

Lincoln Fillmore proposes the following substitute bill:

Statewide Initiatives Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lincoln Fillmore

House Sponsor: Jason B. Kyle

LONG TITLE

General Description:

This bill amends provisions relating to a statewide initiative.

Highlighted Provisions:

This bill:

- modifies requirements for a statewide initiative application and a fiscal impact statement in relation to funding a law proposed by initiative;

- requires initiative petition sponsors to publish the initiative application in the same manner required for publication of a proposed constitutional amendment;

- prohibits submission of an initiative, or counting votes cast for or against an initiative, if the sponsors of the initiative petition fail to comply with the publication requirement;

and

- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

20A-7-202 (Effective upon governor's approval), as last amended by Laws of Utah 2023, Chapter 107

20A-7-202.5 (Effective upon governor's approval), as last amended by Laws of Utah 2024, Chapter 442

20A-7-211 (Effective 01/01/27), as last amended by Laws of Utah 2023, Chapter 107

ENACTS:

20A-7-209.5 (Effective 01/01/27), Utah Code Annotated 1953

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

Section 1. Section 20A-7-202 is amended to read:

20A-7-202 (Effective upon governor's approval). Statewide initiative process -- Initiative application procedures -- Time to gather signatures -- Grounds for rejection.

(1) Individuals wishing to circulate an initiative petition shall file an initiative application with the lieutenant governor.

~~{(a)}~~ (2) The initiative application shall include:

~~{(b)}~~ (a) the name and residence address of at least five sponsors of the initiative petition;

~~{(i)}~~ (b) a statement indicating that each of the sponsors is registered to vote in Utah;

~~{(ii)}~~ (c) a statement indicating whether the initiative will be presented to:

~~{(iii)}~~ (i) the Legislature under Subsection 20A-7-201(1); or

~~{(2)}~~ (ii) a vote of the people under Subsection 20A-7-201(2);

~~{(a)}~~ (d) the signature of each of the sponsors, attested to by a notary public; and

~~{(b)}~~ [a copy of the proposed law that includes, in the following order:]

[~~(i)~~ the title of the proposed law, that clearly expresses the subject of the law;]

[~~(ii)~~ a description of all proposed sources of funding for the costs associated with the proposed law, including the proposed percentage of total funding from each source; and]

[~~(iii)~~ the text of the proposed law;]

(e) the following, in the following order:

(i) the title of the proposed law that clearly expresses the subject of the law;

(ii) except as provided in Subsection (3)(c), a description of the manner in which the proposed law will be funded, including:

(A) all proposed sources of funding for the costs associated with the proposed law, including the proposed percentage of total funding from each source;

(B) if the proposed law will be funded, in whole or in part, by a new tax, a description of the new tax and the tax rate;

[~~(f)~~ (C) if the [initiative proposes] proposed law will be funded, in whole or in part, by a tax increase, the following statement for each tax increase, "This initiative seeks to increase the current (insert name of tax) rate by (insert the tax percentage difference) percent, resulting in a(n) (insert the tax percentage increase) percent increase in the current tax rate."; [and]

(D) if the proposed law will be funded, in whole or in part, from new revenues, a

- 63 description of the amount and source of the new revenues; and
64 (E) if the proposed law will be funded, in whole or in part, from existing revenues,
65 a description of the existing line items or programs that will receive less
66 funding in order to fund the proposed law and the amount by which the
67 funding will be reduced;
68 [(g)] (iii) a statement indicating whether persons gathering signatures for the initiative
69 petition may be paid for gathering signatures[-] ; and
70 (iv) the text of the proposed law.
71 (3)(a) An individual's status as a resident, under Subsection (2), is determined in
72 accordance with Section 20A-2-105.
73 (b) The initiative application and the initiative application's contents are public when
74 filed with the lieutenant governor.
75 (c) If the fiscal impact of the law proposed by an initiative is less than the amount
76 specified by joint legislative rule for designating a bill as a fiscal note bill:
77 (i) the initiative application is not required to include the description described in
78 Subsection (2)(e)(ii); and
79 (ii) the lieutenant governor may not reject the initiative application or initiative
80 application addendum under Subsection (5)(c).
81 (4) If the initiative petition fails to qualify for the ballot of the election described in
82 Subsection 20A-7-201(2)(b), the sponsors shall:
83 (a) submit a new initiative application;
84 (b) obtain new signature sheets; and
85 (c) collect signatures again.
86 (5) The lieutenant governor shall reject an initiative application or an initiative application
87 addendum filed under Subsection 20A-7-204.1(5) and not issue signature sheets if:
88 (a) the proposed law:
89 (i) is ~~patently~~ unconstitutional;
90 (ii) is nonsensical;
91 (iii) could not become law if passed;
92 (iv) contains more than one subject as evaluated in accordance with Subsection (6); or
93 (v) is identical or substantially similar to a law proposed by an initiative for which
94 signatures were submitted to the county clerks and lieutenant governor for
95 certification within two years preceding the date on which the initiative
96 application for the new initiative is filed;[-or]

