

**UTAH LAKE AUTHORITY**

2022 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Brady Brammer**

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

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**LONG TITLE**

**General Description:**

This bill enacts provisions relating to the Utah Lake Authority.

**Highlighted Provisions:**

This bill:

- ▶ creates the Utah Lake Authority;
- ▶ defines the status of the Utah Lake Authority and provides for the Authority's purposes, powers, duties, policies, and objectives;
- ▶ establishes a board to govern the Utah Lake Authority and provides for board membership, appointment, terms, duties, and responsibilities;
- ▶ authorizes the board to appoint nonvoting members, board officers, and advisory committees;
- ▶ prohibits certain individuals from serving as a member of the board or executive director and prohibits board members and the executive director from receiving certain benefits;
- ▶ provides for the hiring of an executive director, defines the executive director's role, and provides for the qualifications and duties of the executive director;
- ▶ requires the attorney general to provide legal services to the lake authority;
- ▶ provides a process for the adoption and amendment of a project area plan and a project area budget;
- ▶ provides for the Utah Lake Authority to be paid certain sales tax revenue and other



- 28 sources of revenue, and provides for the allowable uses of revenue;
- 29       ▶ authorizes the Utah Lake Authority to issue bonds and includes provisions related to
- 30 bonds;
- 31       ▶ requires the Utah Lake Authority board to adopt an annual budget and provides a
- 32 process for preparing and adopting or amending a budget;
- 33       ▶ requires the Utah Lake Authority to provide reports and requires the Authority to
- 34 comply with audit requirements; and
- 35       ▶ provides limits on the dissolution of the Utah Lake Authority and requirements if a
- 36 dissolution occurs.

37 **Money Appropriated in this Bill:**

38       None

39 **Other Special Clauses:**

40       None

41 **Utah Code Sections Affected:**

42 AMENDS:

- 43       **59-12-205**, as last amended by Laws of Utah 2021, Chapter 281
- 44       **63J-1-602.2**, as last amended by Laws of Utah 2021, Chapters 179, 344, 412, 421, and
- 45 424

46 ENACTS:

- 47       **11-65-101**, Utah Code Annotated 1953
- 48       **11-65-102**, Utah Code Annotated 1953
- 49       **11-65-103**, Utah Code Annotated 1953
- 50       **11-65-201**, Utah Code Annotated 1953
- 51       **11-65-202**, Utah Code Annotated 1953
- 52       **11-65-203**, Utah Code Annotated 1953
- 53       **11-65-204**, Utah Code Annotated 1953
- 54       **11-65-205**, Utah Code Annotated 1953
- 55       **11-65-206**, Utah Code Annotated 1953
- 56       **11-65-301**, Utah Code Annotated 1953
- 57       **11-65-302**, Utah Code Annotated 1953
- 58       **11-65-303**, Utah Code Annotated 1953

- 59 [11-65-304](#), Utah Code Annotated 1953
- 60 [11-65-305](#), Utah Code Annotated 1953
- 61 [11-65-306](#), Utah Code Annotated 1953
- 62 [11-65-401](#), Utah Code Annotated 1953
- 63 [11-65-402](#), Utah Code Annotated 1953
- 64 [11-65-403](#), Utah Code Annotated 1953
- 65 [11-65-404](#), Utah Code Annotated 1953
- 66 [11-65-405](#), Utah Code Annotated 1953
- 67 [11-65-501](#), Utah Code Annotated 1953
- 68 [11-65-502](#), Utah Code Annotated 1953
- 69 [11-65-503](#), Utah Code Annotated 1953
- 70 [11-65-504](#), Utah Code Annotated 1953
- 71 [11-65-505](#), Utah Code Annotated 1953
- 72 [11-65-506](#), Utah Code Annotated 1953
- 73 [11-65-601](#), Utah Code Annotated 1953
- 74 [11-65-602](#), Utah Code Annotated 1953
- 75 [11-65-603](#), Utah Code Annotated 1953
- 76 [11-65-604](#), Utah Code Annotated 1953
- 77 [11-65-605](#), Utah Code Annotated 1953
- 78 [11-65-606](#), Utah Code Annotated 1953
- 79 [11-65-701](#), Utah Code Annotated 1953

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

82 Section 1. Section [11-65-101](#) is enacted to read:

83 **CHAPTER 65. UTAH LAKE AUTHORITY ACT**

84 **Part 1. General Provisions**

85 **11-65-101. Definitions.**

86 As used in this chapter:

87 (1) "Adjacent political subdivision" means a political subdivision of the state with a  
 88 boundary that abuts the lake authority boundary or includes lake authority land.

89 (2) "Board" means the lake authority's governing body, created in Section [11-65-301](#).

90 (3) "Lake authority" means the Utah Lake Authority, created in Section 11-65-201.

91 (4) "Lake authority boundary" means the boundary around Utah Lake defined by the  
92 line of compromise at 4,489 feet above sea level.

93 (5) "Management" means work to improve Utah Lake, including work to enhance the  
94 long-term viability and health of Utah Lake and to produce economic, aesthetic, recreational,  
95 environmental, and other benefits for the state, consistent with the strategies, policies, and  
96 objectives described in this chapter.

97 (6) "Management plan" means a plan to conceptualize, design, facilitate, encourage,  
98 and bring about the management of the lake authority land to achieve the policies and  
99 objectives described in Section 11-65-203.

100 (7) "Nonvoting member" means an individual appointed as a member of the board  
101 under Subsection 11-65-302(6) who does not have the power to vote on matters of lake  
102 authority business.

103 (8) "Project area" means an area that is identified in a project area plan as the area of  
104 lake authority land where the management described in the project area plan will occur.

105 (9) "Project area budget" means a multiyear projection of annual or cumulative  
106 revenues and expenses and other fiscal matters pertaining to a project area.

107 (10) "Project area plan" means a written plan that, after the plan's effective date, guides  
108 and controls management within a project area and within any adjacent areas that are included  
109 within the scope of a management plan.

110 (11) "Public entity" means:

111 (a) the state, including each department, division, or other agency of the state; or

112 (b) a county, city, town, metro township, school district, local district, special service  
113 district, interlocal cooperation entity, community reinvestment agency, or other political  
114 subdivision of the state.

115 (12) "Publicly owned infrastructure and improvements":

116 (a) means infrastructure, improvements, facilities, or buildings that:

117 (i) benefit the public; and

118 (ii) (A) are owned by a public entity or a utility; or

119 (B) are publicly maintained or operated by a public entity;

120 (b) includes:

121 (i) facilities, lines, or systems that provide:  
 122 (A) water, chilled water, or steam; or  
 123 (B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy,  
 124 microgrids, or telecommunications service; and

125 (ii) streets, roads, curbs, gutters, sidewalks, walkways, solid waste facilities, parking  
 126 facilities, and public transportation facilities.

127 (13) "Utah Lake" includes all waters of Utah Lake and all land, whether or not  
 128 submerged under water, within the lake authority boundary.

129 (14) "Voting member" means an individual appointed as a member of the board under  
 130 Subsection [11-65-302\(2\)](#).

131 Section 2. Section **11-65-102** is enacted to read:

132 **11-65-102. Severability.**

133 If a court determines that any provision of this chapter, or the application of any  
 134 provision of this chapter, is invalid, the remainder of this chapter shall be given effect without  
 135 the invalid provision or application.

136 Section 3. Section **11-65-103** is enacted to read:

137 **11-65-103. Nonlapsing funds.**

138 Money the lake authority receives from legislative appropriations is nonlapsing.

139 Section 4. Section **11-65-201** is enacted to read:

140 **Part 2. Utah Lake Authority**

141 **11-65-201. Creation of Utah Lake Authority -- Status and purposes.**

142 (1) Under the authority of Utah Constitution, Article XI, Section 8, there is created the  
 143 Utah Lake Authority.

144 (2) The lake authority is:

145 (a) an independent, nonprofit, separate body corporate and politic, with perpetual  
 146 succession;

147 (b) a political subdivision of the state; and

148 (c) a public corporation, as defined in Section [63E-1-102](#).

149 (3) (a) The statewide public purpose of the lake authority is to work in concert with  
 150 applicable federal, state, and local government entities, property owners, owners of water  
 151 rights, private parties, and stakeholders to encourage, facilitate, and implement the

152 management of Utah Lake.

153 (b) The duties and responsibilities of the lake authority under this chapter are beyond  
154 the scope and capacity of any local government entity, which has many other responsibilities  
155 and functions that appropriately command the attention and resources of the local government  
156 entity, and are not functions of purely local concern but are matters of regional and statewide  
157 concern, importance, interest, and impact, due to multiple factors, including:

158 (i) the importance and benefit to the region and state of a healthy, vibrant, and  
159 ecologically sound Utah Lake; and

160 (ii) the enormous potential for regional and statewide economic, aesthetic, recreational,  
161 and other benefit that can come from the management of Utah Lake.

