

**EMERGENCY MEDICAL FUND ADJUSTMENT
FOR CERTAIN COUNTIES**

2000 GENERAL SESSION

STATE OF UTAH

Sponsor: L. Alma Mansell

AN ACT RELATING TO COUNTIES; REQUIRING CERTAIN COUNTIES TO PROVIDE CERTAIN SERVICES IN THEIR UNINCORPORATED AREA; AUTHORIZING SUCH COUNTIES TO INCREASE LEVY FOR MUNICIPAL SERVICES FUND TO PAY FOR THOSE SERVICES; REQUIRING A DECREASE IN THE COUNTYWIDE LEVY; AUTHORIZING MUNICIPALITIES TO INCREASE TAX LEVY TO PAY FOR THOSE SERVICES WITHIN THE MUNICIPALITY; AND MAKING TECHNICAL CHANGES.

This act affects sections of Utah Code Annotated 1953 as follows:

AMENDS:

17-34-3, as last amended by Chapter 227, Laws of Utah 1993

17-34-4, as enacted by Chapter 1, Laws of Utah 1971, First Special Session

17-34-5, as last amended by Chapter 227, Laws of Utah 1993

59-2-924, as last amended by Chapter 353, Laws of Utah 1999

REPEALS AND REENACTS:

17-34-1, as last amended by Chapter 104, Laws of Utah 1991

REPEALS:

17-34-2, as last amended by Chapter 121, Laws of Utah 1985

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

Section 1. Section **17-34-1** is repealed and reenacted to read:

17-34-1. Counties may provide municipal services -- First class counties required to provide paramedic services.

(1) For purposes of this chapter, "municipal-type services" means:

(a) fire protection service;

(b) waste and garbage collection and disposal;

(c) planning and zoning;

(d) street lighting;
(e) in a county of the first class, advanced life support and paramedic services; and
(f) all other services and functions that are required by law to be budgeted, appropriated, and accounted for from a municipal services fund or a municipal capital projects fund as defined under Chapter 36, Uniform Fiscal Procedures Act for Counties.

(2) A county may:

(a) provide municipal-type services to areas of the county outside the limits of cities and towns without providing the same services to cities or towns;

(b) fund those services by:

(i) levying a tax on taxable property in the county outside the limits of cities and towns; or

(ii) charging a service charge or fee to persons benefitting from the municipal-type services.

(3) Each county of the first class shall provide advanced life support and paramedic services to the area of the county outside the limits of cities and towns.

Section 2. Section **17-34-3** is amended to read:

17-34-3. Taxes or service charges.

(1) (a) [~~Whenever~~] If a county furnishes the municipal-type services and functions described in Section [~~17-34-2~~] 17-34-1 to areas of the county outside the limits of incorporated cities or towns, the entire cost of the services or functions so furnished shall be defrayed from funds that the county has derived from either:

(i) taxes which the county may lawfully levy or impose outside the limits of incorporated towns or cities;

(ii) service charges or fees the county may impose upon the persons benefited in any way by the services or functions; or

(iii) a combination of these sources.

(b) As the taxes or service charges or fees are levied and collected, they shall be placed in a special revenue fund of the county and shall be disbursed only for the rendering of the services or functions established in Section [~~17-34-2~~] 17-34-1 within the unincorporated areas of the county.

(2) For the purpose of levying taxes, service charges, or fees provided in this section, the

county legislative body may establish a district or districts in the unincorporated areas of the county.

(3) Nothing contained in this chapter may be construed to authorize counties to impose or levy taxes not otherwise allowed by law.

(4) (a) A county required under Subsection 17-34-1(3) to provide advanced life support and paramedic services to the unincorporated area of the county and that previously paid for those services through a countywide levy may increase its levy under Subsection (1)(a)(i) to generate in the unincorporated area of the county the same amount of revenue as the county loses from that area due to the required decrease in the countywide certified tax rate under Subsection 59-2-924(2)(h)(i).

(b) An increase in tax rate under Subsection (4)(a) is exempt from the notice and hearing requirements of Sections 59-2-918 and 59-2-919.

Section 3. Section **17-34-4** is amended to read:

17-34-4. Contracts under Interlocal Cooperation Act.

This ~~[act shall]~~ chapter may not be construed to prevent counties, cities, and towns from entering into contracts covering the furnishing by one to the other of all or any of the municipal ~~[functions and]~~ services listed in Section ~~[17-34-2 of this act]~~ 17-34-1 under ~~[the provisions of the]~~ Title 11, Chapter 13, Interlocal Cooperation Act, except that where incorporated cities or towns perform one or more of the municipal services set forth in Section ~~[17-34-2]~~ 17-34-1 for unincorporated areas of a county, payment shall be made from the special revenue fund.

