

HB0422S03 compared with HB0422

~~{Omitted text}~~ shows text that was in HB0422 but was omitted in HB0422S03

inserted text shows text that was not in HB0422 but was inserted into HB0422S03

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1 **Public Infrastructure Districts Amendments**
2026 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Jill Koford
Senate Sponsor: Daniel McCay



2
3 **LONG TITLE**

4 **General Description:**

5 This bill modifies requirements for public infrastructure districts.

6 **Highlighted Provisions:**

7 This bill:

- 8 ▶ defines terms;
- 9 ▶ modifies the process for dissolving a public infrastructure district (district);
- 10 ▶ modifies owner consent requirements;
- 8 ▶ modifies requirements for a ~~{public infrastructure district (district)}~~ district to annex property into the district;
- 10 ▶ requires an appointed member of a district board to provide a conflict of interest disclosure;
- 12 ▶ modifies notice requirements; and
- 13 ▶ ~~{requires real estate professionals that sell property in a district to provide certain disclosures in advertising materials; and }~~
- 15 ▶ ~~{modifies the process for dissolving a district. }~~
- 15 ▶ makes technical and conforming changes.

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16 **Money Appropriated in this Bill:**

17 None

18 **Other Special Clauses:**

19 None

20 **Utah Code Sections Affected:**

21 AMENDS:

22 **17D-4-104 , as enacted by Laws of Utah 2025, Chapter 347**

23 **17D-4-201 , as last amended by Laws of Utah 2025, Chapter 347**

24 **17D-4-202 , as last amended by Laws of Utah 2025, Chapter 347**

25 **17D-4-202.1 , as enacted by Laws of Utah 2025, Chapter 29**

26 **17D-4-301 , as last amended by Laws of Utah 2025, Chapter 347**

27 **17D-4-303 , as last amended by Laws of Utah 2025, Chapter 347**

28 ENACTS:

26 ~~**{17D-4-306 , Utah Code Annotated 1953}**~~

29 **17D-4-401 , Utah Code Annotated 1953**

30

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

32 **Section 1. Section 17D-4-104 is amended to read:**

33 **17D-4-104. Requirements for property owner consent.**

34 (1) ~~[Any]~~ A provision of this chapter requiring the consent or signatures of 100% of surface estate
property owners within an applicable area~~[-]~~ :

36 (a) does not require the consent of ~~[any]~~ a public entity, utility provider, or owners' association that is
a property owner within an applicable area~~[is not required]~~ if the public entity, utility provider, or
owners' association ownership interest within the applicable area is limited to:

40 ~~[(1)]~~ (i) an easement;

41 ~~[(2)]~~ (ii) a right-of-way; or

42 ~~[(3)]~~ (iii) a public improvement, utility improvement, or related improvement~~[-]~~ ; and

43 (b) is satisfied if, except as provided in Subsection (1)(a), on the day on which the petition is filed, the
petition contains the signatures of 100% of:

45 (i) the surface estate property owners, as shown on the records of the office of the recorder of the
county in which the surface estate is located; or

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47 (ii) if written authorization is provided with the petition, an authorized representative of the surface
property owners described in Subsection (1)(b)(i).

49 (2) A conveyance or other change in ownership that occurs after the day on which a petition is filed
does not affect the validity of the petition if the petition satisfies the requirement described in
Subsection (1)(b).

52 Section 2. Section **17D-4-201** is amended to read:

53 **17D-4-201. Creation -- Annexation or withdrawal of property.**

32 (1)

(a) Except as provided in Subsection (1)(b), Subsection (2), and in addition to the provisions regarding creation of a special district in Title 17B, Chapter 1, Provisions Applicable to All Special Districts, a public infrastructure district may not be created unless a petition is filed with the creating entity that contains the signatures of 100% of surface estate property owners within the applicable area consenting to the creation of the public infrastructure district.

38 (b)

(i) As used in this Subsection (1)(b):

39 (A) "Military land" means the same as that term is defined in Section 63H-1-102.

40 (B) "Project area" means the same as that term is defined in Section 63H-1-102.

41 (ii) Notwithstanding Title 17B, Chapter 1, Part 2, Creation of a Special District, and any other provision of this chapter, a development authority may adopt a resolution creating a public infrastructure district if all owners of surface estate property proposed to be included within the public infrastructure district consent in writing to the creation of the public infrastructure district.

46 (iii) For purposes of Subsection (1)(b)(ii), if the surface estate property proposed to be included within the public infrastructure district includes military land that is within a project area, the owner of the military land within the project area is the lessee of the military land.

50 (iv) A public infrastructure district created under Subsection (1)(b)(ii) may be created as a subsidiary of the development authority that adopts the resolution creating the public infrastructure district.

