



# HB0365 compared with HB0365S01

{ ~~prohibits the State Tax Commission from certifying a fiscal year taxing entity's proposed property tax increase if the fiscal year taxing entity fails to meet the notice requirement; and~~ }

- 13 ▶ provides for the location and timing of the posting of the meeting notice; and
- 18 ▶ makes technical and conforming changes.

## Money Appropriated in this Bill:

16 None

## Other Special Clauses:

18 This bill provides a special effective date.

## Utah Code Sections Affected:

20 AMENDS:

21 **11-13-509** , as last amended by Laws of Utah 2023, Chapter 435

22 **17B-1-609** , as last amended by Laws of Utah 2023, Chapters 15, 435

23 **59-2-911** , as last amended by Laws of Utah 2025, First Special Session, Chapter 17

24 **59-2-919** , as last amended by Laws of Utah 2025, First Special Session, Chapter 17

25 **63G-7-704** , as last amended by Laws of Utah 2025, First Special Session, Chapter 17

---

---

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

28 Section 1. Section **11-13-509** is amended to read:

29 **11-13-509. Hearing to consider adoption -- Notice.**

34 (1) At the meeting at which the tentative budget is adopted, the governing board shall:

35 (a) establish the time and place of a public hearing to consider [its] the budget's adoption; and

37 (b) except as provided in Subsection (2), order that notice of the hearing be published, for at least seven days before the day of the hearing, for the interlocal entity's service area, as a class A notice under Section 63G-30-102.

40 (2) If the budget hearing is held in conjunction with a tax increase hearing, the notice required in Subsection (1)(b):

42 (a) may be combined with the notice required under [~~Section 59-2-919~~] Subsection 59-2-919(3) or

{ ~~⚡~~ → {} {} {} (4)(c)(4)(a)(iii) } ; and

40 (b) { } {(4)(e)} {} {} { ← ⚡ } ; and shall be published in accordance with the advertisement provisions of Section 59-2-919.

44

## HB0365 compared with HB0365S01

~~{(b)}~~ (3) ~~{ shall be published }~~ Proof that notice was given in accordance with ~~{ the advertisement provisions of Section 59-2-919 }~~ Subsection (1)(b), or (2) is prima facie evidence that notice was properly given.

46 ~~{(3)}~~ (4) ~~{ Proof that notice was given in accordance with }~~ If a notice required under Subsection (1)(b),  
or (2) is ~~{ prima facie evidence that notice was properly given }~~ not challenged within 30 days after  
the day on which the hearing is held, the notice is adequate and proper.

48 ~~{(4)}~~ ~~{ If a notice required under Subsection (1)(b), or (2) is not challenged within 30 days after the day~~  
~~on which the hearing is held, the notice is adequate and proper. }~~

46 Section 2. Section **17B-1-609** is amended to read:

### 47 **17B-1-609. Hearing to consider adoption -- Notice.**

52 (1) At the meeting at which the tentative budget is adopted, the board of trustees shall:

53 (a) establish the time and place of a public hearing to consider [its] the budget's adoption; and

55 (b) except as provided in Subsection (6) or (7), order that notice of the hearing be published for the  
district, as a class A notice under Section 63G-30-102, for at least seven days before the day of the  
hearing.

58 (2) If the budget hearing is held in conjunction with a tax increase hearing, the notice required in  
Subsection (1)(b):

60 (a) may be combined with the notice required under ~~[Section 59-2-919]~~ Subsection 59-2-919(3) or  
~~{ H → }~~ ~~{ f }~~ (4)(c)(4)(a)(iii); and

58 (b) ~~{ }~~ ~~{ (4)(e) }~~ ~~{ }~~ ~~{ ← H }~~; and shall be published in accordance with the advertisement provisions of  
Section 59-2-919.

62 ~~{(b)}~~ (3) ~~{ shall }~~ If the budget hearing is to be ~~{ published }~~ held in ~~{ accordance }~~ conjunction with  
a fee increase hearing, the ~~{ advertisement provisions of Section 59-2-919. }~~ notice required in  
Subsection (1)(b):

64 ~~{(3)}~~ (a) ~~{ If the budget hearing is to }~~ may be ~~{ held in conjunction }~~ combined with ~~{ a fee increase~~  
~~hearing, }~~ the notice required ~~{ in Subsection (1)(b): }~~ under Section 17B-1-643; and

66 ~~{(a)}~~ (b) ~~{ may }~~ shall be ~~{ combined }~~ published or mailed in accordance with the notice ~~{ required~~  
~~under }~~ provisions of Section 17B-1-643 ~~{ ; and }~~ .

