
543 federal pass through money, state money, and local money is less than \$100,000 but greater
544 than \$25,000 shall cause a fiscal report to be made in a format prescribed by the state auditor.

545 (3) A nonprofit corporation described in [~~Subsection~~] Section 51-2a-102[(6)(f)] shall
546 provide the state auditor a copy of an accounting report prepared under this section within six
547 months of the end of the nonprofit corporation's fiscal year.

548 (4) (a) A state agency that disburses federal pass through money or state money to a
549 nonprofit corporation shall enter into a written agreement with the nonprofit corporation that
550 requires the nonprofit corporation to annually disclose whether:

551 (i) the nonprofit corporation met or exceeded the dollar amounts listed in Subsection
552 (2) in the previous fiscal year of the nonprofit corporation; or

553 (ii) the nonprofit corporation anticipates meeting or exceeding the dollar amounts listed
554 in Subsection (2) in the fiscal year the money is disbursed.

555 (b) If the nonprofit corporation discloses to the state agency that the nonprofit
556 corporation meets or exceeds the dollar amounts as described in Subsection (4)(a), the state
557 agency shall notify the state auditor.

558 (5) This section does not apply to a nonprofit corporation that is a charter school
559 created under Title 53A, Chapter 1a, Part 5, The Utah Charter Schools Act. A charter school is
560 subject to the requirements of Section 53A-1a-507.

561 (6) A nonprofit corporation is exempt from Section 51-2a-201.

562 (7) (a) Each nonprofit corporation that receives an amount of money requiring an
563 accounting report under this section shall register and maintain the nonprofit corporation's
564 registration as a limited purpose entity, in accordance with Section 67-1a-15.

565 (b) A nonprofit corporation described in Subsection (7)(a) that fails to comply with
566 Subsection (7)(a) or Section 67-1a-15 is subject to enforcement by the state auditor, in
567 accordance with Section 67-3-1.

568 Section 16. Section **51-2a-401** is amended to read:

569 **51-2a-401. Prohibiting access to and withholding funds from an entity that does**
570 **not comply with the accounting report requirements.**

571 (1) If a political subdivision, interlocal organization, or other local entity does not
572 comply with the accounting report requirements of Section 51-2a-201, the state auditor may:

573 (a) withhold allocated state funds to pay the cost of the accounting report, in
574 accordance with Subsection (2); or

575 (b) prohibit financial access, in accordance with Subsection (3).

576 ~~[(1) The]~~ (2) (a) If the state auditor does not prohibit financial access in accordance
577 with Subsection (3), the state auditor [shall] may withhold allocated state funds sufficient to
578 pay the cost of the accounting report from any [political subdivision, interlocal organization, or
579 other local entity that does not comply with the accounting report requirements of Section
580 51-2a-201] local entity described in Subsection (1).

581 ~~[(2)-(a)]~~ (b) If no allocated state funds are available for withholding, the local entity
582 shall reimburse the state auditor for any cost incurred in completing the accounting reports
583 required under Section 51-2a-402.

584 ~~[(b)]~~ (c) The state auditor shall release the withheld funds [when] if the local entity
585 meets the accounting report requirements [are met] either voluntarily or by action under
586 Section 51-2a-402.

587 (3) (a) If the state auditor does not withhold funds in accordance with Subsection (2),
588 the state auditor may prohibit any local entity described in Subsection (1) from accessing:

589 (i) money held by the state; and

590 (ii) money held in an account of a financial institution by:
591 (A) contacting the entity's financial institution and requesting that the institution
592 prohibit access to the account; or
593 (B) filing an action in district court requesting an order of the court to prohibit a
594 financial institution from providing the entity access to the account.

595 (b) The state auditor shall remove the prohibition on accessing funds described in
596 Subsection (3)(a) if the local entity meets the accounting report requirements either voluntarily
597 or by action under Section [51-2a-402](#).

598 Section 17. Section **53G-3-202** is amended to read:

599 **53G-3-202. School districts independent of municipal and county governments --**
600 **School district name -- Control of property.**

601 (1) (a) Each school district shall be controlled by its board of education and shall be
602 independent of municipal and county governments.

603 (b) The name of each school district created after May 1, 2000 shall comply with
604 Subsection [17-50-103](#)(2)(a).

605 (2) The local school board shall have direction and control of all school property in the
606 district.

607 (3) (a) Each school district shall register and maintain the school district's registration
608 as a limited purpose entity, in accordance with Section [67-1a-15](#).

609 (b) A school district that fails to comply with Subsection (3)(a) or Section [67-1a-15](#) is
610 subject to enforcement by the state auditor, in accordance with Section [67-3-1](#).

611 Section 18. Section **53G-5-404** is amended to read:

612 **53G-5-404. Requirements for charter schools.**

613 (1) A charter school shall be nonsectarian in its programs, admission policies,
614 employment practices, and operations.

615 (2) A charter school may not charge tuition or fees, except those fees normally charged
616 by other public schools.

617 (3) A charter school shall meet all applicable federal, state, and local health, safety, and

618 civil rights requirements.

619 (4) (a) A charter school shall make the same annual reports required of other public
620 schools under this public education code, including an annual financial audit report.

621 (b) A charter school shall file its annual financial audit report with the Office of the
622 State Auditor within six months of the end of the fiscal year.

623 (5) (a) A charter school shall be accountable to the charter school's authorizer for
624 performance as provided in the school's charter.

625 (b) To measure the performance of a charter school, an authorizer may use data
626 contained in:

627 (i) the charter school's annual financial audit report;

628 (ii) a report submitted by the charter school as required by statute; or

629 (iii) a report submitted by the charter school as required by its charter.

630 (c) A charter school authorizer may not impose performance standards, except as
631 permitted by statute, that limit, infringe, or prohibit a charter school's ability to successfully
632 accomplish the purposes of charter schools as provided in Section [53G-5-104](#) or as otherwise
633 provided in law.