162 (c) The lake authority is the mechanism the state chooses to focus resources and efforts  
163 on behalf of the state to ensure that the regional and statewide interests, concerns, and purposes  
164 described in this Subsection (3) are properly addressed from more of a statewide perspective  
165 than any local government entity can provide.

166 (4) (a) The lake authority supplants and replaces the Utah Lake Commission,  
167 established by interlocal agreement.

168 (b) The Utah Lake Commission shall:

169 (i) cooperate with the lake authority to transition, as soon as practicable, Utah Lake  
170 Commission functions to the lake authority, to the extent consistent with this chapter; and

171 (ii) take all necessary actions to dissolve the Utah Lake Commission no later than May  
172 1, 2023.

173 (c) The lake authority may, by majority vote of the board, succeed to the position of the  
174 Utah Lake Commission in any contract in which the Utah Lake Commission is a party.

175 (d) (i) As part of the transition from the Utah Lake Commission to the lake authority,  
176 the lake authority shall offer an employee of the Utah Lake Commission employment with the  
177 lake authority in the same or a comparable position and with the same or comparable  
178 compensation as the employee had as an employee of the Utah Lake Commission.

179 (ii) Subsection (4)(d)(i) may not be construed to affect the at-will status of an  
180 individual who becomes an employee of the lake authority.

181 (e) After the authority board is constituted, an advisory or technical committee  
182 established by the Utah Lake Commission shall continue to function under the direction of the

183 board as a subcommittee of the lake authority until the board modifies or discontinues the  
184 subcommittee.

185 Section 5. Section **11-65-202** is enacted to read:

186 **11-65-202. Lake authority powers and duties.**

187 (1) (a) The lake authority has exclusive land use authority over land within the lake  
188 authority boundary.

189 (b) The lake authority shall work with other government entities with jurisdiction over  
190 the watershed affecting Utah Lake water to improve the quality of water flowing into and out  
191 of Utah Lake, subject to and consistent with Title 73, Water and Irrigation.

192 (c) The lake authority:

193 (i) may make recommendations and provide advice to an adjacent political subdivision  
194 relating to issues affecting both the lake authority and the adjacent political subdivision; and

195 (ii) has no jurisdictional control or power over an adjacent political subdivision except  
196 as provided in an agreement between the lake authority and the adjacent political subdivision.

197 (2) The lake authority may coordinate the efforts of all applicable state and local  
198 government entities, property owners, owners of water rights, and other private parties, and  
199 other stakeholders to:

200 (a) develop and implement a management plan for Utah Lake, including:

201 (i) an environmental sustainability component, developed in conjunction with the Utah  
202 Department of Environmental Quality, incorporating strategies and best practices to meet  
203 applicable federal and state standards, including:

204 (A) water quality monitoring and reporting; and

205 (B) strategies that use the best available technology to mitigate environmental impacts  
206 from management and uses on Utah Lake;

207 (ii) strategies that preserve:

208 (A) upstream and downstream water use;

209 (B) the use of appropriated water rights; and

210 (C) the quantity and quality of water in tributaries upstream of Utah Lake;

211 (iii) strategies that enhance the aesthetic qualities and recreational use and enjoyment  
212 of Utah Lake; and

213 (iv) strategies that enhance economic development on Utah Lake;

214 (b) plan and facilitate the management of Utah Lake uses; and  
215 (c) manage any land owned or leased by the lake authority.  
216 (3) The lake authority has responsibility and authority for the management of Utah  
217 Lake.  
218 (4) The lake authority may:  
219 (a) develop, facilitate, oversee, and implement a plan for the management of Utah Lake  
220 consistent with the objectives of:  
221 (i) improving the clarity and quality of the water in Utah Lake;  
222 (ii) accommodating water rights;  
223 (iii) accommodating water storage and water supply functions of Utah Lake;  
224 (iv) removing invasive plant and animal species, including phragmites and carp, from  
225 Utah Lake;  
226 (v) improving littoral zone and other plant communities in and around Utah Lake;  
227 (vi) improving and conserving native fish and other aquatic species in Utah Lake;  
228 (vii) cooperating in the June Sucker Recovery Implementation Program;  
229 (viii) increasing the suitability of Utah Lake and Utah Lake's surrounding areas for  
230 shore birds, waterfowl, and other avian species;  
231 (ix) improving navigability of Utah Lake;  
232 (x) enhancing and ensuring recreational access and opportunities on Utah Lake; and  
233 (xi) otherwise improving the use of Utah Lake for residents and visitors;  
234 (b) facilitate and bring about the management of uses on Utah Lake;  
235 (c) engage in marketing and business recruitment activities and efforts to encourage  
236 and facilitate:  
237 (i) the improvement of water and environmental quality;  
238 (ii) the use of Utah Lake for recreation;  
239 (iii) the improvement of economic development on Utah Lake; and  
240 (iv) other development of Utah Lake consistent with the policies and objectives  
241 described in Subsection (2);  
242 (d) facilitate and provide funding for the management of Utah Lake, including the  
243 development of publicly owned infrastructure and improvements and other infrastructure and  
244 improvements on or related to Utah Lake;



245 (e) engage in marketing activities and efforts to encourage and facilitate management  
246 of Utah Lake;

247 (f) as determined by the board appropriate to accomplish or further the policies and  
248 objectives described in Subsection (2):

249 (i) take all necessary actions to acquire any grants or other available funds from federal  
250 or other governmental or private entities, including providing matching funds;

251 (ii) award grants of lake authority funds; or

252 (iii) provide waivers of financial obligations to the lake authority;

253 (g) as the lake authority considers necessary or advisable to carry out any of the lake  
254 authority's duties or responsibilities under this chapter:

255 (i) buy, obtain an option upon, or otherwise acquire any interest in real or personal  
256 property;

257 (ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or  
258 personal property; or

259 (iii) enter into a lease agreement on real or personal property, either as lessee or lessor;

260 (h) sue and be sued;

261 (i) enter into contracts generally;

262 (j) provide funding for the development of publicly owned infrastructure and  
263 improvements or other infrastructure and improvements on or related to Utah Lake;

264 (k) exercise powers and perform functions under a contract, as authorized in the  
265 contract;

266 (l) accept financial or other assistance from any public or private source for the lake  
267 authority's activities, powers, and duties, and expend any funds so received for any of the  
268 purposes of this chapter;

269 (m) borrow money, contract with, or accept financial or other assistance from the  
270 federal government, a public entity, or any other source for any of the purposes of this chapter  
271 and comply with any conditions of the loan, contract, or assistance;

272 (n) issue bonds to finance the undertaking of any management objectives of the lake  
273 authority, including bonds under this chapter, bonds under Chapter 17, Utah Industrial  
274 Facilities and Development Act, bonds under Chapter 42, Assessment Area Act, and bonds  
275 under Chapter 42a, Commercial Property Assessed Clean Energy Act;

- 276 (o) hire employees, including contract employees;  
277 (p) transact other business and exercise all other powers provided for in this chapter;  
278 (q) engage one or more consultants to advise or assist the lake authority in the  
279 performance of the lake authority's duties and responsibilities;  
280 (r) work with adjacent political subdivisions and neighboring property owners and  
281 communities to mitigate potential negative impacts from the management of Utah Lake;  
282 (s) help to facilitate development in a municipality or community reinvestment agency  
283 whose boundary abuts the lake authority boundary if the development also benefits the lake  
284 authority or the management of Utah Lake;  
285 (t) manage one or more marina facilities if the lake authority considers the lake  
286 authority managing the marina facility to be necessary or desirable;  
287 (u) subject to Subsection (5), own and operate publicly owned infrastructure and  
288 improvements in a project area outside the lake authority land; and  
289 (v) exercise powers and perform functions that the lake authority is authorized by  
290 statute to exercise or perform.
- 291 (5) Notwithstanding Subsection (4)(u), the lake authority may not provide service  
292 through publicly owned infrastructure and improvements to an area outside the lake authority  
293 boundary.
- 294 (6) The lake authority may consult, coordinate, enter into agreements, or engage in  
295 mutually beneficial projects or other activities with a municipality, community reinvestment  
296 agency, or adjacent political subdivision, as the board considers appropriate.
- 297 (7) The lake authority shall:  
298 (a) no later than December 31, 2022, prepare an accurate digital map of the lake  
299 authority boundary, subject to any later changes to the boundary enacted by the Legislature; and  
300 (b) maintain the digital map of the lake authority boundary that is easily accessible by  
301 the public.
- 302 (8) (a) The lake authority may establish a community enhancement program designed  
303 to address the impacts that management or uses within the lake authority boundary have on  
304 adjacent communities.  
305 (b) (i) The lake authority may use lake authority money to support the community  
306 enhancement program and to pay for efforts to address the impacts described in Subsection

307 (8)(a).

