

UTAH LAKE AUTHORITY

2021 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;
- ▶ 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;
- 35 ▶ provides limits on the dissolution of the Utah Lake Authority and requirements if a
- 36 dissolution occurs; and
- 37 ▶ repeals provisions relating to the authority of the Division of Forestry, Fire, and
- 38 State Lands for the restoration of Utah Lake and gives some of that authority to the
- 39 Utah Lake Authority.

40 **Money Appropriated in this Bill:**

41 None

42 **Other Special Clauses:**

43 None

44 **Utah Code Sections Affected:**

45 AMENDS:

46 **59-12-205**, as last amended by Laws of Utah 2019, Chapters 17, 136, and 399

47 **63J-1-602.2**, as last amended by Laws of Utah 2020, Fifth Special Session, Chapter 20

48 ENACTS:

49 **11-65-101**, Utah Code Annotated 1953

50 **11-65-102**, Utah Code Annotated 1953

51 **11-65-103**, Utah Code Annotated 1953

52 **11-65-104**, Utah Code Annotated 1953

53 **11-65-201**, Utah Code Annotated 1953

54 **11-65-202**, Utah Code Annotated 1953

55 **11-65-203**, Utah Code Annotated 1953

56 **11-65-204**, Utah Code Annotated 1953

57 **11-65-205**, Utah Code Annotated 1953

58 **11-65-206**, Utah Code Annotated 1953

- 59 [11-65-207](#), Utah Code Annotated 1953
- 60 [11-65-208](#), Utah Code Annotated 1953
- 61 [11-65-301](#), Utah Code Annotated 1953
- 62 [11-65-302](#), Utah Code Annotated 1953
- 63 [11-65-303](#), Utah Code Annotated 1953
- 64 [11-65-304](#), Utah Code Annotated 1953
- 65 [11-65-305](#), Utah Code Annotated 1953
- 66 [11-65-401](#), Utah Code Annotated 1953
- 67 [11-65-402](#), Utah Code Annotated 1953
- 68 [11-65-403](#), Utah Code Annotated 1953
- 69 [11-65-404](#), Utah Code Annotated 1953
- 70 [11-65-405](#), Utah Code Annotated 1953
- 71 [11-65-501](#), Utah Code Annotated 1953
- 72 [11-65-502](#), Utah Code Annotated 1953
- 73 [11-65-503](#), Utah Code Annotated 1953
- 74 [11-65-504](#), Utah Code Annotated 1953
- 75 [11-65-505](#), Utah Code Annotated 1953
- 76 [11-65-506](#), Utah Code Annotated 1953
- 77 [11-65-601](#), Utah Code Annotated 1953
- 78 [11-65-602](#), Utah Code Annotated 1953
- 79 [11-65-603](#), Utah Code Annotated 1953
- 80 [11-65-604](#), Utah Code Annotated 1953
- 81 [11-65-605](#), Utah Code Annotated 1953
- 82 [11-65-606](#), Utah Code Annotated 1953
- 83 [11-65-701](#), Utah Code Annotated 1953

84 REPEALS:

- 85 [65A-15-101](#), as enacted by Laws of Utah 2018, Chapter 381
- 86 [65A-15-102](#), as enacted by Laws of Utah 2018, Chapter 381
- 87 [65A-15-103](#), as enacted by Laws of Utah 2018, Chapter 381
- 88 [65A-15-201](#), as enacted by Laws of Utah 2018, Chapter 381
- 89 [65A-15-202](#), as enacted by Laws of Utah 2018, Chapter 381

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

Section 1. Section 11-65-101 is enacted to read:

CHAPTER 65. UTAH LAKE AUTHORITY ACT

Part 1. General Provisions

11-65-101. Title.

This chapter is known as the "Utah Lake Authority Act."

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

11-65-102. 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 around Utah Lake defined by the line of compromise at 4,489 feet above sea level.

(5) "Lake authority land" means all land, whether or not submerged under the waters of Utah Lake, within the lake authority boundary and to which the state has acquired title.

(6) "Management" means:

(a) work to rehabilitate and improve the quality of Utah Lake and the water of Utah Lake;

(b) the excavation, importation, movement, or other work on land to reconfigure the contours of land;

(c) the demolition, construction, reconstruction, modification, expansion, or improvement of a building, utility, infrastructure, landscape, parking lot, park, trail, recreational amenity, or other facility, including publicly owned infrastructure and improvements; and

(d) the planning of, arranging for, or participation in any of the activities listed in Subsection (6)(a), (b), or (c).

(7) "Management plan" means a plan to conceptualize, design, facilitate, encourage, and bring about the management of the lake authority land to achieve the policies and

121 objectives described in Section [11-65-203](#).

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

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

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

129 (11) "Project area plan" means a written plan that, after the plan's effective date, guides
130 and controls management within a project area and within any adjacent areas that are included
131 within the scope of a management plan.

132 (12) "Public entity" means:

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

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

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

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

139 (i) benefit the public; and

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

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

142 (b) includes:

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

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

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

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

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

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

152 **11-65-103. Severability.**

153 If a court determines that any provision of this chapter, or the application of any
154 provision of this chapter, is invalid, the remainder of this chapter shall be given effect without
155 the invalid provision or application.

156 Section 4. Section **11-65-104** is enacted to read:

157 **11-65-104. Nonlapsing funds.**

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

159 Section 5. Section **11-65-201** is enacted to read:

160 **Part 2. Utah Lake Authority**

161 **11-65-201. Creation of Utah Lake Authority -- Status and purposes.**

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

164 (2) The lake authority is:

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

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

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

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

172 (i) the rehabilitation of Utah Lake and the waters of Utah Lake; and

173 (ii) the management of the lake authority land to maximize the long-term viability and
174 health of Utah Lake and to produce economic, aesthetic, recreational, and other benefits for the
175 state, consistent with the strategies, policies, and objectives described in this chapter.