634 (6) A charter school may not advocate unlawful behavior.

635 (7) Except as provided in Section [53G-5-305](#), a charter school shall be organized and
636 managed under Title 16, Chapter 6a, Utah Revised Nonprofit Corporation Act, after its
637 authorization.

638 (8) A charter school shall provide adequate liability and other appropriate insurance.

639 (9) Beginning on July 1, 2014, a charter school shall submit any lease, lease-purchase
640 agreement, or other contract or agreement relating to the charter school's facilities or financing
641 of the charter school's facilities to the school's authorizer and an attorney for review and advice
642 prior to the charter school entering into the lease, agreement, or contract.

643 (10) A charter school may not employ an educator whose license has been suspended
644 or revoked by the State Board of Education under Section [53E-6-604](#).

645 (11) (a) Each charter school shall register and maintain the charter school's registration

646 as a limited purpose entity, in accordance with Section [67-1a-15](#).

647 (b) A charter school that fails to comply with Subsection (11)(a) or Section [67-1a-15](#) is
648 subject to enforcement by the state auditor, in accordance with Section [67-3-1](#).

649 Section 19. Section **62A-3-104.1** is amended to read:

650 **62A-3-104.1. Powers and duties of area agencies -- Registration as a limited**
651 **purpose entity.**

652 (1) An area agency that provides services to an aged person, or a high risk adult shall
653 within the area agency's respective jurisdiction:

654 (a) advocate by monitoring, evaluating, and providing input on all policies, programs,
655 hearings, and levies that affect a person described in this Subsection (1);

656 (b) design and implement a comprehensive and coordinated system of services within a
657 designated planning and service area;

658 (c) conduct periodic reviews and evaluations of needs and services;

659 (d) prepare and submit to the division plans for funding and service delivery for
660 services within the designated planning and service area;

661 (e) establish, either directly or by contract, programs licensed under Chapter 2,
662 Licensure of Programs and Facilities;

663 (f) (i) appoint an area director;

664 (ii) prescribe the area director's duties; and

665 (iii) provide adequate and qualified staff to carry out the area plan described in
666 Subsection (1)(d);

667 (g) establish rules not contrary to policies of the board and rules of the division,
668 regulating local services and facilities;

669 (h) operate other services and programs funded by sources other than those
670 administered by the division;

671 (i) establish mechanisms to provide direct citizen input, including an area agency
672 advisory council with a majority of members who are eligible for services from the area
673 agency;

674 (j) establish fee schedules; and
675 (k) comply with the requirements and procedures of:
676 (i) Title 11, Chapter 13, Interlocal Cooperation Act; and
677 (ii) Title 51, Chapter 2a, Accounting Reports from Political Subdivisions, Interlocal
678 Organizations, and Other Local Entities Act.

679 (2) Before disbursing any public funds, an area agency shall require that all entities
680 receiving any public funds agree in writing that:

681 (a) the division may examine the entity's program and financial records; and
682 (b) the auditor of the local area agency may examine and audit the entity's program and
683 financial records, if requested by the local area agency.

684 (3) An area agency on aging may not disburse public funds to a personal care attendant
685 as payment for personal services rendered to an aged person or high risk adult, except as
686 provided in Section [62A-3-104.3](#).

687 (4) (a) For the purpose of providing services pursuant to this part, a local area agency
688 may receive:

689 (i) property;
690 (ii) grants;
691 (iii) gifts;
692 (iv) supplies;
693 (v) materials;
694 (vi) any benefit derived from the items described in Subsections (4)(a)(i) through (v);

695 and

696 (vii) contributions.

697 (b) If a gift is conditioned upon the gift's use for a specified service or program, the gift
698 shall be used for the specific service or program.

699 (5) (a) Area agencies shall award all public funds in compliance with:

700 (i) the requirements of Title 63G, Chapter 6a, Utah Procurement Code; or
701 (ii) a county procurement ordinance that requires procurement procedures similar to

702 those described in Subsection (5)(a)(i).

703 (b) (i) If all initial bids on a project are rejected, the area agency shall publish a new
704 invitation to bid.

705 (ii) If no satisfactory bid is received by the area agency described in Subsection
706 (5)(b)(i), when the bids received from the second invitation are opened the area agency may
707 execute a contract without requiring competitive bidding.

708 (c) (i) An area agency need not comply with the procurement provisions of this section
709 when it disburses public funds to another governmental entity.

710 (ii) For purposes of this Subsection (5)(c), "governmental entity" means any political
711 subdivision or institution of higher education of the state.

712 (d) (i) Contracts awarded by an area agency shall be for a:

713 (A) fixed amount; and

714 (B) limited period.

715 (ii) The contracts described in Subsection (5)(d)(i) may be modified due to changes in
716 available funding for the same contract purpose without competition.

717 (6) Local area agencies shall comply with:

718 (a) applicable state and federal:

719 (i) statutes;

720 (ii) policies; and

721 (iii) audit requirements; and

722 (b) directives resulting from an audit described in Subsection (6)(a)(iii).

723 (7) (a) Each area agency shall register and maintain the area agency's registration as a
724 limited purpose entity, in accordance with Section 67-1a-15.

725 (b) An area agency that fails to comply with Subsection (7)(a) or Section 67-1a-15 is
726 subject to enforcement by the state auditor, in accordance with Section 67-3-1.

727 Section 20. Section **63E-1-103** is enacted to read:

728 **63E-1-103. Registration as a limited purpose entity.**

729 (1) Each independent entity shall register and maintain the independent entity's

730 registration as a limited purpose entity, in accordance with Section 67-1a-15.

731 (2) An independent entity that fails to comply with Subsection (1) or Section 67-1a-15
732 is subject to enforcement by the state auditor, in accordance with Section 67-3-1.