53 (2)

(a) The following do not apply to the creation of a public infrastructure district:

54 (i) Section 17B-1-203;

55 (ii) Section 17B-1-204;

56 (iii) Subsection 17B-1-208(2);

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- 57 (iv) Section 17B-1-212; or
- 58 (v) Section 17B-1-214.
- 59 (b) The protest period described in Section 17B-1-213 may be waived in whole or in part with the
consent of 100% of the surface estate property owners within the applicable area approving the
creation of the public infrastructure district.
- 62 (c) If the protest period is waived under Subsection (2)(b), a resolution approving the creation of the
public infrastructure district may be adopted in accordance with Subsection 17B-1-213(5).
- 65 (d) A petition meeting the requirements of Subsection (1) may be certified under Section 17B-1-209.
- 67 (e) Notwithstanding Subsection 17B-1-215(1)(b), the district applicant shall file the items required
by Subsection 17B-1-215(1)(a) with the lieutenant governor within 30 days of the day on which a
resolution creating a public infrastructure district is adopted.
- 71 (3) Notwithstanding Title 17B, Chapter 1, Part 4, Annexation, an area outside of the boundaries of a
public infrastructure district may be annexed into the public infrastructure district if the following
requirements are met:
- 74 ~~[(a)~~
~~{(i)} adoption of resolutions of the board and the creating entity, each approving of the~~
~~annexation;{ } -or]~~
- 76 ~~[(ii) adoption of a resolution of the board to annex the area, provided that the governing document or~~
~~creation resolution for the public infrastructure district authorizes the board to annex an area outside~~
~~of the boundaries of the public infrastructure district without future consent of the creating entity;~~
~~and]~~
- 102 (a) the board adopts a resolution approving the annexation;
- 103 (b) the governing document or resolution creating the public infrastructure district authorizes the public
infrastructure district to annex the proposed annexation area;
- 80 ~~[(b)]~~ (c) a petition is filed with the public infrastructure district that contains the signatures of 100%
of surface estate property owners within the ~~[area proposed to be annexed]~~ proposed annexation
area, demonstrating the surface estate property owners' consent to the annexation into the public
infrastructure district~~[-] ; and~~
- 84 ~~(c){(d)} {the-}~~ if the creating entity is a county or municipality and the proposed annexation area
{proposed to be annexed-} is outside the boundaries of the creating entity:
- 85

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- (i) ~~{a contiguous}~~ for an area{:} that is unincorporated, the legislative body of the county where the area is located adopts a resolution approving the annexation; or
- 86 (ii) ~~{contiguous to}~~ for an area that is within the ~~{public infrastructure district; and}~~ boundaries of a municipality, the legislative body of the municipality where the area is located adopts a resolution approving the annexation.
- 116 (4)
- (a) {completely within the boundaries of the creating entity.}
- 88 ~~{(4)}~~
- ~~{(a)}~~ Notwithstanding Title 17B, Chapter 1, Part 5, Withdrawal, property may be withdrawn from a public infrastructure district if the following requirements are met:
- 90 (i)
- (A) adoption of resolutions of the board and the creating entity, each approving of the withdrawal; or
- 92 (B) adoption of a resolution of the board to withdraw the property, ~~[provided that]~~ if the governing document or creation resolution for the public infrastructure district authorizes the board to withdraw property from the public infrastructure district without further consent from the creating entity; and
- 96 (ii) a petition is filed with the public infrastructure district that contains the signatures of 100% of surface estate property owners within the area proposed to be withdrawn, demonstrating that the surface estate property owners consent to the withdrawal from the public infrastructure district.
- 100 (b) If any bonds that the public infrastructure district issues are allocable to the area to be withdrawn remain unpaid at the time of the proposed withdrawal, the property remains subject to any taxes, fees, or assessments that the public infrastructure district imposes until the bonds or any associated refunding bonds are paid.
- 104 (c) Upon meeting the requirements of Subsection (3) or (4)(a), the board shall:
- 105 (i) within 30 days of the day on which a resolution is adopted or a petition is filed under Subsection (3) or (4)(a), file with the lieutenant governor:
- 107 (A) a copy of a notice of impending boundary action, as defined in Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and
- 109 (B) a copy of an approved final local entity plat, as defined in Section 67-1a-6.5; and
- 111 (ii) comply with the requirements of Section 17B-1-512, except:
- 112 (A) Subsections 17B-1-512(1)(b) and (c) do not apply; and

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- 113 (B) the time periods described in this section govern.
- 114 (5) A creating entity may impose limitations on the powers of a public infrastructure district through the governing document.
- 116 (6)
- (a) A public infrastructure district is separate and distinct from the creating entity.
- 117 (b)
- (i) Except as provided in Subsection (6)(b)(ii), any financial burden, including the cost of accounting, audit reporting, and budget preparation, of a public infrastructure district:
- 119 (A) is borne solely by the public infrastructure district; and
- 120 (B) is not borne by the creating entity, by the state, or by any municipality, county, or other political subdivision.
- 122 (ii) Notwithstanding Subsection (6)(b)(i) and Section 17B-1-216, the governing document may require:
- 124 (A) the district applicant to bear the initial costs of the public infrastructure district; and
- 126 (B) the public infrastructure district to reimburse the district applicant for the initial costs the creating entity bears.
- 128 (iii) Nothing in this Subsection (6) precludes a public infrastructure district from qualifying directly for an impact fee offset, credit, or refund under Title 11, Chapter 36a, Impact Fees Act, regarding any qualifying system improvements financed by the public infrastructure district.
- 132 (c) Any legal responsibility, liability, judgment, or claim against a public infrastructure district:
- 133 (i) is the sole responsibility of the public infrastructure district; and
- 134 (ii) does not constitute a liability, judgment, or claim against the creating entity, the state, or any municipality, county, or other political subdivision.
- 136 (d)
- (i)
- (A) The public infrastructure district solely bears the responsibility of any collection, enforcement, or foreclosure proceeding with regard to any fee or assessment the public infrastructure district imposes.
- 139 (B) The creating entity does not bear the responsibility described in Subsection (6)(d)(i)(A).
- 141 (ii) A public infrastructure district, and not the creating entity, shall undertake the enforcement responsibility described in, as applicable, Subsection (6)(d)(i) in accordance with Title 11, Chapter 42, Assessment Area Act.