67 ~~{(b)}~~ (4) ~~{ shall be published or mailed }~~ Proof that notice was given in accordance with ~~{ the }~~  
Subsection (1)(b), (2), (3), or (6) is prima facie evidence that notice ~~{ provisions of Section~~  
~~17B-1-643 }~~ was properly given.

## HB0365 compared with HB0365S01

- 69     ~~{(4)}~~ (5) ~~{Proof that notice was given in accordance with }~~ If a notice required under Subsection (1)  
      (b), (2), (3), or (6) is ~~{prima facie evidence that notice was properly given }~~ not challenged within 30  
      days after the day on which the hearing is held, the notice is adequate and proper.
- 71     ~~{(5)}~~ (6) ~~{If }~~ A board of trustees of a special district with an annual operating budget of less than  
      \$250,000 may satisfy the notice ~~{required under }~~ requirements in Subsection (1)(b)~~{, (2), (3), or~~  
      ~~(6) is not challenged within 30 days after the day on which the hearing is held, the notice is adequate~~  
      ~~and proper. }~~ by:
- 73     ~~{(6)}~~ (a) ~~{A board of trustees of }~~ mailing a ~~{special district with an annual operating budget of less~~  
      ~~than \$250,000 may satisfy the }~~ written notice ~~{requirements }~~ , postage prepaid, to each voter in  
      ~~{Subsection (1)(b) by: }~~ the special district; and
- 75     ~~{(a)}~~ (b) ~~{mailing a written }~~ posting the notice ~~{, postage prepaid, to each voter }~~ in three public places  
      within the ~~{special }~~ district ~~{; and }~~ .
- 76     ~~{(b)}~~ (7) ~~{posting the }~~ The notice ~~{in three public places within }~~ described in this section is exempt  
      from the ~~{district }~~ physical posting requirement described in Subsection 63G-30-102(1)(c).
- 77     ~~{(7)}~~ ~~The notice described in this section is exempt from the physical posting requirement described in~~  
      ~~Subsection 63G-30-102(1)(c). }~~

75           Section 3. Section **59-2-911** is amended to read:

76           **59-2-911. Exceptions to maximum levy limitation.**

- 81     (1) The maximum levies set forth in Section 59-2-908 do not apply to and do not include:
- 82     (a) levies made to pay outstanding judgment debts;
- 83     (b) levies made in any special improvement districts;
- 84     (c) levies made for extended services in any county service area;
- 85     (d) levies made for county library services;
- 86     (e) levies made for county animal welfare services;
- 87     (f) levies made to be used for storm water, flood, and water quality control;
- 88     (g) levies made to share disaster recovery expenses for public facilities and structures as a condition of  
      state assistance when a Presidential Declaration has been issued under the Disaster Relief Act of  
      1974, 42 U.S.C. Sec. 5121;
- 91     (h) levies made to pay interest and provide for a sinking fund in connection with any bonded or voter  
      authorized indebtedness, including the bonded or voter authorized indebtedness of county service  
      areas, special service districts, and special improvement districts;

