

Senator David L. Gladwell proposes to substitute the following bill:

SPECIAL DISTRICT AND LOCAL DISTRICT AMENDMENTS

2001 GENERAL SESSION

STATE OF UTAH

Sponsor: David L. Gladwell

This act modifies provisions relating to Special Districts and Limited Purpose Local Government Entities to rewrite and standardize annexation, and dissolution provisions for specified special districts and for local districts. The act repeals inconsistent and obsolete provisions and makes technical changes. This act provides a coordination clause.

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

AMENDS:

17A-2-101, as last amended by Chapter 177, Laws of Utah 2000

17A-2-301, as last amended by Chapters 361 and 368, Laws of Utah 1998

17A-2-403, as last amended by Chapter 368, Laws of Utah 1998

17A-2-405, as last amended by Chapter 21, Laws of Utah 1997

17A-2-530, as last amended by Chapter 254, Laws of Utah 2000

17A-2-706, as last amended by Chapter 254, Laws of Utah 2000

17A-2-738, as renumbered and amended by Chapter 186, Laws of Utah 1990

17A-2-749, as last amended by Chapter 254, Laws of Utah 2000

17A-2-751, as last amended by Chapter 254, Laws of Utah 2000

17A-2-752, as last amended by Chapter 254, Laws of Utah 2000

17A-2-803, as last amended by Chapter 368, Laws of Utah 1998

17A-2-1814, as enacted by Chapter 216, Laws of Utah 1995

17A-2-1821, as enacted by Chapter 216, Laws of Utah 1995

17B-2-101, as enacted by Chapter 368, Laws of Utah 1998

17B-2-201, as last amended by Chapter 1, Laws of Utah 2000



26 **17B-2-217**, as last amended by Chapter 177, Laws of Utah 2000

27 **73-2-1**, as last amended by Chapter 3, Laws of Utah 1991

28 ENACTS:

29 **17A-2-101.3**, Utah Code Annotated 1953

30 **17B-2-102**, Utah Code Annotated 1953

31 **17B-2-501**, Utah Code Annotated 1953

32 **17B-2-502**, Utah Code Annotated 1953

33 **17B-2-503**, Utah Code Annotated 1953

34 **17B-2-504**, Utah Code Annotated 1953

35 **17B-2-505**, Utah Code Annotated 1953

36 **17B-2-506**, Utah Code Annotated 1953

37 **17B-2-507**, Utah Code Annotated 1953

38 **17B-2-508**, Utah Code Annotated 1953

39 **17B-2-509**, Utah Code Annotated 1953

40 **17B-2-510**, Utah Code Annotated 1953

41 **17B-2-511**, Utah Code Annotated 1953

42 **17B-2-512**, Utah Code Annotated 1953

43 **17B-2-513**, Utah Code Annotated 1953

44 **17B-2-514**, Utah Code Annotated 1953

45 **17B-2-515**, Utah Code Annotated 1953

46 **17B-2-516**, Utah Code Annotated 1953

47 **17B-2-517**, Utah Code Annotated 1953

48 **17B-2-701**, Utah Code Annotated 1953

49 **17B-2-702**, Utah Code Annotated 1953

50 **17B-2-703**, Utah Code Annotated 1953

51 **17B-2-704**, Utah Code Annotated 1953

52 **17B-2-705**, Utah Code Annotated 1953

53 **17B-2-706**, Utah Code Annotated 1953

54 **17B-2-707**, Utah Code Annotated 1953

55 **17B-2-708**, Utah Code Annotated 1953

56 RENUMBERS AND AMENDS:

57 **17A-3-244**, (Renumbered from 17A-2-326, as renumbered and amended by Chapter 186,
58 Laws of Utah 1990)

59 REPEALS:

60 **17A-2-202**, as last amended by Chapter 368, Laws of Utah 1998

61 **17A-2-203**, as last amended by Chapter 227, Laws of Utah 1993

62 **17A-2-204**, as last amended by Chapter 146, Laws of Utah 1994

63 **17A-2-205**, as last amended by Chapter 227, Laws of Utah 1993

64 **17A-2-206**, as last amended by Chapter 227, Laws of Utah 1993

65 **17A-2-207**, as renumbered and amended by Chapter 186, Laws of Utah 1990

66 **17A-2-213**, as last amended by Chapter 322, Laws of Utah 1997

67 **17A-2-214**, as last amended by Chapter 322, Laws of Utah 1997

68 **17A-2-303**, as last amended by Chapters 112 and 146, Laws of Utah 1994

69 **17A-2-304**, as last amended by Chapter 146, Laws of Utah 1994

70 **17A-2-331**, as last amended by Chapter 1, Laws of Utah 2000

71 **17A-2-332**, as last amended by Chapter 227, Laws of Utah 1993

72 **17A-2-333**, as last amended by Chapter 322, Laws of Utah 1997

73 **17A-2-339**, as enacted by Chapter 129, Laws of Utah 1997

74 § [~~17A-2-340, as enacted by Chapter 361, Laws of Utah 1998~~] §

75 **17A-2-404**, as last amended by Chapter 227, Laws of Utah 1993

76 **17A-2-406**, as last amended by Chapter 227, Laws of Utah 1993

77 **17A-2-407**, as renumbered and amended by Chapter 186, Laws of Utah 1990

78 **17A-2-408**, as last amended by Chapter 227, Laws of Utah 1993

79 **17A-2-409**, as last amended by Chapter 227, Laws of Utah 1993

80 **17A-2-410**, as last amended by Chapter 227, Laws of Utah 1993

81 **17A-2-413**, as last amended by Chapter 227, Laws of Utah 1993

82 **17A-2-417**, as last amended by Chapters 21 and 322, Laws of Utah 1997

83 § [~~17A-2-418, as last amended by Chapter 63, Laws of Utah 2000~~] §

84 **17A-2-420**, as last amended by Chapter 227, Laws of Utah 1993

85 **17A-2-430**, as last amended by Chapter 273, Laws of Utah 1991

86 **17A-2-529**, as last amended by Chapter 254, Laws of Utah 2000

87 **17A-2-546**, as last amended by Chapter 254, Laws of Utah 2000

- 88 **17A-2-561**, as last amended by Chapter 254, Laws of Utah 2000
- 89 **17A-2-562**, as last amended by Chapter 30, Laws of Utah 1992
- 90 **17A-2-563**, as last amended by Chapter 254, Laws of Utah 2000
- 91 **17A-2-564**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 92 **17A-2-565**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 93 **17A-2-566**, as last amended by Chapter 254, Laws of Utah 2000
- 94 **17A-2-567**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 95 **17A-2-602**, as last amended by Chapter 146, Laws of Utah 1994
- 96 **17A-2-603**, as last amended by Chapter 146, Laws of Utah 1994
- 97 **17A-2-604**, as last amended by Chapter 146, Laws of Utah 1994
- 98 **17A-2-605**, as last amended by Chapter 1, Laws of Utah 2000
- 99 **17A-2-606**, as last amended by Chapter 227, Laws of Utah 1993
- 100 **17A-2-608**, as last amended by Chapters 12 and 146, Laws of Utah 1994
- 101 **17A-2-614**, as last amended by Chapter 254, Laws of Utah 2000
- 102 **17A-2-624**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 103 **17A-2-702**, as last amended by Chapter 368, Laws of Utah 1998
- 104 **17A-2-703**, as last amended by Chapter 254, Laws of Utah 2000
- 105 **17A-2-704**, as last amended by Chapter 254, Laws of Utah 2000
- 106 **17A-2-705**, as last amended by Chapter 254, Laws of Utah 2000
- 107 **17A-2-730**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 108 **17A-2-731**, as last amended by Chapter 254, Laws of Utah 2000
- 109 **17A-2-732**, as last amended by Chapter 254, Laws of Utah 2000
- 110 **17A-2-733**, as last amended by Chapter 254, Laws of Utah 2000
- 111 **17A-2-734**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 112 **17A-2-735**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 113 **17A-2-736**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 114 **17A-2-737**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 115 **17A-2-739**, as renumbered and amended by Chapter 186, Laws of Utah 1990
- 116 **17A-2-740**, as last amended by Chapter 254, Laws of Utah 2000
- 117 **17A-2-742**, as last amended by Chapter 254, Laws of Utah 2000
- 118 **17A-2-743**, as last amended by Chapter 254, Laws of Utah 2000

119 **17A-2-744**, as last amended by Chapter 254, Laws of Utah 2000
120 **17A-2-745**, as last amended by Chapter 254, Laws of Utah 2000
121 **17A-2-746**, as last amended by Chapter 254, Laws of Utah 2000
122 **17A-2-747**, as last amended by Chapter 254, Laws of Utah 2000
123 **17A-2-748**, as last amended by Chapter 254, Laws of Utah 2000
124 **17A-2-811**, as renumbered and amended by Chapter 186, Laws of Utah 1990
125 **17A-2-812**, as last amended by Chapter 1, Laws of Utah 2000
126 **17A-2-813**, as renumbered and amended by Chapter 186, Laws of Utah 1990
127 **17A-2-814**, as renumbered and amended by Chapter 186, Laws of Utah 1990
128 **17A-2-815**, as renumbered and amended by Chapter 186, Laws of Utah 1990
129 **17A-2-841**, as last amended by Chapter 254, Laws of Utah 2000
130 **17A-2-842**, as last amended by Chapter 254, Laws of Utah 2000
131 **17A-2-912**, as last amended by Chapter 322, Laws of Utah 1997
132 **17A-2-913**, as renumbered and amended by Chapter 186, Laws of Utah 1990
133 **17A-2-1048**, as last amended by Chapter 254, Laws of Utah 2000
134 **17A-2-1049**, as last amended by Chapter 254, Laws of Utah 2000
135 **17A-2-1404**, as last amended by Chapters 13 and 368, Laws of Utah 1998
136 **17A-2-1405**, as renumbered and amended by Chapter 186, Laws of Utah 1990
137 **17A-2-1406**, as last amended by Chapter 227, Laws of Utah 1993
138 **17A-2-1407**, as last amended by Chapter 254, Laws of Utah 2000
139 **17A-2-1408**, as renumbered and amended by Chapter 186, Laws of Utah 1990
140 **17A-2-1437**, as last amended by Chapters 1 and 254, Laws of Utah 2000
141 **17A-2-1438**, as repealed and reenacted by Chapter 67 and renumbered and amended by
142 Chapter 186, Laws of Utah 1990
143 **17A-2-1451**, as enacted by Chapter 67, Laws of Utah 1990
144 **17A-2-1452**, as enacted by Chapter 67, Laws of Utah 1990
145 **17A-2-1453**, as enacted by Chapter 67, Laws of Utah 1990
146 **17A-2-1810**, as enacted by Chapter 216, Laws of Utah 1995
147 **17A-2-1811**, as enacted by Chapter 216, Laws of Utah 1995
148 **17A-2-1813**, as enacted by Chapter 216, Laws of Utah 1995
149 **17A-2-1816**, as enacted by Chapter 216, Laws of Utah 1995

150 17A-2-1817, as enacted by Chapter 216, Laws of Utah 1995

151 17A-2-1818, as enacted by Chapter 216, Laws of Utah 1995

152 17A-2-1819, as enacted by Chapter 216, Laws of Utah 1995

153 17A-2-1820, as enacted by Chapter 216, Laws of Utah 1995

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

155 Section 1. Section 17A-2-101 is amended to read:

156 **17A-2-101. Creation procedures for certain independent special districts.**

157 (1) [~~(a) Beginning March 23, 1998, the~~] The creation of a special district under Part 2,
158 Cemetery Maintenance Districts, Part 3, County Improvement Districts for Water, Sewerage, Flood
159 Control, Electric and Gas, Part 4, County Service Area Act, Part 7, Irrigation Districts, Part 8,
160 Metropolitan Water District Act, Part 9, Mosquito Abatement Districts, [~~and~~] Part 10, Utah Public
161 Transit District Act, and Part 14, Water Conservancy Districts, shall be governed by Title 17B,
162 Chapter 2, Part 2, Creation of Local Districts, in the same manner as if a local district under Title
163 17B, Chapter 2, Local Districts, were proposed to be created.

164 [~~(b) Beginning September 15, 1998, the creation of a special district under Part 14, Water~~
165 ~~Conservancy Districts, shall be governed by Title 17B, Chapter 2, Part 2, Creation of Local~~
166 ~~Districts, in the same manner as if a local district under Title 17B, Chapter 2, Local Districts, were~~
167 ~~proposed to be created.~~]

168 (2) Subsection 17B-2-217(1) does not prohibit the creation of one of the types of
169 independent special districts listed in Subsection (1) under the creation provisions of Title 17B,
170 Chapter 2, Part 2, Creation of Local Districts.

