

Representative Brady Brammer proposes the following substitute bill:

UTAH LAKE AUTHORITY

2022 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Brady Brammer

Senate Sponsor: _____

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;
- ▶ requires the authority board to adopt and implement a management plan for Utah Lake;
- ▶ authorizes the authority to enter into an agreement for the improvement of Utah Lake;



- 26 ▶ provides for the hiring of an executive director, defines the executive director's role,
27 and provides for the qualifications and duties of the executive director;
- 28 ▶ requires the attorney general to provide legal services to the lake authority;
- 29 ▶ provides a process for the adoption and amendment of a project area plan and a
30 project area budget;
- 31 ▶ provides for the Utah Lake Authority to be paid certain sales tax revenue and other
32 sources of revenue, and provides for the allowable uses of revenue;
- 33 ▶ authorizes the Utah Lake Authority to issue bonds and includes provisions related to
34 bonds;
- 35 ▶ requires the Utah Lake Authority board to adopt an annual budget and provides a
36 process for preparing and adopting or amending a budget;
- 37 ▶ requires the Utah Lake Authority to provide reports and requires the Authority to
38 comply with audit requirements; and
- 39 ▶ provides limits on the dissolution of the Utah Lake Authority and requirements if a
40 dissolution occurs.

41 **Money Appropriated in this Bill:**

42 None

43 **Other Special Clauses:**

44 None

45 **Utah Code Sections Affected:**

46 AMENDS:

47 **59-12-205**, as last amended by Laws of Utah 2021, Chapter 281

48 **63J-1-602.2**, as last amended by Laws of Utah 2021, Chapters 179, 344, 412, 421, and
49 424

50 ENACTS:

51 **11-65-101**, Utah Code Annotated 1953

52 **11-65-102**, Utah Code Annotated 1953

53 **11-65-103**, Utah Code Annotated 1953

54 **11-65-201**, Utah Code Annotated 1953

55 **11-65-202**, Utah Code Annotated 1953

56 **11-65-203**, Utah Code Annotated 1953

Part 1. General Provisions

11-65-101. Definitions.

As used in this chapter:

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

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

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

(4) "Lake authority boundary" means the boundary:

(a) defined by recorded boundary settlement agreements between private landowners and the Division of Forestry, Fire, and State Lands; and

(b) that separates privately owned land from Utah Lake sovereign land.

(5) "Lake authority land" means land on the lake side of the lake authority boundary.

(6) "Management" means work to coordinate and facilitate the improvement of Utah Lake, including work to enhance the long-term viability and health of Utah Lake and to produce economic, aesthetic, recreational, environmental, and other benefits for the state, consistent with the strategies, policies, and objectives described in this chapter.

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

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

(9) "Project area" means an area that is identified in a project area plan as the area where the management described in the project area plan will occur.

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

(11) "Project area plan" means a written plan that, after the plan's effective date, manages activity within a project area within the scope of a management plan.

(12) "Public entity" means:

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

(b) a county, city, town, metro township, school district, local district, special service

119 district, interlocal cooperation entity, community reinvestment agency, or other political
120 subdivision of the state.

121 (13) "Publicly owned infrastructure and improvements":

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

123 (i) benefit the public; and

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

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

126 (b) includes:

127 (i) facilities, lines, or systems that provide:

128 (A) water, chilled water, or steam; or

129 (B) sewer, storm drainage, natural gas, electricity, energy storage, renewable energy,
130 microgrids, or telecommunications service; and

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

133 (14) "Sovereign land" means land:

134 (a) lying below the ordinary high water mark of a navigable body of water at the date
135 of statehood; and

136 (b) owned by the state by virtue of the state's sovereignty.

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

139 (16) "Voting member" means an individual appointed as a member of the board under
140 Subsection 11-65-302(2).

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

142 **11-65-102. Severability.**

143 If a court determines that any provision of this chapter, or the application of any
144 provision of this chapter, is invalid, the remainder of this chapter shall be given effect without
145 the invalid provision or application.

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

147 **11-65-103. Nonlapsing funds.**

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

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

Part 2. Utah Lake Authority

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

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

(2) The lake authority is:

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

(b) a political subdivision of the state; and

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

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

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

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

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

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

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

(b) The Utah Lake Commission shall:

(i) cooperate with the lake authority to transition, as soon as practicable, Utah Lake

181 Commission functions to the lake authority, to the extent consistent with this chapter; and

182 (ii) take all necessary actions to dissolve the Utah Lake Commission no later than May
183 1, 2023.

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

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

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

192 (e) After the authority board is constituted, an advisory or technical committee
193 established by the Utah Lake Commission shall continue to function under the direction of the
194 board as a subcommittee of the lake authority until the board modifies or discontinues the
195 subcommittee.

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

197 **11-65-202. Lake authority powers and duties.**

198 (1) (a) The lake authority has land use authority over publicly owned land within the
199 lake authority boundary.

200 (b) The lake authority shall work with other government entities with jurisdiction over
201 sovereign land and the watershed affecting Utah Lake water to improve the quality of water
202 flowing into and out of Utah Lake, subject to and consistent with Title 19, Environmental
203 Quality Code, and Title 73, Water and Irrigation.

204 (c) The lake authority may make recommendations and provide advice to an adjacent
205 political subdivision relating to issues affecting both the lake authority and the adjacent
206 political subdivision.

