

James A. Dunnigan proposes the following substitute bill:

County Governance Modifications

2026 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: James A. Dunnigan

Senate Sponsor: Ronald M. Winterton

LONG TITLE

General Description:

This bill modifies provisions relating to county governance.

Highlighted Provisions:

This bill:

- modifies definitions;
- requires certain unincorporated islands in a county of the second class to automatically annex into a bordering municipality;
- requires a county of the second class to provide notice of an automatic annexation;
- permits certain local legislative bodies to exempt unincorporated islands from automatic annexation;
- permits a final local entity plat for an annexation to depict non-contiguous areas;
- modifies the authority of a county operating under the council-manager form of government to delegate accounting services; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

- 10-2-801**, as renumbered and amended by Laws of Utah 2025, Chapter 399
- 10-2-813**, as renumbered and amended by Laws of Utah 2025, Chapter 399
- 10-2-814**, as renumbered and amended by Laws of Utah 2025, Chapter 399
- 17-69-304**, as renumbered and amended by Laws of Utah 2025, First Special Session, Chapter 13

29 **17-73-507**, as renumbered and amended by Laws of Utah 2025, First Special Session,
 30 Chapter 13

31

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

33 Section 1. Section **10-2-801** is amended to read:

34 **10-2-801 . Definitions.**

35 As used in this part:

36 (1) "Affected area" means an annexed area or area proposed for annexation.

37 (2) "Affected entity" means:

38 (a) a county of the first or second class in whose unincorporated area the area proposed
 39 for annexation is located;

40 (b) a county of the third, fourth, fifth, or sixth class in whose unincorporated area the
 41 area proposed for annexation is located, if the area includes residents or commercial
 42 or industrial development;

43 (c) a special district under Title 17B, Limited Purpose Local Government Entities -
 44 Special Districts, or special service district under Title 17D, Chapter 1, Special
 45 Service District Act, whose boundary includes any part of an area proposed for
 46 annexation;

47 (d) a school district whose boundary includes any part of an area proposed for
 48 annexation, if the boundary is proposed to be adjusted as a result of the annexation;
 49 and

50 (e) a municipality whose boundaries are within 1/2 mile of an area proposed for
 51 annexation.

52 (3) "Annexation action" means:

53 (a) the enactment of an ordinance annexing an unincorporated area;

54 (b) the enactment of an ordinance approving a boundary adjustment by each of the
 55 municipalities involved in the boundary adjustment; or

56 (c) an automatic annexation that occurs on July 1, 2027, under Subsection [
 57 ~~10-2-814(2)(b)~~] 10-2-814(5).

58 (4) "Annexation petition" means a petition under Section 10-2-806 proposing the
 59 annexation to a municipality of a contiguous, unincorporated area that is contiguous to
 60 the municipality.

61 (5) "Annexing municipality" means:

62 (a) the municipality that annexes an unincorporated area; or

- 63 (b) the municipality to which an unincorporated island is automatically annexed under
64 Section 10-2-814.
- 65 (6) "Applicable legislative body" means:
- 66 (a) the legislative body of each municipality that enacts an ordinance under this part
67 approving the annexation of an unincorporated area or the adjustment of a boundary;
68 or
- 69 (b) the legislative body of a municipality to which an unincorporated island is
70 automatically annexed under Section 10-2-814.
- 71 (7) "Expansion area" means the unincorporated area that is identified in an annexation
72 policy plan under Section 10-2-803 as the area that the municipality anticipates annexing
73 in the future.
- 74 (8) "Feasibility consultant" means a person or firm with expertise in the processes and
75 economics of local government.
- 76 (9) "Mining protection area" means the same as that term is defined in Section 17-41-101.
- 77 (10) "Municipal records officer" means a:
- 78 (a) city recorder; or
79 (b) town clerk.
- 80 (11) "Municipal selection committee" means a committee in each county composed of the
81 mayor of each municipality within that county.
- 82 (12) "Owner of real property" means:
- 83 (a) the record title owner according to the records of the county recorder on the date of
84 the filing of the petition or protest; or
- 85 (b) the lessee of military land, as defined in Section 63H-1-102, if the area proposed for
86 annexation includes military land that is within a project area described in a project
87 area plan adopted by the military installation development authority under Title 63H,
88 Chapter 1, Military Installation Development Authority Act.
- 89 (13) "Private," with respect to real property, means not owned by:
- 90 (a) the United States or any agency of the federal government;
91 (b) the state;
92 (c) a county;
93 (d) a municipality;
94 (e) a school district;
95 (f) a special district under Title 17B, Limited Purpose Local Government Entities -
96 Special Districts;