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- 144 (7) A creating entity may establish criteria in determining whether to approve or disapprove of the
creation of a public infrastructure district, including:
- 146 (a) historical performance of the district applicant;
- 147 (b) compliance with the creating entity's master plan;
- 148 (c) credit worthiness of the district applicant;
- 149 (d) plan of finance of the public infrastructure district; and
- 150 (e) proposed development within the public infrastructure district.
- 151 (8)
- (a) The creation of a public infrastructure district is subject to the sole discretion of the creating entity
responsible for approving or rejecting the creation of the public infrastructure district.
- 154 (b) The proposed creating entity bears no liability for rejecting the proposed creation of a public
infrastructure district.
- 186 Section 3. Section **17D-4-202** is amended to read:
- 187 **17D-4-202. Public infrastructure district board -- Governing document.**
- 158 (1)
- (a) The legislative body or board of the creating entity shall appoint the initial members of the board of
a public infrastructure district, in accordance with the governing document.
- 161 (b) A governing document approved by the legislative body or board of the creating entity may
provide for the board of a public infrastructure district to, upon a vacancy on the board, appoint an
individual to the board [~~so long as~~] if the individual meets the requirements to serve on a public
infrastructure district board described in this section.
- 166 (c) For public infrastructure districts not described in Subsection (1)(b), and except as provided in
Subsection (1)(d):
- 168 (i) if there is a vacancy on the board of a public infrastructure district, or a board member provides
notice to the legislative body or board of the creating entity of the board member's intention
to resign from the board, the legislative body or board of the creating entity shall appoint a
replacement board member within 45 days from the day on which the vacancy first occurs or the
board member provides notice of the board member's intent to resign; and
- 174 (ii) if a legislative body or board of the creating entity fails to fill a vacancy on the board within the time
period described in Subsection (1)(c)(i), the board of the public infrastructure district may appoint

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an individual who is eligible to serve on the board according to the requirements of this section to fill the board vacancy.

- 178 (d) If a public infrastructure district board position has transitioned from appointment to election, as
described in Subsection (4), and an elected board position becomes vacant, the provisions of Section
20A-1-512 apply to fill the vacancy.
- 181 (2)
- (a) Unless otherwise limited in the governing document and except as provided in Subsection (2)(b), the
initial term of each member of the board is four years.
- 183 (b) Notwithstanding Subsection (2)(a), approximately half of the members of the initial board shall
serve a six-year term so that, after the expiration of the initial term, the term of approximately half
the board members expires every two years.
- 186 (c) A board may elect that a majority of the board serve an initial term of six years.
- 187 (d) After the initial term, the term of each member of the board is four years.
- 188 (e) A member of the board who is appointed shall continue to serve on the board of the public
infrastructure district until a replacement board member is appointed.
- 190 (3)
- (a) Notwithstanding Subsection 17B-1-302(1)(b), a board member is not required to be a resident within
the boundaries of the public infrastructure district if:
- 192 (i) all of the surface estate property owners consent to the waiver of the residency requirement;
- 194 (ii) there are no residents within the boundaries of the public infrastructure district;
- 195 (iii) no qualified candidate timely files to be considered for appointment to the board; or
- 197 (iv) no qualified individual files a declaration of candidacy for a board position in accordance with
Subsection 17B-1-306(5).
- 199 (b) Except under the circumstances described in Subsection (3)(a)(iii) or (iv), the residency requirement
in Subsection 17B-1-302(1)(b) is applicable to any board member elected for a division or board
position that has transitioned from an appointed to an elected board member in accordance with this
section.
- 203 (c) An individual who is not a resident within the boundaries of the public infrastructure district may
not serve as a board member unless the individual is:
- 205 (i) an owner of land or an agent or officer of the owner of land within the boundaries of the public
infrastructure district; and