Section 4. Section **17-34-5** is amended to read:

17-34-5. Budgeting, accounting for, and disbursing of funds -- Annual audit.

(1) (a) With respect to the budgeting, accounting for, and disbursing of funds to furnish the municipal-type services and functions described in Section ~~[17-34-2]~~ 17-34-1 to areas of the county outside the limits of incorporated towns and cities, including levying of taxes and imposition of fees and charges under Section 17-34-3, each county legislative body shall separately budget and strictly account for and apportion to the costs of providing municipal-type services and functions the following:

(i) the salaries of each county commissioner and the salaries and wages of all other elected and appointed county officials and employees;

(ii) the operation and maintenance costs of each municipal-type service or function provided, set forth separately as line items in the Municipal Services Fund budget;

(iii) the cost of renting or otherwise using capital facilities for the purposes of providing municipal-type services or functions; and

(iv) all other costs including, but not limited to, administrative costs associated, directly or indirectly, with the costs of providing municipal-type services or functions.

(b) At all times these funds and any expenditures from these funds shall be separately accounted for and utilized only for the purposes of providing municipal-type services and functions to areas of the county outside the limits of incorporated towns or cities.

(2) To implement Subsection (1):

(a) a budget shall be adopted and administered in the same manner as the budget for general purposes of the county which furnishes the municipal-type services and functions is adopted and administered, either as a part of the general budget or separate from it;

(b) funds for the purposes of furnishing municipal-type services and functions under this chapter shall be collected, held, and administered in the same manner as other funds of the county are collected, held, and administered, but shall be segregated and separately maintained, except that where, in the judgment of the county legislative body, advantages inure to the fund from coinvestment of these funds and other funds also subject to control by the county legislative body, the county legislative body may direct this coinvestment, but in no event may the funds to furnish municipal-type services and functions or the income from their investment be used for purposes other than those described in Section [~~17-34-2~~] 17-34-1;

(c) expenditures shall be made in the same manner as other expenditures of the county are made; and

(d) any taxes levied under this chapter shall be levied at the same time and in the same manner as other taxes of the county are levied.

(3) An annual audit of the budgeting, accounting for, and disbursing of funds used to furnish municipal-type services and functions, shall be conducted by an independent certified public accountant.

Section 5. Section **59-2-924** is amended to read:

**59-2-924. Report of valuation of property to county auditor and commission --
Transmittal by auditor to governing bodies -- Certified tax rate -- Adoption of tentative
budget.**

(1) (a) Before June 1 of each year, the county assessor of each county shall deliver to the county auditor and the commission the following statements:

(i) a statement containing the aggregate valuation of all taxable property in each taxing entity;
and

(ii) a statement containing the taxable value of any additional personal property estimated by the county assessor to be subject to taxation in the current year.

(b) The county auditor shall, on or before June 8, transmit to the governing body of each taxing entity:

(i) the statements described in Subsections (1)(a)(i) and (ii);

(ii) an estimate of the revenue from personal property;

(iii) the certified tax rate; and

(iv) all forms necessary to submit a tax levy request.

(2) (a) (i) The "certified tax rate" means a tax rate that will provide the same ad valorem property tax revenues for a taxing entity as were collected by that taxing entity for the prior year.

(ii) For purposes of this Subsection (2), "ad valorem property tax revenues" do not include:

(A) collections from redemptions;

(B) interest; and

(C) penalties.

(iii) Except as provided in Subsection (2)(a)(iv), the certified tax rate shall be calculated by dividing the ad valorem property tax revenues collected for the prior year by the taxing entity by the taxable value established in accordance with Section 59-2-913.

(iv) The certified tax rates for the taxing entities described in this Subsection (2)(a)(iv) shall be calculated as follows:

(A) except as provided in Subsection (2)(a)(iv)(B), for new taxing entities the certified tax

rate is zero;

(B) for each municipality incorporated on or after July 1, 1996, the certified tax rate is:

(I) in a county of the first, second, or third class, the levy imposed for municipal-type services under Sections 17-34-1 and 17-36-9; and

(II) in a county of the fourth, fifth, or sixth class, the levy imposed for general county purposes and such other levies imposed solely for the municipal-type services identified in Section ~~[17-34-2]~~ 17-34-1 and Subsection 17-36-3(22);

(C) for debt service voted on by the public, the certified tax rate shall be the actual levy imposed by that section, except that the certified tax rates for the following levies shall be calculated in accordance with Section 59-2-913 and this section:

(I) school leeways provided for under Sections 11-2-7, 53A-16-110, 53A-17a-125, 53A-17a-127, 53A-17a-134, 53A-17a-143, 53A-17a-145, and 53A-21-103; and

(II) levies to pay for the costs of state legislative mandates or judicial or administrative orders under Section 59-2-906.3.