97 (g) a special service district under Title 17D, Chapter 1, Special Service District Act; or

98 (h) any other political subdivision or governmental entity of the state.

99 (14)(a) "Rural real property" means a group of contiguous tax parcels, or a single tax
100 parcel, that:

101 (i) are under common ownership;

102 (ii) consist of no less than 1,000 total acres;

103 (iii) are zoned for manufacturing or agricultural purposes; and

104 (iv) do not have a residential unit density greater than one unit per acre.

105 (b) "Rural real property" includes any portion of private real property, if the private real
106 property:

107 (i) qualifies as rural real property under Subsection (14)(a); and

108 (ii) consists of more than 1,500 total acres.

109 (15) "Specified county" means a county of the second, third, fourth, fifth, or sixth class.

110 (16) "Unincorporated peninsula" means an unincorporated area:

111 (a) that is part of a larger unincorporated area;

112 (b) that extends from the rest of the unincorporated area of which it is a part;

113 (c) that is surrounded by land that is within a municipality, except where the area
114 connects to and extends from the rest of the unincorporated area of which it is a part;
115 and

116 (d) whose width, at any point where a straight line may be drawn from a place where it
117 borders a municipality to another place where it borders a municipality, is no more
118 than 25% of the boundary of the area where it borders a municipality.

119 (17) "Urban development" means:

120 (a) a housing development with more than 15 residential units and an average density
121 greater than one residential unit per acre; or

122 (b) a commercial or industrial development for which cost projections exceed \$750,000
123 for all phases.

124 Section 2. Section **10-2-813** is amended to read:

125 **10-2-813 . Filing of notice and plat -- Recording and notice requirements --**
126 **Effective date of annexation or boundary adjustment.**

127 (1) An applicable legislative body shall:

128 (a) within 60 days after an annexation action, file with the lieutenant governor:

129 (i) a notice of an impending boundary action, as defined in Section 67-1a-6.5, that
130 meets the requirements of Subsection 67-1a-6.5(3);

- 131 (ii) a copy of an approved final local entity plat, as defined in Section 67-1a-6.5; and
132 (iii) if applicable, a copy of a resolution under Subsection [~~10-2-814(2)(a)(ii)~~
133 10-2-814(2)(b)];
- 134 (b) upon the lieutenant governor's issuance of a certificate of annexation or boundary
135 adjustment, as the case may be, under Section 67-1a-6.5:
- 136 (i) if the annexed area or area subject to the boundary adjustment is located within the
137 boundary of a single county, submit to the recorder of that county the original
138 notice of an impending boundary action, the original certificate of annexation or
139 boundary adjustment, the original approved final local entity plat, and a certified
140 copy of the ordinance approving the annexation or boundary adjustment; or
- 141 (ii) if the annexed area or area subject to the boundary adjustment is located within
142 the boundaries of more than a single county:
- 143 (A) submit to the recorder of one of the affected counties the original notice of
144 impending boundary action, the original certificate of annexation or boundary
145 adjustment, and the original approved final local entity plat;
- 146 (B) submit to the recorder of each other affected county a certified copy of the
147 documents listed in Subsection (1)(b)(ii)(A); and
- 148 (C) submit a certified copy of the ordinance approving the annexation or boundary
149 adjustment to each county described in Subsections (1)(b)(ii)(A) and (B); and
- 150 (c) concurrently with Subsection (1)(b):
- 151 (i) send notice of the annexation or boundary adjustment to each affected entity; and
152 (ii) in accordance with Section 53-2d-514, file with the Bureau of Emergency
153 Medical Services:
- 154 (A) a certified copy of the ordinance approving the annexation of an
155 unincorporated area or the adjustment of a boundary, if applicable; and
156 (B) a copy of the approved final local entity plat.
- 157 (2) If an annexation under this part or a boundary adjustment under Part 9, Municipal
158 Boundary Adjustments, also causes an automatic annexation to a special district under
159 Section 17B-1-416 or an automatic withdrawal from a special district under Subsection
160 17B-1-502(2), the municipal legislative body shall, as soon as practicable after the
161 lieutenant governor issues a certificate of annexation or boundary adjustment under
162 Section 67-1a-6.5, send notice of the annexation or boundary adjustment to the special
163 district to which the annexed area is automatically annexed or from which the annexed
164 area is automatically withdrawn.