171 (3) The provisions of Title 17B, Chapter 2, Part 2, Creation of Local Districts, do not apply
172 to an independent special district under this chapter created before March 23, 1998.

173 (4) (a) For each type of independent special district listed in Subsection (1), the provisions
174 of the part under this chapter that applies to that district govern with respect to the appointment
175 or election of the governing body of that type of independent special district after its creation under
176 Title 17B, Chapter 2, Part 2, Creation of Local Districts.

177 (b) If application of the provisions of Title 17B, Chapter 2, Part 2, Creation of Local
178 Districts, results in the creation of an independent special district before the governing body of that
179 district, under the applicable provisions of this chapter, takes office, the responsible body, as
180 defined in Subsection 17B-2-201(1)(l), shall be the governing body of the district until the

181 governing body takes office under the applicable provisions of this chapter.

182 (5) Notwithstanding Section 17B-2-202, an independent special district listed in
183 Subsection (1) may be created to provide only the services that are authorized under the part of this
184 chapter applicable to that type of district.

185 Section 2. Section **17A-2-101.3** is enacted to read:

186 **17A-2-101.3. Annexation, withdrawal, and dissolution provisions for certain**
187 **independent special districts.**

188 (1) Except as provided in Subsection (2), for each type of independent special district
189 listed in Subsection 17A-2-101(1), on or after June 1, 2001:

190 (a) annexation of additional territory to the district or adjustment of boundaries shared by
191 two or more of those types of independent special districts shall be governed by Title 17B, Chapter
192 2, Part 5, Annexation, to the same extent as if the independent special district were a local district
193 under Title 17B, Chapter 2, Local Districts;

194 (b) the withdrawal of territory from a district shall be governed by Title 17B, Chapter 2,
195 Part 6, Withdrawal, to the same extent as if the independent special district were a local district
196 under Title 17B, Chapter 2, Local Districts; and

197 (c) dissolution of a district shall be governed by Title 17B, Chapter 2, Part 7, Dissolution,
198 to the same extent as if the independent special district were a local district under Title 17B,
199 Chapter 2, Local Districts.

200 (2) An annexation, boundary adjustment, withdrawal, or dissolution proceeding begun
201 before and still pending on June 1, 2001 for a type of independent special district listed in
202 Subsection 17A-2-101(1) is not subject to Subsection (1) but continues after that date to be
203 governed by the statutory provisions in effect immediately before that date.

204 Section 3. Section **17A-2-301** is amended to read:

205 **17A-2-301. Improvement district authority -- Area.**

206 (1) (a) An improvement district [~~may be established under this part and~~] may acquire
207 through construction, purchase, gift, or condemnation, or any combination of these methods, and
208 may operate all or any part of:

209 (i) a system for the supply, treatment, and distribution of water;

210 (ii) a system for the collection, treatment, and disposition of sewage;

211 (iii) a system for the collection, retention, and disposition of storm and flood waters;

212 (iv) a system for the generation, distribution, and sale of electricity; and
213 (v) a system for the transmission of natural or manufactured gas if the system is:
214 (A) connected to a gas plant, as defined in Section 54-2-1, of a gas corporation, as defined
215 in Section 54-2-1, regulated under Section 54-4-1; and

216 (B) to be used to facilitate gas utility service within the district if the gas utility service is
217 not available within the district prior to the acquisition or construction of the system.

218 (b) The new gas utility service under Subsection (1)(a)(v)(B) shall be provided by a gas
219 corporation regulated under Section 54-4-1 and not by the district.

220 (2) (a) (i) Subject to Subsection (2)(a)(ii), the area of a district under this part may
221 include all or part of any county or counties, including all or any part of any incorporated
222 municipalities, other incorporated areas, and unincorporated areas, as the needs of the inhabitants
223 of the proposed districts may appear.

224 (ii) Notwithstanding Subsection (2)(a)(i), the addition of any territory to a district under
225 this part shall, on and after June 1, 2001 and as provided in Subsection 17A-2-101.3(1)(a), be
226 governed by Title 17B, Chapter 2, Part 5, Annexation.

227 (b) The boundaries of a district authorized under this part do not need to be contiguous.

228 ~~[(c) (i) Notwithstanding Subsection (2)(a), an improvement district created under this part~~
229 ~~after May 4, 1998, for the supply, treatment, or distribution of water may not include part of a~~
230 ~~municipality unless:]~~

231 ~~[(A) the municipality's governing body adopts an ordinance or resolution consenting to the~~
232 ~~inclusion; and]~~

233 ~~[(B) the owners of over 50% of all parcels of real property, located in the area proposed~~
234 ~~to be included and that will have at least one water connection to the improvement district, request~~
235 ~~in writing that the improvement district and not the municipality provide the services proposed to~~
236 ~~be provided by the improvement district.]~~

237 ~~[(ii) For purposes of Subsection (2)(c)(i)(B), the provisions of Subsections~~
238 ~~17A-2-340(2)(c)(i), (ii), (iii), and (iv) apply.]~~

239 (3) If an improvement district authorized under this part was created solely for the purpose
240 of acquiring a system for the collection, retention, or disposition of storm and flood waters, the
241 county legislative body that created the district may, in its discretion and despite anything to the
242 contrary in Section 17A-2-305, act as the board of trustees of the district for so long as it considers

243 desirable.

244 ~~[(4) All provisions of this part that establish, govern, or state the requirements and~~
245 ~~procedure for the creation of an improvement district.]~~

246 ~~[(a) are superseded by the provisions of Title 17B, Chapter 2, Part 2, Creation of Local~~
247 ~~Districts, with respect to the creation of an improvement district; and]~~

248 ~~[(b) remain valid to the extent they establish, govern, or state the requirements or~~
249 ~~procedure for annexation to an existing improvement district.]~~

250 Section 4. Section **17A-2-403** is amended to read:

251 **17A-2-403. Notice to and coordination with utility.**

252 (1) (a) ~~[Whenever an unincorporated area in a county requires one or more of the following~~
253 ~~extended services which are not provided on a countywide basis] A county service area may~~
254 ~~provide: extended police protection; fire protection; culinary or irrigation water retail service;~~
255 ~~water conservation; local park, recreation or parkway facilities and services; cemeteries; public~~
256 ~~libraries; sewers, sewage and storm water treatment and disposal; flood control; garbage and refuse~~
257 ~~collection; street lighting; airports; planning and zoning; local streets and roads; curb, gutter and~~
258 ~~sidewalk construction and maintenance; mosquito abatement; health department services; hospital~~
259 ~~service; or the underground installation of an electric utility line or the conversion to underground~~
260 ~~of an existing electric utility line[, such services may be supplied by a county service area].~~

261 ~~(b) If [the provision of said services shall require] providing service requires the issuance~~
262 ~~of bonds or the creation of long-term obligations [said services], the service may be supplied by~~
263 ~~means available [at law] as [herein] provided in this part.~~

264 ~~[(b)] (2) Each county service area that supplies the service of the underground installation~~
265 ~~of an electric utility line or the conversion to underground of an existing electric utility line shall,~~
266 ~~in installing or converting the line, provide advance notice to and coordinate with the utility that~~
267 ~~owns the line.~~

268 ~~[(2) All provisions of this part that establish, govern, or state the requirements and~~
269 ~~procedure for the creation of a county service area:]~~

270 ~~[(a) are superseded by the provisions of Title 17B, Chapter 2, Part 2, Creation of Local~~
271 ~~Districts, with respect to the creation of a county service area; and]~~

272 ~~[(b) remain valid to the extent they establish, govern, or state the requirements or~~
273 ~~procedure for annexation to an existing county service area.]~~

274 Section 5. Section 17A-2-405 is amended to read:

275 **17A-2-405. Area in county service area -- Overlapping of areas.**

276 (1) (a) [~~A~~] The boundaries of a county service area may [consist of] include:

277 (i) all or part of any unincorporated area of one county; and

278 (ii) territory located within a municipality [~~as provided in Sections 17A-2-417 and~~
279 ~~17A-2-418~~].

280 (b) Notwithstanding Subsection (1)(a), the addition of any territory to a county service area
281 under this part shall, on and after June 1, 2001 and as provided in Subsection 17A-2-101.3(1)(a),
282 be governed by Title 17B, Chapter 2, Part 5, Annexation.

283 [~~(b)~~] (2) County service areas may overlap if the service area which overlaps is entirely
284 within the boundaries of the service area which it overlaps.

285 [~~(c)(i)~~] (3) (a) Except as provided in Subsection [(1)(c)(ii)] (3)(b), not more than two
286 service areas may occupy the same area in the county.

287 [~~(i)~~] (b) Notwithstanding Subsection [(1)(c)(i)] (3)(a), three service areas may occupy the
288 same area in the county if one of the overlapping service areas is countywide.

289 [~~(d)~~] (4) No overlapping service areas may perform the same services.

290 [~~(e)~~] (5) All parts of a county service area need not be contiguous.

291 [~~(2)(a) Proceedings for the establishment of a county service area may be commenced at~~
292 ~~any time and shall be instituted by the county legislative body if:~~]

293 [~~(i) a majority of the county legislative body vote in support of a resolution made by a~~
294 ~~member of that legislative body, describing the boundaries of the territory proposed to be included~~
295 ~~in the area and specifying the type or types of extended county services already provided or to be~~
296 ~~provided;]~~

297 [~~(ii) a petition is filed with the county clerk, requesting the institution of such proceedings~~
298 ~~signed by not less than 25% of the taxpayers owning real property which is located in the territory~~
299 ~~proposed to be included within the area; or]~~

300 [~~(iii) a petition is filed with the county clerk, requesting the institution of such proceedings~~
301 ~~signed by not less than 25% of the qualified voters residing in the territory proposed to be included~~
302 ~~within the area.]~~

303 [~~(b) The petition under Subsection (2)(a)(ii) or (iii) may consist of any number of separate~~
304 ~~instruments.]~~

305 ~~[(3) The resolution or the petitions described in Subsection (2) and all separate instruments~~
306 ~~related to them shall describe the boundaries of the proposed area with definiteness and certainty.]~~

307 Section 6. Section **17A-2-530** is amended to read:

308 **17A-2-530. Viewing of annexed land by board of trustees -- Assessment for taxation**
309 **-- Board of equalization -- Hearing -- Notice -- Lien for taxes.**

310 (1) The board of trustees shall, as soon as practicable after ~~[the recording of the order of]~~
311 an annexation of land to the district under Title 17B, Chapter 2, Part 5, Annexation:

312 (a) view each tract of land so annexed to the district;

313 (b) carefully consider all the damages and benefits that each particular tract of land shall
314 receive from the annexation to the drainage district and from the construction and maintenance of
315 such drainage system; and

316 (c) assess each tract of land in accordance with the benefits to be received by it, making
317 proper allowance for damage, if ~~[there be]~~ any.

318 (2) After the assessment under Subsection (1) is made, ~~[the secretary of]~~ the board of
319 trustees shall transmit the assessment to the county legislative body.

320 (3) (a) The county legislative body shall:

321 (i) at its next regular meeting fix a time and place where it shall sit as a board of
322 equalization and equalize and determine the benefits and taxes to be assessed against the land; and

323 (ii) except as provided in Subsection (3)(b), publish a notice of the board of equalization
324 hearing at least once each week for two consecutive weeks in a newspaper having general
325 circulation in the county or counties where the drainage district is situated.

326 (b) If the annexation resulted from a petition signed by all the owners of real property
327 within the annexed area whose addresses were included in the petition, the county legislative body
328 may, in lieu of the notice under Subsection (3)(a)(ii), give notice of the board of equalization
329 hearing by mailing a copy of the notice to each owner of real property at the address stated in the
330 petition.

331 (c) (i) The first publication of the notice required under Subsection (3)(a)(ii) shall not be
332 less than 15 days or more than 30 days prior to the date of the hearing.

333 (ii) If the residence or post office address of an owner of the lands so annexed is known,
334 the county clerk shall cause a copy of the notice and a copy of the proposed benefits to be sent by
335 United States mail to the landowner at least 15 days prior to the time fixed for the hearing.

336 (d) The notice shall state generally the purpose of the hearing and the time and place where
337 the county legislative body shall meet as a board of equalization to hear and determine any
338 complaint against the assessments.

339 (4) (a) The county legislative body, at the time and place stated in the notice, shall sit as
340 a board of equalization and shall make and determine the benefits to be assessed against each tract
341 of annexed land.