733 Section 21. Section **63G-2-502** is amended to read:

734 **63G-2-502. State Records Committee -- Duties.**

735 (1) The records committee shall:

736 (a) meet at least once every three months;

737 (b) review and approve schedules for the retention and disposal of records;

738 (c) hear appeals from determinations of access as provided by Section 63G-2-403;

739 (d) determine disputes submitted by the state auditor under Subsection

740 ~~67-3-1~~~~(16)~~~~(17)~~(d); and

741 (e) appoint a chairman from among its members.

742 (2) The records committee may:

743 (a) make rules to govern its own proceedings as provided by Title 63G, Chapter 3,

744 Utah Administrative Rulemaking Act; and

745 (b) by order, after notice and hearing, reassign classification and designation for any
746 record series by a governmental entity if the governmental entity's classification or designation
747 is inconsistent with this chapter.

748 (3) The records committee shall annually appoint an executive secretary to the records
749 committee. The executive secretary may not serve as a voting member of the committee.

750 (4) Five members of the records committee are a quorum for the transaction of
751 business.

752 (5) The state archives shall provide staff and support services for the records
753 committee.

754 (6) If the records committee reassigns the classification or designation of a record or
755 record series under Subsection (2)(b), any affected governmental entity or any other interested
756 person may appeal the reclassification or redesignation to the district court. The district court
757 shall hear the matter de novo.

758 (7) The Office of the Attorney General shall provide counsel to the records committee
759 and shall review proposed retention schedules.

760 Section 22. Section **67-1a-15** is enacted to read:

761 **67-1a-15. Local government and limited purpose entity registry.**

762 (1) As used in this section:

763 (a) "Entity" means a limited purpose entity or a local government entity.

764 (b) (i) "Limited purpose entity" means a legal entity that:

765 (A) performs a single governmental function or limited governmental functions; and

766 (B) is not a state executive branch agency, a state legislative office, or within the
767 judicial branch.

768 (ii) "Limited purpose entity" includes:

769 (A) area agencies, area agencies on aging, and area agencies on high risk adults, as
770 those terms are defined in Section [62A-3-101](#);

771 (B) charter schools created under Title 53G, Chapter 5, Charter Schools;

772 (C) community reinvestment agencies, as that term is defined in Section [17C-1-102](#);

773 (D) conservation districts, as that term is defined in Section [17D-3-102](#);

774 (E) governmental nonprofit corporations, as that term is defined in Section [11-13a-102](#);

775 (F) housing authorities, as that term is defined in Section [35A-8-401](#);

776 (G) independent entities and independent state agencies, as those terms are defined in
777 Section [63E-1-102](#);

778 (H) interlocal entities, as that term is defined in Section [11-13-103](#);

779 (I) local building authorities, as that term is defined in Section [17D-2-102](#);

780 (J) local districts, as that term is defined in Section [17B-1-102](#);

781 (K) local health departments, as that term is defined in Section [26A-1-102](#);

782 (L) local mental health authorities, as that term is defined in Section [62A-15-102](#);

783 (M) nonprofit corporations that receive an amount of money requiring an accounting
784 report under Section [51-2a-201.5](#);

785 (N) school districts under Title 53G, Chapter 3, School District Creation and Change;

786 (O) special service districts, as that term is defined in Section 17D-1-102; and
787 (P) substance abuse authorities, as that term is defined in Section 62A-15-102.
788 (c) "Local government and limited purpose entity registry" or "registry" means the
789 registry of local government entities and limited purpose entities created under this section.
790 (d) "Local government entity" means:
791 (i) a county, as that term is defined in Section 17-50-101; and
792 (ii) a municipality, as that term is defined in Section 10-1-104.
793 (e) "Notice of failure to register" means the notice the lieutenant governor sends, in
794 accordance with Subsection (7)(a), to an entity that does not register.
795 (f) "Notice of failure to renew" means the notice the lieutenant governor sends to a
796 registered entity, in accordance with Subsection (7)(b).
797 (g) "Notice of noncompliance" means the notice the lieutenant governor sends to a
798 registered entity, in accordance with Subsection (6)(c).
799 (h) "Notice of non-registration" means the notice the lieutenant governor sends to an
800 entity and the state auditor, in accordance with Subsection (9).
801 (i) "Notice of registration or renewal" means the notice the lieutenant governor sends,
802 in accordance with Subsection (6)(b)(i).
803 (j) "Registered entity" means an entity with a valid registration as described in
804 Subsection (8).
805 (2) The lieutenant governor shall:
806 (a) create a registry of each local government entity and limited purpose entity within
807 the state that:
808 (i) contains the information described in Subsection (4); and
809 (ii) is accessible on the lieutenant governor's website or otherwise publicly available;
810 and
811 (b) establish fees for registration and renewal, in accordance with Section 63J-1-504,
812 based on and to directly offset the cost of creating, administering, and maintaining the registry.
813 (3) Each local government entity and limited purpose entity shall:

814 (a) on or before July 1, 2019, register with the lieutenant governor as described in
815 Subsection (4);

816 (b) on or before one year after the day on which the lieutenant governor issues the
817 notice of registration or renewal, annually renew the entity's registration in accordance with
818 Subsection (5); and

819 (c) within 30 days after the day on which any of the information described in
820 Subsection (4) changes, send notice of the changes to the lieutenant governor.

821 (4) Each entity shall include the following information in the entity's registration
822 submission:

823 (a) the resolution or other legal or formal document creating the entity or, if the
824 resolution or other legal or formal document creating the entity cannot be located, conclusive
825 proof of the entity's lawful creation;

826 (b) a map or plat establishing the geographic boundaries of the entity, or if it is
827 impossible or unreasonably expensive to create a map or plat, a metes and bounds description,
828 or another legal description that identifies the boundaries of the entity, conclusive proof of the
829 entity's geographic boundaries;

830 (c) the entity's name;

831 (d) the entity's type of local government entity or limited purpose entity;

832 (e) the entity's governmental function;

833 (f) the entity's physical address and phone number, including the name and contact
834 information of an individual whom the entity designates as the primary contact for the entity;

835 (g) names of the members of the entity's governing board or commission, managing
836 officers, or other similar managers and the method by which the members or officers are
837 appointed, elected, or otherwise designated;

838 (h) the entity's sources of revenue; and

839 (i) if the entity has created an assessment area, as that term is defined in Section
840 [11-42-102](#), information regarding the creation, purpose, and boundaries of the assessment area.