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- 207 (ii) a registered voter at the individual's primary residence.
- 208 (d) If the creating entity determines that a public infrastructure district is not anticipated to have permanent residents within the public infrastructure district's boundaries, or is anticipated to be primarily composed of non-residential property or non-primary residential property, a governing document may allow the creating entity to continue to appoint a property owner, or the agent of a property owner, to the public infrastructure district board.
- 214 (e) A governing document may allow for a property owner to recommend a property owner or a property owner's agent for appointment to the public infrastructure district board in numbers proportional to the property owner's ownership of land, or value of land, within a public infrastructure district.
- 218 (4)
- (a) A governing document may provide for a transition from legislative body appointment under Subsection (1) to a method of election by registered voters based upon milestones or events that the governing document identifies, including a milestone for each division or individual board position providing that when the milestone is reached:
- 223 (i) for a division, the registered voters of the division elect a member of the board in place of an appointed member at the next municipal general election for the board position; or
- 226 (ii) for an at large board position established in the governing document, the registered voters of the public infrastructure district elect a member of the board in place of an appointed member at the next municipal general election for the board position.
- 230 (b) Regardless of whether a board member is elected under Subsection (4)(a), the position of each remaining board member shall continue to be appointed under Subsection (1) until the member's respective division or board position surpasses the density milestone described in the governing document.
- 234 (5)
- (a) Subject to Subsection (5)(c), the board may, in the board's discretion but no more frequently than every four years, reestablish the boundaries of each division so that each division that has reached a milestone specified in the governing document, as described in Subsection (4)(a), has, as nearly as possible, the same number of eligible voters.

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- (b) In reestablishing division boundaries under Subsection (5)(a), the board shall consider existing or potential developments within the divisions that, when completed, would increase or decrease the number of eligible voters within the division.
- 243 (c) The governing document may prohibit the board from reestablishing, without the consent of the
246 creating entity, the division boundaries as described in Subsection (5)(a).
- (6) A public infrastructure district may not compensate a board member for the member's service on the board under Section 17B-1-307 unless the board member is a resident within the boundaries of the public infrastructure district.
- 249 (7) A governing document shall:
- 250 (a) include a boundary description and a map of the public infrastructure district;
- 251 ~~{(b) describe the public infrastructure and improvements the public infrastructure district is being
created to construct, repair, or otherwise complete;}~~
- 253 ~~{(b){}} ~~{(e)}~~~~ state the number of board members;
- 254 ~~{(c){}} ~~{(d)}~~~~ describe any divisions of the public infrastructure district;
- 255 ~~{(d){}} ~~{(e)}~~~~ establish any applicable property tax levy rate limit for the public infrastructure district;
- 257 ~~{(e){}} ~~{(f)}~~~~ establish any applicable limitation on the principal amount of indebtedness for the public infrastructure district;~~and]~~
- 287 {(f) describe the public infrastructure and improvements, facilities, or properties that the public infrastructure district is created to construct, repair, or otherwise complete, as described in Section 17D-4-203;
- 259 (g) establish conflict of interest disclosure requirements for appointed board members that:
- 261 (i) require an appointed board member to make, and regularly update, a conflict of interest disclosure that includes the information and items described in Subsections 20A-11-1604(6)(a) through (n);
and
- 264 (ii) require public posting of the conflict of interest disclosure on the {creating entity's website} Utah Public Notice Website and the public infrastructure district's website, if any; and
- 266 ~~{(f)}~~ (h) include other information that the public infrastructure district or the creating entity determines to be necessary or advisable.
- 268 (8)

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(a) Except as provided in Subsection (8)(b), the board and the governing body of the creating entity may amend a governing document by each adopting a resolution that approves the amended governing document.

271 (b) Notwithstanding Subsection (8)(a), any amendment to increase a property tax levy rate limitation
requires the consent of 100% of surface estate property owners within the boundaries of the public
infrastructure district.

274 (9) A board member is not in violation of Section 67-16-9 if the board member:

275 (a) discloses a business relationship in accordance with Sections 67-16-7 and 67-16-8 and files the
disclosure with the creating entity:

277 (i) before any appointment or election; and

278 (ii) upon any significant change in the business relationship; and

279 (b) conducts the affairs of the public infrastructure district in accordance with this title and any
parameters described in the governing document.

281 (10) Notwithstanding any other provision of this section, the governing document governs the
number, appointment, and terms of board members of a public infrastructure district created by the
development authority.

315 Section 4. Section 17D-4-202.1 is amended to read:

316 **17D-4-202.1. Convention center public infrastructure -- District board -- Petition and
process requirements -- Governing document.**

318 (1) As used [is] in this section:

319 (a) "City" means a municipality of the first class located in a county of the first class in which a
convention center is located.

321 (b) "County" means a county in which a convention center is located.

322 (c) "Lessee" means a lessee of property within the proposed convention center public infrastructure
district that leases the property from the city or county for a term of at least 10 years.

325 (d)

(i) "Petitioner" means:

326 (A) a surface estate property owner, a property owner, or lessee of property within a proposed
convention center public infrastructure district's boundaries that initiates the formation of a
convention center public infrastructure district; or

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(B) a surface estate property owner under this chapter, and Title 17B, Chapter 1, Provisions Applicable to All Special Districts, in relation to a convention center public infrastructure district.

332 (ii) "Petitioner" does not include a city, county, or other public entity.

333 (2) A convention center public infrastructure district shall be created in a city upon the submission of a petition in accordance with this part and shall have all the powers of a public infrastructure district under this chapter.

336 (3) A convention center public infrastructure district may only be created within a city in which a convention center is located.