- 165 (3) Each notice required under Subsection (1) relating to an annexation or boundary
 166 adjustment shall state the effective date of the annexation or boundary adjustment, as
 167 determined under Subsection (4).
- 168 (4) An annexation under this part or a boundary adjustment under Part 9, Municipal
 169 Boundary Adjustments, is completed and takes effect:
- 170 (a) for the annexation of or boundary adjustment affecting an area located in a county of
 171 the first class, except for an annexation under Section 10-2-812:
- 172 (i) July 1 following the lieutenant governor's issuance under Section 67-1a-6.5 of a
 173 certificate of annexation or boundary adjustment if:
- 174 (A) the certificate is issued during the preceding November 1 through April 30;
 175 and
- 176 (B) the requirements of Subsection (1) are met before that July 1; or
- 177 (ii) January 1 following the lieutenant governor's issuance under Section 67-1a-6.5 of
 178 a certificate of annexation or boundary adjustment if:
- 179 (A) the certificate is issued during the preceding May 1 through October 31; and
 180 (B) the requirements of Subsection (1) are met before that January 1; and
- 181 (b) subject to Subsection (5), for all other annexations and boundary adjustments, the
 182 date of the lieutenant governor's issuance, under Section 67-1a-6.5, of a certificate of
 183 annexation or boundary adjustment.
- 184 (5)(a) The effective date of an annexation or boundary adjustment for purposes of
 185 assessing property within an affected area is governed by Section 59-2-305.5.
- 186 (b) Until the documents listed in Subsection (1)(b)(i) are recorded in the office of the
 187 recorder of each county in which the property is located, a municipality may not:
- 188 (i) levy or collect a property tax on property within an affected area;
 189 (ii) levy or collect an assessment on property within an affected area; or
 190 (iii) charge or collect a fee for service provided to property within an affected area,
 191 unless the municipality was charging and collecting the fee within that area
 192 immediately before annexation.

193 Section 3. Section **10-2-814** is amended to read:

194 **10-2-814 . Automatic annexations in counties of the first class and second class --**

195 **Notice.**

196 (1) As used in this section:

- 197 (a) "Most populous bordering municipality" means the municipality with the highest
 198 population of any municipality that shares a common border with an unincorporated