308 (ii) Lake authority money designated for use under Subsection (8)(b)(i) is exempt from  
309 execution or any other process in the collection of a judgment against or debt or other  
310 obligation of the lake authority arising out of the lake authority's activities with respect to the  
311 community enhancement program.

312 (c) On or before October 31, 2023, the lake authority shall report on the lake authority's  
313 actions under this Subsection (8) to:

314 (i) the Infrastructure and General Government Appropriations Subcommittee of the  
315 Legislature;

316 (ii) the Natural Resources, Agriculture, and Environmental Quality Appropriations  
317 Subcommittee of the Legislature; and

318 (iii) the Natural Resources, Agriculture, and Environment Interim Committee of the  
319 Legislature.

320 (9) (a) As used in this Subsection (9):

321 (i) "Collecting authority" means the entity that collects charges from sewer connection  
322 owners for sewer service provided to the sewer connection owner's property.

323 (ii) "Sewer connection" means a connection to a sewer system that allows the sewer  
324 system to collect sewage from the property connected to the sewer system for transportation  
325 and treatment.

326 (iii) "Sewer connection owner" means the person that owns the property from which  
327 sewage is collected through a sewer connection.

328 (iv) "Sewer system" means a system:

329 (A) for the collection, transportation, and treatment of sewage from a sewer connection  
330 located in Utah County; and

331 (B) that discharges the system's effluent into Utah Lake or into a stream that flows into  
332 Utah Lake.

333 (b) The lake authority may impose on and collect from a sewer connection owner a  
334 charge of no more than \$2 per month for each sewer connection.

335 (c) A collecting authority:

336 (i) shall collect and transmit to the lake authority all charges that the lake authority  
337 imposes under Subsection (9)(b); and

338 (ii) may retain, as an administrative fee, 1% of charges that the collection authority  
339 collects under this Subsection (9)(c).

340 Section 6. Section **11-65-203** is enacted to read:

341 **11-65-203. Policies and objectives of the lake authority -- Additional duties of the**  
342 **lake authority.**

343 (1) The policies and objectives of the lake authority are to:

344 (a) protect and improve:

345 (i) the quality of Utah Lake's water, consistent with the Clean Water Act, 33 U.S.C.

346 Sec. 1251 et seq., and Title 19, Chapter 5, Water Quality Act;

347 (ii) the beneficial uses of Utah Lake;

348 (iii) Utah Lake's environmental quality; and

349 (iv) the quality of Utah Lake's lakebed and sediments;

350 (b) enhance the recreational opportunities afforded by Utah Lake, consistent with

351 existing appropriated water rights in Utah Lake, in tributaries to Utah Lake, and in waters

352 downstream from Utah Lake;

353 (c) enhance long-term economic benefits to the area, the region, and the state;

354 (d) respect and maintain sensitivity to the unique natural environment of areas in and

355 around the lake authority boundary;

356 (e) improve air quality and minimize resource use;

357 (f) comply with existing land use and other agreements and arrangements between

358 property owners and applicable governmental authorities;

359 (g) promote and encourage management and uses that are compatible with or

360 complement uses in areas in proximity to Utah Lake;

361 (h) take advantage of Utah Lake's strategic location and other features that make Utah

362 Lake attractive:

363 (i) to residents for recreational purposes;

364 (ii) for tourism and leisure;

365 (iii) for business opportunities; and

366 (iv) for meeting housing needs;

367 (i) encourage the development and use of cost-efficient renewable energy in project

368 areas;

369 (j) support and promote land uses on land within the lake authority boundary and land  
370 in adjacent political subdivisions that generate economic development, including rural  
371 economic development;

372 (k) respect and not interfere with water rights or the operation of water facilities or  
373 water projects associated with Utah Lake;

374 (l) respect and maintain sensitivity to the unique Native American history, historical  
375 sites, and artifacts within and around the lake authority boundary; and

376 (m) protect and enhance the ability of the Provo airport to operate and grow,  
377 recognizing the significant state investment in the airport and the benefits that a thriving airport  
378 provides to the quality of life and the economy.

379 (2) In fulfilling the lake authority's duties and responsibilities relating to the  
380 management of Utah Lake and to achieve and implement the management policies and  
381 objectives under Subsection (1), the lake authority shall:

382 (a) work to identify funding sources, including federal, state, and local government  
383 funding and private funding, for capital improvement projects in and around Utah Lake;

384 (b) review and identify land use and zoning policies and practices to recommend to  
385 land use policymakers and administrators of adjoining municipalities that are consistent with  
386 and will help to achieve the policies and objectives stated in Subsection (1);

387 (c) consult and coordinate with other applicable governmental entities to improve and  
388 enhance transportation and other infrastructure and facilities in order to maximize the potential  
389 of Utah Lake to attract, retain, and service users who will help enhance the long-term economic  
390 benefit to the state; and

391 (d) pursue policies that the board determines are designed to avoid or minimize  
392 negative environmental impacts of management.

393 (3) The lake authority shall respect:

394 (a) a permit issued by a governmental entity applicable to Utah Lake;

395 (b) a governmental entity's easement or other interest affecting Utah Lake; and

396 (c) an agreement between governmental entities, including between a state agency and  
397 the federal government, relating to Utah Lake.

398 (4) (a) The lake authority may use lake authority money to encourage, incentivize,  
399 fund, or require development that:

400 (i) mitigates noise, air pollution, light pollution, surface and groundwater pollution,  
401 and other negative environmental impacts;

402 (ii) mitigates traffic congestion; or

403 (iii) uses high efficiency building construction and operation.

404 (b) In consultation with the municipality in which management is expected to occur,  
405 the lake authority shall establish minimum mitigation and environmental standards for  
406 management occurring on land within the lake authority boundary.

407 Section 7. Section **11-65-204** is enacted to read:

408 **11-65-204. Management plan.**

409 (1) (a) The board shall prepare, adopt, and, subject to Subsection (1)(b), implement a  
410 management plan.

411 (b) The lake authority may not begin to implement a management plan until April 1,  
412 2023.

413 (2) In preparing a management plan, the board shall:

414 (a) consult with and seek and consider input from the legislative or governing body of  
415 each adjacent political subdivision; and

416 (b) consider how the interests of adjacent political subdivisions would be affected by  
417 implementation of the management plan.

418 (3) A management plan shall:

419 (a) describe in general terms the lake authority's:

420 (i) vision and plan for achieving and implementing the policies and objectives stated in  
421 Section [11-65-203](#); and

422 (ii) overall plan for the management of Utah Lake, including an anticipated timetable  
423 and any anticipated phases of management;

424 (b) accommodate and advance, without sacrificing the policies and objectives stated in  
425 Section [11-65-203](#), the compatible interests of adjacent political subdivisions;

426 (c) describe in general terms how the lake authority anticipates cooperating with  
427 adjacent political subdivisions to pursue mutually beneficial goals in connection with the  
428 management of Utah Lake; and

429 (d) identify the anticipated sources of revenue for implementing the management plan.

430 (4) (a) Before adopting a management plan, the board shall provide a copy of the

431 proposed management plan to each adjacent political subdivision.

432 (b) An adjacent political subdivision may submit to the board comments or suggestions  
433 relating to the proposed management plan.

434 (c) The board shall establish a deadline for submitting comments or suggestions under  
435 Subsection (4)(b) that is at least 30 days after the board provides a copy of the proposed  
436 management plan under Subsection (4)(a).

437 (d) Before adopting a management plan, the board shall consider comments and  
438 suggestions that are submitted by the deadline established under Subsection (4)(c).

439 Section 8. Section **11-65-205** is enacted to read:

440 **11-65-205. Project for the improvement of Utah Lake -- Role of the Division of**  
441 **Forestry, Fire, and State Lands -- Allowing the use of Utah Lake in exchange for the**  
442 **implementation of an improvement project.**

443 (1) As used in this section:

444 (a) "Division" means the Division of Forestry, Fire, and State Lands created in Section  
445 [65A-1-4](#).

446 (b) "Improvement project" means a project for the improvement of Utah Lake as  
447 determined by the board.

448 (c) "Improvement project agreement" means an agreement under which an  
449 improvement project contractor agrees to undertake an improvement project.

450 (d) "Improvement project contractor" means a person who executes a legally binding  
451 improvement project agreement with the lake authority.

452 (2) The lake authority is substituted in the place of the division with respect to the  
453 management of Utah Lake.

454 (3) The lake authority may enter into an improvement project agreement if:

455 (a) the lake authority finds that the improvement project will fulfill the purposes listed  
456 in Subsection [11-65-202](#)(4)(a); and

457 (b) the improvement project agreement is consistent with the provisions of this chapter.

458 (4) (a) An improvement project agreement may include a provision allowing the use of  
459 Utah Lake in exchange for the implementation of the improvement project agreement, as  
460 provided in this Subsection (4).