338 (4) The petition described in Subsection (2) shall:

339 (a) include the governing document; and

340 (b) for a petition to a city which has previously authorized revitalization taxes described in Section 63N-3-1403, include as part of the governing document approval and authorization of an interlocal agreement pledging and securing the revitalization taxes for debt of the proposed convention center public infrastructure district.

344 (5)

(a) The process for creating a convention center public infrastructure district or a convention center public infrastructure district in a capital city shall be initiated by the submission of a petition and a governing document to the city, except that:

347 (i) the city recorder shall certify the petition within 14 days from the day the petitioner submits the petition to the city recorder;

349 (ii) if the city recorder fails to certify the petition within the time described in Subsection (5)(a)(i), the petition shall be considered certified; and

351 (iii) within 30 days from the day that the petitioner submits the petition to the city recorder, or if the city and the petitioner have come to an agreement as described in Subsection (5)(b), the city shall adopt a resolution to approve:

354 (A) the governing document the petitioner submitted with the petition; and

355 (B) the creation of a convention center public infrastructure district or a convention center public infrastructure district in a capital city.

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- (b) Notwithstanding Subsection (5)(a), the city and petitioner may negotiate the finalized terms of the petition, including the terms of an interlocal agreement, within a time period agreed upon by the city and petitioner.
- 360 (6)
- (a) The boundaries of a convention center public infrastructure district shall be limited to an area within a one-half-mile radius of a convention center.
- 362 (b) If a parcel is intersected by the radius described in Subsection (6)(a), the entire parcel may be included in the district.
- 364 (7) A convention center public infrastructure district shall be subject to the following provisions regarding taxation and financing:
- 366 (a) a convention center public infrastructure district may levy an administrative tax of up to 0.0005 per dollar of taxable value on taxable property within the district; and
- 368 (b) the administrative tax shall be used exclusively for administrative expenses and may not be used for capital costs or debt payment.
- 370 (8) A convention center public infrastructure district shall be governed by the governing document submitted and approved as described in this section.
- 372 (9) The convention center public infrastructure board shall consist of five members as follows:
- 374 (a) three members shall be representatives of the petitioner and selected by the petitioner;
- 375 (b) one member may be a representative of the city and selected by the mayor of the city; and
- 377 (c) one member may be a representative of the county and selected by the mayor of the county.
- 379 (10) If a city or county mayor chooses not to select a member of the board as described in Subsection (9)(b) or (c), elects in writing to permanently abdicate the board seat, or chooses to vacate a member at any time, the petitioner shall select a member for the replacement who shall not be a representative of the city or county in which the convention center is located.
- 384 (11)
- (a) A convention center public infrastructure district shall enter into an interlocal agreement with the relevant county that provides that, for any revenue that is transferred to the convention center public infrastructure district from a convention center reinvestment zone created ~~[pursuant to]~~ in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the mayor of the county shall have approval authority for the expenditure of any revenue related to a convention center revitalization project, as that term is defined in Section 63N-3-602.

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- 391 (b) The approval authority described in Subsection (11)(a) does not include approval authority over:
393 (i) any bonds or debt or related terms issued by the convention center public infrastructure district; or
395 (ii) revenue subject to a participation agreement entered into [~~pursuant to~~] in accordance with Title 63N,
Chapter 3, Part 14, Capital City Revitalization Zone.

397 Section 5. Section 17D-4-301 is amended to read:

398 **17D-4-301. Public infrastructure district bonds.**

- 399 (1)
- (a) Subject to Subsection (1)(b), a public infrastructure district may issue negotiable bonds or other debt instruments for the purposes described in Section 17D-4-203, as provided in, as applicable:
- 402 (i) Title 11, Chapter 14, Local Government Bonding Act;
403 (ii) Title 11, Chapter 27, Utah Refunding Bond Act;
404 (iii) Title 11, Chapter 42, Assessment Area Act;
405 (iv) Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act; and
406 (v) this section.
- 407 (b) A public infrastructure district created by a bonding political subdivision, as defined in Section
63C-25-101, may not issue bonds under this part unless the board first:
- 409 (i) adopts a parameters resolution for the bonds that sets forth:
- 410 (A) the maximum:
- 411 (I) amount of bonds;
412 (II) term; and
413 (III) interest rate; and
414 (B) the expected security for the bonds; and
- 415 (ii) submits the parameters resolution for review and recommendation to the State Finance Review
Commission created in Section 63C-25-201.
- 417 (2) A public infrastructure district bond shall mature within 40 years of the date of issuance.
- 418 (3)
- (a) A public infrastructure district may issue a limited tax bond, in the same manner as a general
obligation bond:
- 420 (i)
- (A) with the consent of 100% of surface estate property owners within the boundaries of the public
infrastructure district; and