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

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

183 (ii) the enormous potential for regional and statewide economic, aesthetic, recreational,
184 and other benefit that can come from the rehabilitation of Utah Lake and its waters and the
185 appropriate management of the lake authority land.

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

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

192 (b) The Utah Lake Commission shall:

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

195 (ii) take all necessary actions to dissolve the Utah Lake Commission no later than May
196 1, 2022.

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

199 Section 6. Section **11-65-202** is enacted to read:

200 **11-65-202. Lake authority powers and duties.**

201 (1) (a) The lake authority has responsibility over planning and coordinating activities
202 relating to the waters of Utah Lake and lake authority land, consistent with the Clean Water
203 Act, 33 U.S.C. Sec. 1251 et seq., and Title 19, Chapter 5, Water Quality Act.

204 (b) The lake authority has exclusive land use authority over the lake authority land.

205 (c) The lake authority shall work with other government entities with jurisdiction over
206 the watershed affecting Utah Lake water to preserve and enhance the quality of water flowing
207 into and out of Utah Lake, subject to and consistent with Title 73, Water and Irrigation.

208 (2) The lake authority has exclusive jurisdiction, responsibility, and power to
209 coordinate the efforts of all applicable state and local government entities, property owners,
210 owners of water rights, and other private parties, and other stakeholders to:

211 (a) develop and implement a management plan for the lake authority land, including:

212 (i) an environmental sustainability component, developed in conjunction with the Utah
213 Department of Environmental Quality, incorporating strategies and best practices to meet or

214 exceed applicable federal and state standards, including:
215 (A) water quality monitoring and reporting; and
216 (B) strategies that use the best available technology to mitigate environmental impacts
217 from management and uses on the lake authority land;
218 (ii) strategies that preserve downstream water use, quantity, and quality;
219 (iii) strategies that maximize the aesthetic qualities and recreational use and enjoyment
220 of Utah Lake; and
221 (iv) strategies that maximize economic development on lake authority land;
222 (b) plan and facilitate the management of Utah Lake uses on lake authority land; and
223 (c) manage any land owned or leased by the lake authority.
224 (3) The lake authority may:
225 (a) develop, facilitate, oversee, and implement a plan for the restoration and
226 rehabilitation of Utah Lake and its waters to:
227 (i) restore the clarity and quality of the water in Utah Lake;
228 (ii) conserve water resources in and around Utah Lake;
229 (iii) preserve the water storage and water supply functions of Utah Lake;
230 (iv) remove invasive plant and animal species, including phragmites and carp, from
231 Utah Lake;
232 (v) restore littoral zone and other plant communities in and around Utah Lake;
233 (vi) restore and conserve native fish and other aquatic species in Utah Lake, including
234 Bonneville cutthroat trout and June Sucker;
235 (vii) increase the suitability of Utah Lake and its surrounding areas for shore birds,
236 waterfowl, and other avian species;
237 (viii) improve navigability of Utah Lake;
238 (ix) maximize, enhance, and ensure recreational access and opportunities on Utah
239 Lake;
240 (x) preserve current water rights related to water associated with Utah Lake; and
241 (xi) otherwise improve the use of Utah Lake for residents and visitors;
242 (b) facilitate and bring about the management of uses on lake authority land, including
243 engaging in marketing and business recruitment activities and efforts to encourage and
244 facilitate:

- 245 (i) the improvement of water and environmental quality;
246 (ii) the use of Utah Lake and lake authority land for recreation;
247 (iii) the improvement of economic development on lake authority land; and
248 (iv) other development of the lake authority land consistent with the policies and
249 objectives described in Subsection (2);
250 (c) facilitate and provide funding for the management of the lake authority land,
251 including the development of publicly owned infrastructure and improvements and other
252 infrastructure and improvements on or related to the lake authority land;
253 (d) engage in marketing activities and efforts to encourage and facilitate management
254 of the lake authority land;
255 (e) apply for and take all other necessary actions to acquire any available federal funds
256 to accomplish the policies and objectives described in Subsection (2);
257 (f) as the lake authority considers necessary or advisable to carry out any of its duties or
258 responsibilities under this chapter:
259 (i) buy, obtain an option upon, or otherwise acquire any interest in real or personal
260 property;
261 (ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real or
262 personal property; or
263 (iii) enter into a lease agreement on real or personal property, either as lessee or lessor;
264 (g) sue and be sued;
265 (h) enter into contracts generally;
266 (i) provide funding for the development of publicly owned infrastructure and
267 improvements or other infrastructure and improvements on or related to the lake authority land;
268 (j) exercise powers and perform functions under a contract, as authorized in the
269 contract;
270 (k) accept financial or other assistance from any public or private source for the lake
271 authority's activities, powers, and duties, and expend any funds so received for any of the
272 purposes of this chapter;
273 (l) borrow money, contract with, or accept financial or other assistance from the federal
274 government, a public entity, or any other source for any of the purposes of this chapter and
275 comply with any conditions of the loan, contract, or assistance;

276 (m) issue bonds to finance the undertaking of any management objectives of the lake
277 authority, including bonds under this chapter, bonds under Chapter 17, Utah Industrial
278 Facilities and Development Act, bonds under Chapter 42, Assessment Area Act, and bonds
279 under Chapter 42a, Commercial Property Assessed Clean Energy Act;

280 (n) hire employees, including contract employees;

281 (o) transact other business and exercise all other powers provided for in this chapter;

282 (p) engage one or more consultants to advise or assist the lake authority in the
283 performance of the lake authority's duties and responsibilities;

284 (q) work with adjacent political subdivisions and neighboring property owners and
285 communities to mitigate potential negative impacts from the management of lake authority
286 land;

287 (r) help to facilitate development in a municipality or community reinvestment agency
288 whose boundary abuts the lake authority boundary if the development also benefits the lake
289 authority or the management of lake authority land;

290 (s) own and operate one or more marina facilities if the lake authority considers the
291 lake authority's ownership and operation to be necessary or desirable;

292 (t) subject to Subsection (4), own and operate publicly owned infrastructure and
293 improvements in a project area outside the lake authority land; and

294 (u) exercise powers and perform functions that the lake authority is authorized by
295 statute to exercise or perform.