461 (b) (i) If provided for in an improvement project agreement, the lake authority may

462 recommend that the division allow the use of Utah Lake in exchange for the implementation of  
463 the improvement project agreement.

464 (ii) In making a recommendation under Subsection (4)(b)(i), the lake authority shall  
465 consider:

466 (A) the potential benefit to the citizens of the state from execution of an improvement  
467 project, the desirability of the proposed use of Utah Lake and the surrounding areas as a result  
468 of the improvement project, and the enhancement of the usability and enjoyment of Utah Lake  
469 and lake authority land that will accrue to the public because of the improvement project;

470 (B) the potential detriment to appropriated water rights in the waters of Utah Lake, in  
471 upstream tributaries, and downstream of Utah Lake;

472 (C) the potential that the improvement project presents for additional revenue to state  
473 and local government entities;

474 (D) the enhancement to state property resulting from the proposed use of Utah Lake  
475 allowed to be used in exchange for the execution of the improvement project;

476 (E) the proposed timetable for completion of the improvement project; and

477 (F) the ability of the improvement project contractor to execute and complete the  
478 improvement project satisfactorily.

479 (c) If the lake authority recommends the use of Utah Lake under Subsection (4)(b), the  
480 division shall take the necessary actions to implement the use in accordance with the lake  
481 authority's recommendation.

482 (d) Nothing in this Subsection (4) may be construed to allow the disposition of title to  
483 any land within the lake authority boundary in exchange for the implementation of an  
484 improvement project.

485 (5) In cooperation and consultation with the lake authority, the division shall continue  
486 in the division's current role with respect to permit applications and requests for proposals  
487 submitted before May 4, 2022 related to Utah Lake.

488 Section 9. Section **11-65-206** is enacted to read:

489 **11-65-206. Applicability of other law -- Cooperation of state and local**  
490 **governments -- Authority of other agencies not affected -- Attorney general to provide**  
491 **legal services.**

492 (1) The lake authority is subject to and governed by Sections [63E-2-106](#), [63E-2-107](#),



493 63E-2-108, 63E-2-109, 63E-2-110, and 63E-2-111, but is not otherwise subject to or governed  
494 by Title 63E, Independent Entities Code.

495 (2) A department, division, or other agency of the state and a political subdivision of  
496 the state shall, upon the board's request, cooperate with the lake authority to provide the  
497 support, information, or other assistance reasonably necessary to help the lake authority fulfill  
498 the lake authority's duties and responsibilities under this chapter.

499 (3) Nothing in this chapter may be construed to affect or impair the authority of the  
500 Department of Environmental Quality, created in Section 19-1-104, to regulate under Title 19,  
501 Environmental Quality Code, consistent with the purposes of this chapter.

502 (4) In accordance with Utah Constitution, Article XVII, Section 1, nothing in this  
503 chapter may be construed to override, supersede, or modify:

504 (a) any water right in the state;

505 (b) the operation of a water facility or project; or

506 (c) the role or authority of the state.

507 (5) (a) Except as otherwise explicitly provided, nothing in this chapter may be  
508 construed to authorize the lake authority to interfere with or take the place of another  
509 governmental entity in that entity's process of considering a request for a license, permit, or  
510 other regulatory or governmental permission for an action relating to water of Utah Lake or  
511 land within the lake authority boundary.

512 (b) The lake authority shall respect and, if applicable and within the lake authority's  
513 powers, implement a license, permit, or other regulatory or governmental permission described  
514 in Subsection (5)(a).

515 (6) The attorney general shall provide legal services to the lake authority and board.

516 Section 10. Section **11-65-301** is enacted to read:

517 **Part 3. Lake Authority Board**

518 **11-65-301. Utah Lake Authority board -- Delegation of power.**

519 (1) The lake authority shall be governed by a board which shall manage and conduct  
520 the business and affairs of the lake authority and shall determine all questions of lake authority  
521 policy.

522 (2) All powers of the lake authority are exercised through the board or, as provided in  
523 Section 11-65-305, the executive director.

524 (3) The board may by resolution delegate powers to lake authority staff.  
525 (4) To consult with and advise the board in the performance of the board's duties in  
526 fulfilling the purposes of the lake authority, the board shall appoint:

- 527 (a) one or more advisory committees;  
528 (b) one or more technical committees;  
529 (c) one or more local government groups; and  
530 (d) one or more stakeholder groups.

531 Section 11. Section **11-65-302** is enacted to read:

532 **11-65-302. Number of board members -- Appointment -- Vacancies.**

533 (1) The lake authority's board shall consist of 19 members, as provided in Subsection  
534 (2).

535 (2) (a) The governor shall appoint two board members, at least one of whom shall be  
536 from the Governor's Office of Economic Opportunity.

537 (b) The president of the Senate shall appoint one board member.

538 (c) The speaker of the House of Representatives shall appoint one board member.

539 (d) The legislative body of Utah County shall appoint a member of the legislative body  
540 of Utah County as a board member.

541 (e) (i) The Utah County Council of Governments shall appoint eight board members, at  
542 least one of whom shall be an individual designated by a chamber of commerce in Utah  
543 County.

544 (ii) A member appointed by the Utah County Council of Governments, except a  
545 member appointed as designated by the chamber of commerce of Utah County, shall hold an  
546 elective office in Utah County or a municipality within Utah County.

547 (iii) The initial members appointed by the Utah County Council of Governments shall  
548 include:

549 (A) an individual designated by the legislative body of the city of Lehi;

550 (B) an individual designated by the legislative body of the city of Lindon;

551 (C) an individual designated by the legislative body of the city of Springville; and

552 (D) an individual designated by the Utah Valley Chamber of Commerce.

553 (f) The mayor of the city of Provo shall appoint one individual who is an elected  
554 officer of the city of Provo as a board member.

555 (g) The legislative body of the city of Orem shall appoint one individual who is an  
556 elected officer of the city of Orem as a board member.

557 (h) The legislative body of the city of Vineyard shall appoint one individual who is an  
558 elected officer of the city of Vineyard as a board member.

559 (i) The legislative body of the city of Saratoga Springs shall appoint one individual  
560 who is an elected officer of the city of Saratoga Springs as a board member.

561 (j) The executive director of the Department of Natural Resources shall appoint one  
562 board member.

563 (k) The executive director of the Department of Environmental Quality shall appoint  
564 one board member.

565 (3) Appointments required under Subsection (2) shall be made no later than June 1,  
566 2022.

567 (4) (a) A vacancy in the board shall be filled in the same manner under this section as  
568 the appointment of the member whose vacancy is being filled.

569 (b) An individual appointed to fill a vacancy shall serve the remaining unexpired term  
570 of the member whose vacancy the individual is filling.

571 (5) A member of the board appointed by the governor, president of the Senate, or  
572 speaker of the House of Representatives serves at the pleasure of and may be removed and  
573 replaced at any time, with or without cause, by the governor, president of the Senate, or speaker  
574 of the House of Representatives, respectively.

575 (6) The lake authority may appoint nonvoting members of the board and set terms for  
576 those nonvoting members.

577 (7) Upon a vote of a majority of all board members, the board may appoint a board  
578 chair and any other officer of the board.

579 (8) The board:

580 (a) may appoint one or more advisory committees that may include individuals from  
581 impacted public entities, community organizations, environmental organizations, business  
582 organizations, or other organizations or associations; and

583 (b) shall appoint an advisory committee to advise on recreation and water fowl  
584 activities on Utah Lake.

585 Section 12. Section **11-65-303** is enacted to read:

586 **11-65-303. Term of board members -- Quorum -- Compensation.**

587 (1) The term of a board member appointed under Subsection [11-65-302\(2\)](#) is four  
588 years, except that the initial term is two years for:

589 (a) one of the two members appointed under Subsection [11-65-302\(2\)\(a\)](#), as designated  
590 by the governor;

591 (b) four of the eight members appointed under Subsection [11-65-302\(2\)\(e\)](#), as  
592 designated by the Utah County Council of Governments; and

593 (c) the members appointed under Subsections [11-65-302\(2\)\(c\)](#), (d), (g), and (i).

594 (2) Each board member shall serve until a successor is duly appointed and qualified.

595 (3) A board member may serve multiple terms if duly appointed to serve each term  
596 under Subsection [11-65-302\(2\)](#).

597 (4) A majority of board members constitutes a quorum, and the action of a majority of  
598 a quorum constitutes action of the board.

599 (5) (a) A board member who is not a legislator may not receive compensation or  
600 benefits for the member's service on the board, but may receive per diem and reimbursement  
601 for travel expenses incurred as a board member as allowed in:

602 (i) Sections [63A-3-106](#) and [63A-3-107](#); and

603 (ii) rules made by the Division of Finance according to Sections [63A-3-106](#) and  
604 [63A-3-107](#).