(b) the subject of the proposed law is not clearly expressed in the law's title[-] ; or

(c) except as provided in Subsection (3)(c), the lieutenant governor determines, after consultation with the Office of the Legislative Fiscal Analyst, that the funding description, described in Subsection (2)(e)(ii):

(i) does not comply with the requirements of Subsection (2)(e)(ii); or

(ii) is unlikely to provide adequate funding for the proposed law.

(6) To evaluate whether the proposed law contains more than one subject under Subsection (5)(a)(iv), the lieutenant governor shall apply the same standard provided in Utah Constitution, Article VI, Section 22, which prohibits a bill from passing that contains more than one subject.

Section 2. Section **20A-7-202.5** is amended to read:

20A-7-202.5 (Effective upon governor's approval). Initial fiscal impact statement -- Preparation of statement -- Challenge to statement.

(1) Within three working days after the day on which the lieutenant governor receives an initiative application, the lieutenant governor shall submit a copy of the initiative application to the Office of the Legislative Fiscal Analyst.

(2)(a) [The] Except as provided in Subsection (2)(b), the Office of the Legislative Fiscal Analyst shall prepare an unbiased, good faith initial fiscal impact statement for the proposed law, not exceeding 100 words plus 100 words per revenue source created or impacted by the proposed law, that contains:

(i) a description of the total estimated fiscal impact of the proposed law over the time period or time periods determined by the Office of the Legislative Fiscal Analyst to be most useful in understanding the estimated fiscal impact of the proposed law;

(ii) if the proposed law would increase taxes, decrease taxes, or impose a new tax, a dollar amount representing the total estimated increase or decrease for each type of tax affected under the proposed law, a dollar amount showing the estimated amount of a new tax, and a dollar amount representing the total estimated increase or decrease in taxes under the proposed law;

(iii) if the proposed law would increase a particular tax or tax rate, the tax percentage difference and the tax percentage increase for each tax or tax rate increased;

(iv) if the proposed law will be funded, in whole or in part, from new revenues, a description of the amount and source of the new revenues;

(v) if the proposed law will be funded, in whole or in part, from existing revenues, a description of:

- 131 (A) the existing line items or programs that will receive less funding in order to
 132 fund the proposed law and the amount by which the funding will be reduced;
 133 and
 134 (B) the likely impact of the reduction in funding described in Subsection
 135 (2)(a)(v)(A);
 136 ~~[(iv)]~~ (vi) if the proposed law would result in the issuance or a change in the status of
 137 bonds, notes, or other debt instruments, a dollar amount representing the total
 138 estimated increase or decrease in public debt under the proposed law;
 139 ~~[(v)]~~ (vii) a dollar amount representing the estimated cost or savings, if any, to state or
 140 local government entities under the proposed law;
 141 ~~[(vi)]~~ (viii) if the proposed law would increase costs to state government, a listing of
 142 all sources of funding for the estimated costs; and
 143 ~~[(vii)]~~ (ix) a concise description and analysis titled "Funding Source," not to exceed
 144 100 words for each funding source, of the funding source information described in
 145 Subsection 20A-7-202(2)(e)(ii).
- 146 (b) If the proposed law is estimated to have ~~[no]~~ fiscal impact of less than the amount specified
 147 by joint legislative rule for designating a bill as a fiscal note bill, the Office of the Legislative
 148 Fiscal Analyst shall ~~[include a summary statement in the initial fiscal impact statement in~~
 149 ~~substantially the following form]~~ prepare the initial fiscal impact statement to read substantially
 150 as follows:
 151 "The Office of the Legislative Fiscal Analyst estimates that the law proposed by this
 152 initiative would have no significant fiscal impact and would not result in either an increase or
 153 decrease in taxes or debt."
- 154 (3) Within 25 calendar days after the day on which the lieutenant governor delivers a copy
 155 of the initiative application, the Office of the Legislative Fiscal Analyst shall:
 156 (a) send a copy of the initial fiscal impact statement to the lieutenant governor's office;
 157 and
 158 (b) send a copy of the initial fiscal impact statement to the first five sponsors named in
 159 the initiative application.
- 160 (4)(a)(i) Three or more of the sponsors of the initiative petition may, within 20
 161 calendar days after the day on which the Office of the Legislative Fiscal Analyst
 162 delivers the initial fiscal impact statement to the lieutenant governor's office, file a
 163 petition with the appropriate court, alleging that the initial fiscal impact statement,
 164 taken as a whole, is an inaccurate estimate of the fiscal impact of the initiative.