296 (4) Notwithstanding Subsection (3)(u), the lake authority may not provide service
297 through publicly owned infrastructure and improvements to an area outside the lake authority
298 boundary.

299 (5) The lake authority may consult, coordinate, enter into agreements, or engage in
300 mutually beneficial projects or other activities with a municipality, community reinvestment
301 agency, or adjacent political subdivision, as the board considers appropriate.

302 (6) The lake authority shall:

303 (a) no later than December 31, 2021, prepare an accurate digital map of the lake
304 authority boundary, subject to any later changes to the boundary enacted by the Legislature; and

305 (b) maintain the digital map of the lake authority boundary that is easily accessible by
306 the public.

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

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

313 (ii) Lake authority money designated for use under Subsection (7)(b)(i) is exempt from
314 execution or any other process in the collection of a judgment against or debt or other
315 obligation of the lake authority arising out of the lake authority's activities with respect to the
316 community enhancement program.

317 (c) On or before October 31, 2022, the lake authority shall report on the lake authority's
318 actions under this Subsection (7) to:

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

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

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

325 (8) A marina facility owned by the lake authority is subject to a privilege tax under
326 Title 59, Chapter 4, Privilege Tax.

327 Section 7. Section **11-65-203** is enacted to read:

328 **11-65-203. Policies and objectives of the lake authority -- Additional duties of the**
329 **lake authority.**

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

331 (a) (i) protect and improve:

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

334 (B) the beneficial uses of the water of Utah Lake; and

335 (C) Utah Lake's environmental quality; and

336 (ii) the quality of Utah Lake's lakebed and sediments;

337 (b) maximize the recreational opportunities afforded by Utah Lake;

- 338 (c) maximize long-term economic benefits to the area, the region, and the state;
- 339 (d) respect and maintain sensitivity to the unique natural environment of areas in and
- 340 around the lake authority boundary;
- 341 (e) improve air quality and minimize resource use;
- 342 (f) respect existing land use and other agreements and arrangements between property
- 343 owners and applicable governmental authorities;
- 344 (g) promote and encourage management and uses that are compatible with or
- 345 complement uses in areas in proximity to lake authority land;
- 346 (h) take advantage of the lake authority land's strategic location and other features that
- 347 make the lake authority land attractive:
 - 348 (i) to residents for recreational purposes;
 - 349 (ii) for tourism and leisure;
 - 350 (iii) for business opportunities; and
 - 351 (iv) for meeting housing needs;
- 352 (i) encourage the development and use of cost-efficient renewable energy in project
- 353 areas;
- 354 (j) support and promote land uses on the lake authority land and land in other lake
- 355 authority project areas that generate economic development, including rural economic
- 356 development; and
- 357 (k) respect and maintain water rights associated with Utah Lake.
- 358 (2) In fulfilling its duties and responsibilities relating to the management of the lake
- 359 authority land and to achieve and implement the management policies and objectives under
- 360 Subsection (1), the lake authority shall:
 - 361 (a) work to identify funding sources, including federal, state, and local government
 - 362 funding and private funding, for capital improvement projects in and around the lake authority
 - 363 land;
 - 364 (b) review and identify land use and zoning policies and practices to recommend to
 - 365 land use policymakers and administrators of adjoining municipalities that are consistent with
 - 366 and will help to achieve the policies and objectives stated in Subsection (1);
 - 367 (c) consult and coordinate with other applicable governmental entities to improve and
 - 368 enhance transportation and other infrastructure and facilities in order to maximize the potential

369 of the lake authority land to attract, retain, and service users who will help maximize the
370 long-term economic benefit to the state; and

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

373 (3) The lake authority shall respect:

374 (a) a permit issued by a governmental entity applicable to lake authority land;

375 (b) a governmental entity's easement or other interest affecting lake authority land; and

376 (c) an agreement between governmental entities, including between a state agency and

377 the federal government, relating to lake authority land.

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

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

382 (ii) mitigates traffic congestion; or

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

384 (b) In consultation with the municipality in which management is expected to occur,

385 the lake authority shall establish minimum mitigation and environmental standards for

386 management occurring on lake authority land.

387 Section 8. Section **11-65-204** is enacted to read:

388 **11-65-204. Management plan.**

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

391 (b) The lake authority may not begin to implement a management plan until April 1,
392 2022.

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

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

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

398 (3) A management plan shall:

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

400 (i) vision and plan for achieving and implementing the policies and objectives stated in
401 Section 11-65-203; and

402 (ii) overall plan for the management of lake authority land, including an anticipated
403 timetable and any anticipated phases of management;

404 (b) accommodate and advance, as much as reasonably possible without sacrificing the
405 policies and objectives stated in Section 11-65-203, the interests of adjacent political
406 subdivisions;

407 (c) describe in general terms how the lake authority anticipates cooperating with
408 adjacent political subdivisions to pursue mutually beneficial goals in connection with the
409 management of lake authority land; and

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

411 (4) (a) Before adopting a management plan, the board shall provide a copy of the
412 proposed management plan to each adjacent political subdivision.

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

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

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

420 Section 9. Section **11-65-205** is enacted to read:

421 **11-65-205. Succeeding to Division of Forestry, Fire, and State Lands in lake**
422 **restoration project.**

423 (1) As used in this section:

424 (a) "Division" means the Division of Forestry, Fire, and State Lands created in Section
425 65A-1-4.

426 (b) "Restoration project" means a project for the comprehensive restoration of Utah
427 Lake, as provided in Laws of Utah 2018, Chapter 381.