- 199 island.
- 200 (b) "Unincorporated island" means~~[-an area that is]:~~
- 201 (i) within a county of the first class~~[-]~~ , an area that is:
- 202 ~~[(ii)]~~ (A) not within a municipality; and
- 203 ~~[(iii)]~~ (B) completely surrounded by land that is within one or more municipalities
- 204 within the county of the first class~~[-]~~ ; or
- 205 (ii) within a county of the second class, an area:
- 206 (A) that is 55 acres or smaller;
- 207 (B) that is not within a municipality;
- 208 (C) that is completely surrounded by land that is within one municipality within
- 209 the county of the second class; and
- 210 (D)(I) to which the municipality that completely surrounds the area provides
- 211 sanitary sewer service or culinary water service;
- 212 (II) that does not contain any public infrastructure; or
- 213 (III) that contains public infrastructure that currently meets the municipal code
- 214 and standards of the municipality that completely surrounds the area.
- 215 (2)~~[(a)]~~ Notwithstanding any other provision of this part, on July 1, 2027, an
- 216 unincorporated island within a county of the first class is automatically annexed to:
- 217 ~~[(+)]~~ (a) the most populous bordering municipality, except as provided in Subsection [
- 218 ~~(2)(a)(ii)]~~ (2)(b); or
- 219 ~~[(ii)]~~ (b) a municipality other than the most populous bordering municipality if:
- 220 ~~[(A)]~~ (i) the other municipality shares a common border with the unincorporated
- 221 island; and
- 222 ~~[(B)]~~ (ii) the other municipality and the most populous bordering municipality each
- 223 adopt a resolution agreeing that the unincorporated island should be annexed to
- 224 the other municipality.
- 225 (3) Notwithstanding any other provision of this part, and except as provided in Subsection
- 226 (6) or (7), on July 1, 2027, an unincorporated island within a county of the second class
- 227 is automatically annexed to the municipality that completely surrounds the
- 228 unincorporated island.
- 229 (4)(a) No later than May 1, 2027, a county of the second class in which an
- 230 unincorporated island will be automatically annexed shall:
- 231 (i) mail written notice to each owner of real property located within the
- 232 unincorporated island that includes:

- 233 (A) a description and map of the unincorporated island;
 234 (B) the effective date of the automatic annexation; and
 235 (C) information about the municipality into which the unincorporated island will
 236 be annexed including:
 237 (I) a summary of services the municipality provides; and
 238 (II) the municipality's contact information; and
 239 (ii) publish notice of the automatic annexation on the Utah Public Notice Website.
 240 (b) A county required to provide the notice described in Subsection (4)(a) shall consult
 241 with the applicable municipality when preparing the notice.
 242 (c) The notice described in Subsection (4)(a) is in addition to any boundary certification
 243 or recording requirements under this chapter.

244 [(b)] (5) The effective date of an annexation under Subsection [(2)(a)] (2) or (3) is governed
 245 by Section 10-2-813.

246 (6) A legislative body of a county of the second class with a population of less than 600,000
 247 may exempt an unincorporated island or a portion of an unincorporated island from the
 248 requirements of this section by adopting a resolution on or before May 1, 2027, that
 249 includes a description or map of each exempted unincorporated island or portion of an
 250 unincorporated island.

251 (7) In a county of the second class with a population of 600,000 or more, a legislative body
 252 of a municipality may exempt an unincorporated island or a portion of an
 253 unincorporated island from the requirements of this section by adopting a resolution on
 254 or before May 1, 2027, that includes a description or map of each exempted
 255 unincorporated island or portion of an unincorporated island.

256 Section 4. Section **17-69-304** is amended to read:

257 **17-69-304 . Accounting services.**

- 258 (1) Except as provided in Subsections (2) and (3), the county auditor shall provide
 259 accounting services for the county.
 260 (2) For a county operating under the county executive-council form of government as
 261 described in Section 17-62-203, the county council may, by ordinance, delegate
 262 accounting services provided for or executed on behalf of the entire county:
 263 (a) to the county executive; or
 264 (b) to a county office's or department's officer or director.
 265 (3) For a county operating under the council-manager form of county government as
 266 described in Section 17-62-204, [~~if the county auditor provides preapproval or~~

- 267 ~~postpayment review for all payments by the county,]~~ the county council may~~[by~~
 268 ~~ordinance passed on or before December 31, 2021,]~~ delegate accounting services
 269 provided for or executed on behalf of the entire county:
- 270 (a) to the county manager; or
 - 271 (b) to a county office's or department's officer or director.
- 272 (4) If a county council delegates the provision of accounting services in accordance with
 273 Subsection (2) or (3):
- 274 (a) the county council shall make the delegation in accordance with good management
 275 practice to foster:
 - 276 (i) effectiveness;
 - 277 (ii) efficiency; and
 - 278 (iii) the adequate protection of a county asset;
 - 279 (b) the county council shall make the delegation by considering appropriate checks and
 280 balances within county government; and
 - 281 (c) the county entity that is selected to provide accounting services shall prepare the
 282 tentative budget as provided in Chapter 63, Fiscal Authority and Processes.