207 (d) The lake authority has no jurisdictional control or power over:

208 (i) another political subdivision, except as provided in an agreement between the lake
209 authority and the other political subdivision;

210 (ii) the regulation of water quality;

211 (iii) water rights;

212 (iv) water collection, storage, or delivery;
213 (v) a project for water collection, storage, or delivery; and
214 (vi) water facilities that the lake authority does not own.
215 (2) The lake authority may coordinate the efforts of all applicable state and local
216 government entities, property owners, owners of water rights, and other private parties, and
217 other stakeholders to:
218 (a) develop and implement a management plan for Utah Lake, including:
219 (i) an environmental sustainability component, developed in conjunction with the
220 Department of Environmental Quality and the Division of Wildlife Resources incorporating
221 strategies and best practices to meet applicable federal and state standards, including:
222 (A) water quality monitoring and reporting; and
223 (B) strategies that use the best available technology and practices to mitigate
224 environmental impacts from management and uses on Utah Lake;
225 (ii) strategies that enhance the aesthetic qualities and recreational use and enjoyment of
226 Utah Lake; and
227 (iii) strategies that enhance economic development in communities adjacent to Utah
228 Lake;
229 (b) plan and facilitate the management of Utah Lake uses; and
230 (c) manage any land owned or leased by the lake authority that is not sovereign land.
231 (3) The lake authority has primary responsibility and authority for the management of
232 Utah Lake, subject to and in accordance with this chapter.
233 (4) The lake authority may:
234 (a) engage in education efforts to encourage and facilitate:
235 (i) the improvement of water and environmental quality;
236 (ii) the use of Utah Lake for recreation;
237 (iii) the improvement of economic development on Utah Lake; and
238 (iv) other management of Utah Lake consistent with the policies and objectives
239 described in Subsection (2);
240 (b) facilitate and provide funding for the management of Utah Lake, including the
241 development of publicly owned infrastructure and improvements and other infrastructure and
242 improvements on or related to Utah Lake;

243 (c) engage in marketing activities and efforts to encourage and facilitate management
244 of Utah Lake;

245 (d) as determined by the board appropriate to accomplish or further the policies and
246 objectives described in Subsection (2):

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

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

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

251 (e) as the lake authority considers necessary or advisable to carry out any of the lake
252 authority's duties or responsibilities under this chapter:

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

255 (ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real
256 property that is not sovereign land or any interest in personal property; or

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

258 (f) sue and be sued;

259 (g) enter into contracts generally;

260 (h) provide funding for the development of publicly owned infrastructure and
261 improvements or other infrastructure and improvements on or related to Utah Lake;

262 (i) exercise powers and perform functions under a contract, as authorized in the
263 contract;

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

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

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

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

305 the public.

306 (8) (a) The lake authority may establish a community enhancement program designed
307 to address the impacts that management or uses within the lake authority boundary have on
308 adjacent communities.

309 (b) (i) The lake authority may use lake authority money to support the community
310 enhancement program and to pay for efforts to address the impacts described in Subsection
311 (8)(a).

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

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

318 (i) the Infrastructure and General Government Appropriations Subcommittee of the
319 Legislature;

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

322 (iii) the Natural Resources, Agriculture, and Environment Interim Committee of the
323 Legislature.

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

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

327 (ii) (A) "Elective member" means a member of the board appointed under Section
328 11-65-302 who holds an elective office in Utah County or in a municipality within Utah
329 County.

330 (B) "Elective member" includes a member of the Senate or House of Representatives
331 appointed under Subsection 11-65-302(2)(b) or (c).

332 (iii) "Sewer connection" means a connection to a sewer system that allows the sewer
333 system to collect sewage from the property connected to the sewer system for transportation
334 and treatment.

335 (iv) "Sewer connection owner" means the person that owns the property from which

336 sewage is collected through a sewer connection.

337 (v) "Sewer system" means a system:

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

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

342 (b) (i) Subject to Subsections (9)(b)(ii) and (iii), the lake authority may impose on and
343 collect from a sewer connection owner a charge of no more than \$2 per month for each sewer
344 connection.

345 (ii) The lake authority may not impose a charge under Subsection (9)(b)(i) or increase
346 the amount of an already imposed charge without the affirmative vote of:

347 (A) a majority of all members of the board; and

348 (B) a majority of all members of the board who are elective members.

349 (iii) The lake authority may not impose a charge under Subsection (9)(b)(i) if the
350 Legislature has appropriated at least \$3,000,000 per year in ongoing funds for the lake
351 authority's use.

352 (c) A collecting authority:

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

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

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

358 **11-65-203. Policies and objectives of the lake authority -- Additional duties of the**
359 **lake authority.**

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

361 (a) protect and improve:

362 (i) the quality of Utah Lake's water, consistent with the Clean Water Act, 33 U.S.C.
363 Sec. 1251 et seq., and Title 19, Chapter 5, Water Quality Act;

364 (ii) the beneficial and public trust uses of Utah Lake;

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

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

- 367 (b) enhance the recreational opportunities afforded by Utah Lake;
368 (c) enhance long-term economic benefits to the area, the region, and the state;
369 (d) respect and maintain sensitivity to the unique natural environment of areas in and
370 around the lake authority boundary;
371 (e) improve air quality and minimize resource use;
372 (f) comply with existing land use and other agreements and arrangements between
373 property owners and applicable governmental authorities;
374 (g) promote and encourage management and uses that are compatible with or
375 complement the public trust and uses in areas in proximity to Utah Lake;
376 (h) take advantage of Utah Lake's strategic location and other features that make Utah
377 Lake attractive:
378 (i) to residents for recreational purposes;
379 (ii) for tourism and leisure; and
380 (iii) for business opportunities;
381 (i) encourage the development and use of cost-efficient renewable energy in project
382 areas;
383 (j) as consistent with applicable public trust, support and promote land uses on land
384 within the lake authority boundary and land in adjacent political subdivisions that generate
385 economic development, including rural economic development;
386 (k) respect and not interfere with water rights or the operation of water facilities or
387 water projects associated with Utah Lake;
388 (l) respect and maintain sensitivity to the unique Native American history, historical
389 sites, and artifacts within and around the lake authority boundary; and
390 (m) protect the ability of the Provo airport to operate and grow, consistent with
391 applicable environmental regulations, recognizing the significant state investment in the airport
392 and the benefits that a thriving airport provides to the quality of life and the economy.
393 (2) In fulfilling the lake authority's duties and responsibilities relating to the
394 management of Utah Lake and to achieve and implement the management policies and
395 objectives under Subsection (1), the lake authority shall:
396 (a) work to identify funding sources, including federal, state, and local government
397 funding and private funding, for capital improvement projects in and around Utah Lake;

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

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

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

407 (3) The lake authority shall respect:

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

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

410 (c) an agreement between governmental entities, including between a state agency and
411 the federal government, relating to Utah Lake; and

412 (d) the public trust doctrine as applicable to land within the lake authority boundary.