428 (c) "Restoration project agreement" means an agreement under which a restoration
429 project contractor agrees to undertake a restoration project.

430 (d) "Restoration project contractor" means a person who executes a legally binding

431 restoration project agreement with the lake authority.

432 (2) The lake authority:

433 (a) is substituted in the place of the division with respect to efforts and proceedings
434 undertaken by the division for the establishment of a restoration project agreement; and

435 (b) may enter into a restoration project agreement if:

436 (i) the lake authority finds that the restoration project will fulfill the purposes of the
437 restoration project listed in Subsection 11-65-202(3)(a); and

438 (ii) the restoration project agreement is consistent with the provisions of this chapter.

439 (3) (a) To the extent consistent with applicable provisions of the Utah Constitution and
440 subject to Subsection (4), a restoration project agreement may provide for the lake authority to
441 dispose of lake authority land as compensation for the execution of a restoration project under
442 the restoration project agreement.

443 (b) In determining whether to agree to the disposition of lake authority land in
444 exchange for the execution of a restoration project, the lake authority shall consider:

445 (i) the potential benefit to the citizens of the state from execution of a restoration
446 project, the desirability of the proposed use of Utah Lake and the surrounding areas as a result
447 of the restoration project, and the enhancement in the usability and enjoyment of Utah Lake
448 and lake authority land that will accrue to the public because of the restoration project;

449 (ii) the potential that the restoration project presents for additional revenue to state and
450 local government entities;

451 (iii) the ability of the proposed use of the lake authority land given in exchange for the
452 execution of the restoration project to enhance state property adjacent to the lake authority
453 land;

454 (iv) the proposed timetable for completion of the restoration project; and

455 (v) the ability of the restoration project contractor to execute and complete the
456 restoration project satisfactorily.

457 (4) (a) Any disposition of lake authority land pursuant to a restoration project
458 agreement under Subsection (3) is subject to the approval of the Legislative Management
459 Committee, as provided in this Subsection (4).

460 (b) Upon the work under a restoration project agreement reaching an applicable
461 benchmark under the restoration project agreement for the disposition of lake authority land,

462 the lake authority shall notify the Legislative Management Committee and request approval for
463 the disposition.

464 (c) The Legislative Management Committee shall approve the disposition of lake
465 authority land if the lake authority demonstrates that:

466 (i) the disposition is consistent with the terms of the restoration project agreement; and

467 (ii) the restoration project has fulfilled or is adequately fulfilling the purposes of the
468 restoration project listed in Subsection 11-65-202(3)(a).

469 (5) Upon the lake authority transferring ownership of lake authority land to a private
470 party in exchange for and in furtherance of the execution of a restoration project, the land
471 becomes subject to, as applicable:

472 (a) Title 10, Chapter 9a, Municipal Land Use, Development, and Management Act; or

473 (b) Title 17, Chapter 27a, County Land Use, Development, and Management Act.

474 Section 10. Section **11-65-206** is enacted to read:

475 **11-65-206. Recommendation to the Legislature.**

476 (1) The lake authority shall work with adjacent political subdivisions to develop
477 recommendations to present to the Legislature.

478 (2) The recommendations developed under this section shall address:

479 (a) how the lake authority management plan should coordinate with the land use and
480 development plans of adjacent political subdivisions;

481 (b) alternatives for the authority to generate revenue to fund lake authority operations,
482 including:

483 (i) taxing authority;

484 (ii) the ability to impose fees, including waste water fees, storm water fees, or lake
485 fees;

486 (iii) the ability to receive a portion of property tax revenue on adjacent land within
487 adjacent political subdivisions; and

488 (iv) the sharing of revenue with adjacent political subdivisions; and

489 (c) potential proposals to encourage the participation of adjacent political subdivisions
490 in a coordinated plan for the management of lake authority land and adjacent land in adjacent
491 political subdivisions.

492 (3) No later than November 30, 2021, the board shall present the recommendations

493 developed under this section to the Natural Resources, Agriculture, and Environment Interim
494 Committee and the Revenue and Taxation Interim Committee.

495 Section 11. Section **11-65-207** is enacted to read:

496 **11-65-207. Applicability of other law -- Cooperation of state and local**
497 **governments -- Authority of other agencies not affected -- Attorney general to provide**
498 **legal services.**

499 (1) The lake authority is subject to and governed by Sections [63E-2-106](#), [63E-2-107](#),
500 [63E-2-108](#), [63E-2-109](#), [63E-2-110](#), and [63E-2-111](#), but is not otherwise subject to or governed
501 by Title 63E, Independent Entities Code.

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

506 (3) Nothing in this chapter may be construed to affect or impair the authority of the
507 Department of Environmental Quality, created in Section [19-1-104](#), to regulate under Title 19,
508 Environmental Quality Code, consistent with the purposes of this chapter.

509 (4) Nothing in this chapter may be construed to override, supersede, or modify:

510 (a) any water right in the state; or

511 (b) the role or authority of the state engineer.

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

513 Section 12. Section **11-65-208** is enacted to read:

514 **11-65-208. Recommendations for lake authority role and functions.**

515 (1) As used in this section:

516 (a) "Applicable state agency" means a department, division, or other agency of state
517 government that, in the absence of the authority granted to the lake authority under this chapter,
518 has authority or jurisdiction over the water, wildlife, land, recreation, or environment
519 associated with the lake authority land.

520 (b) "Applicable state agency" includes:

521 (i) the Department of Environmental Quality;

522 (ii) the Division of Forestry, Fire, and State Lands;

523 (iii) the Division of Wildlife Resources;

524 (iv) the Division of Parks and Recreation;

525 (v) the Division of Water Resources; and

526 (vi) the Division of Water Rights.