605 (b) Compensation and expenses of a board member who is a legislator are governed by  
606 Section [36-2-2](#) and Legislative Joint Rules, Title 5, Chapter 3, Legislator Compensation.

607 Section 13. Section **11-65-304** is enacted to read:

608 **11-65-304. Limitations on board members and executive director.**

609 (1) As used in this section:

610 (a) "Direct financial benefit":

611 (i) means any form of financial benefit that accrues to an individual directly, including:

612 (A) compensation, commission, or any other form of a payment or increase of money;

613 and

614 (B) an increase in the value of a business or property; and

615 (ii) does not include a financial benefit that accrues to the public generally.

616 (b) "Family member" means a parent, spouse, sibling, child, or grandchild.

617 (2) An individual may not serve as a voting member of the board or as executive  
618 director if the individual or a family member of the individual owns an interest in, is directly  
619 affiliated with, or is an employee or officer of a private firm, private company, or other private  
620 entity that the individual reasonably believes is likely to participate in or receive a direct  
621 financial benefit from the management of Utah Lake.

622 (3) Before taking office as a voting member of the board or accepting employment as  
623 executive director, an individual shall submit to the lake authority a statement verifying that the  
624 individual's service as a board member or employment as executive director does not violate  
625 Subsection (2).

626 (4) (a) A voting member or nonvoting member of the board or an employee of the lake  
627 authority may not receive a direct financial benefit from the management of Utah Lake.

628 (b) For purposes of Subsection (4)(a), a direct financial benefit does not include:

629 (i) expense reimbursements;

630 (ii) per diem pay for board member service, if applicable; or

631 (iii) an employee's compensation or benefits from employment with the lake authority.

632 (5) Nothing in this section may be construed to affect the application or effect of any  
633 other code provision applicable to a board member or employee relating to ethics or conflicts  
634 of interest.

635 Section 14. Section **11-65-305** is enacted to read:

636 **11-65-305. Executive director.**

637 (1) (a) The director of the Utah Lake Commission shall be the initial full-time  
638 executive director of the authority.

639 (b) Subsection (1)(a) does not affect the status of the executive director as an at-will  
640 employee.

641 (2) (a) The executive director is the chief executive officer of the lake authority.

642 (b) The role of the executive director is to:

643 (i) manage and oversee the day-to-day operations of the lake authority;

644 (ii) fulfill the executive and administrative duties and responsibilities of the lake  
645 authority; and

646 (iii) perform other functions, as directed by the board.

647 (3) The executive director shall have the education, experience, and training necessary

648 to perform the executive director's duties in a way that maximizes the potential for successfully  
649 achieving and implementing the strategies, policies, and objectives stated in Section 11-65-203.

650 (4) An executive director is an at-will employee who serves at the pleasure of the board  
651 and may be removed by the board at any time.

652 (5) The board shall establish the duties, compensation, and benefits of an executive  
653 director.

654 Section 15. Section 11-65-306 is enacted to read:

655 **11-65-306. Development of standards and criteria to measure progress toward**  
656 **achieving lake authority policies and objectives -- Annual report.**

657 (1) The board shall develop standards and criteria by which to measure:

658 (a) the condition of Utah Lake as of 2022; and

659 (b) the extent to which efforts of the lake authority improve the condition of Utah Lake  
660 and achieve the policies and objectives of Section 11-65-203.

661 (2) In developing the standards and criteria, the board shall consult with and consider  
662 recommendations by:

663 (a) the Department of Environmental Quality;

664 (b) the Division of Forestry, Fire, and State Lands;

665 (c) the Division of Wildlife Resources;

666 (d) the Division of State Parks;

667 (e) the Division of Recreation;

668 (f) the Division of Water Resources;

669 (g) the Division of Water Rights; and

670 (h) the Department of Agriculture and Food.

671 (3) Beginning 2023, the board shall produce an annual report that explains the degree  
672 to which efforts of the lake authority are improving the condition of Utah Lake and achieving  
673 the policies and objectives of Section 11-65-203, in accordance with the standards and criteria  
674 developed under this section.

675 Section 16. Section 11-65-401 is enacted to read:

676 **Part 4. Project Area Plan and Budget**

677 **11-65-401. Preparation of project area plan -- Required contents of project area**  
678 **plan.**

- 679 (1) (a) The lake authority board's adoption of a project area plan is governed by this  
680 part.
- 681 (b) In order to adopt a project area plan, the lake authority board shall:
- 682 (i) prepare a draft project area plan;
- 683 (ii) give notice as required under Subsection [11-65-402\(2\)](#);
- 684 (iii) hold the public meetings required under Subsection [11-65-402\(1\)](#) at least 30 days  
685 apart; and
- 686 (iv) after holding the required public meetings and subject to Subsection (1)(c), adopt  
687 the draft project area plan as the project area plan.
- 688 (c) (i) The lake authority board may not adopt the project area plan until at least 30  
689 days after the last public meeting under Section [11-65-402](#).
- 690 (ii) Before adopting a draft project area plan as the project area plan, the lake authority  
691 board may make modifications to the draft project area plan that the board considers necessary  
692 or appropriate.
- 693 (d) (i) A lease or development agreement that the lake authority enters before the  
694 creation of a project area shall provide that the board is not required to create a project area.
- 695 (ii) The lake authority may not be required to pay any amount or incur any loss or  
696 penalty for the board's failure to create a project area.
- 697 (2) Each project area plan and draft project area plan shall contain:
- 698 (a) a legal description of the boundary of the project area that is the subject of the  
699 project area plan;
- 700 (b) the lake authority's purposes and intent with respect to the project area;
- 701 (c) a description of any management proposed to occur within the project area; and
- 702 (d) the board's findings and determination that:
- 703 (i) there is a need to effectuate a public purpose;
- 704 (ii) there is a public benefit to the proposed management project;
- 705 (iii) it is economically sound and feasible to adopt and carry out the project area plan;
- 706 and
- 707 (iv) carrying out the project area plan will promote the purposes of the lake authority,  
708 as stated in Section [11-65-203](#).
- 709 Section 17. Section **11-65-402** is enacted to read:

710 11-65-402. Public meeting to consider and discuss draft project area plan -- Notice  
711 -- Adoption of plan.

712 (1) The lake authority board shall hold at least two public meetings to:

713 (a) receive public comment on the draft project area plan; and

714 (b) consider and discuss the draft project area plan.

715 (2) At least 10 days before holding a public meeting under Subsection (1), the lake  
716 authority board shall:

717 (a) (i) post notice of the public meeting on the Utah Public Notice Website created in  
718 Section 63F-1-701; and

719 (ii) maintain the posting on the Utah Public Notice Website until the day of the public  
720 meeting;

721 (b) provide notice of the public meeting to a public entity that has entered into an  
722 agreement with the lake authority for sharing property tax revenue; and

723 (c) provide email notice of the public meeting to each person who has submitted a  
724 written request to the board to receive email notice of a public meeting under this section.

725 (3) Following consideration and discussion of the project area plan, the board may  
726 adopt the draft project area plan as the project area plan.

727 Section 18. Section **11-65-403** is enacted to read:

728 **11-65-403. Notice of project area plan adoption -- Effective date of plan --**  
729 **Contesting the formation of the plan.**

730 (1) Upon the board's adoption of a project area plan, the board shall provide notice as  
731 provided in Subsection (2) by publishing or causing to be published legal notice as required by  
732 Section 45-1-101.

733 (2) (a) A notice under Subsection (1) shall include:

734 (i) the board resolution adopting the project area plan or a summary of the resolution;  
735 and

736 (ii) a statement that the project area plan is available for general public inspection and  
737 the hours for inspection.

738 (b) The statement required under Subsection (2)(a)(ii) may be included in the board  
739 resolution or summary described in Subsection (2)(a)(i).

740 (3) The project area plan becomes effective on the date designated in the board



741 resolution adopting the project area plan.

742 (4) The lake authority shall make the adopted project area plan available to the general  
743 public at the lake authority's office during normal business hours.

744 (5) Within 10 days after the day on which a project area plan is adopted that establishes  
745 a project area, or after an amendment to a project area plan is adopted under which the  
746 boundary of a project area is modified, the lake authority shall send notice of the establishment  
747 or modification of the project area and an accurate map or plat of the project area to:

748 (a) the State Tax Commission;

749 (b) the Automated Geographic Reference Center created in Section [63F-1-506](#); and

750 (c) the assessor and recorder of each county where the project area is located.

751 (6) A legal action or other challenge to a project area plan or a project area described in  
752 a project area plan is barred unless brought within 90 days after the effective date of the project  
753 area plan.

754 Section 19. Section **11-65-404** is enacted to read:

755 **11-65-404. Amendment to a project area plan.**

756 (1) The lake authority may amend a project area plan by following the same procedure  
757 under this part as applies to the adoption of a project area plan.