(v) A judgment levy imposed under Section 59-2-1328 or Section 59-2-1330 shall be established at that rate which is sufficient to generate only the revenue required to satisfy the known, unpaid judgments. The ad valorem property tax revenue generated by the judgment levy shall not be considered in establishing the taxing entity's aggregate certified tax rate.

(b) (i) For the purpose of calculating the certified tax rate, the county auditor shall use the taxable value of property on the assessment roll.

(ii) For purposes of Subsection (2)(b)(i), the taxable value of property on the assessment roll does not include new growth as defined in Subsection (2)(b)(iii).

(iii) "New growth" means:

(A) the difference between the increase in taxable value of the taxing entity from the previous calendar year to the current year; minus

(B) the amount of increase to locally assessed real property taxable values resulting from factoring, reappraisal, or any other adjustments.

(c) Beginning January 1, 1997, if a taxing entity receives increased revenues from uniform

fees on tangible personal property under Section 59-2-404, 59-2-405, or 59-2-405.1 as a result of any county imposing a sales and use tax under Title 59, Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax rate to offset the increased revenues.

(d) (i) Beginning July 1, 1997, if a county has imposed a sales and use tax under Title 59, Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

(A) decreased on a one-time basis by the amount of the estimated sales tax revenue to be distributed to the county under Subsection 59-12-1102(3); and

(B) increased by the amount necessary to offset the county's reduction in revenue from uniform fees on tangible personal property under Section 59-2-404, 59-2-405, or 59-2-405.1 as a result of the decrease in the certified tax rate under Subsection (2)(d)(i)(A).

(ii) The commission shall determine estimates of sales tax distributions for purposes of Subsection (2)(d)(i).

(e) For the calendar year beginning on January 1, 1998, and ending December 31, 1998, a taxing entity's certified tax rate shall be increased by the amount necessary to offset the decrease in revenues from uniform fees on tangible personal property under Section 59-2-405 as a result of the decrease in uniform fees on tangible personal property under Section 59-2-405 enacted by the Legislature during the 1997 Annual General Session.

(f) Beginning January 1, 1998, if a municipality has imposed an additional resort communities sales tax under Section 59-12-402, the municipality's certified tax rate shall be decreased on a one-time basis by the amount necessary to offset the first 12 months of estimated revenue from the additional resort communities sales tax imposed under Section 59-12-402.

(g) For the calendar year beginning on January 1, 1999, and ending on December 31, 1999, a taxing entity's certified tax rate shall be adjusted by the amount necessary to offset the adjustment in revenues from uniform fees on tangible personal property under Section 59-2-405.1 as a result of the adjustment in uniform fees on tangible personal property under Section 59-2-405.1 enacted by the Legislature during the 1998 Annual General Session.

(h) (i) (A) For fiscal year 2000, the certified tax rate of each county to which Subsection 17-34-3(4)(a) applies shall be decreased by the amount necessary to reduce revenues in that fiscal

year by an amount equal to the difference between the amount the county budgeted in its 2000 fiscal year budget for advanced life support and paramedic services countywide and the amount the county spent during fiscal year 2000 for those services, excluding amounts spent from a municipal services fund for those services.

(B) For fiscal year 2001, the certified tax rate of each county to which Subsection 17-34-3(4)(a) applies shall be decreased by the amount necessary to reduce revenues in that fiscal year by the amount that the county spent during fiscal year 2000 for advanced life support and paramedic services countywide, excluding amounts spent from a municipal services fund for those services.

(ii) (A) For fiscal year 2001, a city or town located within a county of the first class to which Subsection 17-34-3(4)(a) applies may increase its certified tax rate by the amount necessary to generate within the city or town the same amount of revenues as the county would collect from that city or town if the decrease under Subsection (2)(h)(i) did not occur.

(B) An increase under Subsection (2)(h)(ii)(A) is not subject to the notice and hearing requirements of Sections 59-2-918 and 59-2-919.