527 (2) The lake authority and applicable state agencies shall:

528 (a) consult, cooperate, and work together to develop recommendations to present to the
529 Legislative Management Committee, as provided in this section; and

530 (b) present the recommendations to the Legislative Management Committee no later
531 than November 30, 2021.

532 (3) In developing recommendations under this section, the lake authority and
533 applicable state agencies shall consider and work together to implement the intent of the
534 Legislature, as expressed in this chapter, to establish the lake authority as the central focal point
535 and repository of responsibility and authority for advancing and achieving the policies and
536 objectives stated in Section [11-65-203](#).

537 (4) The recommendations developed under Subsection (2) shall address how best to
538 prudently consolidate in the lake authority, as much as possible, the authority now held and
539 functions now performed by applicable state agencies in order to advance and achieve the
540 policies and objectives listed in Section [11-65-203](#) to the greatest extent possible, without
541 sacrificing benefits to the public derived from the performance of functions by the various
542 applicable state agencies in their specific areas of expertise and responsibility.

543 Section 13. Section **11-65-301** is enacted to read:

544 **Part 3. Lake Authority Board**

545 **11-65-301. Utah Lake Authority board -- Delegation of power.**

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

549 (2) All powers of the lake authority are exercised through the board or, as provided in
550 Section [11-65-305](#), the executive director.

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

552 Section 14. Section **11-65-302** is enacted to read:

553 **11-65-302. Number of board members -- Appointment -- Vacancies.**

554 (1) The lake authority's board shall consist of 13 members, as provided in Subsection

555 (2).

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

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

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

560 (d) The legislative body of Utah County shall appoint one board member.

561 (e) (i) The Utah County Council of Governments shall appoint two board members.

562 (ii) The initial members appointed by the Utah County Council of Governments shall
563 be:

564 (A) an individual designated by the legislative body of Lehi City; and

565 (B) an individual designated by the legislative body of Lindon City.

566 (f) The Utah Valley Chamber of Commerce shall appoint one member.

567 (g) The legislative body of the city of Provo shall appoint one board member.

568 (h) The legislative body of the city of Orem shall appoint one board member.

569 (i) The legislative body of the city of Vineyard shall appoint one board member.

570 (j) The legislative body of the city of American Fork shall appoint one board member.

571 (k) The legislative body of the city of Saratoga Springs shall appoint one board
572 member.

573 (3) Appointments required under Subsection (2) shall be made no later than June 1,
574 2021.

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

577 (b) A person appointed to fill a vacancy shall serve the remaining unexpired term of
578 the member whose vacancy the person is filling.

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

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

585 (7) Upon a vote of a majority of all board members, the board may appoint a board

586 chair and any other officer of the board.

587 (8) The board may appoint one or more advisory committees that may include
588 individuals from impacted public entities, community organizations, environmental
589 organizations, business organizations, or other organizations or associations.

590 Section 15. Section **11-65-303** is enacted to read:

591 **11-65-303. Term of board members -- Quorum -- Compensation.**

592 (1) The term of a board member appointed under Subsection 11-65-302(2) is four
593 years, except that the initial term is two years for:

594 (a) one of the two members appointed under Subsection 11-65-302(2)(a), as designated
595 by the governor;

596 (b) one of the two members appointed under Subsection 11-65-302(2)(e), as designated
597 by the Utah County Council of Governments; and

598 (c) the members appointed under Subsections 11-65-302(2)(c), (g), (i), and (k).

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

600 (3) A board member may serve multiple terms if duly appointed to serve each term
601 under Subsection 11-65-302(2).

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

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

607 (i) Sections 63A-3-106 and 63A-3-107; and

608 (ii) rules made by the Division of Finance according to Sections 63A-3-106 and
609 63A-3-107.

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

612 Section 16. Section **11-65-304** is enacted to read:

613 **11-65-304. Limitations on board members and executive director.**

614 (1) As used in this section:

615 (a) "Direct financial benefit":

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

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

618 and

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

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

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

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

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

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

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

626 financial benefit from the management of the lake authority land.

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

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

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

630 Subsection (2).

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

632 authority may not receive a direct financial benefit from the management of lake authority land.

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

634 (i) expense reimbursements;

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

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

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

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

639 of interest.

640 Section 17. Section **11-65-305** is enacted to read:

641 **11-65-305. Executive director.**

642 (1) On or before December 31, 2021, the board shall hire a full-time executive director.

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

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

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

646 (ii) fulfill the executive and administrative duties and responsibilities of the lake

647 authority; and

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

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

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

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

656 Section 18. Section **11-65-401** is enacted to read:

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

658 **11-65-401. Preparation of project area plan -- Required contents of project area**
659 **plan.**

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

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

663 (i) prepare a draft project area plan;

664 (ii) give notice as required under Subsection [11-65-402\(2\)](#);

665 (iii) hold at least one public meeting, as required under Subsection [11-65-402\(1\)](#); and

666 (iv) after holding at least one public meeting and subject to Subsection (1)(c), adopt the
667 draft project area plan as the project area plan.

668 (c) Before adopting a draft project area plan as the project area plan, the lake authority
669 board may make modifications to the draft project area plan that the board considers necessary
670 or appropriate.

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

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

675 (2) Each project area plan and draft project area plan shall contain:

676 (a) a legal description of the boundary of the project area that is the subject of the
677 project area plan;

678 (b) the lake authority's purposes and intent with respect to the project area;

- 679 (c) a description of any management proposed to occur within the project area; and
- 680 (d) the board's findings and determination that:
- 681 (i) there is a need to effectuate a public purpose;
- 682 (ii) there is a public benefit to the proposed management project;
- 683 (iii) it is economically sound and feasible to adopt and carry out the project area plan;
- 684 and
- 685 (iv) carrying out the project area plan will promote the purposes of the lake authority,
- 686 as stated in Section [11-65-203](#).