758 (2) The provisions of this part apply to the lake authority's adoption of an amendment  
759 to a project area plan to the same extent as they apply to the adoption of a project area plan.

760 (3) An amendment to a project area plan does not affect the base taxable value  
761 determination for property already within the project area before the amendment.

762 Section 20. Section **11-65-405** is enacted to read:

763 **11-65-405. Project area budget.**

764 (1) Before the lake authority may use authority funds to implement the management  
765 plan, the authority board shall prepare and adopt a project area budget.

766 (2) The lake authority board may amend an adopted project area budget as and when  
767 the lake authority board considers an amendment appropriate.

768 (3) If the lake authority adopts a budget under Part 6, Lake Authority Budget,  
769 Reporting, and Audits, that also meets the requirements of this part, the lake authority need not  
770 separately adopt a budget under this part.

771 Section 21. Section **11-65-501** is enacted to read:

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**Part 5. Lake Authority Bonds**

**11-65-501. Resolution authorizing issuance of lake authority bonds --**

**Characteristics of bonds.**

(1) The lake authority may not issue bonds under this part unless the board first adopts a resolution authorizing issuance of the bonds.

(2) (a) As provided in the lake authority resolution authorizing the issuance of bonds under this part or the trust indenture under which the bonds are issued, bonds issued under this part may be issued in one or more series and may be sold at public or private sale and in the manner provided in the resolution or indenture.

(b) Bonds issued under this part shall bear the date, be payable at the time, bear interest at the rate, be in the denomination and in the form, carry the conversion or registration privileges, have the rank or priority, be executed in the manner, be subject to the terms of redemption or tender, with or without premium, be payable in the medium of payment and at the place, and have other characteristics as provided in the lake authority resolution authorizing the issuance of the bonds or the trust indenture under which the bonds are issued.

(3) Upon the board's adoption of a resolution providing for the issuance of bonds, the board may provide for the publication of the resolution as required in Section [45-1-101](#).

(4) In lieu of publishing the entire resolution, the board may publish notice of bonds that contains the information described in Subsection [11-14-316\(2\)](#).

(5) For a period of 30 days after the publication, any person in interest may contest:

(a) the legality of the resolution or proceeding;

(b) any bonds that may be authorized by the resolution or proceeding; or

(c) any provisions made for the security and payment of the bonds.

(6) (a) A person may contest the matters set forth in Subsection (5) by filing a verified written complaint, within 30 days after the publication under Subsection (5), in the district court of the county in which the person resides.

(b) A person may not contest the matters set forth in Subsection (5), or the regularity, formality, or legality of the resolution or proceeding, for any reason, after the 30-day period for contesting provided in Subsection (6)(a).

Section 22. Section **11-65-502** is enacted to read:

**11-65-502. Sources from which bonds may be made payable -- Lake authority**

803 **powers regarding bonds.**

804 (1) The principal and interest on bonds issued by the lake authority may be made  
805 payable from:

806 (a) the income and revenues of the projects financed with the proceeds of the bonds;

807 (b) the income and revenues of certain designated projects whether or not they were  
808 financed in whole or in part with the proceeds of the bonds;

809 (c) the income, proceeds, revenues, property, and funds the lake authority derives from  
810 or holds in connection with the lake authority's undertaking and carrying out management of  
811 lake authority land;

812 (d) lake authority revenues generally;

813 (e) a contribution, loan, grant, or other financial assistance from the federal  
814 government or a public entity in aid of the lake authority; or

815 (f) funds derived from any combination of the methods listed in Subsections (1)(a)  
816 through (e).

817 (2) In connection with the issuance of lake authority bonds, the lake authority may:

818 (a) pledge all or any part of the lake authority's gross or net rents, fees, or revenues to  
819 which the lake authority then has the right or to which the lake authority may thereafter acquire  
820 a right;

821 (b) encumber by mortgage, deed of trust, or otherwise all or any part of the lake  
822 authority's real or personal property, then owned or thereafter acquired; and

823 (c) make the covenants and take the action that may be necessary, convenient, or  
824 desirable to secure the lake authority's bonds, or, except as otherwise provided in this chapter,  
825 that will tend to make the bonds more marketable, even though such covenants or actions are  
826 not specifically enumerated in this chapter.

827 Section 23. Section **11-65-503** is enacted to read:

828 **11-65-503. Purchase of lake authority bonds.**

829 (1) Any person, firm, corporation, association, political subdivision of the state, or  
830 other entity or public or private officer may purchase bonds issued by the lake authority under  
831 this part with funds owned or controlled by the purchaser.

832 (2) Nothing in this section may be construed to relieve a purchaser of lake authority  
833 bonds of any duty to exercise reasonable care in selecting securities.

834 Section 24. Section **11-65-504** is enacted to read:

835 **11-65-504. Those executing bonds not personally liable -- Limitation of**  
836 **obligations under bonds -- Negotiability.**

837 (1) A member of the board or other person executing a lake authority bond is not liable  
838 personally on the bond.

839 (2) (a) A bond issued by the lake authority is not a general obligation or liability of the  
840 state or any of the state's political subdivisions and does not constitute a charge against the  
841 general credit or taxing powers of the state or any of the state's political subdivisions.

842 (b) A bond issued by the lake authority is not payable out of any funds or properties  
843 other than those of the lake authority.

844 (c) The state and the state's political subdivisions are not and may not be held liable on  
845 a bond issued by the lake authority.

846 (d) A bond issued by the lake authority does not constitute indebtedness within the  
847 meaning of any constitutional or statutory debt limitation.

848 (3) A bond issued by the lake authority under this part is fully negotiable.

849 Section 25. Section **11-65-505** is enacted to read:

850 **11-65-505. Obligee rights -- Board may confer other rights.**

851 (1) In addition to all other rights that are conferred on an obligee of a bond issued by  
852 the lake authority under this part, and subject to contractual restrictions binding on the obligee,  
853 an obligee may:

854 (a) by mandamus, suit, action, or other proceeding, compel the lake authority and the  
855 lake authority's board, officers, agents, or employees to perform every term, provision, and  
856 covenant contained in any contract of the lake authority with or for the benefit of the obligee,  
857 and require the lake authority to carry out the covenants and agreements of the lake authority  
858 and to fulfill all duties imposed on the lake authority by this part; and

859 (b) by suit, action, or proceeding in equity, enjoin any acts or things that may be  
860 unlawful or violate the rights of the obligee.

861 (2) (a) In a board resolution authorizing the issuance of bonds or in a trust indenture,  
862 mortgage, lease, or other contract, the board may confer upon an obligee holding or  
863 representing a specified amount in bonds, the rights described in Subsection (2)(b), to accrue  
864 upon the happening of an event or default prescribed in the resolution, indenture, mortgage,

865 lease, or other contract, and to be exercised by suit, action, or proceeding in any court of  
866 competent jurisdiction.

867 (b) (i) The rights that the board may confer under Subsection (2)(a) are the rights to:

868 (A) cause possession of all or part of a development project to be surrendered to an  
869 obligee;

870 (B) obtain the appointment of a receiver of all or part of a lake authority's development  
871 project and of the rents and profits from it; and

872 (C) require the lake authority and the lake authority's board and employees to account  
873 as if the lake authority and the board and employees were the trustees of an express trust.

874 (ii) If a receiver is appointed through the exercise of a right granted under Subsection  
875 (2)(b)(i)(B), the receiver:

876 (A) may enter and take possession of the development project or any part of the  
877 development project, operate and maintain the development project, and collect and receive all  
878 fees, rents, revenues, or other charges arising from the development project after the receiver's  
879 appointment; and

880 (B) shall keep money collected as receiver for the lake authority in separate accounts  
881 and apply the money pursuant to the lake authority obligations as the court directs.

882 Section 26. Section **11-65-506** is enacted to read:

883 **11-65-506. Bonds exempt from taxes -- Lake authority may purchase its own**  
884 **bonds.**

885 (1) A bond issued by the lake authority under this part is issued for an essential public  
886 and governmental purpose and is, together with interest on and income from the bond, exempt  
887 from all state taxes except the corporate franchise tax.

888 (2) The lake authority may purchase the lake authority's own bonds at a price that the  
889 board determines.

890 (3) Nothing in this section may be construed to limit the right of an obligee to pursue a  
891 remedy for the enforcement of a pledge or lien given under this part by the lake authority on the  
892 lake authority's rents, fees, grants, properties, or revenues.

893 Section 27. Section **11-65-601** is enacted to read:

894 **Part 6. Lake Authority Budget, Reporting, and Audits**

895 **11-65-601. Annual lake authority budget -- Fiscal year -- Public hearing required**

## 896 -- Auditor forms -- Requirement to file annual budget.

897 (1) The board shall prepare and adopt for the lake authority an annual budget of  
898 revenues and expenditures for each fiscal year.