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

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

417 (ii) includes building or project designs that minimize negative impacts to the June
418 Sucker, avian species, and other wildlife;

419 (iii) mitigates traffic congestion; or

420 (iv) uses high efficiency building construction and operation.

421 (b) In consultation with the municipality in which management is expected to occur
422 and applicable state agencies, the lake authority shall establish minimum mitigation and
423 environmental standards for management occurring on land within the lake authority boundary.

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

425 **11-65-204. Management plan.**

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

428 (b) The lake authority may not begin to implement a management plan until April 1,

429 2023.

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

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

433 (b) work cooperatively with and receive input from the Division of Forestry, Fire, and
434 State Lands; and

435 (c) consider how the interests of adjacent political subdivisions would be affected by
436 implementation of the management plan.

437 (3) A management plan shall:

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

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

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

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

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

448 (d) identify the anticipated sources of revenue for implementing the management plan;
449 and

450 (e) be consistent with management planning conducted by the Division of Forestry,
451 Fire, and State Lands, to pursue the objectives of:

452 (i) improving the clarity and quality of the water in Utah Lake;

453 (ii) not interfering with water rights or with water storage or water supply functions of
454 Utah Lake;

455 (iii) removing invading plant and animal species, including phragmites and carp, from
456 Utah Lake;

457 (iv) improving littoral zone and other plant communities in and around Utah Lake;

458 (v) improving and conserving native fish and other aquatic species in Utah Lake;

459 (vi) cooperating in the June Sucker Recovery Implementation Program;

460 (vii) increasing the suitability of Utah Lake and Utah Lake's surrounding areas for
461 shore birds, waterfowl, and other avian species;

462 (viii) improving navigability of Utah Lake;

463 (ix) enhancing and ensuring recreational access to and opportunities on Utah Lake; and

464 (x) otherwise improving the use of Utah Lake for residents and visitors.

465 (4) A management plan may not interfere with or impair:

466 (a) a water right;

467 (b) a water project; or

468 (c) the management of Utah Lake necessary for the use or operation of a water facility
469 associated with Utah Lake.

470 (5) (a) Before adopting a management plan, the board shall:

471 (i) provide a copy of the proposed management plan to:

472 (A) the executive director of the Department of Natural Resources;

473 (B) the executive director of the Department of Environmental Quality;

474 (C) the state engineer; and

475 (D) each adjacent political subdivision; and

476 (ii) post a copy of the proposed management plan on the Utah Public Notice Website
477 created in Section [63A-16-601](#).

478 (b) Comments or suggestions relating to the proposed management plan may be
479 submitted to the board within the deadline established under Subsection (5)(c).

480 (c) The board shall establish a deadline for submitting comments or suggestions to the
481 proposed management plan that is at least 30 days after the board provides a copy of the
482 proposed management plan under Subsection (5)(a)(i).

483 (d) Before adopting a management plan, the board shall consider comments and
484 suggestions that are submitted by the deadline established under Subsection (5)(c).

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

486 **11-65-205. Project for the improvement of Utah Lake -- Role of the Division of**
487 **Forestry, Fire, and State Lands -- Allowing the use of Utah Lake in exchange for the**
488 **implementation of an improvement project.**

489 (1) As used in this section:

490 (a) "Division" means the Division of Forestry, Fire, and State Lands created in Section

491 [65A-1-4.](#)

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

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

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

498 (2) (a) Subject to Subsection (2)(b), the lake authority is substituted in the place of the
499 division with respect to the management of Utah Lake.

500 (b) Subsection (2)(a) does not affect the division's role and responsibility relating to:

501 (i) the administration and issuance of permits, leases, rights of entry, or easements; or

502 (ii) the disposal of lake authority land.

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

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

506 (b) the proposed improvement project is consistent with the public trust doctrine and
507 the provisions of this chapter;

508 (c) the improvement project contractor obtains necessary permitting authorization from
509 the division to construct or implement the improvement project on lake authority land; and

510 (d) at least 30 days before entering into the improvement project agreement, the lake
511 authority provides notice of the lake authority's intention to enter into the improvement project
512 agreement to each person that has requested notice under Subsection [11-65-402](#)(2)(c) of the
513 lake authority's intention to enter into the improvement project agreement.

514 (4) (a) An improvement project agreement may include a provision allowing the
515 division to permit a use of Utah Lake, consistent with the public trust doctrine, in exchange for
516 the implementation of the improvement project agreement, as provided in this Subsection (4).

517 (b) (i) If provided for in an improvement project agreement, the lake authority may
518 recommend that the division allow the use of Utah Lake in exchange for the implementation of
519 the improvement project agreement.

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

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

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

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

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

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

533 (F) the ability of the improvement project contractor to execute and complete the
534 improvement project satisfactorily; and

535 (G) the effects of the improvement project on lake ecology, including the ability to
536 avoid or mitigate negative impacts to wetlands and to migratory birds, fish species, and other
537 wildlife.