687 Section 19. Section **11-65-402** is enacted to read:

688 **11-65-402. Public meeting to consider and discuss draft project area plan -- Notice**
689 **-- Adoption of plan.**

690 (1) The lake authority board shall hold at least one public meeting to consider and
691 discuss the draft project area plan.

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

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

696 (ii) maintain the posting on the Utah Public Notice Website until the day of the public
697 meeting; and

698 (b) provide notice of the public meeting to:

699 (i) a taxing entity; and

700 (ii) a municipality that is located within one-half mile of the proposed project area.

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

703 Section 20. Section **11-65-403** is enacted to read:

704 **11-65-403. Notice of project area plan adoption -- Effective date of plan --**
705 **Contesting the formation of the plan.**

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

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

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

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

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

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

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

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

724 (a) the State Tax Commission;

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

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

727 (6) A legal action or other challenge to a project area plan or a project area described in
728 a project area plan is barred unless brought within 30 days after the effective date of the project
729 area plan.

730 Section 21. Section **11-65-404** is enacted to read:

731 **11-65-404. Amendment to a project area plan.**

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

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

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

738 Section 22. Section **11-65-405** is enacted to read:

739 **11-65-405. Project area budget.**

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

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

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

744 (3) If the lake authority adopts a budget under Part 6, Authority Budget and Reports,
745 that also meets the requirements of this part, the lake authority need not separately adopt a
746 budget under this part.

747 Section 23. Section **11-65-501** is enacted to read:

748 **Part 5. Lake Authority Bonds**

749 **11-65-501. Resolution authorizing issuance of lake authority bonds --**

750 **Characteristics of bonds.**

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

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

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

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

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

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

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

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

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

771 (6) (a) A person may contest the matters set forth in Subsection (5) by filing a verified

772 written complaint, within 30 days after the publication under Subsection (5), in the district
773 court of the county in which the person resides.

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

777 Section 24. Section **11-65-502** is enacted to read:

778 **11-65-502. Sources from which bonds may be made payable -- Lake authority**
779 **powers regarding bonds.**

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

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

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

785 (c) the income, proceeds, revenues, property, and funds the lake authority derives from
786 or holds in connection with its undertaking and carrying out management of lake authority
787 land;

788 (d) lake authority revenues generally;

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

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

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

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

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

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

803 Section 25. Section **11-65-503** is enacted to read:

804 **11-65-503. Purchase of lake authority bonds.**

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

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

810 Section 26. Section **11-65-504** is enacted to read:

811 **11-65-504. Those executing bonds not personally liable -- Limitation of**
812 **obligations under bonds -- Negotiability.**

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

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

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

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

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

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

825 Section 27. Section **11-65-505** is enacted to read:

826 **11-65-505. Obligee rights -- Board may confer other rights.**

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

830 (a) by mandamus, suit, action, or other proceeding, compel the lake authority and the
831 lake authority's board, officers, agents, or employees to perform every term, provision, and
832 covenant contained in any contract of the lake authority with or for the benefit of the obligee,
833 and require the lake authority to carry out the covenants and agreements of the lake authority

834 and to fulfill all duties imposed on the lake authority by this part; and

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

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

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

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

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

848 (C) require the lake authority and its board and employees to account as if the lake
849 authority and the board and employees were the trustees of an express trust.

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

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

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

858 Section 28. Section **11-65-506** is enacted to read:

859 **11-65-506. Bonds exempt from taxes -- Lake authority may purchase its own**
860 **bonds.**

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

864 (2) The lake authority may purchase the lake authority's own bonds at a price that the

865 board determines.

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

869 Section 29. Section **11-65-601** is enacted to read:

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

871 **11-65-601. Annual lake authority budget -- Fiscal year -- Public hearing required**
872 **-- Auditor forms -- Requirement to file annual budget.**

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

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

878 (3) The lake authority's fiscal year shall be the period from July 1 to the following June
879 30.

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

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

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

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

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

890 (b) legal fees; and

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

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

896 Section 30. Section **11-65-602** is enacted to read:

897 **11-65-602. Amending the lake authority annual budget.**

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

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

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

904 Section 31. Section **11-65-603** is enacted to read:

905 **11-65-603. Lake authority report.**

906 Before November 30 of each year, the board shall present a report to the Executive
907 Appropriations Committee of the Legislature, as the Executive Appropriations Committee
908 directs, that includes:

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

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

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

917 Section 32. Section **11-65-604** is enacted to read:

918 **11-65-604. Audit requirements.**

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

922 Section 33. Section **11-65-605** is enacted to read:

923 **11-65-605. Audit report.**

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

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

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

929 (b) the actual amount expended for:

930 (i) acquisition of property;

931 (ii) site improvements or site preparation costs;

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

933 (iv) administrative costs of the lake authority.

934 Section 34. Section 11-65-606 is enacted to read:

935 **11-65-606. Lake authority chief financial officer is a public treasurer -- Certain**
936 **lake authority funds are public funds.**

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

938 (a) is a public treasurer, as defined in Section 51-7-3; and

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

941 (2) Notwithstanding Subsection 63E-2-110(2)(a), appropriations that the lake authority
942 receives from the state:

943 (a) are public funds; and

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

945 Section 35. Section 11-65-701 is enacted to read:

946 **Part 7. Lake Authority Dissolution**

947 **11-65-701. Dissolution of lake authority -- Restrictions -- Notice of dissolution --**
948 **Disposition of lake authority property -- Lake authority records -- Dissolution expenses.**

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

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

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

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

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

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

959 Section 36. Section **59-12-205** is amended to read:

960 **59-12-205. Ordinances to conform with statutory amendments -- Distribution of**
961 **tax revenue -- Determination of population.**

962 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
963 **59-12-204**, a county, city, or town shall adopt amendments to the county's, city's, or town's
964 sales and use tax ordinances:

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

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

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

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

973 (b) (i) except as provided in Subsections (2)(b)(ii) and (iii), 50% of each dollar
974 collected from the sales and use tax authorized by this part shall be distributed to each county,
975 city, and town on the basis of the location of the transaction as determined under Sections
976 **59-12-211** through **59-12-215**;

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

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

985 (iv) 50% of each dollar collected from the sales and use tax authorized by this part
986 within a project area under Title 11, Chapter 65, Utah Lake Authority Act, shall be distributed
987 to the Utah Lake Authority, created in Section **11-65-201**.