(3) (a) On or before June 22, each taxing entity shall annually adopt a tentative budget.

(b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county auditor of:

(i) its intent to exceed the certified tax rate; and

(ii) the amount by which it proposes to exceed the certified tax rate.

(c) The county auditor shall notify all property owners of any intent to exceed the certified tax rate in accordance with Subsection 59-2-919(2).

(4) (a) The taxable value for the base year under Subsection 17A-2-1247(2)(a) or 17A-2-1202(2), as the case may be, shall be reduced for any year to the extent necessary to provide a redevelopment agency established under Title 17A, Chapter 2, Part 12, Utah Neighborhood Development Act, with approximately the same amount of money the agency would have received without a reduction in the county's certified tax rate if:

(i) in that year there is a decrease in the certified tax rate under Subsection (2)(c) or (2)(d)(i);

(ii) the amount of the decrease is more than 20% of the county's certified tax rate of the previous year; and

(iii) the decrease results in a reduction of the amount to be paid to the agency under Section 17A-2-1247 or 17A-2-1247.5.

(b) The taxable value of the base year under Subsection 17A-2-1247(2)(a) or 17A-2-1202(2), as the case may be, shall be increased in any year to the extent necessary to provide a redevelopment agency with approximately the same amount of money as the agency would have received without an increase in the certified tax rate that year if:

(i) in that year the taxable value for the base year under Subsection 17A-2-1247(2) or 17A-2-1202(2) is reduced due to a decrease in the certified tax rate under Subsection (2)(c) or (2)(d)(i); and

(ii) The certified tax rate of a city, school district, or special district increases independent of the adjustment to the taxable value of the base year.

(c) Notwithstanding a decrease in the certified tax rate under Subsection (2)(c) or (2)(d)(i), the amount of money allocated and, when collected, paid each year to a redevelopment agency established under Title 17A, Chapter 2, Part 12, Utah Neighborhood Development Act, for the payment of bonds or other contract indebtedness, but not for administrative costs, may not be less than that amount would have been without a decrease in the certified tax rate under Subsection (2)(c) or (2)(d)(i).

(5) (a) Except as provided in Subsections (5)(d) through (f), for the calendar year beginning on January 1, 1998, and ending December 31, 1998, to impose a tax rate that exceeds the certified tax rate established in Subsection (2), a taxing entity shall obtain approval for the tax increase by a majority vote of the:

(i) governing body; and

(ii) people as provided in Subsection (5)(b).

(b) To obtain voter approval for a tax increase under Subsection (5)(a), a taxing entity shall:

(i) hold an election on the fourth Tuesday in June; and

(ii) conduct the election according to the procedures and requirements of Title 20A, Election

Code, governing local elections.

(c) A tax rate imposed by a taxing entity under this Subsection (5) may not exceed the maximum levy permitted by law under Section 59-2-908.

(d) Notwithstanding Subsection (5)(a), a school district is not required to obtain voter approval under this Subsection (5) to impose a tax rate that exceeds the certified tax rate:

(i) under Section 53A-17a-135, if the Legislature increases the minimum basic tax rate under Section 53A-17a-135;

(ii) under Section 53A-21-103;

(iii) under Section 53A-16-111;

(iv) if, on or after January 1, 1997, but on or before December 31, 1997, the school district obtained voter approval to impose the tax rate; or

(v) if, on or after January 1, 1998, the school district obtains voter approval to impose the tax rate under a statutory provision, other than the provisions of this section, requiring voter approval to impose the tax rate.

(e) Notwithstanding Subsection (5)(a), a municipality is not required to obtain voter approval under this Subsection (5) to impose a tax rate that exceeds the certified tax rate if:

(i) the municipality meets the requirements of Sections 59-2-918 and 59-2-919; and

(ii) in adopting the resolution required under Section 59-2-919, the municipal legislative body obtains approval to impose the tax rate by two-thirds of all members of the municipal legislative body.

(f) Notwithstanding Subsection (5)(a), a county or municipality is not required to obtain voter approval under this Subsection (5) to impose a tax rate under Section 17A-2-1322 that exceeds the certified tax rate calculated for a special service district established under Title 17A, Chapter 2, Part 13, Utah Special Service District Act, if the county or municipality obtained voter approval to impose a tax on property within the special service district:

(i) under Section 17A-2-1322; and

(ii) on or after June 1, 1996.

Section 6. Repealer.

This act repeals:

Section 17-34-2, Types of services authorized.