538 (c) The division shall issue a permit for the use of Utah Lake in accordance with a
539 recommendation under Subsection (4)(b)(i) if:

540 (i) the authority makes a recommendation under Subsection (4)(b)(i); and

541 (ii) the division finds the proposed use to be consistent with:

542 (A) management plans applicable to Utah Lake; and

543 (B) the public trust doctrine.

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

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

548 **11-65-206. Applicability of other law -- Cooperation of state and local**
549 **governments -- Authority of other agencies not affected -- Attorney general to provide**
550 **legal services.**

551 (1) The lake authority is subject to and governed by Sections [63E-2-106](#), [63E-2-107](#),
552 [63E-2-108](#), [63E-2-109](#), [63E-2-110](#), and [63E-2-111](#), but is not otherwise subject to or governed

553 by Title 63E, Independent Entities Code.

554 (2) A department, division, or other agency of the state and a political subdivision of
555 the state is encouraged, upon the board's request, to cooperate with the lake authority to provide
556 the support, information, or other assistance reasonably necessary to help the lake authority
557 fulfill the lake authority's duties and responsibilities under this chapter.

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

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

563 (a) any water right in the state;

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

565 (c) the role or authority of the state engineer.

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

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

574 (6) Nothing in this chapter may be construed to allow the authority to:

575 (a) consider an application for the disposal of land within the lake authority boundary
576 under Title 65A, Chapter 15, Utah Lake Restoration Act; or

577 (b) issue bonding or other financing for a project under Title 65A, Chapter 15, Utah
578 Lake Restoration Act.

579 (7) The attorney general shall provide legal services to the lake authority and board.
580 Section 10. Section **11-65-301** is enacted to read:

581 **Part 3. Lake Authority Board**

582 **11-65-301. Utah Lake Authority board -- Delegation of power.**

583 (1) The lake authority shall be governed by a board which shall manage and conduct

584 the business and affairs of the lake authority and shall determine all questions of lake authority
585 policy.

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

588 (3) The board may by resolution delegate powers to lake authority staff.

589 (4) To consult with and advise the board in the performance of the board's duties in
590 fulfilling the purposes of the lake authority, the board shall appoint:

591 (a) one or more advisory committees;

592 (b) one or more technical committees;

593 (c) one or more local government groups; and

594 (d) one or more stakeholder groups.

595 Section 11. Section 11-65-302 is enacted to read:

596 **11-65-302. Number of board members -- Appointment -- Vacancies.**

597 (1) The lake authority's board shall consist of 15 members, as provided in Subsection

598 (2).

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

601 (b) The president of the Senate shall appoint as one board member an individual who
602 holds office as a member of the Senate and whose Senate district includes an area within Utah
603 County.

604 (c) The speaker of the House of Representatives shall appoint as one board member an
605 individual who holds office as a member of the House of Representatives and whose House of
606 Representatives district includes an area within Utah County.

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

609 (e) (i) The Utah County Council of Governments shall appoint eight board members, at
610 least one of whom shall be an individual selected from among individuals designated by
611 chambers of commerce in Utah County, each of which may recommend an individual for
612 appointment to the board.

613 (ii) A member appointed by the Utah County Council of Governments, except a
614 member appointed as designated by a chamber of commerce in Utah County, shall hold an

615 elective office in Utah County or a municipality within Utah County.

616 (iii) At least four of the members appointed by the Utah County Council of
617 Governments shall be elected officials from municipalities immediately adjacent to the lake
618 authority boundary.

619 (iv) The initial members appointed by the Utah County Council of Governments shall
620 include:

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

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

623 (C) an individual designated by the legislative body of the city of Spanish Fork;

624 (D) an individual who is an elected officer of the city of Provo, designated by the
625 mayor of the city of Provo;

626 (E) an individual who is an elected officer of the city of Orem, designated by the
627 legislative body of the city of Orem;

628 (F) an individual who is an elected officer of the city of Vineyard, designated by the
629 legislative body of the city of Vineyard; and

630 (G) an individual who is an elected officer of the city of Saratoga Springs, designated
631 by the legislative body of the city of Saratoga Springs.

632 (f) The executive director of the Department of Natural Resources shall appoint one
633 board member.

634 (g) The executive director of the Department of Environmental Quality shall appoint
635 one board member.

636 (3) Appointments required under Subsection (2) shall be made no later than June 1,
637 2022.

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

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

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

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

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

650 (8) The board:

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

654 (b) shall appoint an advisory committee to advise on:

655 (i) water rights, water projects, and water facilities associated with Utah Lake; and

656 (ii) recreation and avian and other wildlife activities on Utah Lake.

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

658 **11-65-303. Term of board members -- Quorum -- Compensation.**

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

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

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

665 (c) the members appointed under Subsections [11-65-302\(2\)\(f\)](#) and [\(g\)](#).

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

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

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

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

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

675 (ii) rules made by the Division of Finance according to Sections [63A-3-106](#) and
676 [63A-3-107](#).

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

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

680 **11-65-304. Limitations on board members and executive director.**

681 (1) As used in this section:

682 (a) "Direct financial benefit":

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

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

685 and

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

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

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

689 (2) An individual may not serve as a voting member of the board or as executive

690 director if the individual or a family member of the individual owns an interest in, is directly

691 affiliated with, or is an employee or officer of a private firm, private company, or other private

692 entity that the individual reasonably believes is likely to participate in or receive a direct

693 financial benefit from the management of Utah Lake.

694 (3) Before taking office as a voting member of the board or accepting employment as

695 executive director, an individual shall submit to the lake authority a statement verifying that the

696 individual's service as a board member or employment as executive director does not violate

697 Subsection (2).

698 (4) (a) A voting member or nonvoting member of the board or an employee of the lake

699 authority may not receive a direct financial benefit from the management of Utah Lake.