988 (3) (a) Beginning on July 1, 2017, and ending on June 30, 2022, the commission shall

989 distribute annually to a county, city, or town the distribution required by this Subsection (3) if:

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

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

992 (B) city of the fifth class; or

993 (C) town;

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

997 (iii) (A) for a county described in Subsection (3)(a)(i)(A), the county had located
998 within the unincorporated area of the county for one or more days during the calendar year
999 beginning on January 1, 2008, an establishment described in NAICS Industry Group 2121,
1000 Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the 2002 North
1001 American Industry Classification System of the federal Executive Office of the President,
1002 Office of Management and Budget; or

1003 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
1004 (3)(a)(i)(C), the city or town had located within the city or town for one or more days during
1005 the calendar year beginning on January 1, 2008, an establishment described in NAICS Industry
1006 Group 2121, Coal Mining, or NAICS Code 213113, Support Activities for Coal Mining, of the
1007 2002 North American Industry Classification System of the federal Executive Office of the
1008 President, Office of Management and Budget; and

1009 (iv) (A) for a county described in Subsection (3)(a)(i)(A), at least one establishment
1010 described in Subsection (3)(a)(iii)(A) located within the unincorporated area of the county for
1011 one or more days during the calendar year beginning on January 1, 2008, was not the holder of
1012 a direct payment permit under Section [59-12-107.1](#); or

1013 (B) for a city described in Subsection (3)(a)(i)(B) or a town described in Subsection
1014 (3)(a)(i)(C), at least one establishment described in Subsection (3)(a)(iii)(B) located within a
1015 city or town for one or more days during the calendar year beginning on January 1, 2008, was
1016 not the holder of a direct payment permit under Section [59-12-107.1](#).

1017 (b) The commission shall make the distribution required by this Subsection (3) to a
1018 county, city, or town described in Subsection (3)(a):

1019 (i) from the distribution required by Subsection (2)(a); and

1020 (ii) before making any other distribution required by this section.

1021 (c) (i) For purposes of this Subsection (3), the distribution is the amount calculated by

1022 multiplying the fraction calculated under Subsection (3)(c)(ii) by \$333,583.

1023 (ii) For purposes of Subsection (3)(c)(i):

1024 (A) the numerator of the fraction is the difference calculated by subtracting the

1025 distribution a county, city, or town described in Subsection (3)(a) received under this section

1026 for the calendar year beginning on January 1, 2008, from the distribution under this section that

1027 the county, city, or town received for the calendar year beginning on January 1, 2007; and

1028 (B) the denominator of the fraction is \$333,583.

1029 (d) A distribution required by this Subsection (3) is in addition to any other distribution

1030 required by this section.

1031 (4) (a) As used in this Subsection (4):

1032 (i) "Eligible county, city, or town" means a county, city, or town that:

1033 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection (4)(b)

1034 equal to the amount described in Subsection (4)(b)(ii); and

1035 (B) does not impose a sales and use tax under Section 59-12-2103 on or before July 1,

1036 2016.

1037 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue

1038 distributions an eligible county, city, or town received from a tax imposed in accordance with

1039 this part for fiscal year 2004-05.

1040 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax

1041 imposed in accordance with this part equal to the greater of:

1042 (i) the payment required by Subsection (2); or

1043 (ii) the minimum tax revenue distribution.

1044 (5) (a) For purposes of this Subsection (5):

1045 (i) "Annual local contribution" means the lesser of \$200,000 or an amount equal to

1046 1.8% of the participating local government's tax revenue distribution amount under Subsection

1047 (2)(a) for the previous fiscal year.

1048 (ii) "Participating local government" means a county or municipality, as defined in

1049 Section 10-1-104, that is not an eligible municipality or grant eligible entity certified in

1050 accordance with Section 35A-8-609.

1051 (b) For revenue collected from the tax authorized by this part that is distributed on or
 1052 after January 1, 2019, the commission, before making a tax revenue distribution under
 1053 Subsection (2)(a) to a participating local government, shall:

1054 (i) subtract one-twelfth of the annual local contribution for each participating local
 1055 government from the participating local government's tax revenue distribution under
 1056 Subsection (2)(a); and

1057 (ii) deposit the amount described in Subsection (5)(b)(i) into the Homeless Shelter
 1058 Cities Mitigation Restricted Account created in Section [35A-8-606](#).

1059 (c) For a participating local government that qualifies to receive a distribution
 1060 described in Subsection (3) or (4), the commission shall apply the provisions of this Subsection
 1061 (5) after the commission applies the provisions of Subsections (3) and (4).

1062 (6) (a) Population figures for purposes of this section shall be based on the most recent
 1063 official census or census estimate of the United States Bureau of the Census.

1064 (b) If a needed population estimate is not available from the United States Bureau of
 1065 the Census, population figures shall be derived from the estimate from the Utah Population
 1066 Committee.

1067 (c) The population of a county for purposes of this section shall be determined only
 1068 from the unincorporated area of the county.

1069 Section 37. Section [63J-1-602.2](#) is amended to read:

1070 **[63J-1-602.2. List of nonlapsing appropriations to programs.](#)**

1071 Appropriations made to the following [~~programs~~] are nonlapsing:

1072 (1) The Legislature and the Legislature's committees.

1073 (2) The State Board of Education, including all appropriations to agencies, line items,
 1074 and programs under the jurisdiction of the State Board of Education, in accordance with
 1075 Section [53F-9-103](#).