899 (2) An annual lake authority budget shall be adopted before June 22, except that the  
900 lake authority's initial budget shall be adopted as soon as reasonably practicable after the  
901 organization of the board and the beginning of lake authority operations.

902 (3) The lake authority's fiscal year shall be the period from July 1 to the following June  
903 30.

904 (4) (a) Before adopting an annual budget, the board shall hold a public hearing on the  
905 annual budget.

906 (b) The lake authority shall provide notice of the public hearing on the annual budget  
907 by publishing notice on the Utah Public Notice Website created in Section [63F-1-701](#), for at  
908 least one week immediately before the public hearing.

909 (c) The lake authority shall make the annual budget available for public inspection at  
910 least three days before the date of the public hearing.

911 (5) The state auditor shall prescribe the budget forms and the categories to be contained  
912 in each lake authority budget, including:

913 (a) revenues and expenditures for the budget year;

914 (b) legal fees; and

915 (c) administrative costs, including rent, supplies, and other materials, and salaries of  
916 lake authority personnel.

917 (6) Within 30 days after adopting an annual budget, the board shall file a copy of the  
918 annual budget with the auditor of each county in which lake authority land is located, the State  
919 Tax Commission, and the state auditor.

920 Section 28. Section **11-65-602** is enacted to read:

921 **11-65-602. Amending the lake authority annual budget.**

922 (1) The board may by resolution amend an annual lake authority budget.

923 (2) An amendment of the annual lake authority budget that would increase the total  
924 expenditures may be made only after a public hearing following notice published as required  
925 for initial adoption of the annual budget.

926 (3) The lake authority may not make expenditures in excess of the total expenditures

927 established in the annual budget as the budget is adopted or amended.

928 Section 29. Section **11-65-603** is enacted to read:

929 **11-65-603. Lake authority report.**

930 Before November 30 of each year, the board shall present a report to the Executive  
931 Appropriations Committee of the Legislature, as the Executive Appropriations Committee  
932 directs, that includes:

933 (1) an accounting of how lake authority funds have been spent, including funds spent  
934 on the environmental sustainability component of the lake authority management plan under  
935 Subsection [11-65-202\(2\)\(a\)](#);

936 (2) an update about the progress of the management and implementation of the lake  
937 authority management plan under Subsection [11-65-202\(2\)\(a\)](#), including the development and  
938 implementation of the environmental sustainability component of the plan; and

939 (3) an explanation of the lake authority's progress in achieving the policies and  
940 objectives described in Section [11-65-203](#).

941 Section 30. Section **11-65-604** is enacted to read:

942 **11-65-604. Audit requirements.**

943 The lake authority shall comply with the audit requirements of Title 51, Chapter 2a,  
944 Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local  
945 Entities Act.

946 Section 31. Section **11-65-605** is enacted to read:

947 **11-65-605. Audit report.**

948 (1) The lake authority shall, within 180 days after the end of the lake authority's fiscal  
949 year, file a copy of the audit report with the county auditor and the state auditor.

950 (2) Each audit report under Subsection (1) shall include:

951 (a) the outstanding principal amount of bonds issued or other loans incurred to finance  
952 the costs associated with the lake authority's projects; and

953 (b) the actual amount expended for:

954 (i) acquisition of property;

955 (ii) site improvements or site preparation costs;

956 (iii) installation of public utilities or other public improvements; and

957 (iv) administrative costs of the lake authority.

958 Section 32. Section **11-65-606** is enacted to read:

959 **11-65-606. Lake authority chief financial officer is a public treasurer -- Certain**  
960 **lake authority funds are public funds.**

961 (1) The lake authority's chief financial officer:

962 (a) is a public treasurer, as defined in Section [51-7-3](#); and

963 (b) shall invest the lake authority funds specified in Subsection (2) as provided in that  
964 subsection.

965 (2) Notwithstanding Subsection [63E-2-110\(2\)\(a\)](#), appropriations that the lake authority  
966 receives from the state:

967 (a) are public funds; and

968 (b) shall be invested as provided in Title 51, Chapter 7, State Money Management Act.

969 Section 33. Section **11-65-701** is enacted to read:

970 **Part 7. Lake Authority Dissolution**

971 **11-65-701. Dissolution of lake authority -- Restrictions -- Notice of dissolution --**  
972 **Disposition of lake authority property -- Lake authority records -- Dissolution expenses.**

973 (1) The lake authority may not be dissolved unless the lake authority has no  
974 outstanding bonded indebtedness, other unpaid loans, indebtedness, or advances, and no legally  
975 binding contractual obligations with persons or entities other than the state.

976 (2) Upon the dissolution of the lake authority:

977 (a) the Governor's Office of Economic Opportunity shall publish a notice of dissolution  
978 as required in Section [45-1-101](#); and

979 (b) all title to property owned by the lake authority vests in the state.

980 (3) The books, documents, records, papers, and seal of the dissolved lake authority  
981 shall be deposited for safekeeping and reference with the state auditor.

982 (4) The lake authority shall pay all expenses of the deactivation and dissolution.

983 Section 34. Section **59-12-205** is amended to read:

984 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**  
985 **tax revenue -- Determination of population.**

986 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section  
987 [59-12-204](#), a county, city, or town shall adopt amendments to the county's, city's, or town's  
988 sales and use tax ordinances:



989 (a) within 30 days of the day on which the state makes an amendment to an applicable  
990 provision of Part 1, Tax Collection; and

991 (b) as required to conform to the amendments to Part 1, Tax Collection.

992 (2) Except as provided in Subsections (3) through (5) and subject to Subsection (6):

993 (a) 50% of each dollar collected from the sales and use tax authorized by this part shall  
994 be distributed to each county, city, and town on the basis of the percentage that the population  
995 of the county, city, or town bears to the total population of all counties, cities, and towns in the  
996 state; and

997 (b) (i) except as provided in Subsections (2)(b)(ii) [~~and~~], (iii), and (iv), 50% of each  
998 dollar collected from the sales and use tax authorized by this part shall be distributed to each  
999 county, city, and town on the basis of the location of the transaction as determined under  
1000 Sections 59-12-211 through 59-12-215;

1001 (ii) 50% of each dollar collected from the sales and use tax authorized by this part  
1002 within a project area described in a project area plan adopted by the military installation  
1003 development authority under Title 63H, Chapter 1, Military Installation Development  
1004 Authority Act, shall be distributed to the military installation development authority created in  
1005 Section 63H-1-201; [~~and~~]

1006 (iii) 50% of each dollar collected from the sales and use tax authorized by this part  
1007 within a project area under Title 11, Chapter 58, Utah Inland Port Authority Act, shall be  
1008 distributed to the Utah Inland Port Authority, created in Section 11-58-201[-]; and

1009 (iv) 50% of each dollar collected from the sales and use tax authorized by this part  
1010 within the lake authority boundary, as defined in Section 11-65-102, shall be distributed to the  
1011 Utah Lake Authority, created in Section 11-65-201, beginning the next full calendar quarter  
1012 following the creation of the Utah Lake Authority.

1013 (3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall  
1014 distribute annually to a county, city, or town the distribution required by this Subsection (3) if:

1015 (i) the county, city, or town is a:

1016 (A) county of the third, fourth, fifth, or sixth class;

1017 (B) city of the fifth class; or

1018 (C) town;

1019 (ii) the county, city, or town received a distribution under this section for the calendar

1020 year beginning on January 1, 2008, that was less than the distribution under this section that the  
1021 county, city, or town received for the calendar year beginning on January 1, 2007;

1022 (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located  
1023 within the unincorporated area of the county for one or more days during the calendar year  
1024 beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,  
1025 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North  
1026 American Industry Classification System of the federal Executive Office of the President,  
1027 Office of Management and Budget; or

1028 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection  
1029 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during  
1030 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry  
1031 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the  
1032 2002 North American Industry Classification System of the federal Executive Office of the  
1033 President, Office of Management and Budget; and

1034 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment  
1035 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for  
1036 one or more days during the calendar year beginning on January 1, 2008, was not the holder of  
1037 a direct payment permit under Section [59-12-107.1](#); or

1038 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection  
1039 (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a  
1040 city or town for one or more days during the calendar year beginning on January 1, 2008, was  
1041 not the holder of a direct payment permit under Section [59-12-107.1](#).

1042 (b) The commission shall make the distribution required by this Subsection (3) to a  
1043 county, city, or town described in Subsection (3)(a):

1044 (i) from the distribution required by Subsection (2)(a); and

1045 (ii) before making any other distribution required by this section.

1046 (c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by  
1047 multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.

1048 (ii) For purposes of Subsection (3)(c)(i):

1049 (A) the numerator of the fraction is the difference calculated by subtracting the  
1050 distribution a county, city, or town described in Subsection (3)(a) received under this section

1051 for the calendar year beginning on January 1, 2008, from the distribution under this section that  
1052 the county, city, or town received for the calendar year beginning on January 1, 2007; and

1053 (B) the denominator of the fraction is \$333,583.