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- 422 (B) with the consent of a majority of the registered voters, if any, within the boundaries of the proposed
public infrastructure district as of the day on which the board finds that the consent of a majority of
registered voters has been obtained; or
- 426 (ii) upon approval of a majority of the registered voters within the boundaries of the public
infrastructure district voting in an election held for that purpose under Title 11, Chapter 14,
Local Government Bonding Act.
- 429 (b) A limited tax bond described in Subsection (3)(a):
- 430 (i) is not subject to the limitation on a general obligation bond described in Subsection 17B-1-1102(4);
and
- 432 (ii) is subject to a limitation, if any, on the principal amount of indebtedness as described in the
governing document.
- 434 (c) Unless limited tax bonds are initially purchased exclusively by one or more qualified institutional
buyers as defined in Rule 144A, 17 C.F.R. Sec. 230.144A, or an investment grade rating is
obtained for the limited tax bonds by one or more nationally recognized rating agencies, the public
infrastructure district may only issue limited tax bonds in denominations of not less than \$500,000,
and in integral multiples above \$500,000 of not less than \$1,000 each.
- 440 (d)
- (i) Without any further election or consent of property owners or registered voters, a public
infrastructure district may convert a limited tax bond described in Subsection (3)(a) to a general
obligation bond if the principal amount of the related limited tax bond together with the principal
amount of other related outstanding general obligation bonds of the public infrastructure district
does not exceed 15% of the fair market value of taxable property in the public infrastructure district
securing the general obligation bonds, determined by:
- 447 (A) an appraisal from an appraiser who is a member of the Appraisal Institute that is addressed to
the public infrastructure district or a financial institution; or
- 449 (B) the most recent market value of the property from the assessor of the county in which the
property is located.
- 451 (ii) The consent to the issuance of a limited tax bond described in Subsection (3)(a) is sufficient to meet
any statutory or constitutional election requirement necessary for the issuance of the limited tax
bond and any general obligation bond to be issued in place of the limited tax bond upon meeting the
requirements of this Subsection (3)(d).

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- 456 (e) A public infrastructure district that levies a property tax for payment of debt service on a limited tax
bond issued under this section is not required to comply with the notice and hearing requirements of
Section 59-2-919 unless the rate exceeds the rate established in:
- 460 (i) Section 17D-4-303, except as provided in Subsection (13);
461 (ii) the governing document; or
462 (iii) the documents relating to the issuance of the limited tax bond.
463 (4)
- (a) For a public infrastructure district seeking the consent described in Subsection (3)(a)(i)(B), a public
infrastructure district may:
- 465 (i) post a class A notice under Section 63G-30-102 for at least 30 days; and
466 (ii) mail a request for consent to each registered voter within the boundaries of the public
infrastructure district according to voter registration records.
- 468 (b) The request for consent described in Subsection (4)(a)(ii) shall include:
- 469 (i) the purpose for the issuance of the bonds;
470 (ii) the maximum principal amount of the bonds to be issued;
471 (iii) the maximum tax rate proposed to be pledged for the repayment of the bonds;
472 (iv) the words "For the issuance of bonds" and "Against the issuance of bonds," with appropriate boxes
in which the voter may indicate the voter's choice; and
474 (v) a return address and phone number where additional information may be obtained from the public
infrastructure district.
- 476 (c) Any registered voter who does not return the request for consent within 30 days of the day they are
mailed to the voter is considered:
- 478 (i) non-participatory in the request for consent; and
479 (ii) shall not be included in a calculation to determine the percentage of registered voters who consent to
the issuance of bonds.
- 481 (d) If a majority of the registered voters who return the request for consent under this Subsection (4)
indicate "For the issuance of bonds," or if no registered voters return the request for consent within
the time frame described in Subsection (4)(c), the requirement described in Subsection (3)(a)(i)(B)
is met.
- 485 (e) Nothing in this Subsection (4):
486

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- (i) prevents a public infrastructure district from obtaining the consent of registered voters for the issuance of a bond through another method; or
- 488 (ii) shall be interpreted to affect or otherwise interfere with any consents of registered voters obtained before the effective date of this bill.
- 490 (5) Nothing in this section shall be interpreted to:
- 491 (a) prevent a public infrastructure district from withdrawing property from the public infrastructure district's boundaries where the property owners or registered voters associated with that property do not consent to the issuance of bonds or vote against the issuance of bonds; or
- 495 (b) require a public infrastructure district to withdraw property from the public infrastructure district's boundaries where the property owners or registered voters associated with that property do not consent to the issuance of bonds or vote against the issuance of bonds.
- 499 (6)
- (a) Beginning on the effective date of this bill, once consent or approval is obtained under Subsection (3)(a), the consent or approval is valid for a period of 10 years from the day on which the board:
- 502 (i) adopts a resolution or ordinance finding that the consent or approval is obtained; and
- 504 (ii) publishes a notice of the resolution or ordinance described in Subsection (6)(a)(i) as a class A notice under Section 63G-30-102 for at least 30 days.
- 506 (b) The tolling provisions of Section 11-14-301 apply during the 10-year period described in Subsection (6)(a).
- 508 (c) After a public infrastructure district obtains consent or approval under Subsection (3)(a), the public infrastructure district does not require any additional consent to or approval of the issuance of bonds, and the subsequent annexation of property to, or withdrawal of property from, the public infrastructure district does not impact:
- 512 (i) the validity of already obtained consent or approval;
- 513 (ii) the 10-year period described in Subsection (6)(a); or
- 514 (iii) any bond issued, or to be issued, pursuant to the consent or approval that was obtained under Subsection (3)(a).
- 516 (d) Subsection (6)(a) does not invalidate or alter any consent or approval, or finding of consent or approval, that occurred before the effective date of this bill.
- 518 (7)