342 (b) The assessment of benefits shall be added to and made a part of the benefit assessment
343 roll of the drainage district, and thereafter:

344 (i) all such lands, easements, or interests in land shall be assessed in accordance with the
345 assessment roll; and

346 (ii) such assessment roll of benefits and taxes or user fees or charges shall be the basis of
347 a lien upon the parcels of land or interest in land as thus equalized for all district purposes and
348 indebtedness.

349 Section 7. Section **17A-2-706** is amended to read:

350 **17A-2-706. Regular election of district for electing board members -- Official bond**
351 **-- Fiscal agents.**

352 (1) ~~[The]~~ (a) Except as provided in Subsection (1)(b), (c), and (d), regular election of the
353 district, for the purpose of electing a board of trustees, shall be held according to the procedures
354 and requirements of Title 17A, Chapter 1, Part 3, Special District Board Selection Procedures.

355 (b) Each ballot used in an election under Subsection (1)(a) shall contain the names of the
356 persons to be voted for as members of the board of trustees.

357 (c) Each landowner may vote for three trustees, one for each division.

358 (d) Each elector is entitled to cast one vote for each acre-foot of water or fraction of
359 acre-foot allotted to the land owned by the elector.

360 (e) The board of trustees shall:

361 (i) meet on the first Monday next succeeding the election under Subsection (1)(a) and
362 canvass the returns of the election;

363 (ii) declare the persons receiving the highest number of votes for the several offices to be
364 duly elected to the office; and

365 (iii) file the returns with the county clerk.

366 (2) (a) If any district organized under this part is appointed fiscal agent of the United States

367 or is authorized by the United States to collect money for and on behalf of the United States in
368 connection with any federal project, each trustee shall execute an additional official bond in
369 whatever sum that the Secretary of the Interior requires, conditioned upon the faithful discharge
370 of the duties of the trustee's office.

371 (b) The district shall execute an additional bond for the faithful discharge by the district
372 of its duties as fiscal or other agent of the United States under that appointment or authorization.

373 (c) Those additional official bonds shall be filed in the office of the county clerk.

374 (d) The United States or any person injured by the failure of a trustee or of the district to
375 fully, promptly, and completely perform their respective duties may sue upon those official bonds.

376 Section 8. Section **17A-2-738** is amended to read:

377 **17A-2-738. Redivision of districts.**

378 At least 30 days before the next general election of [~~such~~] a district[~~, after the inclusion~~]
379 under this part following an annexation of lands under Title 17B, Chapter 2, Part 5, Annexation,
380 that occurs on or after June 1, 2001, the board of [~~directors thereof~~] trustees shall make an order
381 redividing [~~such~~] the district into three divisions as nearly equal in size as [~~may be~~] practicable[
382 ~~which~~]. The divisions shall be numbered first, second, and third, and one director shall [~~thereafter~~]
383 be elected from each division.

384 Section 9. Section **17A-2-749** is amended to read:

385 **17A-2-749. Special proceedings for judicial examination.**

386 The board of trustees of an irrigation district [~~organized under the provisions of this part~~]
387 may commence special proceedings, in and by which all proceedings had in the organization of
388 the district or in and by which its acts and the acts of the district in authorizing the issue and sale
389 of the bonds of the district or providing for the authorization of contract with the United States and
390 the validity of such contract, whether the bonds or any of them have or have not been sold or
391 disposed of, or such contract or proposed contract shall or shall not have been actually signed by
392 the United States or the district, may be judicially examined, approved and confirmed.

393 Section 10. Section **17A-2-751** is amended to read:

394 **17A-2-751. Notice -- Contest -- Time for hearing.**

395 (1) The court shall fix the time for the hearing of the petition and shall order the clerk of
396 the court to give and publish notice of the filing of the petition. [~~The notice shall be given and~~
397 ~~published as in Section 17A-2-702.~~]

398 (2) (a) The notice required under this section shall be published once a week for three
399 consecutive weeks in a newspaper of general circulation in the county or, if the district is located
400 in more than one county, in the counties in which the district is located, with the last publication
401 being at least one week before the date set for the hearing.

402 (b) The notice shall state the time and place fixed for the hearing of the petition and the
403 prayer of the petitioners, and that any person interested in the organization of the district, or in the
404 proceedings for the issue or sale of the bonds, or in the making of contract with the United States,
405 may, on or before the day fixed for the hearing of the petition, [demur to or] answer the petition.

406 (c) The petition may be referred to and described in the notice as the petition of the board
407 of trustees of _____ irrigation district (giving its name) praying that the proceedings for the issue
408 and sale of the bonds of the district, or that the proceedings for the contract with the United States,
409 or the proceedings had for the organization of the district and the validity thereof, be examined,
410 approved and confirmed by the court.

411 Section 11. Section **17A-2-752** is amended to read:

412 **17A-2-752. Parties -- Appearances -- Practice and procedure.**

413 Any person interested in the district, or in the issue or sale of the bonds, or in the making
414 of contract with the United States, may [demur to or] answer the petition. The provisions of the
415 Code of Civil Procedure respecting the [demurrer and] answer to a verified complaint shall be
416 applicable to [a demurrer and] an answer to the petition. The person so demurring or answering
417 the petition shall be the defendant to the special proceedings, and the board of trustees shall be the
418 plaintiff. Every material statement of the petition not specifically controverted by the answer shall,
419 for the purpose of the special proceedings, be taken as true, and each person failing to answer the
420 petition shall be considered to admit as true all the material statements of the petition. The rules
421 of pleading and practice relating to appeals and writs of error provided by the Rules of Civil
422 Procedure which are not inconsistent with the provisions of this part are applicable to the special
423 proceedings herein provided for.

424 Section 12. Section **17A-2-803** is amended to read:

425 **17A-2-803. Purpose of metropolitan water district.**

426 ~~[(1) Metropolitan]~~ A metropolitan water [districts] district may [be organized hereunder
427 for the purpose of acquiring, appropriating, developing, storing, selling, leasing and distributing]
428 acquire, appropriate, develop, store, sell, lease, and distribute water for, and [devoting] devote

429 water to, municipal and domestic purposes, irrigation, power, milling, manufacturing, mining,
430 metallurgical and any and all other beneficial uses[~~and such district may be formed of the territory~~
431 ~~included within the corporate boundaries of any one or more municipalities, which need not be~~
432 ~~contiguous, and may be organized and incorporated and thereafter governed, maintained and~~
433 ~~operated as herein provided, and when so incorporated shall have and exercise such powers as are~~
434 ~~herein expressly granted, together with such powers as are reasonably implied herefrom and~~
435 ~~necessary and proper to carry out the objects and purposes of such incorporated districts. Each~~
436 ~~such district when so incorporated shall be a separate and independent political corporate entity].~~

437 [~~2) All provisions of this part that establish, govern, or state the requirements and~~
438 ~~procedure for the creation of a metropolitan water district.]~~

439 [~~a) are superseded by the provisions of Title 17B, Chapter 2, Part 2, Creation of Local~~
440 ~~Districts, with respect to the creation of a metropolitan water district, and]~~

441 [~~b) remain valid to the extent they establish, govern, or state the requirements or~~
442 ~~procedure for annexation to an existing metropolitan water district.]~~

443 Section 13. Section **17A-2-1814** is amended to read:

444 **17A-2-1814. Trustees residing in lands that have been withdrawn -- Redistricting**
445 **-- No impairment.**

446 (1) On the effective date of [~~the exclusion~~] a withdrawal under Title 17B, Chapter 2, Part
447 6, Withdrawal, any trustee residing in the [~~excluded~~] withdrawn area may not be a member of the
448 board of trustees of the regional service area.

449 (2) In the event of a vacancy on the board of trustees as a result of land being [~~excluded~~]
450 withdrawn from the regional service area, the vacancy shall be filled by the board of trustees as
451 provided in Section 17A-1-302.

452 (3) A change in the boundaries of a regional service area may not impair or affect:

453 (a) its organization;

454 (b) its property rights;

455 (c) any of its other rights or privileges; or

456 (d) any contract, obligation, lien, or charge for or upon which it might be liable or
457 chargeable had the change of boundaries not been made.

458 Section 14. Section **17A-2-1821** is amended to read:

459 **17A-2-1821. Annexation areas to be included in election districts.**

- 460 ~~[(1) The board of trustees shall annex the area by enacting a resolution that:]~~
461 ~~[(a) declares the area to be annexed;]~~
462 ~~[(b) determines and establishes the boundaries of the area that is annexed, which may not~~
463 ~~exceed the territory that had been proposed to be annexed; and]~~
464 ~~[(c) sets forth in detail whether the services are to be paid for by a property tax, service~~
465 ~~charge, or a combination of both.]~~
466 ~~[(2) If an election has been held as provided in Section 17A-2-1820, and a majority of the~~
467 ~~qualified electors voting on the proposed annexation vote in favor of the annexation, the board of~~
468 ~~trustees shall adopt the resolution required under Subsection (1).]~~
469 ~~[(3) The resolution may contain any changes that the board of trustees considers necessary,~~
470 ~~including the reduction of the boundaries of the annexation area.]~~
471 ~~[(4) (a) The board of trustees shall file a certified copy of the annexation resolution with:]~~
472 ~~[(i) the recorder of the county where the regional service area is located; and]~~
473 ~~[(ii) the State Tax Commission, along with evidence that the information has been~~
474 ~~recorded by the county recorder.]~~
475 ~~[(b) Upon the filing with the county recorder, the annexation shall be complete and the~~
476 ~~area described in the annexation resolution shall be part of the regional service area.]~~
477 ~~[(5) (a) Any aggrieved property owner or person qualified to vote, who has filed a signed~~
478 ~~written protest within 90 days after the end of the hearing, may appeal the decision of the board~~
479 ~~of trustees to annex the area to the district court.]~~
480 ~~[(b) In the appeal, the district court shall affirm the annexation unless the protesting~~
481 ~~property owner or qualified elector can establish by clear and convincing evidence:]~~
482 ~~[(i) that the board of trustees failed substantially to follow the procedural requirements for~~
483 ~~annexation under this part; or]~~
484 ~~[(ii) that written protests were timely filed as required by Section 17A-2-1819.]~~
485 ~~[(c) If an appeal is not filed within 30 days after the effective date of the resolution~~
486 ~~annexing the area, the annexation shall be final and conclusive.]~~
487 ~~[(6) (a) If the annexation is based upon a referendum election as provided in Section~~
488 ~~17A-2-1820, any person qualified to vote who voted against the annexation in the referendum~~
489 ~~election may appeal the annexation to the district court.]~~
490 ~~[(b) In the appeal, the district court shall affirm the annexation unless the registered voter~~

491 ~~challenging the annexation can establish by clear and convincing evidence:]~~

492 ~~[(i) that there was an irregularity in the election that affected the outcome of the vote; or]~~

493 ~~[(ii) that a majority of the qualified persons casting ballots in the referendum election~~
494 ~~voted against annexation.]~~

495 ~~[(c) If an appeal is not filed within 30 days after the effective date of the resolution~~
496 ~~annexing the area pursuant to a referendum election, the annexation shall be final and conclusive.]~~

497 ~~[(7) (a) Upon a signed petition by the property owner or person qualified to vote made~~
498 ~~within the time for filing protests as provided in Section 17A-2-1819, the board of trustees shall~~
499 ~~exclude land from the area to be annexed if:]~~

500 ~~[(i) the land is contiguous to other land not included in the regional service area; and]~~

501 ~~[(ii) the board of trustees finds that the land, the real property owner, or the residents of~~
502 ~~the land will not benefit from any of the services provided or proposed to be provided by the~~
503 ~~regional service area.]~~

504 ~~[(b) The land may be included within the boundaries of the regional service area at the~~
505 ~~request of the owner.]~~

506 ~~[(8)]~~ If the regional service area has been divided into election districts, all ~~[annexed]~~ areas
507 annexed to the regional service area under Title 17B, Chapter 2, Part 5, Annexation, shall be
508 included in a trustee election district.

509 ~~[(9) Voter registration records of the county shall be conclusive evidence of residency in~~
510 ~~the annexation area.]~~

511 Section 15. Section ~~17A-3-244~~, which is renumbered from Section 17A-2-326 is
512 renumbered and amended to read:

513 ~~[17A-2-326].~~ 17A-3-244. ~~17A-2-326.~~ **Dissolution of districts -- Payment of**
514 **claims.**

515 Any special improvement district created under ~~[the authority of Chapter 2, Part 3 or~~
516 ~~Chapter 3, Part 2;]~~ this part may be dissolved by order of the district court of the county in which
517 it was created, upon a hearing had upon a petition to the court signed by the governing body of the
518 district. Said petition shall recite the reasons for the dissolution, that a resolution has been adopted
519 to dissolve the district, that all claims and demands against the district have been paid or that
520 provision has been made for the payment thereof.