## HB0365 compared with HB0365S01

- 95 (i) levies made to fund local health departments;
- 96 (j) levies made to fund public transit districts;
- 97 (k) levies made to establish, maintain, and replenish special improvement guaranty funds;
- 99 (l) levies made in any special service district;
- 100 (m) levies made to fund municipal-type services to unincorporated areas of counties under Title 17,  
Chapter 78, Part 5, Provision of Municipal-Type Services to Unincorporated Areas;
- 103 (n) levies made to fund the purchase of paramedic or ambulance facilities and equipment and to defray  
administration, personnel, and other costs of providing emergency medical and paramedic services,  
but this exception only applies to those counties in which a resolution setting forth the intention to  
make those levies has been duly adopted by the county legislative body and approved by a majority  
of the voters of the county voting at a special or general election;
- 109 (o) the multicounty and county assessing and collecting levies under Section 59-2-1602; and
- 111 (p) all other exceptions to the maximum levy limitation pursuant to statute.
- 112 (2)
- (a) Upon the retirement of bonds issued for the development of a convention complex described  
in Section 17-63-904, and notwithstanding Section 59-2-908, any county of the first class may  
continue to impose a property tax levy equivalent to the average property tax levy previously  
imposed to pay debt service on those retired bonds.
- 116 (b) Notwithstanding that the imposition of the levy described in Subsection (2)(a) may not result in  
an increased amount of ad valorem tax revenue, the levy is subject to the notice requirements of  
[~~Section 59-2-919~~] Subsection 59-2-919(3).
- 119 (c) The revenue from this continued levy shall be used only for the funding of convention facilities as  
defined in Section 59-12-602.
- 117 Section 4. Section **59-2-919** is amended to read:
- 118 **59-2-919. Notice and public hearing requirements for certain tax increases -- Exceptions --**  
**Audit.**
- 124 (1) As used in this section:
- 125 (a) "Additional ad valorem tax revenue" means ad valorem property tax revenue generated by the  
portion of the tax rate that exceeds the taxing entity's certified tax rate.
- 128 (b) "Ad valorem tax revenue" means ad valorem property tax revenue not including revenue from:
- 130 (i) eligible new growth; or

## HB0365 compared with HB0365S01

- 131 (ii) personal property that is:  
132 (A) assessed by a county assessor in accordance with Part 3, County Assessment; and  
134 (B) semiconductor manufacturing equipment.
- 135 (c) "Base year" means a taxing entity's fiscal year that immediately precedes the fiscal year in which the  
taxing entity first adopted a budget below last year's property tax budgeted revenue.
- 138 (d) "Base year budgeted revenue" means the property tax budgeted revenue, excluding eligible new  
growth, for the base year.
- 140 (e) "Calendar year taxing entity" means a taxing entity that operates under a fiscal year that begins on  
January 1 and ends on December 31.
- 142 (f) "County executive calendar year taxing entity" means a calendar year taxing entity that operates  
under the county executive-council form of government described in Section 17-62-203.
- 145 (g) "Current calendar year" means the calendar year immediately preceding the calendar year for which  
a calendar year taxing entity seeks to levy a tax rate that exceeds the calendar year taxing entity's  
certified tax rate.
- 148 (h) "Eligible new growth" means the same as that term is defined in Section 59-2-924.
- 149 (i) "Fiscal year taxing entity" means a taxing entity that operates under a fiscal year that begins on July  
1 and ends on June 30.
- 151 (j) "Meeting" means the same as that term is defined in Section 52-4-103.
- 152 (k) "Last year's property tax budgeted revenue" does not include:  
153 (i) revenue received by a taxing entity from a debt service levy voted on by the public;  
154 (ii) revenue generated by the combined basic rate as defined in Section 53F-2-301; or  
155 (iii) revenue generated by the charter school levy described in Section 53F-2-703.
- 152 (l) "Specified taxing entity" means a fiscal year taxing entity for which a mayor or budget officer  
proposes a tax rate increase in the tentative budget.
- 156 (m){~~(l)~~} "Truth-in-taxation exemption period" means a six-year period that begins with the base year.
- 158 (2) Except as provided in Subsection (11), a taxing entity may not levy a tax rate that exceeds the taxing  
entity's certified tax rate unless the taxing entity meets:
- 160 (a) the requirements of this section that apply to the taxing entity; and  
161 (b) all other requirements as may be required by law.  
162 (3)

