

1 **EMERGENCY MEDICAL FUND ADJUSTMENT**
2 **FOR CERTAIN COUNTIES**

3 2000 GENERAL SESSION

4 STATE OF UTAH

5 **Sponsor: L. Alma Mansell**

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

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

13 AMENDS:

14 **17-34-3**, as last amended by Chapter 227, Laws of Utah 1993

15 **17-34-4**, as enacted by Chapter 1, Laws of Utah 1971, First Special Session

16 **17-34-5**, as last amended by Chapter 227, Laws of Utah 1993

17 **59-2-924**, as last amended by Chapter 353, Laws of Utah 1999

18 REPEALS AND REENACTS:

19 **17-34-1**, as last amended by Chapter 104, Laws of Utah 1991

20 REPEALS:

21 **17-34-2**, as last amended by Chapter 121, Laws of Utah 1985

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

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 Section **17-34-1** is repealed and reenacted to read:

24 **17-34-1. Counties may provide municipal services -- First class counties required to**
25 **provide paramedic services.**

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

27 (a) fire protection service;

- 28 (b) waste and garbage collection and disposal;
- 29 (c) planning and zoning;
- 30 (d) street lighting;
- 31 (e) in a county of the first class, advanced life support and paramedic services; and
- 32 (f) all other services and functions that are required by law to be budgeted, appropriated,
- 33 and accounted for from a municipal services fund or a municipal capital projects fund as defined
- 34 under Chapter 36, Uniform Fiscal Procedures Act for Counties.

35 (2) A county may:

36 (a) provide municipal-type services to areas of the county outside the limits of cities and

37 towns without providing the same services to cities or towns;

38 (b) fund those services by:

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

40 or

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

42 services.

43 (3) Each county of the first class shall provide advanced life support and paramedic

44 services to the area of the county outside the limits of cities and towns.

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

46 **17-34-3. Taxes or service charges.**

47 (1) (a) [~~Whenever~~] If a county furnishes the municipal-type services and functions

48 described in Section [~~17-34-2~~] 17-34-1 to areas of the county outside the limits of incorporated

49 cities or towns, the entire cost of the services or functions so furnished shall be defrayed from

50 funds that the county has derived from either:

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

52 towns or cities;

53 (ii) service charges or fees the county may impose upon the persons benefited in any way

54 by the services or functions; or

55 (iii) a combination of these sources.

56 (b) As the taxes or service charges or fees are levied and collected, they shall be placed in

57 a special revenue fund of the county and shall be disbursed only for the rendering of the services

58 or functions established in Section [~~17-34-2~~] 17-34-1 within the unincorporated areas of the

59 county.

60 (2) For the purpose of levying taxes, service charges, or fees provided in this section, the
61 county legislative body may establish a district or districts in the unincorporated areas of the
62 county.

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

65 (4) (a) A county required under Subsection 17-34-1(3) to provide advanced life support
66 and paramedic services to the unincorporated area of the county and that previously paid for those
67 services through a countywide levy may increase its levy under Subsection (1)(a)(i) to generate in
68 the unincorporated area of the county the same amount of revenue as the county loses from that
69 area due to the required decrease in the countywide certified tax rate under Subsection
70 59-2-924(2)(h)(i).

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

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

74 **17-34-4. Contracts under Interlocal Cooperation Act.**

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

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

82 **17-34-5. Budgeting, accounting for, and disbursing of funds -- Annual audit.**

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

89 (i) the salaries of each county commissioner and the salaries and wages of all other elected

90 and appointed county officials and employees;

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

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

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

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

100 (2) To implement Subsection (1):

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

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

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

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

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

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

120 **59-2-924. Report of valuation of property to county auditor and commission --**

121 **Transmittal by auditor to governing bodies -- Certified tax rate -- Adoption of tentative**
122 **budget.**

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

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

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

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

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

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

133 (iii) the certified tax rate; and

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

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

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

138 (A) collections from redemptions;

139 (B) interest; and

140 (C) penalties.

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

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

146 (A) except as provided in Subsection (2)(a)(iv)(B), for new taxing entities the certified tax
147 rate is zero;

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

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

151 (II) in a county of the fourth, fifth, or sixth class, the levy imposed for general county

152 purposes and such other levies imposed solely for the municipal-type services identified in Section
153 [~~17-34-2~~ 17-34-1 and Subsection 17-36-3(22);

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

157 (I) school leeways provided for under Sections 11-2-7, 53A-16-110, 53A-17a-125,
158 53A-17a-127, 53A-17a-134, 53A-17a-143, 53A-17a-145, and 53A-21-103; and

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

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

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

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

169 (iii) "New growth" means:

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

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

174 (c) Beginning January 1, 1997, if a taxing entity receives increased revenues from uniform
175 fees on tangible personal property under Section 59-2-404, 59-2-405, or 59-2-405.1 as a result of
176 any county imposing a sales and use tax under Title 59, Chapter 12, Part 11, County Option Sales
177 and Use Tax, the taxing entity shall decrease its certified tax rate to offset the increased revenues.