521 The court shall fix a day for the hearing thereon, not less than 30 or more than 60 days after

522 the petition is filed, and shall order that the clerk publish a notice of the said petition and hearing
523 in a newspaper of general circulation once a week for four successive weeks prior to such hearing.
524 Such notice shall specify the district to be dissolved, the date, time and place of said hearing, and
525 shall provide that all persons who have any objections to the dissolution of said district shall file
526 such objections in the office of said clerk of said court at or prior to the date of said hearing, and
527 all persons who have any claim against said district must present the same duly itemized and
528 verified by the affidavit of the claimant at or prior to the time of said hearing or be forever barred
529 from thereafter asserting said claims, and said notice shall be signed by the clerk of said court. No
530 district shall be ordered dissolved until said claims shall have been paid or until provision has been
531 made for the payment thereof, either by the levying and collecting of assessments or by other
532 means approved by the court.

533 Section 16. Section **17B-2-101** is amended to read:

534 **17B-2-101. Definitions.**

535 As used in this chapter[, "~~local~~]

536 (1) "Local district" means a local government entity, created according to the provisions
537 of Part 2, Creation of Local Districts, that is not a general purpose government entity but is a
538 separate legal and corporate entity and a political subdivision of the state, authorized to provide
539 limited services in a defined geographic area, as provided in Part 2, Creation of Local Districts.

540 (2) "Municipal" means of or relating to a municipality.

541 (3) "Municipality" means a city or town.

542 (4) "Political subdivision" means a county, city, town, local district under this chapter,
543 independent special district under Title 17A, Chapter 2, Independent Special Districts, an entity
544 created by interlocal cooperation agreement under Title 11, Chapter 13, Interlocal Cooperation Act,
545 or any other governmental entity designated in statute as a political subdivision of the state.

546 (5) "Private," with respect to real property, means not owned by the United States or any
547 agency of the federal government, the state, a county, a municipality, a school district, an
548 independent special district under Title 17A, Chapter 2, Independent Special Districts, a local
549 district, or any other political subdivision of the state.

550 (6) "Unincorporated" means not included within a municipality.

551 Section 17. Section **17B-2-102** is enacted to read:

552 **17B-2-102. Property owner provisions.**

553 (1) For purposes of this chapter:

554 (a) the owner of real property shall be the fee title owner according to the records of the
555 county recorder on the date of the filing of the request or petition; and

556 (b) the value of private real property shall be determined according to the last assessment
557 before the filing of the request or petition, as determined by:

558 (i) the county under Title 59, Chapter 2, Part 3, County Assessment, for property subject
559 to assessment by the county;

560 (ii) the State Tax Commission under Title 59, Chapter 2, Part 2, Assessment of Property,
561 for property subject to assessment by the State Tax Commission; or

562 (iii) the county, for all other property.

563 (2) For purposes of each provision of this chapter that requires the owners of private real
564 property covering a percentage of the total private land area within the proposed local district to
565 sign a request, petition, or protest:

566 (a) a parcel of real property may not be included in the calculation of the required
567 percentage unless the request or petition is signed by:

568 (i) except as provided in Subsection (2)(a)(ii), owners representing a majority ownership
569 interest in that parcel; or

570 (ii) if the parcel is owned by joint tenants or tenants by the entirety, 50% of the number
571 of owners of that parcel;

572 (b) the signature of a person signing a request or petition in a representative capacity on
573 behalf of an owner is invalid unless:

574 (i) the person's representative capacity and the name of the owner the person represents
575 are indicated on the request or petition with the person's signature; and

576 (ii) the person provides documentation accompanying the request or petition that
577 reasonably substantiates the person's representative capacity; and

578 (c) subject to Subsection (2)(b), a duly appointed personal representative may sign a
579 request or petition on behalf of a deceased owner.

580 Section 18. Section **17B-2-201** is amended to read:

581 **17B-2-201. Definitions and general provisions.**

582 [(†)] As used in this part:

583 [(a)] (1) "Applicable area" means:

584 [(i)] (a) for a county, the unincorporated area of the county that is included within the
585 proposed local district; or

586 [(ii)] (b) for a municipality, the area of the municipality that is included within the
587 proposed local district.

588 [~~(b)~~] "~~Municipal~~" means of or relating to a municipality.]

589 [~~(c)~~] "~~Municipality~~" means a city or town.]

590 [~~(d)~~] (2) "Petition" means a petition under Subsection 17B-2-203(1)(a) or (b).

591 [~~(e)~~] "~~Political subdivision~~" means a county, city, town, local district under this chapter,
592 independent special district under Title 17A, Chapter 2, Independent Special Districts, or an entity
593 created by interlocal cooperation agreement under Title 11, Chapter 13, Interlocal Cooperation
594 Act.]

595 [~~(f)~~] "~~Private,~~" with respect to real property, means not owned by the United States or any
596 agency of the federal government, the state, a county, a municipality, a school district, an
597 independent special district under Title 17A, Chapter 2, Independent Special Districts, a local
598 district, or any other political subdivision of the state.]

599 [~~(g)~~] (3) "Property owner petition" means a petition under Subsection 17B-2-203(1)(a).

600 [~~(h)~~] (4) "Property owner request" means a request under Section 17B-2-204 that is signed
601 by owners of real property as provided in Subsection 17B-2-204(2)(b)(i).

602 [(i)] (5) "Registered [~~owner~~] voter request" means a request under Section 17B-2-204 that
603 is signed by registered voters as provided in Subsection 17B-2-204(2)(b)(ii).

604 [(j)] (6) "Registered voter petition" means a petition under Subsection 17B-2-203(1)(b).

605 [~~(k)~~] (7) "Request" means a request as described in Section 17B-2-204.

606 [(l)] (8) "Responsible body" means the legislative body of:

607 [(i)] (a) the municipality in which the proposed local district is located, if the petition
608 proposes the creation of a local district located entirely within a single municipality;

609 [(ii)] (b) the county in which the proposed local district is located, if the petition proposes
610 the creation of a local district located entirely within a single county and all or part of the proposed
611 local district is located within:

612 [~~(A)~~] (i) the unincorporated part of the county; or

613 [~~(B)~~] (ii) more than one municipality within the county; or

614 [(iii)] (c) if the petition proposes the creation of a local district located within more than

615 one county, the county whose boundaries include more of the area of the proposed local district
616 than is included within the boundaries of any other county.

617 ~~[(m)] (9) "Responsible clerk" means the clerk of the county or the clerk or recorder of the~~
618 ~~municipality whose legislative body is the responsible body.~~

619 ~~[(n) "Unincorporated" means not included within a municipality.]~~

620 ~~[(2) For purposes of this part:]~~

621 ~~[(a) the owner of real property shall be the record title owner according to the records of~~
622 ~~the county recorder on the date of the filing of the request or petition; and]~~

623 ~~[(b) the value of private real property shall be determined according to the last assessment~~
624 ~~before the filing of the request or petition, as determined by:]~~

625 ~~[(i) the county under Title 59, Chapter 2, Part 3, County Assessment, for property subject~~
626 ~~to assessment by the county;]~~

627 ~~[(ii) the State Tax Commission under Title 59, Chapter 2, Part 2, Assessment of Property,~~
628 ~~for property subject to assessment by the State Tax Commission; or]~~

629 ~~[(iii) the county, for all other property:]~~

630 ~~[(3) For purposes of each provision of this part that requires the owners of private real~~
631 ~~property covering a percentage of the total private land area within the proposed local district to~~
632 ~~sign a request, petition, or protest:]~~

633 ~~[(a) a parcel of real property may not be included in the calculation of the required~~
634 ~~percentage unless the request or petition is signed by:]~~

635 ~~[(i) except as provided in Subsection (3)(a)(ii), owners representing a majority ownership~~
636 ~~interest in that parcel; or]~~

637 ~~[(ii) if the parcel is owned by joint tenants or tenants by the entirety, 50% of the number~~
638 ~~of owners of that parcel;]~~

639 ~~[(b) the signature of a person signing a request or petition in a representative capacity on~~
640 ~~behalf of an owner is invalid unless:]~~

641 ~~[(i) the person's representative capacity and the name of the owner the person represents~~
642 ~~are indicated on the request or petition with the person's signature; and]~~

643 ~~[(ii) the person provides documentation accompanying the request or petition that~~
644 ~~reasonably substantiates the person's representative capacity; and]~~

645 ~~[(c) subject to Subsection (3)(b), a duly appointed personal representative may sign a~~

646 request or petition on behalf of a deceased owner.]

647 Section 19. Section 17B-2-217 is amended to read:

648 **17B-2-217. Limitation on initiating process to create local district.**

649 (1) Notwithstanding any other provision of this part, the process to create a local district
650 under this part may not be initiated before ~~[June 1, 2001]~~ May 6, 2002.

651 (2) Subsection (1) does not prohibit the creation of one of the types of independent special
652 districts listed in Subsection 17A-2-101(1) under the provisions of this part.

653 Section 20. Section 17B-2-501 is enacted to read:

654 **Part 5. Annexation**

655 **17B-2-501. Definitions.**

656 For purposes of this part:

657 (1) "Applicable area" means:

658 (a) for a county, the unincorporated area of the county that is included within the area
659 proposed for annexation; or

660 (b) for a municipality, the area of the municipality that is included within the area proposed
661 for annexation.

662 (2) "Retail" means, with respect to a service provided by a municipality, local district, or
663 independent special district, that the service is provided directly to the ultimate user.

664 (3) "Wholesale" means, with respect to a service provided by a local district or
665 independent special district, that the service is not provided directly to the ultimate user but is
666 provided to a retail provider.

667 Section 21. Section 17B-2-502 is enacted to read:

668 **17B-2-502. Annexation of area outside local district -- Multiple areas -- No**
669 **requirement to be contiguous.**

670 (1) An area outside the boundaries of a local district may be annexed to the local district § , §
671 as provided in this part § , **IN ORDER TO PROVIDE TO THE AREA A SERVICE THAT THE LOCAL**
671a **DISTRICT PROVIDES § .**

672 (2) The area proposed to be annexed:

673 (a) may consist of one or more noncontiguous areas; and

674 (b) need not be adjacent to the boundaries of the proposed annexing local district.

675 Section 22. Section 17B-2-503 is enacted to read:

676 **17B-2-503. Initiation of annexation process -- Petition and resolution.**

677 (1) Except as provided in Sections 17B-2-515 and 17B-2-516, the process to annex an area
678 to a local district may be initiated by:

679 (a) (i) for a district whose board of trustees is elected by electors based on the acre-feet of
680 water allotted to the land owned by the elector and subject to Subsection (2), a petition signed by
681 the owners of all of the acre-feet of water allotted to the land proposed for annexation; or

682 (ii) for all other districts:

683 (A) a petition signed by the owners of private real property that:

684 (I) is located within the area proposed to be annexed;

685 (II) covers at least 10% of the total private land area within the entire area proposed to be
686 annexed and within each applicable area; and

687 (III) is equal in assessed value to at least 10% of the assessed value of all private real
688 property within the entire area proposed to be annexed and within each applicable area; or

689 (B) a petition signed by registered voters residing within the entire area proposed to be
690 annexed and within each applicable area equal in number to at least 10% of the number of votes
691 cast within the entire area proposed to be annexed and within each applicable area, respectively,
692 for the office of governor at the last regular general election before the filing of the petition;

693 (b) a resolution adopted by the legislative body of each county whose unincorporated area
694 includes and each municipality whose boundaries include any of the area proposed to be annexed;
695 or

696 (c) a resolution adopted by the board of trustees of the proposed annexing local district if,
697 for at least 12 consecutive months immediately preceding adoption of the resolution, the local
698 district has provided:

699 (i) retail service to the area; or

700 (ii) a wholesale service to a provider of the same service that has provided that service on
701 a retail basis to the area.

702 (2) If an association representing all acre-feet of water allotted to the land that is proposed
703 to be annexed to a local district signs a petition under Subsection (1)(a)(i), pursuant to a proper
704 exercise of authority as provided in the bylaws or other rules governing the association, the petition
705 shall be considered to have been signed by the owners of all of the acre-feet of water allotted to
706 the land proposed for annexation, even though less than all of the owners within the association
707 consented to the association signing the petition.