## HB0365 compared with HB0365S01

- (a) Subject to Subsection (3)(b) and except as provided in Subsection (5), a calendar year taxing entity may levy a tax rate that exceeds the calendar year taxing entity's certified tax rate if the calendar year taxing entity:
- 165 (i) 14 or more days before the date of the regular general election or municipal general election held  
in the current calendar year, states at a public meeting:
- 167 (A) that the calendar year taxing entity intends to levy a tax rate that exceeds the calendar year taxing  
entity's certified tax rate;
- 169 (B) the dollar amount of and purpose for additional ad valorem tax revenue that [would be  
generated]the calendar year taxing entity would generate by the proposed increase in the certified  
tax rate; and
- 172 (C) the approximate percentage increase in ad valorem tax revenue for the taxing entity based on the  
proposed increase described in Subsection (3)(a)(i)(B);
- 174 (ii) provides notice for the public meeting described in Subsection (3)(a)(i) in accordance with  
Title 52, Chapter 4, Open and Public Meetings Act, including providing a separate item on the  
meeting agenda that notifies the public that the calendar year taxing entity intends to make the  
statement described in Subsection (3)(a)(i);
- 179 (iii) meets the advertisement requirements of Subsections (6) and (7) before the calendar year  
taxing entity conducts the public hearing [required by ]Subsection (3)(a)(v) requires;
- 182 (iv) provides notice by mail:
- 183 (A) seven or more days before the regular general election or municipal general election held in the  
current calendar year; and
- 185 (B) as provided in Subsection (3)(c); and
- 186 (v) conducts a public hearing that is held:
- 187 (A) in accordance with Subsections (8) and (9); and
- 188 (B) in conjunction with the public hearing required by Section 17-63-304 or 17B-1-610.
- 190 (b)
- (i) For a county executive calendar year taxing entity, the statement described in Subsection (3)(a)(i)  
shall be made by the:
- 192 (A) county council;
- 193 (B) county executive; or
- 194 (C) both the county council and county executive.

## HB0365 compared with HB0365S01

- 195 (ii) If the county council makes the statement described in Subsection (3)(a)(i) or the county council  
states a dollar amount of additional ad valorem tax revenue that is greater than the amount of  
additional ad valorem tax revenue previously stated by the county executive in accordance with  
Subsection (3)(a)(i), the county executive calendar year taxing entity shall:
- 200 (A) make the statement described in Subsection (3)(a)(i) 14 or more days before the county executive  
calendar year taxing entity conducts the public hearing under Subsection (3)(a)(v); and
- 203 (B) provide the notice required by Subsection (3)(a)(iv) 14 or more days before the county executive  
calendar year taxing entity conducts the public hearing required by Subsection (3)(a)(v).
- 206 (c) The notice described in Subsection (3)(a)(iv):
- 207 (i) shall be mailed to each owner of property:
- 208 (A) within the calendar year taxing entity; and
- 209 (B) listed on the assessment roll;
- 210 (ii) shall be printed on a separate form that:
- 211 (A) is developed by the commission;
- 212 (B) states at the top of the form, in bold upper-case type no smaller than 18 point "NOTICE OF  
PROPOSED TAX INCREASE"; and
- 214 (C) may be mailed with the notice required by Section 59-2-1317;
- 215 (iii) shall contain for each property described in Subsection (3)(c)(i):
- 216 (A) the value of the property for the current calendar year;
- 217 (B) the tax on the property for the current calendar year; and
- 218 (C) subject to Subsection (3)(d), for the calendar year for which the calendar year taxing entity seeks to  
levy a tax rate that exceeds the calendar year taxing entity's certified tax rate, the estimated tax on  
the property;
- 221 (iv) shall contain the following statement:
- "[Insert name of taxing entity] is proposing a tax increase for [insert applicable calendar year].  
This notice contains estimates of the tax on your property and the proposed tax increase on your  
property as a result of this tax increase. These estimates are calculated on the basis of [insert previous  
applicable calendar year] data. The actual tax on your property and proposed tax increase on your  
property may vary from this estimate.";
- 227 (v) shall state the dollar amount of additional ad valorem tax revenue that would be generated each year  
by the proposed increase in the certified tax rate;