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

701 (i) expense reimbursements;

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

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

704 (5) Nothing in this section may be construed to affect the application or effect of any

705 other code provision applicable to a board member or employee relating to ethics or conflicts

706 of interest.

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

708 **11-65-305. Executive director.**

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

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

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

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

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

716 (ii) fulfill the executive and administrative duties and responsibilities of the lake
717 authority; and

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

719 (3) The executive director shall have the education, experience, and training necessary
720 to perform the executive director's duties in a way that maximizes the potential for successfully
721 achieving and implementing the strategies, policies, and objectives stated in Section [11-65-203](#).

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

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

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

727 **11-65-306. Development of standards and criteria to measure progress toward**
728 **achieving lake authority policies and objectives -- Annual report.**

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

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

731 (b) the extent to which efforts of the lake authority improve the condition of Utah Lake
732 and achieve the policies and objectives of Section [11-65-203](#).

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

735 (a) the Department of Environmental Quality;

736 (b) the Department of Water Quality;

737 (c) the Division of Forestry, Fire, and State Lands;

738 (d) the Division of Wildlife Resources;

- 739 (e) the Division of State Parks;
- 740 (f) the Division of Recreation;
- 741 (g) the Division of Water Resources;
- 742 (h) the Division of Water Rights; and
- 743 (i) the Department of Agriculture and Food.

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

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

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

750 **11-65-401. Preparation of project area plan -- Required contents of project area**
 751 **plan.**

752 (1) (a) The lake authority board's adoption of a project area plan is governed by this
 753 part.

754 (b) In order to adopt a project area plan, the lake authority board shall:

- 755 (i) prepare a draft project area plan;
- 756 (ii) give notice as required under Subsection 11-65-402(2);
- 757 (iii) hold the public meetings required under Subsection 11-65-402(1) at least 30 days
 758 apart; and
- 759 (iv) after holding the required public meetings and subject to Subsection (1)(c), adopt
 760 the draft project area plan as the project area plan.

761 (c) (i) The lake authority board may not adopt the project area plan until at least 30
 762 days after the last public meeting under Section 11-65-402.

763 (ii) Before adopting a draft project area plan as the project area plan, the lake authority
 764 board may make modifications to the draft project area plan that the board considers necessary
 765 or appropriate.

766 (d) (i) A lease or development agreement that the lake authority enters before the
 767 creation of a project area shall provide that the board is not required to create a project area.

768 (ii) The lake authority may not be required to pay any amount or incur any loss or
 769 penalty for the board's failure to create a project area.

770 (2) Each project area plan and draft project area plan shall contain:
771 (a) a legal description of the boundary of the project area that is the subject of the
772 project area plan;
773 (b) the lake authority's purposes and intent with respect to the project area;
774 (c) a description of any management proposed to occur within the project area; and
775 (d) the board's findings and determination that:
776 (i) there is a need to effectuate a public purpose;
777 (ii) there is a public benefit to the proposed management project;
778 (iii) it is economically sound and feasible to adopt and carry out the project area plan;
779 and
780 (iv) carrying out the project area plan will promote the purposes of the lake authority,
781 as stated in Section [11-65-203](#).

782 Section 17. Section **11-65-402** is enacted to read:

783 **11-65-402. Public meeting to consider and discuss draft project area plan -- Notice**
784 **-- Adoption of plan.**

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

786 (a) receive public comment on the draft project area plan; and
787 (b) consider and discuss the draft project area plan.

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

790 (a) (i) post notice of the public meeting on the Utah Public Notice Website created in
791 Section [63F-1-701](#); and

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

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

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

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

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

801 **11-65-403. Notice of project area plan adoption -- Effective date of plan --**
802 **Contesting the formation of the plan.**

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

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

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

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

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

813 (3) The project area plan becomes effective on the date designated in the board
814 resolution adopting the project area plan.

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

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

821 (a) the State Tax Commission;

822 (b) the Utah Geospatial Resource Center created in Section [63A-16-505](#); and

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

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

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

828 **11-65-404. Amendment to a project area plan.**

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

831 (2) The provisions of this part apply to the lake authority's adoption of an amendment

832 to a project area plan to the same extent as they apply to the adoption of a project area plan.

833 (3) An amendment to a project area plan does not affect the base taxable value

834 determination for property already within the project area before the amendment.

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

836 **11-65-405. Project area budget.**

837 (1) Before the lake authority may use authority funds to implement the management

838 plan, the authority board shall prepare and adopt a project area budget.

839 (2) The lake authority board may amend an adopted project area budget as and when

840 the lake authority board considers an amendment appropriate.

841 (3) If the lake authority adopts a budget under Part 6, Lake Authority Budget,

842 Reporting, and Audits, that also meets the requirements of this part, the lake authority need not

843 separately adopt a budget under this part.

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

845 **Part 5. Lake Authority Bonds**

846 **11-65-501. Resolution authorizing issuance of lake authority bonds --**

847 **Characteristics of bonds.**

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

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

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

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

862 (4) In lieu of publishing the entire resolution, the board may publish notice of bonds

863 that contains the information described in Subsection 11-14-316(2).

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

865 (a) the legality of the resolution or proceeding;

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

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

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

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

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

875 **11-65-502. Sources from which bonds may be made payable -- Lake authority**
876 **powers regarding bonds.**

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

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

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

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

885 (d) lake authority revenues generally;

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

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

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

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

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

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

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

901 **11-65-503. Purchase of lake authority bonds.**

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

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

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

908 **11-65-504. Those executing bonds not personally liable -- Limitation of**
909 **obligations under bonds -- Negotiability.**

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

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

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

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

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

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

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

923 **11-65-505. Obligee rights -- Board may confer other rights.**

924 (1) In addition to all other rights that are conferred on an obligee of a bond issued by

925 the lake authority under this part, and subject to contractual restrictions binding on the obligee,
926 an obligee may:

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

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

934 (2) (a) In a board resolution authorizing the issuance of bonds or in a trust indenture,
935 mortgage, lease, or other contract, the board may confer upon an obligee holding or
936 representing a specified amount in bonds, the rights described in Subsection (2)(b), to accrue
937 upon the happening of an event or default prescribed in the resolution, indenture, mortgage,
938 lease, or other contract, and to be exercised by suit, action, or proceeding in any court of
939 competent jurisdiction.