283 Section 5. Section **17-73-507** is amended to read:

284 **17-73-507 . Final plats of local entity boundary actions -- County surveyor**
 285 **approval of final plat -- Plat requirements.**

- 286 (1) Upon request and in consultation with the county recorder, the county surveyor of each
 287 county in which property depicted on a plat is located shall determine whether the plat is
 288 a final local entity plat.
- 289 (2)(a) If a county surveyor determines that a plat meets the requirements of Subsection
 290 (3), the county surveyor shall approve the plat as a final local entity plat.
- 291 (b) The county surveyor shall indicate the approval of a plat as a final local entity plat on
 292 the face of the final local entity plat.
- 293 (3) A plat may not be approved as a final local entity plat unless the plat:
- 294 (a) contains a graphical illustration depicting:
 - 295 (i) in the case of a proposed creation or incorporation of a local entity, the boundary
 296 of the proposed local entity;
 - 297 (ii) in the case of a proposed annexation of an area into an existing local entity, the
 298 boundary of the area proposed to be annexed, which may include non-contiguous
 299 areas;
 - 300 (iii) in the case of a proposed adjustment of a boundary between local entities, the

- 301 boundary of the area that the boundary adjustment proposes to move from inside
302 the boundary of one local entity to inside the boundary of another local entity;
- 303 (iv) in the case of a proposed withdrawal or disconnection of an area from a local
304 entity, the boundary of the area that is proposed to be withdrawn or disconnected;
- 305 (v) in the case of a proposed consolidation of multiple local entities, the boundary of
306 the proposed consolidated local entity; and
- 307 (vi) in the case of a proposed division of a local entity into multiple local entities, the
308 boundary of each new local entity created by the proposed division;
- 309 (b) is created on reproducible material that is:
- 310 (i) permanent in nature; and
311 (ii) the size and type specified by the county recorder;
- 312 (c) is drawn to a scale so that all data are legible;
- 313 (d) contains a map or complete and accurate boundary information, including, as
314 appropriate, calls along existing boundary lines, sufficient to enable:
- 315 (i) the county surveyor to establish the boundary on the ground, in the event of a
316 dispute about the accurate location of the boundary; and
317 (ii) the county recorder to identify, for tax purposes, each tract or parcel included
318 within the boundary;
- 319 (e) depicts a name for the plat, approved by the county recorder, that is sufficiently
320 unique to distinguish the plat from all other recorded plats in the county;
- 321 (f) contains:
- 322 (i) the name of the local entity whose boundary is depicted on the plat;
323 (ii) the name of each county within which any property depicted on the plat is located;
324 (iii) the date that the plat was prepared;
325 (iv) a north arrow and legend;
326 (v) a signature block for:
- 327 (A) the signatures of:
328 (I) the professional land surveyor who prepared the plat; and
329 (II) the local entity's approving authority; and
330 (B) the approval of the county surveyor; and
- 331 (vi) a three-inch by three-inch block in the lower right hand corner for the county
332 recorder's use when recording the plat;
- 333 (g) has been certified and signed by a professional land surveyor licensed under Title 58,
334 Chapter 22, Professional Engineers and Professional Land Surveyors Licensing Act;

- 335 and
- 336 (h) has been reviewed and signed by the approving authority of the local entity whose
- 337 boundary is depicted on the plat.
- 338 (4) The county surveyor may charge and collect a reasonable fee for the costs associated
- 339 with:
- 340 (a) the process of determining whether a plat is a final local entity plat; and
- 341 (b) the approval of a plat as a final local entity plat.

342 Section 6. **Effective Date.**

343 This bill takes effect on May 6, 2026.