841 (5) Each entity shall include the following information in the entity's renewal

842 submission:

843 (a) identify and update any incorrect or outdated information the entity previously
844 submitted during registration under Subsection (4); or

845 (b) certify that the information the entity previously submitted during registration under
846 Subsection (4) is correct without change.

847 (6) Within 30 days of receiving an entity's registration or renewal submission, the
848 lieutenant governor shall:

849 (a) review the submission to determine compliance with Subsection (4) or (5);

850 (b) if the lieutenant governor determines that the entity's submission complies with
851 Subsection (4) or (5):

852 (i) send a notice of registration or renewal that includes the information that the entity
853 submitted under Subsection (4) or (5) to:

854 (A) the registering or renewing entity;

855 (B) each county in which the entity operates, either in whole or in part, or where the
856 entity's geographic boundaries overlap or are contained within the boundaries of the county;

857 (C) the Division of Archives and Records Service; and

858 (D) the Office of the Utah State Auditor; and

859 (ii) publish the information from the submission on the registry; and

860 (c) if the lieutenant governor determines that the entity's submission does not comply
861 with Subsection (4) or (5) or is otherwise inaccurate or deficient, send a notice of
862 noncompliance to the registering or renewing entity that:

863 (i) identifies each deficiency in the entity's submission with the corresponding statutory
864 requirement;

865 (ii) establishes a deadline to cure the entity's noncompliance that is the first business
866 day that is at least 30 calendar days after the day on which the lieutenant governor sends the
867 notice of noncompliance; and

868 (iii) states that failure to comply by the deadline the lieutenant governor establishes
869 under Subsection (6)(c)(ii) will result in the lieutenant governor sending a notice of

870 non-registration to the Office of the Utah State Auditor, in accordance with Subsection (9).

871 (7) (a) If the lieutenant governor identifies an entity that does not make a registration
872 submission in accordance with Subsection (4) by the deadline described in Subsection (3), the
873 lieutenant governor shall send a notice of failure to register to the registered entity that:

874 (i) identifies the statutorily required registration deadline described in Subsection (3)
875 that the entity did not meet;

876 (ii) establishes a deadline to cure the entity's failure to register that is the first business
877 day that is at least 10 calendar days after the day on which the lieutenant governor sends the
878 notice of failure to register; and

879 (iii) states that failure to comply by the deadline the lieutenant governor establishes
880 under Subsection (7)(a)(ii) will result in the lieutenant governor sending a notice of
881 non-registration to the Office of the Utah State Auditor, in accordance with Subsection (9).

882 (b) If a registered entity does not make a renewal submission in accordance with
883 Subsection (5) by the deadline described in Subsection (3), the lieutenant governor shall send a
884 notice of failure to renew to the registered entity that:

885 (i) identifies the renewal deadline described in Subsection (3) that the entity did not
886 meet;

887 (ii) establishes a deadline to cure the entity's failure to renew that is the first business
888 day that is at least 30 calendar days after the day on which the lieutenant governor sends the
889 notice of failure to renew; and

890 (iii) states that failure to comply by the deadline the lieutenant governor establishes
891 under Subsection (7)(b)(ii) will result in the lieutenant governor sending a notice of
892 non-registration to the Office of the Utah State Auditor, in accordance with Subsection (9).

893 (8) An entity's registration is valid:

894 (a) if the entity makes a registration or renewal submission in accordance with the
895 deadlines described in Subsection (3);

896 (b) during the period the lieutenant governor establishes in the notice of
897 noncompliance or notice of failure to renew during which the entity may cure the identified

898 registration deficiencies; and

899 (c) for one year beginning on the day the lieutenant governor issues the notice of
900 registration or renewal.

901 (9) (a) The lieutenant governor shall send a notice of non-registration to the Office of
902 the Utah State Auditor if an entity fails to:

903 (i) cure the entity's noncompliance by the deadline the lieutenant governor establishes
904 in the notice of noncompliance;

905 (ii) register by the deadline the lieutenant governor establishes in the notice of failure
906 to register; or

907 (iii) cure the entity's failure to renew by the deadline the lieutenant governor establishes
908 in the notice of failure to renew.

909 (b) The lieutenant governor shall ensure that the notice of non-registration:

910 (i) includes a copy of the notice of noncompliance, the notice of failure to register, or
911 the notice of failure to renew; and

912 (ii) requests that the state auditor withhold state allocated funds or the disbursement of
913 property taxes and prohibit the entity from accessing money held by the state or money held in
914 an account of a financial institution, in accordance with Subsections [67-3-1\(7\)\(i\)](#) and
915 [67-3-1\(10\)](#).

916 (10) The lieutenant governor may extend a deadline under this section if an entity
917 notifies the lieutenant governor, before the deadline to be extended, of the existence of an
918 extenuating circumstance that is outside the control of the entity.

919 Section 23. Section **67-3-1** is amended to read:

920 **67-3-1. Functions and duties.**

921 (1) (a) The state auditor is the auditor of public accounts and is independent of any
922 executive or administrative officers of the state.

923 (b) The state auditor is not limited in the selection of personnel or in the determination
924 of the reasonable and necessary expenses of the state auditor's office.

