

Statewide Initiatives Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Lincoln Fillmore

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; and

- makes technical changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:**AMENDS:**

20A-7-202, as last amended by Laws of Utah 2023, Chapter 107

20A-7-202.5, as last amended by Laws of Utah 2024, Chapter 442

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

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

20A-7-202 . 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.

(2) The initiative application shall include:

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

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

(c) a statement indicating whether the initiative will be presented to:

(i) the Legislature under Subsection 20A-7-201(1); or

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

- (d) the signature of each of the sponsors, attested to by a notary public;
- (e) 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) 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; ~~and~~
 - (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 description of the amount and source of the new revenues; and
 - (E) if the proposed law will be funded, in whole or in part, from existing revenues, a description of the existing line items or programs that will receive less funding in order to fund the proposed law and the amount by which the funding will be reduced; and
 - ~~[(iii)]~~ the text of the proposed law;
 - ~~[(g)]~~ (f) a statement indicating whether persons gathering signatures for the initiative petition may be paid for gathering signatures.
- (3)(a) An individual's status as a resident, under Subsection (2), is determined in accordance with Section 20A-2-105.
- (b) The initiative application and the initiative application's contents are public when filed with the lieutenant governor.
- (c) If the fiscal impact of the law proposed by an initiative is less than the amount specified by joint legislative rule for designating a bill as a fiscal note bill:
- (i) the initiative application is not required to include the description described in Subsection (2)(e)(ii); and
 - (ii) the lieutenant governor may not reject the initiative application or initiative application addendum under Subsection (5)(c).
- (4) If the initiative petition fails to qualify for the ballot of the election described in

Subsection 20A-7-201(2)(b), the sponsors shall:

- (a) submit a new initiative application;
- (b) obtain new signature sheets; and
- (c) collect signatures again.

(5) The lieutenant governor shall reject an initiative application or an initiative application addendum filed under Subsection 20A-7-204.1(5) and not issue signature sheets if:

(a) the proposed law:

- (i) is ~~[patently]~~ unconstitutional;
- (ii) is nonsensical;
- (iii) could not become law if passed;
- (iv) contains more than one subject as evaluated in accordance with Subsection (6); or
- (v) is identical or substantially similar to a law proposed by an initiative for which signatures were submitted to the county clerks and lieutenant governor for certification within two years preceding the date on which the initiative 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 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 . 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:

- 100 (i) a description of the total estimated fiscal impact of the proposed law over the time
 101 period or time periods determined by the Office of the Legislative Fiscal Analyst
 102 to be most useful in understanding the estimated fiscal impact of the proposed law;
- 103 (ii) if the proposed law would increase taxes, decrease taxes, or impose a new tax, a
 104 dollar amount representing the total estimated increase or decrease for each type
 105 of tax affected under the proposed law, a dollar amount showing the estimated
 106 amount of a new tax, and a dollar amount representing the total estimated increase
 107 or decrease in taxes under the proposed law;
- 108 (iii) if the proposed law would increase a particular tax or tax rate, the tax percentage
 109 difference and the tax percentage increase for each tax or tax rate increased;
- 110 (iv) if the proposed law will be funded, in whole or in part, from new revenues, a
 111 description of the amount and source of the new revenues;
- 112 (v) if the proposed law will be funded, in whole or in part, from existing revenues, a
 113 description of:
- 114 (A) the existing line items or programs that will receive less funding in order to
 115 fund the proposed law and the amount by which the funding will be reduced;
 116 and
- 117 (B) the likely impact of the reduction in funding described in Subsection
 118 (2)(a)(v)(A);
- 119 ~~[(iv)]~~ (vi) if the proposed law would result in the issuance or a change in the status of
 120 bonds, notes, or other debt instruments, a dollar amount representing the total
 121 estimated increase or decrease in public debt under the proposed law;
- 122 ~~[(v)]~~ (vii) a dollar amount representing the estimated cost or savings, if any, to state or
 123 local government entities under the proposed law;
- 124 ~~[(vi)]~~ (viii) if the proposed law would increase costs to state government, a listing of
 125 all sources of funding for the estimated costs; and
- 126 ~~[(vii)]~~ (ix) a concise description and analysis titled "Funding Source," not to exceed
 127 100 words for each funding source, of the funding source information described in
 128 Subsection 20A-7-202(2)(e)(ii).
- 129 (b) If the proposed law is estimated to have ~~[no]~~ fiscal impact of less than the amount specified
 130 by joint legislative rule for designating a bill as a fiscal note bill, the Office of the Legislative
 131 Fiscal Analyst shall ~~[include a summary statement in the initial fiscal impact statement in~~
 132 ~~substantially the following form]~~ prepare the initial fiscal impact statement to read
 133 substantially as follows:

"The Office of the Legislative Fiscal Analyst estimates that the law proposed by this initiative would have no significant fiscal impact and would not result in either an increase or decrease in taxes or debt."

(3) Within 25 calendar days after the day on which the lieutenant governor delivers a copy of the initiative application, the Office of the Legislative Fiscal Analyst shall:

(a) send a copy of the initial fiscal impact statement to the lieutenant governor's office; and

(b) send a copy of the initial fiscal impact statement to the first five sponsors named in the initiative application.

(4)(a)(i) Three or more of the sponsors of the initiative petition may, within 20 calendar days after the day on which the Office of the Legislative Fiscal Analyst delivers the initial fiscal impact statement to the lieutenant governor's office, file a petition with the appropriate court, alleging that the initial fiscal impact statement, 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.

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

170 Section 3. **Effective date.**

171 This bill takes effect on May 7, 2025.