708 (3) Each petition and resolution under Subsection (1) shall:
709 (a) describe the area proposed to be annexed; and
710 (b) be accompanied by a map of the boundaries of the area proposed to be annexed.
711 (4) The legislative body of each county and municipality that adopts a resolution under
712 Subsection (1)(b) shall, within five days after adopting the resolution, mail or deliver a copy of the
713 resolution to the board of trustees of the proposed annexing local district.

714 Section 23. Section **17B-2-504** is enacted to read:

715 **17B-2-504. Petition requirements.**

716 (1) Each petition under Subsection 17B-2-503(1)(a) shall:

717 (a) indicate the typed or printed name and current residence address of each person signing
718 the petition;

719 (b) separately group signatures by county and municipality, so that all signatures of the
720 owners of real property located within or of registered voters residing within each county whose
721 unincorporated area includes and each municipality whose boundaries include part of the area
722 proposed for annexation are grouped separately;

723 (c) if it is a petition under Subsection (1)(a)(i) or (ii)(A), indicate the address of the
724 property as to which the owner is signing the petition;

725 (d) designate up to three signers of the petition as sponsors, one of whom shall be
726 designated the contact sponsor, with the mailing address and telephone number of each;

727 (e) be filed with the board of trustees of the proposed annexing local district; and

728 (f) for a petition under Subsection 17B-2-503(a)(i), state the proposed method of supplying
729 water to the area proposed to be annexed.

730 (2) A signer of a petition may withdraw, or once withdrawn, reinstate the signer's signature
731 at any time before the public hearing under Section 17B-2-506 by submitting a written withdrawal
732 or reinstatement with the board of trustees of the proposed annexing local district.

733 Section 24. Section **17B-2-505** is enacted to read:

734 **17B-2-505. Petition certification.**

735 (1) Within 30 days after the filing of a petition under Subsection 17B-2-503(1)(a)(i) or (ii),
736 the board of trustees of the proposed annexing local district shall:

737 (a) with the assistance of officers of the county in which the area proposed to be annexed
738 is located from whom the board requests assistance, determine whether the petition meets the

739 requirements of Subsection 17B-2-503(1)(a)(i) or (ii), as the case may be, Subsection
740 17B-2-503(3), and Subsection 17B-2-504(1); and

741 (b) (i) if the board determines that the petition complies with the requirements, certify the
742 petition and mail or deliver written notification of the certification to the contact sponsor; or

743 (ii) if the board determines that the petition fails to comply with any of the requirements,
744 reject the petition and mail or deliver written notification of the rejection and the reasons for the
745 rejection to the contact sponsor.

746 (2) (a) If the board rejects a petition under Subsection (1)(b)(ii), the petition may be
747 amended to correct the deficiencies for which it was rejected and then refiled.

748 (b) A valid signature on a petition that was rejected under Subsection (1)(b)(ii) may be
749 used toward fulfilling the applicable signature requirement of the petition as amended under
750 Subsection (2)(a).

751 (3) The board shall process an amended petition filed under Subsection (2)(a) in the same
752 manner as an original petition under Subsection (1).

753 Section 25. Section **17B-2-506** is enacted to read:

754 **17B-2-506. Notice to county and municipality -- Exception.**

755 (1) Except as provided in Subsection (2), within ten days after certifying a petition under
756 Subsection 17B-2-505(1)(b) the board of trustees of the proposed annexing local district shall mail
757 or deliver a written notice of the proposed annexation, with a copy of the certification and a copy
758 of the petition, to the legislative body of each:

759 (a) county in whose unincorporated area any part of the area proposed for annexation is
760 located; and

761 (b) municipality in which any part of the area proposed for annexation is located.

762 (2) The board is not required to send a notice under Subsection (1) to:

763 (a) a county or municipality that does not provide the service proposed to be provided by
764 the local district; or

765 (b) a county or municipality whose legislative body has adopted an ordinance or resolution
766 waiving the notice requirement as to:

767 (i) the proposed annexing local district; or

768 (ii) the service that the proposed annexing local district provides.

769 (3) For purposes of this section, an area proposed to be annexed to a municipality in a

770 petition under Section 10-2-403 filed before and still pending at the time of the filing of a petition
771 under Subsection 17B-2-503(1)(a) shall be considered to be part of that municipality.

772 Section 26. Section **17B-2-507** is enacted to read:

773 **17B-2-507. Notice of intent to consider providing service -- Public hearing**
774 **requirements.**

775 (1) (a) If the legislative body of a county or municipality whose applicable area is proposed
776 to be annexed to a local district in a petition under Subsection 17B-2-503(1)(a)(i) or (ii) intends
777 to consider having the county or municipality, respectively, provide to the applicable area the
778 service that the proposed annexing local district provides, the legislative body shall, within 30 days
779 after receiving the notice under Subsection 17B-2-506(1), mail or deliver a written notice to the
780 board of trustees of the proposed annexing local district indicating that intent.

781 (b) (i) A notice of intent under Subsection (1)(a) suspends the local district's annexation
782 proceeding as to the applicable area of the county or municipality that submits the notice of intent
783 until the county or municipality:

784 (A) adopts a resolution under Subsection 17B-2-508(1) declining to provide the service
785 proposed to be provided by the proposed annexing local district; or

786 (B) is considered under Subsection 17B-2-508(2) or (3) to have declined to provide the
787 service.

788 (ii) The suspension of an annexation proceeding under Subsection (1)(b)(i) as to an
789 applicable area does not prevent the local district from continuing to pursue the annexation
790 proceeding with respect to other applicable areas for which no notice of intent was submitted.

791 (c) If a legislative body does not mail or deliver a notice of intent within the time required
792 under Subsection (1)(a), the legislative body shall be considered to have declined to provide the
793 service.

794 (2) Each legislative body that sends a notice under Subsection (1) shall hold a public
795 hearing or a set of public hearings, sufficient in number and location to ensure that no substantial
796 group of residents of the area proposed for annexation need travel an unreasonable distance to
797 attend a public hearing.

798 (3) Each public hearing under Subsection (2) shall be held:

799 (a) no later than 45 days after the legislative body sends notice under Subsection (1);

800 (b) except as provided in Subsections (6) and (7), within the applicable area; and

- 801 (c) for the purpose of allowing public input on:
802 (A) whether the service is needed in the area proposed for annexation;
803 (B) whether the service should be provided by the county or municipality or the proposed
804 annexing local district; and
805 (C) all other matters relating to the issue of providing the service or the proposed
806 annexation.
- 807 (4) A quorum of the legislative body of each county or municipal legislative body holding
808 a public hearing under this section shall be present throughout each hearing held by that county
809 or municipal legislative body.
- 810 (5) Each hearing under this section shall be held on a weekday evening other than a
811 holiday beginning no earlier than 6:00 p.m.
- 812 (6) Two or more county or municipal legislative bodies may jointly hold a hearing or set
813 of hearings required under this section if all the requirements of this section, other than the
814 requirements of Subsection (3)(b), are met as to each hearing.
- 815 (7) Notwithstanding Subsection (3)(b), a county or municipal legislative body may hold
816 a public hearing or set of public hearings outside the applicable area if:
817 (a) there is no reasonable place to hold a public hearing within the applicable area; and
818 (b) the public hearing or set of public hearings is held as close to the applicable area as
819 reasonably possible.
- 820 (8) Before holding a public hearing or set of public hearings under this section, the
821 legislative body of each county or municipality that receives a request for service shall provide
822 notice of the hearing or set of hearings as provided in Section 17B-2-211.
- 823 Section 27. Section **17B-2-508** is enacted to read:
- 824 **17B-2-508. Resolution indicating whether the requested service will be provided.**
- 825 (1) Within 30 days after the last hearing required under Section 17B-2-507 is held, the
826 legislative body of each county and municipality that sent a notice of intent under Subsection
827 17B-2-507(1) shall adopt a resolution indicating whether the county or municipality will provide
828 to the area proposed for annexation within its boundaries the service proposed to be provided by
829 the proposed annexing local district.
- 830 (2) If the county or municipal legislative body fails to adopt a resolution within the time
831 provided under Subsection (1), the county or municipal legislative body shall be considered to

832 have declined to provide the service.

833 (3) If a legislative body adopts a resolution under Subsection (1) indicating that the county
834 or municipality will provide the service but the county or municipality does not, within 120 days
835 after the adoption of that resolution, take substantial measures to provide the service, the county
836 or municipal legislative body shall be considered to have declined to provide the service.

837 (4) Each county or municipality whose legislative body adopts a resolution under
838 Subsection (1) indicating that the county or municipality will provide the service shall diligently
839 proceed to take all measures necessary to provide the service.

840 (5) If a county or municipality adopts a resolution under Subsection (1) indicating that it
841 will provide the service and takes substantial measures within the time provided in Subsection (3)
842 to provide it, the local district's annexation proceeding as to the applicable area of that county or
843 municipality is terminated and that applicable area is considered deleted from the area proposed
844 to be annexed in a petition under Subsection 17B-2-503(1)(a)(ii)(A) or (B).

845 Section 28. Section **17B-2-509** is enacted to read:

846 **17B-2-509. Public hearing on proposed annexation.**

847 (1) Except as provided in Section 17B-2-513, the board of trustees of each local district
848 that certifies a petition that was filed under Subsection 17B-2-503(1)(a)(ii)(A) or (B), receives a
849 resolution adopted under Subsection 17B-2-503(1)(b), or adopts a resolution under Subsection
850 17B-2-503(1)(c) shall hold a public hearing on the proposed annexation and provide notice of the
851 hearing as provided in Section 17B-2-510.

852 (2) Each public hearing under Subsection (1) shall be held:

853 (a) within 45 days after:

854 (i) if no notice to a county or municipal legislative body is required under Section
855 17B-2-506, petition certification under Section 17B-2-505; or

856 (ii) if notice is required under Section 17B-2-506, but no notice of intent is submitted by
857 the deadline:

858 (A) expiration of the deadline under Subsection 17B-2-507(1) to submit a notice of intent
859 deadline; or

860 (B) termination of a suspension of the annexation proceeding under Subsection
861 17B-2-507(1)(b);

862 (b) (i) for a local district located entirely within a single county;

863 (A) within or as close as practicable to the area proposed to be annexed; or
864 (B) at the local district office; or
865 (ii) for a local district located in more than one county:
866 (A) (I) within the county in which the area proposed to be annexed is located; and
867 (II) within or as close as practicable to the area proposed to be annexed; or
868 (B) if the local district office is reasonably accessible to all residents within the area
869 proposed to be annexed, at the local district office;
870 (c) on a weekday evening other than a holiday beginning no earlier than 6:00 p.m.; and
871 (d) for the purpose of allowing:
872 (i) the public to ask questions and obtain further information about the proposed
873 annexation and issues raised by it; and
874 (ii) any interested person to address the board regarding the proposed annexation.
875 (3) A quorum of the board of trustees of the proposed annexing local district shall be
876 present throughout each public hearing held under this section.
877 (4) (a) After holding a public hearing under this section or, if no hearing is held because
878 of application of Subsection 17B-2-513(2)(a)(ii), after expiration of the time under Subsection
879 17B-2-513(2)(a)(ii)(B) for requesting a hearing, the board of trustees may by resolution deny the
880 annexation and terminate the annexation procedure if:
881 (i) for a proposed annexation initiated by a petition under Subsection 17B-2-503(1)(a)(i)
882 or (ii), the board determines that:
883 (A) it is not feasible for the local district to provide service to the area proposed to be
884 annexed; or
885 (B) annexing the area proposed to be annexed would be inequitable to the owners of real
886 property or residents already within the local district; or
887 (ii) for a proposed annexation initiated by resolution under Subsection 17B-2-503(1)(b)
888 or (c), the board determines not to pursue annexation.
889 (b) In each resolution adopted under Subsection (4)(a), the board shall set forth its reasons
890 for denying the annexation.
891 Section 29. Section **17B-2-510** is enacted to read:
892 **17B-2-510. Notice of public hearing.**
893 (1) Before holding a public hearing required under Section 17B-2-509, the board of

894 trustees of each proposed annexing local district shall:

895 (a) mail notice of the public hearing and the proposed annexation to:

896 (i) if the local district is funded predominantly by revenues from a property tax, each
897 owner of private real property located within the area proposed to be annexed, as shown upon the
898 county assessment roll last equalized as of the previous December 31; or

899 (ii) if the local district is not funded predominantly by revenues from a property tax, each
900 registered voter residing within the area proposed to be annexed, as determined by the voter
901 registration list maintained by the county clerk as of a date selected by the board of trustees that
902 is at least 20 but not more than 60 days before the public hearing; and

903 (b) post notice of the public hearing and the proposed annexation in at least four
904 conspicuous places within the area proposed to be annexed, no less than ten and no more than 30
905 days before the public hearing.