925 (2) The state auditor shall examine and certify annually in respect to each fiscal year,

926 financial statements showing:

927 (a) the condition of the state's finances;

928 (b) the revenues received or accrued;

929 (c) expenditures paid or accrued;

930 (d) the amount of unexpended or unencumbered balances of the appropriations to the
931 agencies, departments, divisions, commissions, and institutions; and

932 (e) the cash balances of the funds in the custody of the state treasurer.

933 (3) (a) The state auditor shall:

934 (i) audit each permanent fund, each special fund, the General Fund, and the accounts of
935 any department of state government or any independent agency or public corporation as the law
936 requires, as the auditor determines is necessary, or upon request of the governor or the
937 Legislature;

938 (ii) perform the audits in accordance with generally accepted auditing standards and
939 other auditing procedures as promulgated by recognized authoritative bodies;

940 (iii) as the auditor determines is necessary, conduct the audits to determine:

941 (A) honesty and integrity in fiscal affairs;

942 (B) accuracy and reliability of financial statements;

943 (C) effectiveness and adequacy of financial controls; and

944 (D) compliance with the law.

945 (b) If any state entity receives federal funding, the state auditor shall ensure that the
946 audit is performed in accordance with federal audit requirements.

947 (c) (i) The costs of the federal compliance portion of the audit may be paid from an
948 appropriation to the state auditor from the General Fund.

949 (ii) If an appropriation is not provided, or if the federal government does not
950 specifically provide for payment of audit costs, the costs of the federal compliance portions of
951 the audit shall be allocated on the basis of the percentage that each state entity's federal funding
952 bears to the total federal funds received by the state.

953 (iii) The allocation shall be adjusted to reflect any reduced audit time required to audit

954 funds passed through the state to local governments and to reflect any reduction in audit time
955 obtained through the use of internal auditors working under the direction of the state auditor.

956 (4) (a) Except as provided in Subsection (4)(b), the state auditor shall, in addition to
957 financial audits, and as the auditor determines is necessary, conduct performance and special
958 purpose audits, examinations, and reviews of any entity that receives public funds, including a
959 determination of any or all of the following:

- 960 (i) the honesty and integrity of all its fiscal affairs;
- 961 (ii) whether or not its administrators have faithfully complied with legislative intent;
- 962 (iii) whether or not its operations have been conducted in an efficient, effective, and
963 cost-efficient manner;
- 964 (iv) whether or not its programs have been effective in accomplishing the intended
965 objectives; and
- 966 (v) whether or not its management, control, and information systems are adequate,
967 effective, and secure.

968 (b) The auditor may not conduct performance and special purpose audits,
969 examinations, and reviews of any entity that receives public funds if the entity:

- 970 (i) has an elected auditor; and
- 971 (ii) has, within the entity's last budget year, had its financial statements or performance
972 formally reviewed by another outside auditor.

973 (5) The state auditor shall administer any oath or affirmation necessary to the
974 performance of the duties of the auditor's office, and may subpoena witnesses and documents,
975 whether electronic or otherwise, and examine into any matter that the auditor considers
976 necessary.

977 (6) The state auditor may require all persons who have had the disposition or
978 management of any property of this state or its political subdivisions to submit statements
979 regarding it at the time and in the form that the auditor requires.

980 (7) The state auditor shall:

981 (a) except where otherwise provided by law, institute suits in Salt Lake County in

982 relation to the assessment, collection, and payment of its revenues against:

983 (i) persons who by any means have become entrusted with public money or property
984 and have failed to pay over or deliver the money or property; and

985 (ii) all debtors of the state;

986 (b) collect and pay into the state treasury all fees received by the state auditor;

987 (c) perform the duties of a member of all boards of which the state auditor is a member
988 by the constitution or laws of the state, and any other duties that are prescribed by the
989 constitution and by law;

990 (d) stop the payment of the salary of any state official or state employee who:

991 (i) refuses to settle accounts or provide required statements about the custody and
992 disposition of public funds or other state property;

993 (ii) refuses, neglects, or ignores the instruction of the state auditor or any controlling
994 board or department head with respect to the manner of keeping prescribed accounts or funds;
995 or

996 (iii) fails to correct any delinquencies, improper procedures, and errors brought to the
997 official's or employee's attention;

998 (e) establish accounting systems, methods, and forms for public accounts in all taxing
999 or fee-assessing units of the state in the interest of uniformity, efficiency, and economy;

1000 (f) superintend the contractual auditing of all state accounts;

1001 (g) subject to Subsection (8)(a), withhold state allocated funds or the disbursement of
1002 property taxes from a state or local taxing or fee-assessing unit, if necessary, to ensure that
1003 officials and employees in those taxing units comply with state laws and procedures in the
1004 budgeting, expenditures, and financial reporting of public funds; ~~and~~

1005 (h) subject to Subsection (9), withhold the disbursement of tax money from any county,
1006 if necessary, to ensure that officials and employees in the county comply with Section
1007 [59-2-303.1](#)[-]; and

1008 (i) withhold state allocated funds or the disbursement of property taxes from a local
1009 government entity or a limited purpose entity, as those terms are defined in Section [67-1a-15](#) if

1010 the state auditor finds the withholding necessary to ensure that the entity registers and
1011 maintains the entity's registration with the lieutenant governor, in accordance with Section
1012 67-1a-15.

1013 (8) (a) Except as otherwise provided by law, the state auditor may not withhold funds
1014 under Subsection (7)(g) until a state or local taxing or fee-assessing unit has received formal
1015 written notice of noncompliance from the auditor and has been given 60 days to make the
1016 specified corrections.

1017 (b) If, after receiving notice under Subsection (8)(a), a state or independent local
1018 fee-assessing unit that exclusively assesses fees has not made corrections to comply with state
1019 laws and procedures in the budgeting, expenditures, and financial reporting of public funds, the
1020 state auditor:

1021 (i) shall provide a recommended timeline for corrective actions; and

1022 (ii) may prohibit the state or local fee-assessing unit from accessing money held by the
1023 state; and

1024 (iii) may prohibit a state or local fee-assessing unit from accessing money held in an
1025 account of a financial institution by filing an action in district court requesting an order of the
1026 court to prohibit a financial institution from providing the fee-assessing unit access to an
1027 account.