## HB0365 compared with HB0365S01

- 229 (vi) shall include a brief statement of the primary purpose for the proposed tax increase, including the  
taxing entity's intended use of additional ad valorem tax revenue described in Subsection (3)(c)(v);
- 232 (vii) shall state the date, time, and place of the public hearing described in Subsection (3)(a)(v);
- 234 (viii) shall state the [Internet]internet address for the taxing entity's public website;
- 235 (ix) may contain other information approved by the commission; and
- 236 (x) if sent in calendar year 2024, 2025, or 2026, shall contain:
- 237 (A) notice that the taxpayer may request electronic notice as described in Subsection 17-71-302(1)(m);  
and
- 239 (B) instructions describing how to elect to receive a notice as described in Subsection 17-71-302(1)(m).
- 241 (d) For purposes of Subsection (3)(c)(iii)(C), a calendar year taxing entity shall calculate the estimated  
tax on property on the basis of:
- 243 (i) data for the current calendar year; and
- 244 (ii) the amount of additional ad valorem tax revenue stated in accordance with this section.
- 246 ~~{(4) }~~  
~~{  $\hat{A}$ → } { } { ~~(a)~~ (4) { } } { ← $\hat{A}$  } { **Except as provided in ~~[[Subsection]~~Subsections (4)(b) and**  
**(5), a fiscal year taxing entity may levy a tax rate that exceeds the fiscal year taxing entity's**  
**certified tax rate if [the fiscal year taxing entity]:**~~
- 249 ~~{ (a) {  $\hat{A}$ → } { } { (i) { } } { ~~(a)~~ { } } { ← $\hat{A}$  } [provides notice by meeting the advertisement  
requirements of Subsections (6) and (7) before the fiscal year taxing entity conducts the  
public meeting at which the fiscal year taxing entity's annual budget is adopted; and] { on or  
before[April]May 1 of the year in which } a fiscal year { taxing } entity { intends to levy a tax  
rate that exceeds the fiscal year taxing entity's certified tax rate, publishes } that is a { notice that  
provides the fiscal year } specified taxing { entity's name and } entity posts the { approximate  
dollar amount of and purpose } meeting notice for the { additional ad valorem tax revenue  
that the fiscal year } public meeting at which the mayor or budget officer will first present the  
tentative budget to the governing body of the specified taxing entity { intends to collect } :~~
- 252 (i) with a statement that the tentative budget includes a proposed tax rate increase;
- 253 (ii)
- (A) on the specified taxing entity's website; or
- 254 (B) for a town, as classified in Section 10-2-301, that does not have a website, at the town's town hall or  
principal place of business; and

# HB0365 compared with HB0365S01

- 256 (iii)  
(A) in accordance with Title 52, Chapter 4, Open and Public Meetings Act; and
- 257 (B) at least seven calendar days after the day on which the specified taxing entity holds the public  
meeting;
- 259 (b) the fiscal year taxing entity conducts a public hearing in accordance with Subsections (8) and (9)  
before the fiscal year taxing entity's annual budget is adopted[.]; and
- 265 (5)  
(a) A taxing entity is not required to meet the notice or public hearing requirements of Subsection (3) or  
(4) if the taxing entity is expressly exempted by law from complying with the requirements of this  
section.
- 268 (b) A taxing entity is not required to meet the notice requirements of Subsection (3) or (4) if:
- 270 (i)Section 53F-8-301 allows the taxing entity to levy a tax rate that exceeds that certified tax rate  
without having to comply with the notice provisions of this section; or
- 273 (ii) additional ad valorem property tax revenue that the fiscal year entity states in
- 274 (A) budgeted less than \$20,000 in ad valorem tax revenue for the previous fiscal year; and
- 276 (B)sets a budget during the current fiscal year of less than \$20,000 of ad valorem tax revenue.
- 278 (6)  
(a) Before holding the public hearing described in Subsection (3)(a)(v) or (4)(b), a taxing entity  
proposing a tax rate increase under this section shall publish an advertisement regarding the  
proposed tax increase:
- 257 { ~~Ĥ~~ → { } { { } ~~{(A)}~~ ~~{(i)}~~ { } { ~~{(i)}~~ } { } { ~~←Ĥ~~ } electronically in accordance with Section 45-1-101; and }
- 258 ~~Ĥ~~ → { ~~{(B)}~~ } ~~{(ii)}~~ ← ~~Ĥ~~ { as a class A notice under Section ~~[63G-30-102]~~63G-30-102; }
- 259 { ~~{(b)}~~ ~~Ĥ~~ → ~~{(ii)}~~ } ~~{(b)}~~ ← ~~Ĥ~~ { ~~{conducts a public hearing in accordance with Subsections (8) and (9)~~  
~~before the fiscal year taxing entity's annual budget is adopted; and}~~ }
- 261 ~~Ĥ~~ → { { } ~~{(iii)}~~ } ~~{(c)}~~ ← ~~Ĥ~~ { ~~provides notice for the public hearing described in Subsection ~~[(4)(a)(ii)]~~~~  
~~(4)(b) by meeting the advertisement requirements of Subsections (6) and (7).}~~ }
- 263 ~~Ĥ~~ → { ~~{(b)}~~ } { }
- (i)A fiscal year taxing entity may not impose a rate that would generate more than ~~[[taxing entity:]]~~the  
notice described in Subsection (4)(a)(i).}