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

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

182 (B) increased by the amount necessary to offset the county's reduction in revenue from

183 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, or 59-2-405.1 as a
184 result of the decrease in the certified tax rate under Subsection (2)(d)(i)(A).

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

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

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

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

201 (h) (i) For fiscal year 2000, the certified tax rate of each county to which Subsection
202 17-34-3(4)(a) applies shall be decreased by the amount necessary to reduce revenues by the amount
203 that the county budgeted in its 2000 fiscal year budget for advanced life support and paramedic
204 services countywide.

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

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

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

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

214 (i) its intent to exceed the certified tax rate; and
215 (ii) the amount by which it proposes to exceed the certified tax rate.
216 (c) The county auditor shall notify all property owners of any intent to exceed the certified
217 tax rate in accordance with Subsection 59-2-919(2).
218 (4) (a) The taxable value for the base year under Subsection 17A-2-1247(2)(a) or
219 17A-2-1202(2), as the case may be, shall be reduced for any year to the extent necessary to provide
220 a redevelopment agency established under Title 17A, Chapter 2, Part 12, Utah Neighborhood
221 Development Act, with approximately the same amount of money the agency would have received
222 without a reduction in the county's certified tax rate if:
223 (i) in that year there is a decrease in the certified tax rate under Subsection (2)(c) or
224 (2)(d)(i);
225 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
226 previous year; and
227 (iii) the decrease results in a reduction of the amount to be paid to the agency under
228 Section 17A-2-1247 or 17A-2-1247.5.
229 (b) The taxable value of the base year under Subsection 17A-2-1247(2)(a) or
230 17A-2-1202(2), as the case may be, shall be increased in any year to the extent necessary to
231 provide a redevelopment agency with approximately the same amount of money as the agency
232 would have received without an increase in the certified tax rate that year if:
233 (i) in that year the taxable value for the base year under Subsection 17A-2-1247(2) or
234 17A-2-1202(2) is reduced due to a decrease in the certified tax rate under Subsection (2)(c) or
235 (2)(d)(i); and
236 (ii) The certified tax rate of a city, school district, or special district increases independent
237 of the adjustment to the taxable value of the base year.
238 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2)(c) or (2)(d)(i),
239 the amount of money allocated and, when collected, paid each year to a redevelopment agency
240 established under Title 17A, Chapter 2, Part 12, Utah Neighborhood Development Act, for the
241 payment of bonds or other contract indebtedness, but not for administrative costs, may not be less
242 than that amount would have been without a decrease in the certified tax rate under Subsection
243 (2)(c) or (2)(d)(i).
244 (5) (a) Except as provided in Subsections (5)(d) through (f), for the calendar year

245 beginning on January 1, 1998, and ending December 31, 1998, to impose a tax rate that exceeds
246 the certified tax rate established in Subsection (2), a taxing entity shall obtain approval for the tax
247 increase by a majority vote of the:

248 (i) governing body; and

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

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

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

253 (ii) conduct the election according to the procedures and requirements of Title 20A,
254 Election Code, governing local elections.

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

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

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

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

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

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

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

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

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

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

274 (f) Notwithstanding Subsection (5)(a), a county or municipality is not required to obtain
275 voter approval under this Subsection (5) to impose a tax rate under Section 17A-2-1322 that

276 exceeds the certified tax rate calculated for a special service district established under Title 17A,
277 Chapter 2, Part 13, Utah Special Service District Act, if the county or municipality obtained voter
278 approval to impose a tax on property within the special service district:

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

280 (ii) on or after June 1, 1996.

281 **Section 6. Repealer.**

282 This act repeals:

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

Legislative Review Note
as of 2-16-00 8:57 AM

This legislation raises the following constitutional or statutory concerns:

Subsection 17-34-3(4), as provided in this bill, authorizes a county of the first class to increase its levy in only the unincorporated area of the county, resulting in a county levy for the unincorporated area that is different from the levy in the rest of the county. That provision may be subject to challenge under the uniform and equal clause of Article XIII, Section 2 of the Utah Constitution which requires all property to be "taxed at a uniform and equal rate."

Office of Legislative Research and General Counsel