1028 (c) The state auditor shall remove a limitation on accessing funds under Subsection
1029 (8)(b) upon compliance with state laws and procedures in the budgeting, expenditures, and
1030 financial reporting of public funds.

1031 (d) If a local taxing or fee-assessing unit has not adopted a budget in compliance with
1032 state law, the state auditor:

1033 (i) shall provide notice to the taxing or fee-assessing unit of the unit's failure to
1034 comply;

1035 (ii) may prohibit the taxing or fee-assessing unit from accessing money held by the
1036 state; and

1037 (iii) may prohibit a taxing or fee-assessing unit from accessing money held in an

1038 account of a financial institution by:

1039 (A) contacting the taxing or fee-assessing unit's financial institution and requesting that
1040 the institution prohibit access to the account; or

1041 (B) filing an action in district court requesting an order of the court to prohibit a
1042 financial institution from providing the taxing or fee-assessing unit access to an account.

1043 (e) If the local taxing or fee-assessing unit adopts a budget in compliance with state
1044 law, the state auditor shall eliminate a limitation on accessing funds described in Subsection
1045 (8)(d).

1046 (9) The state auditor may not withhold funds under Subsection (7)(h) until a county has
1047 received formal written notice of noncompliance from the auditor and has been given 60 days
1048 to make the specified corrections.

1049 (10) (a) The state auditor may not withhold funds under Subsection (7)(i) until the state
1050 auditor receives a notice of non-registration, as that term is defined in Section 67-1a-15.

1051 (b) If the state auditor receives a notice of non-registration, the state auditor may
1052 prohibit the local government entity or limited purpose entity, as those terms are defined in
1053 Section 67-1a-15, from accessing:

1054 (i) money held by the state; and

1055 (ii) money held in an account of a financial institution by:

1056 (A) contacting the entity's financial institution and requesting that the institution
1057 prohibit access to the account; or

1058 (B) filing an action in district court requesting an order of the court to prohibit a
1059 financial institution from providing the entity access to an account.

1060 (c) The state auditor shall remove the prohibition on accessing funds described in
1061 Subsection (10)(b) if the state auditor received a notice of registration, as that term is defined in
1062 Section 67-1a-15, from the lieutenant governor.

1063 ~~[(10)]~~ (11) Notwithstanding Subsection (7)(g), (7)(h), (7)(i), (8)(b), ~~[or]~~ (8)(d), or
1064 (10)(b), the state auditor:

1065 (a) shall authorize a disbursement by a local government entity or limited purpose

1066 entity, as those terms are defined in Section 67-1a-15, or a state or local taxing or fee-assessing
1067 unit if the disbursement is necessary to:

1068 (i) avoid a major disruption in the operations of the local government entity, limited
1069 purpose entity, or state or local taxing or fee-assessing unit; or

1070 (ii) meet debt service obligations; and

1071 (b) may authorize a disbursement by a local government entity, limited purpose entity,
1072 or state or local taxing or fee-assessing unit as the state auditor determines is appropriate.

1073 ~~[(11)]~~ (12) (a) The state auditor may seek relief under the Utah Rules of Civil
1074 Procedure to take temporary custody of public funds if an action is necessary to protect public
1075 funds from being improperly diverted from their intended public purpose.

1076 (b) If the state auditor seeks relief under Subsection ~~[(11)]~~ (12)(a):

1077 (i) the state auditor is not required to exhaust the procedures in Subsection (7) or (8);
1078 and

1079 (ii) the state treasurer may hold the public funds in accordance with Section 67-4-1 if a
1080 court orders the public funds to be protected from improper diversion from their public
1081 purpose.

1082 ~~[(12)]~~ (13) The state auditor shall:

1083 (a) establish audit guidelines and procedures for audits of local mental health and
1084 substance abuse authorities and their contract providers, conducted pursuant to Title 17,
1085 Chapter 43, Part 2, Local Substance Abuse Authorities, and Title 17, Chapter 43, Part 3, Local
1086 Mental Health Authorities, Title 51, Chapter 2a, Accounting Reports from Political
1087 Subdivisions, Interlocal Organizations, and Other Local Entities Act, and Title 62A, Chapter
1088 15, Substance Abuse and Mental Health Act; and

1089 (b) ensure that those guidelines and procedures provide assurances to the state that:

1090 (i) state and federal funds appropriated to local mental health authorities are used for
1091 mental health purposes;

1092 (ii) a private provider under an annual or otherwise ongoing contract to provide
1093 comprehensive mental health programs or services for a local mental health authority is in

1094 compliance with state and local contract requirements, and state and federal law;

1095 (iii) state and federal funds appropriated to local substance abuse authorities are used
1096 for substance abuse programs and services; and

1097 (iv) a private provider under an annual or otherwise ongoing contract to provide
1098 comprehensive substance abuse programs or services for a local substance abuse authority is in
1099 compliance with state and local contract requirements, and state and federal law.

1100 [~~(13)~~] (14) The state auditor may, in accordance with the auditor's responsibilities for
1101 political subdivisions of the state as provided in Title 51, Chapter 2a, Accounting Reports from
1102 Political Subdivisions, Interlocal Organizations, and Other Local Entities Act, initiate audits or
1103 investigations of any political subdivision that are necessary to determine honesty and integrity
1104 in fiscal affairs, accuracy and reliability of financial statements, effectiveness, and adequacy of
1105 financial controls and compliance with the law.

1106 [~~(14)~~] (15) (a) The state auditor may not audit work that the state auditor performed
1107 before becoming state auditor.