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

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

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

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

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

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

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

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

956 11-65-506. Bonds exempt from taxes -- Lake authority may purchase its own
957 bonds.

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

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

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

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

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

968 **11-65-601. Annual lake authority budget -- Fiscal year -- Public hearing required**
969 **-- Auditor forms -- Requirement to file annual budget.**

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

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

975 (3) The lake authority's fiscal year shall be the period from July 1 to the following June
976 30.

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

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

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

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

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

987 (b) legal fees; and

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

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

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

994 **11-65-602. Amending the lake authority annual budget.**

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

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

999 (3) The lake authority may not make expenditures in excess of the total expenditures
1000 established in the annual budget as the budget is adopted or amended.

1001 Section 29. Section **11-65-603** is enacted to read:

1002 **11-65-603. Lake authority report.**

1003 Before November 30 of each year, the board shall present a report to the Executive
1004 Appropriations Committee of the Legislature, as the Executive Appropriations Committee
1005 directs, that includes:

1006 (1) an accounting of how lake authority funds have been spent, including funds spent
1007 on the environmental sustainability component of the lake authority management plan under
1008 Subsection [11-65-202\(2\)\(a\)](#);

1009 (2) an update about the progress of the management and implementation of the lake
1010 authority management plan under Subsection [11-65-202\(2\)\(a\)](#), including the development and
1011 implementation of the environmental sustainability component of the plan; and

1012 (3) an explanation of the lake authority's progress in achieving the policies and
1013 objectives described in Section [11-65-203](#).

1014 Section 30. Section **11-65-604** is enacted to read:

1015 **11-65-604. Audit requirements.**

1016 The lake authority shall comply with the audit requirements of Title 51, Chapter 2a,
1017 Accounting Reports from Political Subdivisions, Interlocal Organizations, and Other Local

1018 Entities Act.

1019 Section 31. Section **11-65-605** is enacted to read:

1020 **11-65-605. Audit report.**

1021 (1) The lake authority shall, within 180 days after the end of the lake authority's fiscal
1022 year, file a copy of the audit report with the county auditor and the state auditor.

1023 (2) Each audit report under Subsection (1) shall include:

1024 (a) the outstanding principal amount of bonds issued or other loans incurred to finance
1025 the costs associated with the lake authority's projects; and

1026 (b) the actual amount expended for:

1027 (i) acquisition of property;

1028 (ii) site improvements or site preparation costs;

1029 (iii) installation of public utilities or other public improvements; and

1030 (iv) administrative costs of the lake authority.

1031 Section 32. Section **11-65-606** is enacted to read:

1032 **11-65-606. Lake authority chief financial officer is a public treasurer -- Certain**
1033 **lake authority funds are public funds.**

1034 (1) The lake authority's chief financial officer:

1035 (a) is a public treasurer, as defined in Section [51-7-3](#); and

1036 (b) shall invest the lake authority funds specified in Subsection (2) as provided in that
1037 subsection.

1038 (2) Notwithstanding Subsection [63E-2-110\(2\)\(a\)](#), appropriations that the lake authority
1039 receives from the state:

1040 (a) are public funds; and

1041 (b) shall be invested as provided in Title 51, Chapter 7, State Money Management Act.

1042 Section 33. Section **11-65-701** is enacted to read:

1043 **Part 7. Lake Authority Dissolution**

1044 **11-65-701. Dissolution of lake authority -- Restrictions -- Notice of dissolution --**
1045 **Disposition of lake authority property -- Lake authority records -- Dissolution expenses.**

1046 (1) The lake authority may not be dissolved unless the lake authority has no
1047 outstanding bonded indebtedness, other unpaid loans, indebtedness, or advances, and no legally
1048 binding contractual obligations with persons or entities other than the state.

1049 (2) Upon the dissolution of the lake authority:

1050 (a) the Governor's Office of Economic Opportunity shall publish a notice of dissolution
 1051 as required in Section 45-1-101; and

1052 (b) all title to property owned by the lake authority vests in the state.

1053 (3) The books, documents, records, papers, and seal of the dissolved lake authority
 1054 shall be deposited for safekeeping and reference with the state auditor.

1055 (4) The lake authority shall pay all expenses of the deactivation and dissolution.

1056 Section 34. Section **59-12-205** is amended to read:

1057 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**
 1058 **tax revenue -- Determination of population.**

1059 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
 1060 59-12-204, a county, city, or town shall adopt amendments to the county's, city's, or town's
 1061 sales and use tax ordinances:

1062 (a) within 30 days of the day on which the state makes an amendment to an applicable
 1063 provision of Part 1, Tax Collection; and

1064 (b) as required to conform to the amendments to Part 1, Tax Collection.