1076 (3) The Percent-for-Art Program created in Section [9-6-404](#).

1077 (4) The LeRay McAllister Critical Land Conservation Program created in Section
 1078 [11-38-301](#).

1079 (5) The Utah Lake Authority created in Section [11-65-201](#).

1080 [~~(5)~~] (6) Dedicated credits accrued to the Utah Marriage Commission as provided
 1081 under Subsection [17-16-21](#)(2)(d)(ii).

- 1082 ~~[(6)]~~ (7) The Trip Reduction Program created in Section [19-2a-104](#).
- 1083 ~~[(7)]~~ (8) The Division of Wildlife Resources for the appraisal and purchase of lands
1084 under the Pelican Management Act, as provided in Section [23-21a-6](#).
- 1085 ~~[(8)]~~ (9) The emergency medical services grant program in Section [26-8a-207](#).
- 1086 ~~[(9)]~~ (10) The primary care grant program created in Section [26-10b-102](#).
- 1087 ~~[(10)]~~ (11) Sanctions collected as dedicated credits from Medicaid provider under
1088 Subsection [26-18-3](#)(7).
- 1089 ~~[(11)]~~ (12) The Utah Health Care Workforce Financial Assistance Program created in
1090 Section [26-46-102](#).
- 1091 ~~[(12)]~~ (13) The Rural Physician Loan Repayment Program created in Section
1092 [26-46a-103](#).
- 1093 ~~[(13)]~~ (14) The Opiate Overdose Outreach Pilot Program created in Section [26-55-107](#).
- 1094 ~~[(14)]~~ (15) Funds that the Department of Alcoholic Beverage Control retains in
1095 accordance with Subsection [32B-2-301](#)(8)(a) or (b).
- 1096 ~~[(15)]~~ (16) The General Assistance program administered by the Department of
1097 Workforce Services, as provided in Section [35A-3-401](#).
- 1098 ~~[(16)]~~ (17) A new program or agency that is designated as nonlapsing under Section
1099 [36-24-101](#).
- 1100 ~~[(17)]~~ (18) The Utah National Guard, created in Title 39, Militia and Armories.
- 1101 ~~[(18)]~~ (19) The State Tax Commission under Section [41-1a-1201](#) for the:
- 1102 (a) purchase and distribution of license plates and decals; and
- 1103 (b) administration and enforcement of motor vehicle registration requirements.
- 1104 ~~[(19)]~~ (20) The Search and Rescue Financial Assistance Program, as provided in
1105 Section [53-2a-1102](#).
- 1106 ~~[(20)]~~ (21) The Motorcycle Rider Education Program, as provided in Section [53-3-905](#).
- 1107 ~~[(21)]~~ (22) The Utah Board of Higher Education for teacher preparation programs, as
1108 provided in Section [53B-6-104](#).
- 1109 ~~[(22)]~~ (23) The Medical Education Program administered by the Medical Education
1110 Council, as provided in Section [53B-24-202](#).
- 1111 ~~[(23)]~~ (24) The Division of Services for People with Disabilities, as provided in
1112 Section [62A-5-102](#).

1113 [~~(24)~~] (25) The Division of Fleet Operations for the purpose of upgrading underground
1114 storage tanks under Section 63A-9-401.

1115 [~~(25)~~] (26) The Utah Seismic Safety Commission, as provided in Section 63C-6-104.

1116 [~~(26)~~] (27) Appropriations to the Department of Technology Services for technology
1117 innovation as provided under Section 63F-4-202.

1118 [~~(27)~~] (28) The Office of Administrative Rules for publishing, as provided in Section
1119 63G-3-402.

1120 [~~(28)~~] (29) The Governor's Office of Economic Development to fund the Enterprise
1121 Zone Act, as provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.

1122 [~~(29)~~] (30) Appropriations to fund the Governor's Office of Economic Development's
1123 Rural Employment Expansion Program, as described in Title 63N, Chapter 4, Part 4, Rural
1124 Employment Expansion Program.

1125 [~~(30)~~] (31) Appropriations to fund programs for the Jordan River Recreation Area as
1126 described in Section 65A-2-8.

1127 [~~(31)~~] (32) The Department of Human Resource Management user training program, as
1128 provided in Section 67-19-6.

1129 [~~(32)~~] (33) A public safety answering point's emergency telecommunications service
1130 fund, as provided in Section 69-2-301.

1131 [~~(33)~~] (34) The Traffic Noise Abatement Program created in Section 72-6-112.

1132 [~~(34)~~] (35) The Judicial Council for compensation for special prosecutors, as provided
1133 in Section 77-10a-19.

1134 [~~(35)~~] (36) A state rehabilitative employment program, as provided in Section
1135 78A-6-210.

1136 [~~(36)~~] (37) The Utah Geological Survey, as provided in Section 79-3-401.

1137 [~~(37)~~] (38) The Bonneville Shoreline Trail Program created under Section 79-5-503.

1138 [~~(38)~~] (39) Adoption document access as provided in Sections 78B-6-141, 78B-6-144,
1139 and 78B-6-144.5.

1140 [~~(39)~~] (40) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent
1141 Defense Commission.

1142 [~~(40)~~] (41) The program established by the Division of Facilities Construction and
1143 Management under Section 63A-5b-703 under which state agencies receive an appropriation

1144 and pay lease payments for the use and occupancy of buildings owned by the Division of
1145 Facilities Construction and Management.

1146 Section 38. **Repealer.**

1147 This bill repeals:

1148 Section **65A-15-101**, Title.

1149 Section **65A-15-102**, Definitions.

1150 Section **65A-15-103**, Legislative findings.

1151 Section **65A-15-201**, Division authority to dispose of sovereign land in exchange for
1152 Utah Lake restoration project -- Criteria.

1153 Section **65A-15-202**, Status of state lands after a change in ownership.