1108 (b) If the state auditor has previously been a responsible official in state government
1109 whose work has not yet been audited, the Legislature shall:

- 1110 (i) designate how that work shall be audited; and
- 1111 (ii) provide additional funding for those audits, if necessary.

1112 [~~(15)~~] (16) The state auditor shall:

1113 (a) with the assistance, advice, and recommendations of an advisory committee
1114 appointed by the state auditor from among local district boards of trustees, officers, and
1115 employees and special service district boards, officers, and employees:

1116 (i) prepare a Uniform Accounting Manual for Local Districts that:

1117 (A) prescribes a uniform system of accounting and uniform budgeting and reporting
1118 procedures for local districts under Title 17B, Limited Purpose Local Government Entities -
1119 Local Districts, and special service districts under Title 17D, Chapter 1, Special Service
1120 District Act;

1121 (B) conforms with generally accepted accounting principles; and

1122 (C) prescribes reasonable exceptions and modifications for smaller districts to the
1123 uniform system of accounting, budgeting, and reporting;

1124 (ii) maintain the manual under this Subsection (15)(a) so that it continues to reflect
1125 generally accepted accounting principles;

1126 (iii) conduct a continuing review and modification of procedures in order to improve
1127 them;

1128 (iv) prepare and supply each district with suitable budget and reporting forms; and

1129 (v) prepare instructional materials, conduct training programs, and render other
1130 services considered necessary to assist local districts and special service districts in
1131 implementing the uniform accounting, budgeting, and reporting procedures; and

1132 (b) continually analyze and evaluate the accounting, budgeting, and reporting practices
1133 and experiences of specific local districts and special service districts selected by the state
1134 auditor and make the information available to all districts.

1135 ~~[(16)]~~ (17) (a) The following records in the custody or control of the state auditor are
1136 protected records under Title 63G, Chapter 2, Government Records Access and Management
1137 Act:

1138 (i) records that would disclose information relating to allegations of personal
1139 misconduct, gross mismanagement, or illegal activity of a past or present governmental
1140 employee if the information or allegation cannot be corroborated by the state auditor through
1141 other documents or evidence, and the records relating to the allegation are not relied upon by
1142 the state auditor in preparing a final audit report;

1143 (ii) records and audit workpapers to the extent they would disclose the identity of a
1144 person who during the course of an audit, communicated the existence of any waste of public
1145 funds, property, or manpower, or a violation or suspected violation of a law, rule, or regulation
1146 adopted under the laws of this state, a political subdivision of the state, or any recognized entity
1147 of the United States, if the information was disclosed on the condition that the identity of the
1148 person be protected;

1149 (iii) before an audit is completed and the final audit report is released, records or drafts

1150 circulated to a person who is not an employee or head of a governmental entity for their
1151 response or information;

1152 (iv) records that would disclose an outline or part of any audit survey plans or audit
1153 program; and

1154 (v) requests for audits, if disclosure would risk circumvention of an audit.

1155 (b) The provisions of Subsections [~~(16)~~] (17)(a)(i), (ii), and (iii) do not prohibit the
1156 disclosure of records or information that relate to a violation of the law by a governmental
1157 entity or employee to a government prosecutor or peace officer.

1158 (c) The provisions of this Subsection [~~(16)~~] (17) do not limit the authority otherwise
1159 given to the state auditor to classify a document as public, private, controlled, or protected
1160 under Title 63G, Chapter 2, Government Records Access and Management Act.

1161 (d) (i) As used in this Subsection [~~(16)~~] (17)(d), "record dispute" means a dispute
1162 between the state auditor and the subject of an audit performed by the state auditor as to
1163 whether the state auditor may release a record, as defined in Section [63G-2-103](#), to the public
1164 that the state auditor gained access to in the course of the state auditor's audit but which the
1165 subject of the audit claims is not subject to disclosure under Title 63G, Chapter 2, Government
1166 Records Access and Management Act.

1167 (ii) The state auditor may submit a record dispute to the State Records Committee,
1168 created in Section [63G-2-501](#), for a determination of whether the state auditor may, in
1169 conjunction with the state auditor's release of an audit report, release to the public the record
1170 that is the subject of the record dispute.

1171 (iii) The state auditor or the subject of the audit may seek judicial review of a State
1172 Records Committee determination under Subsection [~~(16)~~] (17)(d)(ii), as provided in Section
1173 [63G-2-404](#).

1174 [~~(17)~~] (18) If the state auditor conducts an audit of an entity that the state auditor has
1175 previously audited and finds that the entity has not implemented a recommendation made by
1176 the state auditor in a previous audit, the state auditor shall notify the Legislative Management
1177 Committee through its audit subcommittee that the entity has not implemented that

1178 recommendation.

1179 Section 24. Section **67-3-3** is amended to read:

1180 **67-3-3. Disbursements of public funds -- Suspension of disbursements --**

1181 **Procedure upon suspension.**

1182 (1) The state auditor [~~shall have the power to~~] may suspend any disbursement of public
 1183 funds whenever, in [~~his~~] the state auditor's opinion [~~such~~], the disbursement is contrary to law[;
 1184 ~~and if~~].

1185 (2) (a) If the validity of [~~any such~~] a disbursement [~~be~~] described in Subsection (1) is
 1186 not established within six months from the date of original suspension [~~then~~], the state auditor
 1187 shall refer the matter [~~shall be referred~~] to the attorney general for appropriate action [~~and if~~].

1188 (b) If, in [~~his~~] the attorney general's opinion, the suspension described in Subsection
 1189 (2)(a) was justified [~~he~~], the attorney general shall immediately notify the state auditor, who
 1190 shall [~~forthwith~~] immediately make demand upon the surety of the disbursing or certifying
 1191 officer[~~, and it shall be mandatory upon~~].

1192 (c) If the state auditor makes a demand under Subsection (2)(b), the surety shall
 1193 immediately [~~to~~] meet the demand and [~~to~~] pay into the state treasury by certified check or legal
 1194 tender any amount or amounts disbursed and involved in the suspension.