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- 522 (a) Except as provided in Subsection (7)(b), there is no limitation on the duration of revenues that a
public infrastructure district may receive to cover any shortfall in the payment of principal of and
interest on a bond that the public infrastructure district issues.
- 524 (b) A public infrastructure governing document or bond documents may limit the duration of time
described in Subsection (7)(a).
- 527 (8) Section 11-42-106 governs any action to challenge an assessment imposed by a public infrastructure
district or any proceeding to designate an assessment area conducted by a public infrastructure
district.
- 529 (9) A public infrastructure district is not a municipal corporation for purposes of the debt limitation of
Utah Constitution, Article XIV, Section 4.
- 531 (10) Notwithstanding any other provision, the board may directly or by resolution delegate to one or
more officers of the public infrastructure district the authority to:
- 534 (a) in accordance and within the parameters set forth in a resolution adopted in accordance with Section
11-14-302, approve the final interest rate, price, principal amount, maturity, redemption features,
and other terms of the bond;
- 535 (b) approve and execute any document or contract relating to the issuance of a bond; and
- 537 (c) approve any contract related to the acquisition and construction of the improvements, facilities, or
property to be financed with a bond.
- (11)
- (a) Subject to Subsection (11)(b), before a public infrastructure district may issue a limited tax bond
or assessment bond, the public infrastructure district shall engage a municipal advisor who, in
connection with the issuance of bonds, shall deliver a certificate stating that:
- 541 (i) the municipal advisor qualifies to serve as a municipal advisor, as defined in Section 17D-4-102,
including the basis for the municipal advisor's qualifications;
- 543 (ii) the structure of the limited tax bond or assessment bond the public infrastructure district is
about to issue is a reasonable structure, as of the date of the issuance of the limited tax bond or
assessment bond, as applicable; and
- 546 (iii) the interest rate of the limited tax bond or assessment bond the public infrastructure district is
about to offer is a reasonable market rate, as of the date of the issuance of the limited tax bond
or assessment bond, as applicable.

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(b) The provisions of this Subsection (11) do not apply to a public infrastructure district created by a development authority.

551 (12)

(a) Any person may contest the legality of the issuance of a public infrastructure district bond or any provisions for the security and payment of the bond for a period of 30 days after:

554 (i) posting the resolution authorizing the bond as a class A notice under Section 63G-30-102; or

556 (ii) posting a notice of bond containing substantially the items required under Subsection 11-14-316(2) as a class A notice under Section 63G-30-102.

558 (b) After the 30-day period described in Subsection (12)(a), no person may bring a lawsuit or other proceeding contesting the regularity, formality, or legality of the bond for any reason.

561 (13)

(a) In the event of any statutory change in the methodology of assessment or collection of property taxes in a manner that reduces the amounts which are devoted or pledged to the repayment of limited tax bonds, a public infrastructure district may charge a rate sufficient to receive the amount of property taxes or assessment the public infrastructure district would have received before the statutory change in order to pay the debt service on outstanding limited tax bonds.

567 (b) The rate increase described in Subsection (13)(a) may exceed the limit described in Section 17D-4-303.

569 (c) The public infrastructure district may charge the rate increase described in Subsection (13)(a) until the bonds, including any associated refunding bonds, or other securities, together with applicable interest, are fully met and discharged.

572 (14) No later than 60 days after the closing of any bonds by a public infrastructure district created by a bonding political subdivision, as defined in Section 63C-25-101, the public infrastructure district shall report the bond issuance, including the amount of the bonds, terms, interest rate, and security, to:

576 (a) the Executive Appropriations Committee; and

577 (b) the State Finance Review Commission created in Section 63C-25-201.

578 Section 6. Section **17D-4-303** is amended to read:

579 **17D-4-303. Limits on public infrastructure district property tax levy -- Notice requirements.**

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- (1) The property tax levy of a public infrastructure district, for all purposes, including payment of debt service on limited tax bonds, may not exceed .015 per dollar of taxable value of taxable property in the district.
- 290 (2) The limitation described in Subsection (1) does not apply to the levy by the public infrastructure district to pay principal of and interest on a general obligation bond that the public infrastructure district issues.
- 293 (3)
- (a) Within 30 days after the day on which the lieutenant governor issues a certificate of incorporation for the public infrastructure district under Section 67-1a-6.5, the board shall record a notice ~~{ on each property within the public infrastructure district }~~ with the recorder of the county in which property within the public infrastructure district is located.
- 298 (b) The notice described in Subsection (3)(a) shall:
- 299 (i) contain a description of the boundaries of the public infrastructure district;
- 300 (ii) state that a copy of the governing document is on file at the office of the creating entity;
- 302 (iii) state the purpose of the public infrastructure district and the benefit the public infrastructure district provides to property included in the public infrastructure district;
- 305 (iv) provide a summary of the public infrastructure and improvements the public infrastructure district intends to build;
- 307 ~~[(iii)]~~ (v) state that the public infrastructure district may finance and repay infrastructure and other improvements through the levy of a property tax on the property described in Subsection (3)(b)(i);
~~and]~~
- 310 ~~[(iv)]~~ (vi) state the maximum rate that the public infrastructure district may levy[-] ;
- 311 (vii) state any applicable limitation on the principal amount of indebtedness for the public infrastructure district;
- 313 (viii) state that the burden of the public infrastructure district is intended to run with the land and to bind successors in interest and assigns; and
- 315 (ix) provide a name and contact information for a person who potential purchasers of property in the public infrastructure district may contact to receive information to determine the actual assessment against a property within the public infrastructure district.
- 319