1065 (2) Except as provided in Subsections (3) through (5) and subject to Subsection (6):

1066 (a) 50% of each dollar collected from the sales and use tax authorized by this part shall
 1067 be distributed to each county, city, and town on the basis of the percentage that the population
 1068 of the county, city, or town bears to the total population of all counties, cities, and towns in the
 1069 state; and

1070 (b) (i) except as provided in Subsections (2)(b)(ii) [~~and~~], (iii), and (iv), 50% of each
 1071 dollar collected from the sales and use tax authorized by this part shall be distributed to each
 1072 county, city, and town on the basis of the location of the transaction as determined under
 1073 Sections 59-12-211 through 59-12-215;

1074 (ii) 50% of each dollar collected from the sales and use tax authorized by this part
 1075 within a project area described in a project area plan adopted by the military installation
 1076 development authority under Title 63H, Chapter 1, Military Installation Development
 1077 Authority Act, shall be distributed to the military installation development authority created in
 1078 Section 63H-1-201; [~~and~~]

1079 (iii) 50% of each dollar collected from the sales and use tax authorized by this part

1080 within a project area under Title 11, Chapter 58, Utah Inland Port Authority Act, shall be
1081 distributed to the Utah Inland Port Authority, created in Section [11-58-201](#)[-]; and

1082 (iv) 50% of each dollar collected from the sales and use tax authorized by this part
1083 within the lake authority boundary, as defined in Section [11-65-101](#), shall be distributed to the
1084 Utah Lake Authority, created in Section [11-65-201](#), beginning the next full calendar quarter
1085 following the creation of the Utah Lake Authority.

1086 (3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall
1087 distribute annually to a county, city, or town the distribution required by this Subsection (3) if:

1088 (i) the county, city, or town is a:

1089 (A) county of the third, fourth, fifth, or sixth class;

1090 (B) city of the fifth class; or

1091 (C) town;

1092 (ii) the county, city, or town received a distribution under this section for the calendar
1093 year beginning on January 1, 2008, that was less than the distribution under this section that the
1094 county, city, or town received for the calendar year beginning on January 1, 2007;

1095 (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located
1096 within the unincorporated area of the county for one or more days during the calendar year
1097 beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,
1098 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North
1099 American Industry Classification System of the federal Executive Office of the President,
1100 Office of Management and Budget; or

1101 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
1102 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during
1103 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry
1104 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the
1105 2002 North American Industry Classification System of the federal Executive Office of the
1106 President, Office of Management and Budget; and

1107 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment
1108 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for
1109 one or more days during the calendar year beginning on January 1, 2008, was not the holder of
1110 a direct payment permit under Section [59-12-107.1](#); or

1111 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
1112 (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a
1113 city or town for one or more days during the calendar year beginning on January 1, 2008, was
1114 not the holder of a direct payment permit under Section [59-12-107.1](#).

1115 (b) The commission shall make the distribution required by this Subsection (3) to a
1116 county, city, or town described in Subsection (3)(a):

1117 (i) from the distribution required by Subsection (2)(a); and

1118 (ii) before making any other distribution required by this section.

1119 (c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by
1120 multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.

1121 (ii) For purposes of Subsection (3)(c)(i):

1122 (A) the numerator of the fraction is the difference calculated by subtracting the
1123 distribution a county, city, or town described in Subsection (3)(a) received under this section
1124 for the calendar year beginning on January 1, 2008, from the distribution under this section that
1125 the county, city, or town received for the calendar year beginning on January 1, 2007; and

1126 (B) the denominator of the fraction is \$333,583.

1127 (d) A distribution required by this Subsection (3) is in addition to any other distribution
1128 required by this section.

1129 (4) (a) As used in this Subsection (4):

1130 (i) "Eligible county, city, or town" means a county, city, or town that:

1131 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection (4)(b)
1132 equal to the amount described in Subsection (4)(b)(ii); and

1133 (B) does not impose a sales and use tax under Section [59-12-2103](#) on or before July 1,
1134 2016.

1135 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
1136 distributions an eligible county, city, or town received from a tax imposed in accordance with
1137 this part for fiscal year 2004-05.

1138 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax
1139 imposed in accordance with this part equal to the greater of:

1140 (i) the payment required by Subsection (2); or

1141 (ii) the minimum tax revenue distribution.

1142 (5) (a) For purposes of this Subsection (5):

1143 (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to
1144 1.8% of the participating local government's tax revenue distribution amount under Subsection
1145 (2)(a) for the previous fiscal year.

1146 (ii) "Participating local government" means a county or municipality, as defined in
1147 Section 10-1-104, that is not an eligible municipality or grant eligible entity certified in
1148 accordance with Section 35A-16-307.

1149 (b) For revenue collected from the tax authorized by this part that is distributed on or
1150 after January 1, 2019, the commission, before making a tax revenue distribution under
1151 Subsection (2)(a) to a participating local government, shall:

1152 (i) subtract one-twelfth of the annual local contribution for each participating local
1153 government from the participating local government's tax revenue distribution under
1154 Subsection (2)(a); and

1155 (ii) deposit the amount described in Subsection (5)(b)(i) into the Homeless Shelter
1156 Cities Mitigation Restricted Account created in Section 35A-16-304.

1157 (c) For a participating local government that qualifies to receive a distribution
1158 described in Subsection (3) or (4), the commission shall apply the provisions of this Subsection
1159 (5) after the commission applies the provisions of Subsections (3) and (4).

1160 (6) (a) Population figures for purposes of this section shall be based on the most recent
1161 official census or census estimate of the United States Bureau of the Census.

1162 (b) If a needed population estimate is not available from the United States Bureau of
1163 the Census, population figures shall be derived from the estimate from the Utah Population
1164 Committee.

1165 (c) The population of a county for purposes of this section shall be determined only
1166 from the unincorporated area of the county.

1167 Section 35. Section 63J-1-602.2 is amended to read:

1168 **63J-1-602.2. List of nonlapsing appropriations to programs.**

1169 Appropriations made to the following programs are nonlapsing:

1170 (1) The Legislature and the Legislature's committees.