1195 [~~All suspensions shall be~~] (3) (a) The state auditor shall ensure that each suspension is
 1196 in writing [~~and the~~].

1197 (b) The state auditor shall:

1198 (i) prepare a form to be known as the notice of suspension[~~The~~];

1199 (ii) ensure that the form [~~shall contain~~] contains complete information as to:

1200 (A) the payment suspended[~~;~~];

1201 (B) the reason for the suspension [~~and~~];

1202 (C) the amount of money involved; and

1203 (D) any other information that will clearly establish identification of the payment[~~:~~

1204 The];

1205 (iii) retain the original of the suspension notice [~~shall be retained by the state auditor~~

1206 and];

1207 (iv) serve one copy [shall be served] of the suspension notice upon;

1208 (A) the disbursing or certifying officer[~~, one copy upon~~];

1209 (B) any member of the finance commission[~~, one copy upon~~]; and

1210 (C) the surety of the disbursing or certifying officer, [~~and one copy shall be attached~~]

1211 except that mailing the copy to the surety company constitutes legal service;

1212 (v) attach one copy of the suspension notice to the document under suspension[

1213 Receipts]; and

1214 (vi) take receipts entered upon the original suspension notice held by the state auditor

1215 [~~shall be taken~~] from the disbursing or certifying officer, the finance commission, and the

1216 surety[~~, except that the copy to the surety company may be mailed in which case so doing will~~

1217 constitute legal service].

1218 (4) (a) Immediately upon any suspension becoming final, the finance commission

1219 shall:

1220 (i) cause an entry to be made debiting the disbursing or certifying officer with the

1221 amount of money involved in any suspension notice; and [shall]

1222 (ii) credit the account originally charged by the payment.

1223 (b) Upon release of final suspension by the state auditor, the finance commission shall

1224 make a reversing entry [~~shall be made~~], crediting the disbursing or certifying officer, and like

1225 credit shall be given in all recoveries from the surety.

1226 (5) (a) In accordance with this Subsection (5), the state auditor may prohibit the access

1227 of a state or local taxing or fee-assessing unit to money held by the state or in an account of a

1228 financial institution, if the state auditor determines that the local taxing or fee-assessing unit is

1229 not in compliance with state law regarding budgeting, expenditures, financial reporting of

1230 public funds, and transparency.

1231 (b) The state auditor may not withhold funds under Subsection (5)(a) until the state

1232 auditor:

1233 (i) sends formal notice of noncompliance to the state or local taxing or fee-assessing

1234 unit; and
1235 (ii) allows the state or local taxing or fee-assessing unit 60 calendar days to:
1236 (A) make the specified corrections; or
1237 (B) demonstrate to the state auditor that the specified corrections are not legally
1238 required.
1239 (c) If, after receiving notice under Subsection (5)(b), the state or local fee-assessing
1240 unit does not make the specified corrections and the state auditor does not agree with any
1241 demonstration under Subsection (5)(b)(ii)(B), the state auditor:
1242 (i) shall provide notice to the taxing or fee-assessing unit of the unit's failure to
1243 comply;
1244 (ii) shall provide a recommended timeline for corrective actions;
1245 (iii) may prohibit the taxing or fee-assessing unit from accessing money held by the
1246 state; and
1247 (iv) may prohibit the taxing or fee-assessing unit from accessing money held in an
1248 account of a financial institution by:
1249 (A) contacting the taxing or fee-assessing unit's financial institution and requesting that
1250 the institution prohibit access to the account; or
1251 (B) filing an action in district court requesting an order of the court to prohibit a
1252 financial institution from providing the taxing or fee-assessing unit access to an account.
1253 (d) The state auditor shall remove the prohibition on accessing funds described in
1254 Subsections (5)(c)(iii) and (iv) if:
1255 (i) the state or local taxing or fee-assessing unit makes the specified corrections
1256 described in Subsection (5)(b); or
1257 (ii) the state auditor agrees with a demonstration under Subsection (5)(b)(ii)(B).
1258 Section 25. Section **67-4-1** is amended to read:
1259 **67-4-1. Duties.**
1260 (1) The state treasurer shall:
1261 (a) receive and maintain custody of all state funds;

1262 (b) unless otherwise provided by law, invest all funds delivered into the state treasurer's
1263 custody according to the procedures and requirements of Title 51, Chapter 7, State Money
1264 Management Act;

1265 (c) pay warrants drawn by the Division of Finance as they are presented;

1266 (d) return each redeemed warrant to the Division of Finance for purposes of
1267 reconciliation, post-audit, and verification;

1268 (e) ensure that state warrants not presented to the state treasurer for payment within one
1269 year from the date of issue, or a shorter period if required by federal regulation or contract, are
1270 canceled and credited to the proper fund;

1271 (f) account for all money received and disbursed;

1272 (g) keep separate account of the different funds;

1273 (h) keep safe all bonds, warrants, and securities delivered into his custody;

1274 (i) at the request of either house of the Legislature, or of any legislative committee,
1275 give information in writing as to the condition of the treasury, or upon any subject relating to
1276 the duties of his office;

1277 (j) keep the books open at all times for the inspection by the governor, the state auditor,
1278 or any member of the Legislature, or any committee appointed to examine them by either house
1279 of the Legislature;

1280 (k) authenticate and validate documents when necessary;

1281 (l) adopt a seal and file a description and an impression of it with the Division of
1282 Archives; and

1283 (m) discharge the duties of a member of all official boards of which he is or may be
1284 made a member by the Constitution or laws of Utah.

1285 (2) When necessary to perform his duties, the state treasurer may inspect the books,
1286 papers, and accounts of any state entity.

1287 (3) The state treasurer may take temporary custody of public funds if ordered by a court
1288 to do so under Subsection [67-3-1](#)[(~~11~~)](12).