266

## HB0365 compared with HB0365S01

~~{ (ii) A fiscal year taxing entity may impose a rate that would generate less than the } [additional ad valorem property tax revenue that the fiscal year entity states in the ] [notice described in Subsection (4)(a)(i).]~~

269 { (5) }

{ (a) A taxing entity is not required to meet the notice or public hearing requirements of Subsection (3) or (4) if the taxing entity is expressly exempted by law from complying with the requirements of this section. }

272 { (b) A taxing entity is not required to meet the notice requirements of Subsection (3) or (4) if: }

274 { (i) Section 53F-8-301 allows the taxing entity to levy a tax rate that exceeds that certified tax rate without having to comply with the notice provisions of this section; or }

277 { (ii) the taxing entity: }

278 { (A) budgeted less than \$20,000 in ad valorem tax revenue for the previous fiscal year; and }

280 { (B) sets a budget during the current fiscal year of less than \$20,000 of ad valorem tax revenue. }

282 { (6) }

{ (a) Before holding the public hearing described in Subsection (3)(a)(v) or [ (4)(b) ] [ (4)(a)(ii) ], a taxing entity proposing a tax rate increase under this section shall publish an advertisement regarding the proposed tax increase: }

285 { (i) electronically in accordance with Section 45-1-101; and }

286 (ii) as a class A notice under Section 63G-30-102.

287 (b) The advertisement described in Subsection (6)(a) shall:

288 (i) be published for at least 14 days before the day on which the taxing entity conducts the public hearing described in Subsection (3)(a)(v) or [ (4)(b) ] [ (4)(a)(ii) ] ~~(4)(b)~~; and

291 (ii) substantially be in the following form and content:

"NOTICE OF PROPOSED TAX INCREASE

(NAME OF TAXING ENTITY)

The (name of the taxing entity) is proposing to increase its property tax revenue.

The (name of the taxing entity) tax on a (insert the average value of a residence in the taxing entity rounded to the nearest thousand dollars) residence would increase from \$\_\_\_\_\_ to \$\_\_\_\_\_, which is \$\_\_\_\_\_ per year.

## HB0365 compared with HB0365S01

The (name of the taxing entity) tax on a (insert the value of a business having the same value as the average value of a residence in the taxing entity) business would increase from \$\_\_\_\_\_ to \$\_\_\_\_\_, which is \$\_\_\_\_\_ per year.

If the proposed budget is approved, (name of the taxing entity) would receive an additional \$\_\_\_\_\_ in property tax revenue per year as a result of the tax increase.

If the proposed budget is approved, (name of the taxing entity) would increase its property tax budgeted revenue by \_\_\_% above last year's property tax budgeted revenue excluding eligible new growth.

The (name of the taxing entity) invites all concerned citizens to a public hearing for the purpose of hearing comments regarding the proposed tax increase and to explain the reasons for the proposed tax increase. You have the option to attend or participate in the public hearing in person or online.

### PUBLIC HEARING

Date/Time: (date) (time)

Location: (name of meeting place and address of meeting place)

Virtual Meeting Link: (Internet address for remote participation and live streaming options)

To obtain more information regarding the tax increase, citizens may contact the (name of the taxing entity) at (phone number of taxing entity) or visit (Internet address for the taxing entity's public website)."

318 (7) The commission:

319 (a) shall adopt rules in accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
governing the joint use of one advertisement described in Subsection (6) by two or more taxing  
entities; and

322 (b) subject to Section 45-1-101, may authorize a taxing entity's use of a commission-approved direct  
notice to each taxpayer if:

324 (i) the direct notice is different and separate from the notice required under Section 59-2-919.1; and

326 (ii) the taxing entity petitions the commission for the use of a commission-approved direct notice.

