

PROJECT ENTITY AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Scott D. Sandall

House Sponsor: _____

LONG TITLE

General Description:

This bill makes changes to the Interlocal Cooperation Act.

Highlighted Provisions:

This bill:

► provides that a project entity may only issue municipal bonds with a maturity date prior to December 31, 2045.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

11-13-218, as last amended by Laws of Utah 2016, Chapter 371

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

Section 1. Section **11-13-218** is amended to read:

11-13-218. Authority of public agencies or interlocal entities to issue bonds --

Applicable provisions.

(1) A public agency may, in the same manner as it may issue bonds for its individual acquisition of a facility or improvement or for constructing, improving, or extending a facility



28 or improvement, issue bonds to:

29 (a) acquire an interest in a jointly owned facility or improvement, a combination of a
30 jointly owned facility or improvement, or any other facility or improvement; or

31 (b) pay all or part of the cost of constructing, improving, or extending a jointly owned
32 facility or improvement, a combination of a jointly owned facility or improvement, or any other
33 facility or improvement.

34 (2) (a) ~~An~~ Except as provided in Subsection (6), an interlocal entity may issue bonds
35 or notes under a resolution, trust indenture, or other security instrument for the purpose of:

36 (i) financing its facilities or improvements; or

37 (ii) providing for or financing an energy efficiency upgrade, a renewable energy
38 system, or electric vehicle charging infrastructure in accordance with Title 11, Chapter 42,
39 Assessment Area Act.

40 (b) The bonds or notes may be sold at public or private sale, mature at such times and
41 bear interest at such rates, and have such other terms and security as the entity determines.

42 (c) The bonds or notes described in this Subsection (2) are not a debt of any public
43 agency that is a party to the agreement.

44 (3) The governing board may, by resolution, delegate to one or more officers of the
45 interlocal entity or to a committee of designated members of the governing board the authority
46 to:

47 (a) in accordance with and within the parameters set forth in the resolution, approve the
48 final interest rate, price, principal amount, maturity, redemption features, or other terms of a
49 bond or note; and

50 (b) approve and execute all documents relating to the issuance of the bond or note.

51 (4) Bonds and notes issued under this chapter are declared to be negotiable instruments
52 and their form and substance need not comply with the Uniform Commercial Code.

53 (5) (a) An interlocal entity shall issue bonds in accordance with, as applicable:

54 (i) Chapter 14, Local Government Bonding Act;

55 (ii) Chapter 27, Utah Refunding Bond Act;

56 (iii) this chapter; or

57 (iv) any other provision of state law that authorizes issuance of bonds by a public body.

58 (b) An interlocal entity is a public body as defined in Section [11-30-2](#).

59 (6) A project entity may issue bonds with a maturity date no later than December 31,
60 2045.

61 Section 2. **Effective date.**

62 This bill takes effect on May 1, 2024.