906 (2) Each notice required under Subsection (1) shall:

907 (a) describe the area proposed to be annexed;

908 (b) identify the proposed annexing local district;

909 (c) state the date, time, and location of the public hearing; and

910 (d) provide a local district telephone number where additional information about the
911 proposed annexation may be obtained; and

912 (e) except for a proposed annexation under a petition that meets the requirements of
913 Subsection 17B-2-513(1), explain that property owners and registered voters within the area
914 proposed to be annexed may protest the annexation by filing a written protest with the local district
915 board of trustees within 30 days after the public hearing.

916 Section 30. Section **17B-2-511** is enacted to read:

917 **17B-2-511. Modifications to area proposed for annexation -- Limitations.**

918 (1) (a) Subject to Subsections (2), (3), (4), and (5), a board of trustees may, after the
919 hearing under Section 17B-2-509, modify the area proposed for annexation to include land not
920 previously included in that area or to exclude land from that area if the modification enhances the
921 feasibility of the proposed annexation.

922 (b) A modification under Subsection (1)(a) may consist of the exclusion of all the land
923 within an applicable area if:

924 (i) the entire area proposed to be annexed consists of more than that applicable area;

925 (ii) sufficient protests under Section 17B-2-512 are filed with respect to that applicable
926 area that an election would have been required under Subsection 17B-2-512(3) if that applicable
927 area were the entire area proposed to be annexed; and

928 (iii) the other requirements of Subsection (1)(a) are met.

929 (2) A board of trustees may not add property under Subsection (1) to the area proposed for
930 annexation without the consent of the owner of that property.

931 (3) A modification under Subsection (1) may not avoid the requirement for an election
932 under Subsection 17B-2-512(3) if, before the modification, the election was required because of
933 protests filed under Section 17B-2-512.

934 (4) If the annexation is proposed by a petition under Subsection 17B-2-503(1)(a)(ii)(A)
935 or (B), a modification may not be made unless the requirements of Subsection
936 17B-2-503(1)(a)(ii)(A) or (B) are met after the modification as to the area proposed to be annexed.

937 (5) If the petition meets the requirements of Subsection 17B-2-513(1) before a
938 modification under this section but fails to meet those requirements after modification:

939 (a) the local district board shall again give notice as provided in Section 17B-2-510 and
940 again hold a public hearing as provided in Section 17B-2-509 on the proposed annexation; and

941 (b) the petition shall be considered in all respects as one that does not meet the
942 requirements of Subsection 17B-2-513(1).

943 Section 31. Section **17B-2-512** is enacted to read:

944 **17B-2-512. Protests -- Election.**

945 (1) Except as provided in Section 17B-2-513 and except for an annexation under Section
946 17B-2-515, an owner of private real property located within or a registered voter residing within
947 an area proposed to be annexed may protest an annexation by filing a written protest with the board
948 of trustees of the proposed annexing local district.

949 (2) Each protest under Subsection (1) shall be filed within 30 days after the date of the
950 public hearing under Section 17B-3-509.

951 (3) (a) Except as provided in Subsection (4), an election shall be held on the proposed
952 annexation if timely protests are filed by:

953 (i) the owners of private real property that:

954 (A) is located within the area proposed to be annexed;

955 (B) covers at least 10% of the total private land area within the entire area proposed to be

956 annexed and within each applicable area; and

957 (C) is equal in assessed value to at least 10% of the assessed value of all private real
958 property within the entire area proposed to be annexed and within each applicable area; or

959 (ii) registered voters residing within the entire area proposed to be annexed and within
960 each applicable area equal in number to at least 10% of the number of votes cast within the entire
961 area proposed for annexation and within each applicable area, respectively, for the office of
962 governor at the last regular general election before the filing of the petition.

963 (b) Except as otherwise provided in this part, each election under Subsection (3)(a) shall
964 be governed by Title 20A, Election Code.

965 (c) If a majority of registered voters residing within the area proposed to be annexed and
966 voting on the proposal vote:

967 (i) in favor of annexation, the board of trustees shall, subject to Subsection
968 17B-2-514(1)(b), complete the annexation by adopting a resolution annexing the area; or

969 (ii) against annexation, the annexation process is terminated, the board may not adopt a
970 resolution annexing the area, and the area proposed to be annexed may not for two years be the
971 subject of an effort under this part to annex to the same local district.

972 (4) If sufficient protests are filed under this section to require an election, a board of
973 trustees may, notwithstanding Subsection (3), adopt a resolution rejecting the annexation and
974 terminating the annexation process without holding an election.

975 Section 32. Section **17B-2-513** is enacted to read:

976 **17B-2-513. Hearing, notice, and protest provisions do not apply for certain petitions.**

977 (1) Section 17B-2-512 does not apply, and, except as provided in Subsection (2)(a),
978 Sections 17B-2-509 and 17B-2-510 do not apply if the process to annex an area to a local district
979 was initiated by:

980 (a) a petition under Subsection 17B-2-503(1)(a)(i);

981 (b) a petition under Subsection 17B-2-503(1)(a)(ii)(A) that was signed by the owners of
982 private real property that:

983 (i) is located within the area proposed to be annexed;

984 (ii) covers at least 75% of the total private land area within the entire area proposed to be
985 annexed and within each applicable area; and

986 (iii) is equal in assessed value to at least 75% of the assessed value of all private real

987 property within the entire area proposed to be annexed and within each applicable area; or

988 (c) a petition under Subsection 17B-2-503(1)(a)(ii)(B) that was signed by registered voters
989 residing within the entire area proposed to be annexed and within each applicable area equal in
990 number to at least 75% of the number of votes cast within the entire area proposed to be annexed
991 and within each applicable area, respectively, for the office of governor at the last regular general
992 election before the filing of the petition.

993 (2) (a) If a petition that meets the requirements of Subsection (1) is certified under Section
994 17B-2-505, the local district board:

995 (i) shall provide notice of the proposed annexation as provided in Subsection (2)(b); and

996 (ii) (A) may, in the board's discretion, hold a public hearing as provided in Section
997 17B-2-509 after giving notice of the public hearing as provided in Subsection (2)(b); and

998 (B) shall, after giving notice of the public hearing as provided in Subsection (2)(b), hold
999 a public hearing as provided in Section 17B-2-509 if a written request to do so is submitted, within
1000 20 days after the local district provides notice under Subsection (2)(a)(i), to the local district board
1001 by an owner of property that is located within or a registered voter residing within the area
1002 proposed to be annexed who did not sign the annexation petition.

1003 (b) The notice required under Subsections (2)(a)(i) and (ii):

1004 (i) shall be given:

1005 (A) (I) for a notice under Subsection (2)(a)(i), within 30 days after petition certification;

1006 or

1007 (II) for a notice of a public hearing under Subsection (2)(a)(ii), at least ten but not more
1008 than 30 days before the public hearing; and

1009 (B) by:

1010 (I) posting written notice at the local district's principal office and in one or more other
1011 locations within or proximate to the area proposed to be annexed as are reasonable under the
1012 circumstances, considering the number of parcels included in that area, the size of the area, the
1013 population of the area, and the contiguousness of the area; and

1014 (II) providing written notice to at least one newspaper of general circulation, if there is one,
1015 within the area proposed to be annexed or to a local media correspondent; and

1016 (ii) shall contain a brief explanation of the proposed annexation, including the name of the
1017 local district, the service provided by the local district, a description or map of the area proposed

1018 to be annexed, a local district telephone number where additional information about the proposed
1019 annexation may be obtained, and, for a notice under Subsection (2)(a)(i), an explanation of the
1020 right of a property owner or registered voter to request a public hearing as provided in Subsection
1021 (2)(a)(ii)(B).

1022 (c) A notice under Subsection (2)(a)(i) may be combined with the notice that is required
1023 for a public hearing under Subsection (2)(a)(ii)(B).

1024 Section 33. Section **17B-2-514** is enacted to read:

1025 **17B-2-514. Resolution approving an annexation -- Notice of annexation -- When**
1026 **annexation complete.**

1027 (1) (a) Subject to Subsection (1)(b), the local district board shall adopt a resolution
1028 annexing the area proposed to be annexed or rejecting the proposed annexation within 30 days
1029 after:

1030 (i) expiration of the protest period under Subsection 17B-2-512(2), if sufficient protests
1031 to require an election are not filed;

1032 (ii) for a petition that meets the requirements of Subsection 17B-2-513(1):

1033 (A) a public hearing under Section 17B-2-509 is held, if the board chooses or is required
1034 to hold a public hearing under Subsection 17B-2-513(2)(a)(ii); or

1035 (B) expiration of the time for submitting a request for public hearing under Subsection
1036 17B-2-513(2)(a)(ii)(B), if no request is submitted and the board chooses not to hold a public
1037 hearing.

1038 (b) If the local district has entered into an agreement with the United States that requires
1039 the consent of the United States for an annexation of territory to the district, an annexation under
1040 this part may not occur until the written consent of the United States is obtained and filed with the
1041 board of trustees.

1042 (2) Each resolution annexing an area proposed to be annexed in a petition under
1043 17B-2-503(1)(a)(i) shall list and allot water to the land within the area and require the land to be
1044 platted as district land.

1045 (3) Within ten days after adoption of a resolution under Subsection (1) or Subsection
1046 17B-2-512(3)(c)(i) approving an annexation, the board shall:

1047 (a) file a written notice of annexation with the State Tax Commission, the lieutenant
1048 governor, and the assessor and recorder of the county in which the annexed area is located,

1049 accompanied by an accurate map or legal description of the boundaries of the area being annexed,
1050 adequate for purposes of the county assessor and recorder; and

1051 (b) prepare and execute a certificate acknowledging that the notices required under
1052 Subsection (3)(a) have been filed.

1053 (4) (a) The annexation shall be complete on the date indicated in the certificate required
1054 under Subsection (3)(b) as the date on which the board filed the notices required under Subsection
1055 (3)(a).

1056 (b) The board shall maintain the certificate required under Subsection (2)(b) with the
1057 district records.

1058 Section 34. Section **17B-2-515** is enacted to read:

1059 **17B-2-515. Annexation through expansion of retail district.**

1060 (1) A local district that provides a wholesale service may adopt a resolution annexing an
1061 area outside the local district's boundaries if:

1062 (a) the area is annexed by or otherwise added to a municipality, an independent special
1063 district, or another local district that:

1064 (i) acquires the wholesale service from the local district and provides it as a retail service;

1065 (ii) is, before the annexation or other addition, located at least partly within the local
1066 district; and

1067 (iii) after the annexation or other addition will provide to the annexed area the same retail
1068 service that the local district provides as a wholesale service to the municipality, independent
1069 special district, or other local district; and

1070 (b) except as provided in Subsection (2), no part of the area is within the boundaries of an
1071 independent special district under Title 17A, Chapter 2, Independent Special Districts, or another
1072 local district that provides the same wholesale service as the proposed annexing local district.

1073 (2) (a) Notwithstanding Subsection (1)(b), an area outside the boundaries of a local district
1074 providing a wholesale service and located partly or entirely within the boundaries of an
1075 independent special district or another local district that provides the same wholesale service may
1076 be annexed to the local district if:

1077 (i) the conditions under Subsection (1)(a) are present; and

1078 (ii) the proposed annexing local district and the independent special district or other local
1079 district follow the same procedure as is required for a boundary adjustment, including both district

1080 boards adopting a resolution approving the annexation of the area to the proposed annexing local
1081 district and the withdrawal of that area from the other district.

1082 (b) Upon both boards adopting a resolution under Subsection (2)(a)(ii), the board of the
1083 annexing local district shall comply with the requirements of Subsection 17B-2-514(2).

1084 (3) Subsection 17B-2-514(3) applies to an annexation under this section.

1085 Section 35. Section **17B-2-516** is enacted to read:

1086 **17B-2-516. Boundary adjustment -- Notice and hearing -- Protest -- Resolution**
1087 **adjusting boundaries -- Notice of the adjustment.**

1088 (1) As used in this section, "affected area" means the area located within the boundaries
1089 of one local district that will be removed from that local district and be included within the
1090 boundaries of another local district because of the boundary adjustment.

1091 (2) The boards of trustees of two or more local districts having common boundaries and
1092 providing the same service on the same wholesale or retail basis may adjust their common
1093 boundaries as provided in this section.