328 (8)

(a)

(i) ~~On or before June 1, a fiscal year taxing entity shall notify the commission and the county auditor of the date, time, and place of the public hearing described in Subsection [\[\[4\)\(b\)](#) [\[\[4\)\(a\)\(ii\)\]](#) [\(4\)\(b\)](#):~~

## HB0365 compared with HB0365S01

- 331 (ii) On or before October 1 of the current calendar year, a calendar year taxing entity shall notify  
the commission and the county auditor of the date, time, and place of the public hearing  
described in Subsection (3)(a)(v).
- 334 (b)
- 335 (i) A public hearing described in Subsection (3)(a)(v) or ~~[(4)(b) [(4)(a)(ii)]] (4)(b)~~ shall be:
- 336 (A) open to the public;
- 337 (B) held at a meeting of the taxing entity with no items on the agenda other than discussion and  
action on the taxing entity's intent to levy a tax rate that exceeds the taxing entity's certified tax  
rate, the taxing entity's budget, a special district's or special service district's fee implementation  
or increase, or a combination of these items; and
- 341 (C) available for individuals to attend or participate either in person or remotely through electronic  
means.
- 343 (ii) The governing body of a taxing entity conducting a public hearing described in Subsection (3)(a)(v)  
or ~~[(4)(b) [(4)(a)(ii)]] (4)(b)~~ shall:
- 345 (A) state the dollar amount of additional ad valorem tax revenue that would be generated each year by  
the proposed increase in the certified tax rate;
- 347 (B) explain the reasons for the proposed tax increase, including the taxing entity's intended use of  
additional ad valorem tax revenue described in Subsection (8)(b)(ii)(A);
- 350 (C) if the county auditor compiles the list required by Section 59-2-919.2, present the list at the public  
hearing and make the list available on the taxing entity's public website; and
- 353 (D) provide an interested party desiring to be heard an opportunity to present oral testimony within  
reasonable time limits and without unreasonable restriction on the number of individuals allowed to  
make public comment.
- 356 (c)
- 357 (i) Except as provided in Subsection (8)(c)(ii), a taxing entity may not schedule a public hearing  
described in Subsection (3)(a)(v) or ~~[(4)(b) [(4)(a)(ii)]] (4)(b)~~ at the same time as the public  
hearing of another overlapping taxing entity in the same county.
- 359 (ii) The taxing entities in which the power to set tax levies is vested in the same governing board or  
authority may consolidate the public hearings described in Subsection (3)(a)(v) or ~~[(4)(b) [(4)(a)~~  
(ii)]] (4)(b) into one public hearing.
- 362

## HB0365 compared with HB0365S01

- (d) The county auditor shall resolve any conflict in public hearing dates and times after consultation with each affected taxing entity.
- 364 (e)
- (i) A taxing entity shall hold a public hearing described in Subsection (3)(a)(v) or ~~[(4)(b) [(4)(a)(ii)]]~~ ~~(4)(b)~~ beginning at or after 6 p.m.
- 366 (ii) If a taxing entity holds a public meeting for the purpose of addressing general business of the taxing entity on the same date as a public hearing described in Subsection (3)(a)(v) or ~~[(4)(b) [(4)(a)(ii)]]~~ ~~(4)(b)~~, the public meeting addressing general business items shall conclude before the beginning of the public hearing described in Subsection (3)(a)(v) or ~~[(4)(b) [(4)(a)(ii)]]~~ ~~(4)(b)~~:
- 371 (f)
- (i) Except as provided in Subsection (8)(f)(ii), a taxing entity may not hold the public hearing described in Subsection (3)(a)(v) or ~~[(4)(b) [(4)(a)(ii)]]~~ ~~(4)(b)~~ on the same date as another public hearing of the taxing entity.
- 374 (ii) A taxing entity may hold the following hearings on the same date as a public hearing described in Subsection (3)(a)(v) or ~~[(4)(b) [(4)(a)(ii)]]~~ ~~(4)(b)~~:
- 376 (A) a budget hearing;
- 377 (B) if the taxing entity is a special district or a special service district, a fee hearing described in Section 17B-1-643;
- 379 (C) if the taxing entity is a town, an enterprise fund hearing described in Section 10-5-107.5; or
- 381 (D) if the taxing entity is a city, an enterprise fund hearing described in Section 10-6-135.5.
- 383 (9)
- (a) If a taxing entity does not make a final decision on budgeting additional ad valorem tax revenue at a public hearing described in Subsection (3)(a)(v) or ~~[(4)(b) [(4)(a)(ii)]]~~ ~~(4)(b)~~, the taxing entity shall:
- 386 (i) announce at that public hearing the scheduled time and place of the next public meeting at which the taxing entity will consider budgeting the additional ad valorem tax revenue; and
- 389 (ii) if the taxing entity is a fiscal year taxing entity, hold the public meeting described in Subsection (9)(a)(i) before September 1.
- 391 (b) A calendar year taxing entity may not adopt a final budget that budgets an amount of additional ad valorem tax revenue that exceeds the largest amount of additional ad valorem tax revenue stated at a public meeting under Subsection (3)(a)(i).