1171 (2) The State Board of Education, including all appropriations to agencies, line items,
1172 and programs under the jurisdiction of the State Board of Education, in accordance with

- 1173 Section [53F-9-103](#).
- 1174 (3) The Percent-for-Art Program created in Section [9-6-404](#).
- 1175 (4) The LeRay McAllister Critical Land Conservation Program created in Section
- 1176 [11-38-301](#).
- 1177 (5) The Utah Lake Authority created in Section [11-65-201](#).
- 1178 [~~5~~] (6) Dedicated credits accrued to the Utah Marriage Commission as provided
- 1179 under Subsection [17-16-21](#)(2)(d)(ii).
- 1180 [~~6~~] (7) The Trip Reduction Program created in Section [19-2a-104](#).
- 1181 [~~7~~] (8) The Division of Wildlife Resources for the appraisal and purchase of lands
- 1182 under the Pelican Management Act, as provided in Section [23-21a-6](#).
- 1183 [~~8~~] (9) The emergency medical services grant program in Section [26-8a-207](#).
- 1184 [~~9~~] (10) The primary care grant program created in Section [26-10b-102](#).
- 1185 [~~10~~] (11) Sanctions collected as dedicated credits from Medicaid provider under
- 1186 Subsection [26-18-3](#)(7).
- 1187 [~~11~~] (12) The Utah Health Care Workforce Financial Assistance Program created in
- 1188 Section [26-46-102](#).
- 1189 [~~12~~] (13) The Rural Physician Loan Repayment Program created in Section
- 1190 [26-46a-103](#).
- 1191 [~~13~~] (14) The Opiate Overdose Outreach Pilot Program created in Section [26-55-107](#).
- 1192 [~~14~~] (15) Funds that the Department of Alcoholic Beverage Control retains in
- 1193 accordance with Subsection [32B-2-301](#)(9)(a) or (b).
- 1194 [~~15~~] (16) The General Assistance program administered by the Department of
- 1195 Workforce Services, as provided in Section [35A-3-401](#).
- 1196 [~~16~~] (17) The Utah National Guard, created in Title 39, Militia and Armories.
- 1197 [~~17~~] (18) The State Tax Commission under Section [41-1a-1201](#) for the:
- 1198 (a) purchase and distribution of license plates and decals; and
- 1199 (b) administration and enforcement of motor vehicle registration requirements.
- 1200 [~~18~~] (19) The Search and Rescue Financial Assistance Program, as provided in
- 1201 Section [53-2a-1102](#).
- 1202 [~~19~~] (20) The Motorcycle Rider Education Program, as provided in Section [53-3-905](#).
- 1203 [~~20~~] (21) The Utah Board of Higher Education for teacher preparation programs, as

1204 provided in Section [53B-6-104](#).

1205 ~~[(21)]~~ [\(22\)](#) The Medical Education Program administered by the Medical Education
1206 Council, as provided in Section [53B-24-202](#).

1207 ~~[(22)]~~ [\(23\)](#) The Division of Services for People with Disabilities, as provided in
1208 Section [62A-5-102](#).

1209 ~~[(23)]~~ [\(24\)](#) The Division of Fleet Operations for the purpose of upgrading underground
1210 storage tanks under Section [63A-9-401](#).

1211 ~~[(24)]~~ [\(25\)](#) The Utah Seismic Safety Commission, as provided in Section [63C-6-104](#).

1212 ~~[(25)]~~ [\(26\)](#) Appropriations to the Division of Technology Services for technology
1213 innovation as provided under Section [63A-16-903](#).

1214 ~~[(26)]~~ [\(27\)](#) The Office of Administrative Rules for publishing, as provided in Section
1215 [63G-3-402](#).

1216 ~~[(27)]~~ [\(28\)](#) The Colorado River Authority of Utah, created in Title 63M, Chapter 14,
1217 Colorado River Authority of Utah Act.

1218 ~~[(28)]~~ [\(29\)](#) The Governor's Office of Economic Opportunity to fund the Enterprise
1219 Zone Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.

1220 ~~[(29)]~~ [\(30\)](#) Appropriations to fund the Governor's Office of Economic Opportunity's
1221 Rural Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural
1222 Employment Expansion Program.

1223 ~~[(30)]~~ [\(31\)](#) Appropriations to fund programs for the Jordan River Recreation Area as
1224 described in Section [65A-2-8](#).

1225 ~~[(31)]~~ [\(32\)](#) The Division of Human Resource Management user training program, as
1226 provided in Section [63A-17-106](#).

1227 ~~[(32)]~~ [\(33\)](#) A public safety answering point's emergency telecommunications service
1228 fund, as provided in Section [69-2-301](#).

1229 ~~[(33)]~~ [\(34\)](#) The Traffic Noise Abatement Program created in Section [72-6-112](#).

1230 ~~[(34)]~~ [\(35\)](#) The money appropriated from the Navajo Water Rights Negotiation
1231 Account to the Division of Water Rights, created in Section [73-2-1.1](#), for purposes of
1232 participating in a settlement of federal reserved water right claims.

1233 ~~[(35)]~~ [\(36\)](#) The Judicial Council for compensation for special prosecutors, as provided
1234 in Section [77-10a-19](#).

1235 [~~(36)~~] (37) A state rehabilitative employment program, as provided in Section
1236 78A-6-210.

1237 [~~(37)~~] (38) The Utah Geological Survey, as provided in Section 79-3-401.

1238 [~~(38)~~] (39) The Bonneville Shoreline Trail Program created under Section 79-5-503.

1239 [~~(39)~~] (40) Adoption document access as provided in Sections 78B-6-141, 78B-6-144,
1240 and 78B-6-144.5.

1241 [~~(40)~~] (41) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent
1242 Defense Commission.

1243 [~~(41)~~] (42) The program established by the Division of Facilities Construction and
1244 Management under Section 63A-5b-703 under which state agencies receive an appropriation
1245 and pay lease payments for the use and occupancy of buildings owned by the Division of
1246 Facilities Construction and Management.