1094 (3) (a) The board of trustees of each local district intending to adjust a boundary that is
1095 common with another local district shall:

1096 (i) adopt a resolution indicating the board's intent to adjust a common boundary;

1097 (ii) hold a public hearing on the proposed boundary adjustment no less than 60 days after
1098 the adoption of the resolution under Subsection (3)(a)(i); and

1099 (iii) (A) (I) publish notice once a week for two successive weeks in a newspaper of general
1100 circulation within the local district; or

1101 (II) if there is no newspaper of general circulation within the local district, post notice in
1102 at least four conspicuous places within the local district; or

1103 (B) mail a notice to each owner of property located within the affected area and to each
1104 registered voter residing within the affected area.

1105 (b) The notice required under Subsection (3)(a)(iii) shall:

1106 (i) state that the board of trustees of the local district has adopted a resolution indicating
1107 the board's intent to adjust a boundary that the local district has in common with another local
1108 district that provides the same service as the local district;

1109 (ii) describe the affected area;

1110 (iii) state the date, time, and location of the public hearing required under Subsection

- 1111 (3)(a)(ii):
- 1112 (iv) provide a local district telephone number where additional information about the
- 1113 proposed boundary adjustment may be obtained;
- 1114 (v) explain the financial and service impacts of the boundary adjustment on property
- 1115 owners or residents within the affected area; and
- 1116 (vi) state in conspicuous and plain terms that the board of trustees may adjust the
- 1117 boundaries unless, at or before the public hearing under Subsection (3)(a)(ii), written protests to
- 1118 the adjustment are filed with the board by:
- 1119 (A) the owners of private real property that:
- 1120 (I) is located within the affected area;
- 1121 (II) covers at least 50% of the total private land area within the affected area; and
- 1122 (III) is equal in assessed value to at least 50% of the assessed value of all private real
- 1123 property within the affected area; or
- 1124 (B) registered voters residing within the affected area equal in number to at least 50% of
- 1125 the votes cast in the affected area for the office of governor at the last regular general election
- 1126 before the filing of the protests.
- 1127 (c) The first publication of the notice required under Subsection (3)(a)(iii)(A) shall be
- 1128 within 14 days after the board's adoption of a resolution under Subsection (3)(a)(i).
- 1129 (d) The boards of trustees of the local districts whose boundaries are being adjusted may
- 1130 jointly:
- 1131 (i) publish, post, or mail the notice required under Subsection (3)(a)(iii); and
- 1132 (ii) hold the public hearing required under Subsection (3)(a)(ii).
- 1133 (4) After the public hearing required under Subsection (3)(a)(ii), the board of trustees may
- 1134 adopt a resolution adjusting the common boundary unless, at or before the public hearing, written
- 1135 protests to the boundary adjustment have been filed with the board by:
- 1136 (a) the owners of private real property that:
- 1137 (i) is located within the affected area;
- 1138 (ii) covers at least 50% of the total private land area within the affected area; and
- 1139 (iii) is equal in assessed value to at least 50% of the assessed value of all private real
- 1140 property within the affected area; or
- 1141 (b) registered voters residing within the affected area equal in number to at least 50% of

1142 the votes cast in the affected area for the office of governor at the last regular general election
1143 before the filing of the protests.

1144 (5) A resolution adopted under Subsection (4) does not take effect until the board of each
1145 local district whose boundaries are being adjusted has adopted a resolution under Subsection (4).

1146 (6) Within ten days after the resolutions take effect under Subsection (5), the board of the
1147 local district whose boundaries are being adjusted to include the affected area shall file a written
1148 notice of the boundary adjustment with the State Tax Commission and the assessor and recorder
1149 of each county in which any part of the affected area is located, accompanied by an accurate map
1150 or legal description of the affected area, adequate for purposes of the county assessor and recorder.

1151 (7) Upon the filing of the notice required under Subsection (6), the boundary adjustment
1152 shall be complete.

1153 Section 36. Section **17B-2-517** is enacted to read:

1154 **17B-2-517. Annexed area subject to taxes and fees.**

1155 When an annexation under Section 17B-2-514 or 17B-2-515 or a boundary adjustment
1156 under Section 17B-2-516 is complete, the annexed area or the area affected by the boundary
1157 adjustment shall be subject to user fees or charges imposed by or property, sales, and other taxes
1158 levied by or for the benefit of the local district.

1159 **Part 6. Reserved**

1160 Section 37. Section **17B-2-701** is enacted to read:

1161 **Part 7. Dissolution**

1162 **17B-2-701. Definitions.**

1163 For purposes of this part:

1164 (1) "Active" means, with respect to a local district, that the district is not inactive.

1165 (2) "Administrative body" means:

1166 (a) if the local district proposed to be dissolved has a duly constituted board of trustees in
1167 sufficient numbers to form a quorum, the board of trustees; or

1168 (b) except as provided in Subsection (2)(a):

1169 (i) for a local district located entirely within a single municipality, the legislative body of
1170 that municipality;

1171 (ii) for a local district located in multiple municipalities within the same county or at least
1172 partly within the unincorporated area of a county, the legislative body of that county; or

1173 (iii) for a local district located within multiple counties, the legislative body of the county
1174 whose boundaries include more of the local district than is included within the boundaries of any
1175 other county.

1176 (3) "Clerk" means:

1177 (a) the board of trustees if the board is also the administrative body under Subsection
1178 (2)(a);

1179 (b) the clerk or recorder of the municipality whose legislative body is the administrative
1180 body under Subsection (2)(b)(i); or

1181 (c) the clerk of the county whose legislative body is the administrative body under
1182 Subsection (2)(b)(ii) or (iii).

1183 (4) "Inactive" means, with respect to a local district, that during the preceding three years
1184 the district has not:

1185 (a) provided any service or otherwise operated;

1186 (b) received property taxes or user or other fees; and

1187 (c) expended any funds.

1188 Section 38. Section **17B-2-702** is enacted to read:

1189 **17B-2-702. Dissolution of local district.**

1190 A local district may be dissolved as provided in this part.

1191 Section 39. Section **17B-2-703** is enacted to read:

1192 **17B-2-703. Initiation of dissolution process.**

1193 The process to dissolve a local district may be initiated by:

1194 (1) for an inactive local district:

1195 (a) (i) for a local district whose board of trustees is elected by electors based on the

1196 acre-feet of water allotted to the land owned by the elector, a petition signed by the owners of 25%

1197 of the acre-feet of water allotted to the land within the local district; or

1198 (ii) for all other districts:

1199 (A) a petition signed by the owners of private real property that:

1200 (I) is located within the local district proposed to be dissolved;

1201 (II) covers at least 25% of the private land area within the local district; and

1202 (III) is equal in assessed value to at least 25% of the assessed value of all private real

1203 property within the local district; or

1204 (B) a petition signed by registered voters residing within the local district proposed to be
1205 dissolved equal in number to at least 25% of the number of votes cast in the district for the office
1206 of governor at the last regular general election before the filing of the petition; or

1207 (b) a resolution adopted by the administrative body; and

1208 (2) for an active local district, a petition signed by:

1209 (a) for a local district whose board of trustees is elected by electors based on the acre-feet
1210 of water allotted to the land owned by the elector, a petition signed by the owners of 100% of the
1211 acre-feet of water allotted to the land within the local district; or

1212 (b) for all other districts, the owners of 100% of the private real property located within
1213 the local district proposed to be dissolved.

1214 Section 40. Section **17B-2-704** is enacted to read:

1215 **17B-2-704. Petition requirements.**

1216 (1) Each petition under Subsection 17B-2-703(1)(a)(i) or (ii) or (2) shall:

1217 (a) indicate the typed or printed name and current residence address of each owner of
1218 acre-feet of water, property owner, or registered voter signing the petition;

1219 (b) if it is a petition signed by the owners of acre-feet of water or property owners, indicate
1220 the address of the property as to which the owner is signing;

1221 (c) designate up to three signers of the petition as sponsors, one of whom shall be
1222 designated the contact sponsor, with the mailing address and telephone number of each; and

1223 (d) be filed with the clerk.

1224 (2) A signer of a petition to dissolve a local district may withdraw, or, once withdrawn,
1225 reinstate the signer's signature at any time until 30 days after the public hearing under Section
1226 17B-2-706.

1227 Section 41. Section **17B-2-705** is enacted to read:

1228 **17B-2-705. Petition certification.**

1229 (1) Within 30 days after the filing of a petition under Subsection 17B-2-703(1)(a)(i) or (ii)
1230 or (2), the clerk shall:

1231 (a) with the assistance of officers of the county in which the local district is located from
1232 whom the clerk requests assistance, determine whether the petition meets the requirements of
1233 Section 17B-2-703 and Subsection 17B-2-704(1); and

1234 (b) (i) if the clerk determines that the petition complies with the requirements, certify the

1235 petition and mail or deliver written notification of the certification to the contact sponsor; or

1236 (ii) if the clerk determines that the petition fails to comply with any of the requirements,
1237 reject the petition and mail or deliver written notification of the rejection and the reasons for the
1238 rejection to the contact sponsor.

1239 (2) (a) If the clerk rejects a petition under Subsection (1)(b)(ii), the petition may be
1240 amended to correct the deficiencies for which it was rejected and then refiled.

1241 (b) A valid signature on a petition that was rejected under Subsection (1)(b)(ii) may be
1242 used toward fulfilling the applicable signature requirement of the petition as amended under
1243 subsection (2)(a).

1244 (3) The clerk shall process an amended petition filed under Subsection (2)(a) in the same
1245 manner as an original petition under Subsection (1).

1246 Section 42. Section **17B-2-706** is enacted to read:

1247 **17B-2-706. Public hearing.**

1248 (1) For each petition certified under Section 17B-2-705 and each resolution adopted under
1249 Subsection 17B-2-703(1)(b), the administrative body shall hold a public hearing on the proposed
1250 dissolution.

1251 (2) Each public hearing under Subsection (1) shall be held:

1252 (a) no later than 45 days after certification of the petition under Section 17B-2-705 or
1253 adoption of a resolution under Subsection 17B-2-703(1)(b), as the case may be;

1254 (b) within the local district proposed to be dissolved;

1255 (c) on a weekday evening other than a holiday beginning no earlier than 6:00 p.m.; and

1256 (d) for the purpose of allowing:

1257 (i) the public to ask questions and obtain further information about the proposed
1258 dissolution and issues raised by it; and

1259 (ii) any interested person to address the administrative body concerning the proposed
1260 dissolution.

1261 (3) A quorum of the administrative body shall be present throughout each public hearing
1262 under this section.

1263 Section 43. Section **17B-2-707** is enacted to read:

1264 **17B-2-707. Notice of public hearing and of dissolution.**

1265 (1) Before holding a public hearing required under Section 17B-2-706, the administrative

1266 body shall:

1267 (a) (i) publish notice of the public hearing and of the proposed dissolution in a newspaper
1268 of general circulation within the local district proposed to be dissolved; and

1269 (ii) post notice of the public hearing and of the proposed dissolution in at least four
1270 conspicuous places within the local district proposed to be dissolved, no less than five and no more
1271 than 30 days before the public hearing; or

1272 (b) mail a notice to each owner of property located within the local district and to each
1273 registered voter residing within the local district.

1274 (2) Each notice required under Subsection (1) shall:

1275 (a) identify the local district proposed to be dissolved and the service it was created to
1276 provide; and

1277 (b) state the date, time, and location of the public hearing.

1278 Section 44. Section **17B-2-708** is enacted to read:

1279 **17B-2-708. Dissolution resolution -- Limitations on dissolution -- Notice of**
1280 **dissolution.**

1281 (1) After the public hearing required under Section 17B-2-706 and subject to Subsection
1282 (2), the administrative body may adopt a resolution dissolving the local district.

1283 (2) A resolution under Subsection (1) may not be adopted unless:

1284 (a) any outstanding debt of the local district is:

1285 (i) satisfied and discharged in connection with the dissolution; or

1286 (ii) assumed by another governmental entity with the consent of all the holders of that debt
1287 and all the holders of other debts of the local district;

1288 (b) for a local district that has provided service during the preceding three years or
1289 undertaken planning or other activity preparatory to providing service:

1290 (i) another entity has committed to provide the same service to the area being served or
1291 proposed to be served by the local district; and

1292 (ii) all who are to receive the service have consented to the service being provided by the
1293 other entity; and

1294 (c) all outstanding contracts to which the local district is a party are resolved through
1295 mutual termination or the assignment of the district's rights, duties, privileges, and responsibilities
1296 to another entity with the consent of the other parties to the contract.

1297 (3) (a) (i) Any assets of the local district remaining after paying all debts and other
1298 obligations of the local district shall be used to pay costs associated with the dissolution process
1299 under this part.