## HB0365 compared with HB0365S01

- 394 (c) A public hearing on levying a tax rate that exceeds a fiscal year taxing entity's certified tax rate may  
coincide with a public hearing on the fiscal year taxing entity's proposed annual budget.
- 397 (10)
- (a) A county auditor may conduct an audit to verify a taxing entity's compliance with Subsection (8).
- 399 (b) If the county auditor, after completing an audit, finds that a taxing entity has failed to meet the  
requirements of Subsection (8), the county auditor shall prepare and submit a report of the auditor's  
findings to the commission.
- 402 (c) The commission may not certify a tax rate that exceeds a taxing entity's certified tax rate if, on or  
before September 15 of the year in which the taxing entity is required to hold the public hearing  
described in Subsection (3)(a)(v) or ~~{(4)(b) (4)(a)(ii)}~~ (4)(b), the commission determines that  
the taxing entity has failed to meet~~{:~~ the requirements of [Subsection (8)]this section.
- 406 ~~{(i) {the requirements of Subsection (8); and}}~~
- 407 ~~{(ii) {for a fiscal year taxing entity, the requirements of Subsection [(4)(a)(i) (4)(a).]}~~
- 408 (11) For a fiscal year within a truth-in-taxation exemption period, a taxing entity may adopt a budget  
that is equal to or less than the base year budgeted revenue without complying with this section.
- 405 Section 5. Section **63G-7-704** is amended to read:
- 406 **63G-7-704. Tax levy by political subdivisions for payment of claims, judgments, or insurance  
premiums.**
- 414 (1) Notwithstanding any provision of law to the contrary, a political subdivision may levy an annual  
property tax sufficient to pay:
- 416 (a) any claim, settlement, or judgment, including interest payments and issuance costs for bonds issued  
under Subsection 11-14-103(1)(d) to pay the portion of any claim, settlement, or judgment that  
exceeds \$3,000,000;
- 419 (b) the costs to defend against any claim, settlement, or judgment; or
- 420 (c) for the establishment and maintenance of a reserve fund for the payment of claims, settlements, or  
judgments that may be reasonably anticipated.
- 422 (2)
- (a) The payments authorized to pay for punitive damages or to pay the premium for authorized  
insurance is money spent for a public purpose within the meaning of this section and Utah  
Constitution, Article XIII, ~~[See.]~~ Section 5, even though, as a result of the levy, the maximum levy  
as otherwise restricted by law is exceeded.

## HB0365 compared with HB0365S01

- 426 (b)
- (i) Except as provided in Subsection (2)(b)(ii), a levy under this section may not exceed .0001 per dollar of taxable value of taxable property.
- 428 (ii) A levy under Subsection (1)(a) to pay the portion of any claim, settlement, or judgment that exceeds \$3,000,000 may not exceed .001 per dollar of taxable value of taxable property.
- 431 (c) Except as provided in Subsection 17-63-808(2), the revenues derived from this levy may not be used for any purpose other than those specified in this section.
- 433 (3) Beginning January 1, 2012, a local school board may not levy a tax in accordance with this section.
- 435 (4) A political subdivision that levies an annual property tax under Subsection (1)(a) to pay the portion of any claim, settlement, or judgment that exceeds \$3,000,000:
- 437 (a) shall comply with the notice and public hearing requirements under [~~Section 59-2-919~~] Subsections { ~~Ĥ~~→ {} {f} 59-2-919(4)(b) and (c)59-2-919(4)(a)(ii) } ; and
- 433 (b) {} {59-2-919(4)(b)} {} ←Ĥ } and { Ĥ→ {} {f} {(4)(a)(iii)} } may levy the annual property tax until the bonds' maturity dates expire. {} {e}
- { } { ←Ĥ } { ;and }
- 439 {(b) } may levy the annual property tax until the bonds' maturity dates expire.}
- 434 Section 6. **Effective date.**  
Effective Date.  
This bill takes effect on January 1, 2027.

3-4-26 12:57 PM