1054 (d) A distribution required by this Subsection (3) is in addition to any other distribution  
1055 required by this section.

1056 (4) (a) As used in this Subsection (4):

1057 (i) "Eligible county, city, or town" means a county, city, or town that:

1058 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection (4)(b)

1059 equal to the amount described in Subsection (4)(b)(ii); and

1060 (B) does not impose a sales and use tax under Section 59-12-2103 on or before July 1,  
1061 2016.

1062 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue  
1063 distributions an eligible county, city, or town received from a tax imposed in accordance with  
1064 this part for fiscal year 2004-05.

1065 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax  
1066 imposed in accordance with this part equal to the greater of:

1067 (i) the payment required by Subsection (2); or

1068 (ii) the minimum tax revenue distribution.

1069 (5) (a) For purposes of this Subsection (5):

1070 (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to  
1071 1.8% of the participating local government's tax revenue distribution amount under Subsection  
1072 (2)(a) for the previous fiscal year.

1073 (ii) "Participating local government" means a county or municipality, as defined in  
1074 Section 10-1-104, that is not an eligible municipality or grant eligible entity certified in  
1075 accordance with Section 35A-16-307.

1076 (b) For revenue collected from the tax authorized by this part that is distributed on or  
1077 after January 1, 2019, the commission, before making a tax revenue distribution under  
1078 Subsection (2)(a) to a participating local government, shall:

1079 (i) subtract one-twelfth of the annual local contribution for each participating local  
1080 government from the participating local government's tax revenue distribution under  
1081 Subsection (2)(a); and

1082 (ii) deposit the amount described in Subsection (5)(b)(i) into the Homeless Shelter  
1083 Cities Mitigation Restricted Account created in Section 35A-16-304.

1084 (c) For a participating local government that qualifies to receive a distribution  
1085 described in Subsection (3) or (4), the commission shall apply the provisions of this Subsection  
1086 (5) after the commission applies the provisions of Subsections (3) and (4).

1087 (6) (a) Population figures for purposes of this section shall be based on the most recent  
1088 official census or census estimate of the United States Bureau of the Census.

1089 (b) If a needed population estimate is not available from the United States Bureau of  
1090 the Census, population figures shall be derived from the estimate from the Utah Population  
1091 Committee.

1092 (c) The population of a county for purposes of this section shall be determined only  
1093 from the unincorporated area of the county.

1094 Section 35. Section 63J-1-602.2 is amended to read:

1095 **63J-1-602.2. List of nonlapsing appropriations to programs.**

1096 Appropriations made to the following programs are nonlapsing:

1097 (1) The Legislature and the Legislature's committees.

1098 (2) The State Board of Education, including all appropriations to agencies, line items,  
1099 and programs under the jurisdiction of the State Board of Education, in accordance with  
1100 Section 53F-9-103.

1101 (3) The Percent-for-Art Program created in Section 9-6-404.

1102 (4) The LeRay McAllister Critical Land Conservation Program created in Section  
1103 11-38-301.

1104 (5) The Utah Lake Authority created in Section 11-65-201.

1105 [~~5~~] (6) Dedicated credits accrued to the Utah Marriage Commission as provided  
1106 under Subsection 17-16-21(2)(d)(ii).

1107 [~~6~~] (7) The Trip Reduction Program created in Section 19-2a-104.

1108 [~~7~~] (8) The Division of Wildlife Resources for the appraisal and purchase of lands  
1109 under the Pelican Management Act, as provided in Section 23-21a-6.

1110 [~~8~~] (9) The emergency medical services grant program in Section 26-8a-207.

1111 [~~9~~] (10) The primary care grant program created in Section 26-10b-102.

1112 [~~10~~] (11) Sanctions collected as dedicated credits from Medicaid provider under

- 1113 Subsection [26-18-3](#)(7).
- 1114       ~~[(11)]~~ [\(12\)](#) The Utah Health Care Workforce Financial Assistance Program created in  
1115 Section [26-46-102](#).
- 1116       ~~[(12)]~~ [\(13\)](#) The Rural Physician Loan Repayment Program created in Section  
1117 [26-46a-103](#).
- 1118       ~~[(13)]~~ [\(14\)](#) The Opiate Overdose Outreach Pilot Program created in Section [26-55-107](#).
- 1119       ~~[(14)]~~ [\(15\)](#) Funds that the Department of Alcoholic Beverage Control retains in  
1120 accordance with Subsection [32B-2-301](#)(9)(a) or (b).
- 1121       ~~[(15)]~~ [\(16\)](#) The General Assistance program administered by the Department of  
1122 Workforce Services, as provided in Section [35A-3-401](#).
- 1123       ~~[(16)]~~ [\(17\)](#) The Utah National Guard, created in Title 39, Militia and Armories.
- 1124       ~~[(17)]~~ [\(18\)](#) The State Tax Commission under Section [41-1a-1201](#) for the:  
1125 (a) purchase and distribution of license plates and decals; and  
1126 (b) administration and enforcement of motor vehicle registration requirements.
- 1127       ~~[(18)]~~ [\(19\)](#) The Search and Rescue Financial Assistance Program, as provided in  
1128 Section [53-2a-1102](#).
- 1129       ~~[(19)]~~ [\(20\)](#) The Motorcycle Rider Education Program, as provided in Section [53-3-905](#).
- 1130       ~~[(20)]~~ [\(21\)](#) The Utah Board of Higher Education for teacher preparation programs, as  
1131 provided in Section [53B-6-104](#).
- 1132       ~~[(21)]~~ [\(22\)](#) The Medical Education Program administered by the Medical Education  
1133 Council, as provided in Section [53B-24-202](#).
- 1134       ~~[(22)]~~ [\(23\)](#) The Division of Services for People with Disabilities, as provided in  
1135 Section [62A-5-102](#).
- 1136       ~~[(23)]~~ [\(24\)](#) The Division of Fleet Operations for the purpose of upgrading underground  
1137 storage tanks under Section [63A-9-401](#).
- 1138       ~~[(24)]~~ [\(25\)](#) The Utah Seismic Safety Commission, as provided in Section [63C-6-104](#).
- 1139       ~~[(25)]~~ [\(26\)](#) Appropriations to the Division of Technology Services for technology  
1140 innovation as provided under Section [63A-16-903](#).
- 1141       ~~[(26)]~~ [\(27\)](#) The Office of Administrative Rules for publishing, as provided in Section  
1142 [63G-3-402](#).
- 1143       ~~[(27)]~~ [\(28\)](#) The Colorado River Authority of Utah, created in Title 63M, Chapter 14,

- 1144 Colorado River Authority of Utah Act.
- 1145        ~~[(28)]~~ (29) The Governor's Office of Economic Opportunity to fund the Enterprise  
1146 Zone Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.
- 1147        ~~[(29)]~~ (30) Appropriations to fund the Governor's Office of Economic Opportunity's  
1148 Rural Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural  
1149 Employment Expansion Program.
- 1150        ~~[(30)]~~ (31) Appropriations to fund programs for the Jordan River Recreation Area as  
1151 described in Section [65A-2-8](#).
- 1152        ~~[(31)]~~ (32) The Division of Human Resource Management user training program, as  
1153 provided in Section [63A-17-106](#).
- 1154        ~~[(32)]~~ (33) A public safety answering point's emergency telecommunications service  
1155 fund, as provided in Section [69-2-301](#).
- 1156        ~~[(33)]~~ (34) The Traffic Noise Abatement Program created in Section [72-6-112](#).
- 1157        ~~[(34)]~~ (35) The money appropriated from the Navajo Water Rights Negotiation  
1158 Account to the Division of Water Rights, created in Section [73-2-1.1](#), for purposes of  
1159 participating in a settlement of federal reserved water right claims.
- 1160        ~~[(35)]~~ (36) The Judicial Council for compensation for special prosecutors, as provided  
1161 in Section [77-10a-19](#).
- 1162        ~~[(36)]~~ (37) A state rehabilitative employment program, as provided in Section  
1163 [78A-6-210](#).
- 1164        ~~[(37)]~~ (38) The Utah Geological Survey, as provided in Section [79-3-401](#).
- 1165        ~~[(38)]~~ (39) The Bonneville Shoreline Trail Program created under Section [79-5-503](#).
- 1166        ~~[(39)]~~ (40) Adoption document access as provided in Sections [78B-6-141](#), [78B-6-144](#),  
1167 and [78B-6-144.5](#).
- 1168        ~~[(40)]~~ (41) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent  
1169 Defense Commission.
- 1170        ~~[(41)]~~ (42) The program established by the Division of Facilities Construction and  
1171 Management under Section [63A-5b-703](#) under which state agencies receive an appropriation  
1172 and pay lease payments for the use and occupancy of buildings owned by the Division of  
1173 Facilities Construction and Management.