1300 (ii) Any costs of the dissolution process remaining after exhausting the remaining assets
1301 of the local district under Subsection (3)(a)(i) shall be paid by the administrative body.

1302 (b) Any assets of the local district remaining after application of Subsection (3)(a) shall
1303 be distributed:

1304 (i) proportionately to the owners of real property within the dissolved local district if there
1305 is a readily identifiable link between the financial burden borne by the real property owners in the
1306 district and the remaining assets; or

1307 (ii) except as provided in Subsection (3)(b)(i), to each county, city, or town in which the
1308 dissolved local district was located before dissolution in the same proportion that the land area of
1309 the local district located within the unincorporated area of the county or within the city or town
1310 bears to the total local district land area.

1311 (4) Within ten days after adopting a resolution dissolving the local district, the
1312 administrative body shall cause a notice of the dissolution, with a copy of the dissolution
1313 resolution, to the State Tax Commission, the state auditor, and the assessor and recorder of each
1314 county in which any part of the dissolved district was located immediately before dissolution.

1315 Section 45. Section **73-2-1** is amended to read:

1316 **73-2-1. State engineer -- Term -- Powers and duties -- Qualification for duties.**

1317 (1) There shall be a state engineer.

1318 (2) The state engineer shall:

1319 (a) be appointed by the governor with the consent of the Senate;

1320 (b) hold [his] office for the term of four years and until [his] a successor is appointed; and

1321 (c) have five years experience as a practical engineer or the theoretical knowledge,
1322 practical experience, and skill necessary for the position.

1323 (3) (a) The state engineer shall be responsible for the general administrative supervision
1324 of the waters of the state and the measurement, appropriation, apportionment, and distribution of
1325 those waters.

1326 (b) The state engineer shall have the power to:

1327 (i) make and publish rules necessary to carry out the duties of his office;

1328 (ii) secure the equitable apportionment and distribution of the water according to the
1329 respective rights of appropriators; and

1330 (iii) bring suit in courts of competent jurisdiction to:

1331 (A) enjoin the unlawful appropriation, diversion, and use of surface and underground
1332 water;

1333 (B) prevent waste, loss, or pollution of those waters; and

1334 (C) enable him to carry out the duties of his office.

1335 (c) The state engineer shall:

1336 (i) upon request from the board of trustees of an irrigation district under Title 17A, Chapter
1337 2, Part 7, Irrigation Districts, or a local district under Title 17B, Chapter 2, Local Districts, that
1338 operates an irrigation water system, cause a water survey to be made of all lands proposed to be
1339 annexed to the district in order to determine and allot the maximum amount of water that could
1340 be beneficially used on the land, with a separate survey and allotment being made for each 40-acre
1341 or smaller tract in separate ownership; and

1342 (ii) upon completion of the survey and allotment under Subsection (3)(c)(i), file with the
1343 district board a return of the survey and report of the allotment.

1344 (4) (a) The state engineer may establish water districts and define their boundaries.

1345 (b) The water districts shall be formed in a manner that:

1346 (i) secures the best protection to the water claimants; and

1347 (ii) is the most economical for the state to supervise.

1348 **Section 46. Repealer.**

1349 This act repeals:

1350 **Section 17A-2-202, Creation and organization of district.**

1351 **Section 17A-2-203, Procedure -- Petition -- Contents and sufficiency of petition.**

1352 **Section 17A-2-204, Hearing and determination -- Notice -- Boundaries.**

1353 **Section 17A-2-205, Election to determine organization of district -- Notice -- Eligibility**
1354 **of voters.**

1355 **Section 17A-2-206, Conduct of election -- Precincts -- Judges.**

1356 **Section 17A-2-207, Canvass of returns.**

1357 **Section 17A-2-213, Annexation of adjoining territory -- Procedure -- Necessity for**
1358 **approval of board.**

- 1359 Section 17A-2-214, Annexation of additional territory within adjoining county --
 1360 **Requirements.**
- 1361 Section 17A-2-303, Procedure for creation of district.
- 1362 Section 17A-2-304, Notice of hearing and intent -- Protests -- Resolution establishing
 1363 **district -- Writ of review.**
- 1364 Section 17A-2-331, Annexation of areas.
- 1365 Section 17A-2-332, Methods of annexation -- Resolution -- Proposed area including
 1366 **part of another county.**
- 1367 Section 17A-2-333, Notice of intention to annex -- Resolution -- Writ of review.
- 1368 Section 17A-2-339, Adjustment of common boundaries -- Notice and hearing -- Protest
 1369 **-- Property taxes after the boundary adjustment.**
- 1370 § [~~Section 17A-2-340, Withdrawal of territory in a municipality from improvement~~
 1371 ~~districts for the supply, treatment, or distribution of water.] §~~
- 1372 Section 17A-2-404, Establishment of service area.
- 1373 Section 17A-2-406, Resolution of county.
- 1374 Section 17A-2-407, Publication and mailing of resolution.
- 1375 Section 17A-2-408, Hearing -- Protests -- Report of officers -- Record.
- 1376 Section 17A-2-409, Abandonment of proposed service area -- Procedures.
- 1377 Section 17A-2-410, Ordinance to establish area -- Appeals -- Exclusion of lands from
 1378 **area -- Inclusion of unspecified services prohibited.**
- 1379 Section 17A-2-413, Procedure for extension or discontinuance of services or
 1380 **dissolution of a service area.**
- 1381 Section 17A-2-417, Annexation of other areas.
- 1382 § [~~Section 17A-2-418, Annexation of all or part of county service area into city or town~~
 1383 ~~-- Petition and election on exclusion -- Exclusion resolution -- Exclusion of territory from~~
 1384 ~~area -- Unencumbered funds -- Service area facilities.] §~~
- 1385 Section 17A-2-420, Existing districts may dissolve.
- 1386 Section 17A-2-430, Reorganization of existing county service areas -- Procedure.
- 1387 Section 17A-2-529, Procedure for annexation -- Petition -- Appeals by persons
 1388 **aggrieved -- Recordation and filing of order.**
- 1389 Section 17A-2-546, Organization of districts in cities or towns.

1390 Section 17A-2-561, Petition for dissolution -- Notice -- Hearings -- Objections --

1391 **Liquidation of indebtedness.**

1392 Section 17A-2-562, Disposal of district property.

1393 Section 17A-2-563, Statement of assessment levied, collected and uncollected, and of

1394 **indebtedness filed with clerk.**

1395 Section 17A-2-564, Court to determine obligations and expense of dissolution --

1396 **Claims not presented, barred.**

1397 Section 17A-2-565, Allocating and apportioning indebtedness against land.

1398 Section 17A-2-566, Payment discharges lien, excepting liens for prior assessments.

1399 Section 17A-2-567, Sale of lands upon failure to pay amounts allocated -- Procedure.

1400 Section 17A-2-602, Proposal of district by petition -- Petition -- Form, contents, and

1401 **requisites of petition.**

1402 Section 17A-2-603, Hearing for establishment of district.

1403 Section 17A-2-604, Procedure at hearing upon petition.

1404 Section 17A-2-605, Organization of proposed district -- Adoption of ordinance --

1405 **Election -- Qualification of voters.**

1406 Section 17A-2-606, Conduct of election -- Challenges -- Judges of election.

1407 Section 17A-2-608, Canvass of votes -- Order of the county legislative body.

1408 Section 17A-2-614, Annexation of contiguous territory -- Procedure -- Petition --

1409 **Special election.**

1410 Section 17A-2-624, Winding up and dissolution of district.

1411 Section 17A-2-702, Petition for irrigation district -- Duty of the county legislative body

1412 **and state engineer -- Creation provisions superseded -- Exception.**

1413 Section 17A-2-703, Land and water allotments -- Revision and alteration --

1414 **Proceedings to list lands -- Writ of mandamus -- Hearing and determination on writ --**

1415 **Calling election --Conduct of election.**

1416 Section 17A-2-704, Notice of election -- Trustees.

1417 Section 17A-2-705, Canvass of returns -- Organization of district.

1418 Section 17A-2-730, Inclusion and exclusion of lands in district.

1419 Section 17A-2-731, Petition for inclusion.

1420 Section 17A-2-732, Notice of application -- Procedure -- Time -- Costs.

- 1421 Section 17A-2-733, Hearing on petition.
- 1422 Section 17A-2-734, Conditions precedent to granting.
- 1423 Section 17A-2-735, Action on petition.
- 1424 Section 17A-2-736, Copies of orders and plat recorded -- Additions liable.
- 1425 Section 17A-2-737, Minutes admissible in evidence.
- 1426 Section 17A-2-739, Exclusion of lands -- Liability not impaired.
- 1427 Section 17A-2-740, Petition for exclusion.
- 1428 Section 17A-2-742, Hearings by board -- Assent by petitioners.
- 1429 Section 17A-2-743, Exclusion of lands, when -- Contracts with the United States.
- 1430 Section 17A-2-744, Filings with county clerk and recorder.
- 1431 Section 17A-2-745, Division of districts -- Representation.
- 1432 Section 17A-2-746, Dissolution of district -- Election -- Procedure.
- 1433 Section 17A-2-747, Returns and canvass of election.
- 1434 Section 17A-2-748, Irrigation district's failure to function -- Dissolution -- Increase
- 1435 of assessment -- Lien and tax sale.
- 1436 Section 17A-2-811, Publication of call.
- 1437 Section 17A-2-812, Ballot.
- 1438 Section 17A-2-813, Counting ballots and canvassing returns.
- 1439 Section 17A-2-814, Consolidated elections.
- 1440 Section 17A-2-815, Certificate to lieutenant governor -- Valuation of cities approving.
- 1441 Section 17A-2-841, Annexation to district -- Validity of proceedings.
- 1442 Section 17A-2-842, Withdrawal from district.
- 1443 Section 17A-2-912, Annexation of area into district -- Conditions -- Procedures --
- 1444 **Petition -- Resolution -- Protests.**
- 1445 Section 17A-2-913, Dissolution -- Election -- Apportionment of property.
- 1446 Section 17A-2-1048, Annexations to or consolidations with municipalities already
- 1447 **within district.**
- 1448 Section 17A-2-1049, Withdrawal from district.
- 1449 Section 17A-2-1404, Establishment of district -- Petition -- Effect of defects.
- 1450 Section 17A-2-1405, Bond to be filed with petition.
- 1451 Section 17A-2-1406, Hearing -- Jurisdiction of district court -- Court not to be

1452 **disqualified.**

1453 Section 17A-2-1407, **Protest petition -- Objections -- Hearing -- Decree establishing**
1454 **district -- Meetings -- Dismissal of petition or proceedings -- Finality and conclusiveness of**
1455 **order --Appeal.**

1456 Section 17A-2-1408, **Findings and decree to be filed -- Fees.**

1457 Section 17A-2-1437, **Change of boundaries -- Petitions for and against inclusion within**
1458 **district -- Hearing -- Petition protesting inclusion -- Hearing -- Appeal -- Annexation**
1459 **--Hearings -- Objections -- Order of inclusion -- Findings and decrees -- Appeal.**

1460 Section 17A-2-1438, **Procedures to petition a board to exclude land from a district.**

1461 Section 17A-2-1451, **Notice of hearing.**

1462 Section 17A-2-1452, **Criteria for approving or denying a petition.**

1463 Section 17A-2-1453, **Order filed with district court clerk -- Criteria for affirmation**
1464 **of order by the court.**

1465 Section 17A-2-1810, **Petition for exclusion.**

1466 Section 17A-2-1811, **Notice of hearing.**

1467 Section 17A-2-1813, **Orders excluding land -- Filing -- Contents -- Judicial review.**

1468 Section 17A-2-1816, **Annexation proceedings.**

1469 Section 17A-2-1817, **Publication.**

1470 Section 17A-2-1818, **Hearing -- Protests -- Report of officers -- Record.**

1471 Section 17A-2-1819, **Abandonment of proposed annexation -- Procedures.**

1472 Section 17A-2-1820, **Referendum election procedures.**

1473 Section 47. **Coordination clause.**

1474 If this bill and H.B. 155, Annexation Amendments, both pass, it is the intent of the
1475 Legislature that the Office of Legislative Research and General Counsel, in preparing the Utah
1476 Code database for publication, include in the database a rewritten Subsection 17B-2-506(3) that
1477 shall read as follows:

1478 "(3) For purposes of this section, an area proposed to be annexed to a municipality in a
1479 petition under Section 10-2-403 filed before and still pending at the time of the filing of a petition
1480 under Subsection 17B-2-503(1)(a) and an area included within a municipality's annexation policy
1481 plan under Section 10-2-401.5 shall be considered to be part of that municipality."