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{(e)} The notice described in Subsection (3)(a) may be recorded as a single instrument that covers more than one parcel if the notice includes, in the body of the notice or an attached exhibit, the parcel number and legal description of each parcel covered by the notice.

616 [(e)] (d) The effective date of the public infrastructure district for purposes of assessing property tax
is the day on which the notice is recorded in the office of the recorder of each county in which the
public infrastructure district is located, as described in Section 59-2-305.5.

323 (4) If the board fails to record a notice as described in Subsection (3):

324 (a) the public infrastructure district is still created as of the day the lieutenant governor issues a
certificate of incorporation for the public infrastructure district;

326 (b) any bonds issued by the public infrastructure district are still valid; and

327 (c) the public infrastructure district may not levy a tax or levy or collect a fee until the board records the
notice described in Subsection (3).

329 Section 4. Section 4 is enacted to read:

330 **17D-4-306. Real estate advertising requirements.**

A principal real estate broker, associate real estate broker, or real estate agent shall
include in an advertisement or other promotional material for the sale of a residential property
located in a public infrastructure district a statement disclosing that the residential property is:

334 (1) located within a public infrastructure district; and

335 (2) subject to fees the public infrastructure district may impose, or taxes the public infrastructure district
may levy, in addition to other local assessments, fees, and taxes assessed to the property.

626 Section 7. Section 7 is enacted to read:

628 **17D-4-401. ~~{Dissolution}~~ District dissolution.**

4. Dissolution

341 ~~{(1) {A public infrastructure district shall be dissolved in accordance with Title 17B, Chapter 1, Part
13, Dissolution of a Special District.} }~~

343 (2){(1)} ~~{Notwithstanding Title 17B, Chapter 1, Part 13, Dissolution}~~ The board of trustees of a
{Special District} public infrastructure district, other than a public infrastructure district {shall be
dissolved after} created by a development authority that provides ongoing services, shall adopt a
resolution to dissolve the public infrastructure once:

345 (a) the public infrastructure district has paid all the public infrastructure district's debts;

346 (b) the public infrastructure district's contractual obligations are satisfied or defeased; and

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- 347 (c) the public infrastructure and improvements, ~~facilities, or properties~~ described in the governing
document {are}, as required in Section 17D-4-202, have been:
- 348 (i) constructed, repaired, or otherwise completed; and
- 349 (ii) transferred to the {public entity or utility} entity responsible for {ownership, operation, and} the
maintenance and operation of the public infrastructure and {improvements} ~~improvement, facility,~~
or property.
- 639 (2) The board shall:
- 640 (a) adopt a resolution approving the dissolution of the public infrastructure district within 30 days of the
day on which the conditions of Subsection (1) are met; and
- 642 (b) file with the lieutenant governor a notice of an impending boundary action, as defined in Section
67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3), within 30 days of the day on
which the board adopts a resolution described in Subsection (2)(a).
- 646 (3) The board may use any assets of the public infrastructure district that remain after the requirements
of Subsection (1) are met to pay costs associated with the dissolution process.
- 649 (4) Upon the lieutenant governor's issuance of a certificate of dissolution under Section 67-1a-6.5:
- 651 (a) the public infrastructure district is dissolved; and
- 652 (b) the board shall:
- 653 (i) if the public infrastructure district was located within the boundary of a single county, submit to the
recorder of that county the original and a certified copy of the resolution described in Subsection (2)
(a); or
- 656 (ii) if the public infrastructure district was located within the boundaries of more than a single county:
- 658 (A) submit to the recorder of one of those counties the original certificate of dissolution and a certified
copy of the resolution described in Subsection (2)(a); and
- 661 (B) submit to the recorder of each other county a certified copy of the certificate of dissolution and a
certified copy of the resolution described in Subsection (2)(a).
- 664 (5) If any assets of the public infrastructure district remain after the conditions of Subsection (1) are
met and the costs described in Subsection (3) are paid, the board shall distribute the assets in the
following order of priority:
- 667 (a) if there is a readily identifiable connection between the remaining assets and a financial burden
borne by the real property owners in the dissolved public infrastructure district, proportionately to
those real property owners; and

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670 (b) the entity described in Subsection (1)(c)(ii).

671 Section 8. **Effective date.**

Effective Date.

This bill takes effect on May 6, 2026.

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