(ii) After receipt of the appeal, the court shall direct the lieutenant governor to send notice of the petition filed with the court to:

(A) any person or group that has filed an argument with the lieutenant governor's office for or against the initiative that is the subject of the challenge; and

(B) any political issues committee established under Section 20A-11-801 that has filed written or electronic notice with the lieutenant governor that identifies the name, mailing or email address, and telephone number of the person designated to receive notice about any issues relating to the initiative.

(b)(i) There is a presumption that the initial fiscal impact statement prepared by the Office of the Legislative Fiscal Analyst is based upon reasonable assumptions, uses reasonable data, and applies accepted analytical methods to present the estimated fiscal impact of the initiative.

(ii) The court may not revise the contents of, or direct the revision of, the initial fiscal impact statement unless the plaintiffs rebut the presumption by clear and convincing evidence that establishes that the initial fiscal impact statement, taken as a whole, is an inaccurate statement of the estimated fiscal impact of the initiative.

(iii) The court may refer an issue related to the initial fiscal impact statement to a master to examine the issue and make a report in accordance with Utah Rules of Civil Procedure, Rule 53.

(c) The court shall certify to the lieutenant governor a fiscal impact statement for the initiative that meets the requirements of this section.

Section 3. Section **20A-7-209.5** is enacted to read:

20A-7-209.5 (Effective 01/01/27). Initiative application -- Required publication.

(1) The sponsors shall publish the entire initiative application in the same manner required for a constitutional amendment under Utah Constitution, Article XXIII, Section 1.

(2) If the sponsors fail to comply with Subsection (1):

(a) the initiative cannot be submitted to the voters; and

(b) an election officer may not count votes cast for or against the initiative.

Section 4. Section **20A-7-211** is amended to read:

20A-7-211 (Effective 01/01/27). Return and canvass -- Conflicting measures --

Law effective on proclamation.

(1) [The] Except as provided in Subsection 20A-7-209.5(2), the votes on the law proposed by the initiative petition shall be counted, canvassed, and delivered as provided in [Title

~~20A, Chapter 4, Part 3, Canvassing Returns]~~ Chapter 4, Part 3, Canvassing Returns.

(2) ~~[After]~~ Except as provided in Subsection 20A-7-209.5(2), after the state board of canvassers completes the canvass, the lieutenant governor shall certify to the governor the vote for and against the law proposed by the initiative petition.

(3)(a) ~~[The]~~ Except as provided in Subsection 20A-7-209.5(2), the governor shall immediately issue a proclamation that:

(i) gives the total number of votes cast in the state for and against each law proposed by an initiative petition; and

(ii) declares those laws proposed by an initiative petition that are approved by majority vote to be in full force and effect on the date described in Subsection 20A-7-212(2).

(b) When the governor believes that two proposed laws, or that parts of two proposed laws approved by the people at the same election are entirely in conflict, the governor shall proclaim as law the initiative that receives the greatest number of affirmative votes, regardless of the difference in the majorities which those initiatives receive.

(c) Within 10 days after the day of the governor's proclamation, any qualified voter who signed the initiative petition proposing the law that is declared by the governor to be superseded by another initiative approved at the same election may bring an action in the appropriate court to review the governor's decision.

(4) Within 10 days after the day on which the court issues an order in an action described in Subsection (3)(c), the governor shall:

(a) proclaim as law all initiatives approved by the people that the court determines are not entirely in conflict; and

(b) of the initiatives approved by the people that the court determines to be entirely in conflict, proclaim as law, regardless of the difference in majorities, the law that receives the greatest number of affirmative votes, to be in full force and effect on the date described in Subsection 20A-7-212(2).

Section 5. **Effective Date.**

(1) Except as provided in Subsection (2), this bill takes effect:

(a) except as provided in Subsection (1)(b), May 7, 2025; or

(b) if approved by two-thirds of all members elected to each house:

(i) upon approval by the governor;

(ii) without the governor's signature, the day following the constitutional time limit of Utah Constitution, Article VII, Section 8; or

- 233 (iii) in the case of a veto, the date of veto override.
- 234 (2) The actions affecting the following sections take effect on January 1, 2027:
- 235 (a) Section 20A-7-211 (Effective 01/01/27); and
- 236 (b) Section 20A-7-209.5 (Effective 01/01/27).