

Chapter 1 Special Service District Act

Part 1 General Provisions

17D-1-101 Title.

- (1) This title is known as "Limited Purpose Local Government Entities - Other Entities."
- (2) This chapter is known as the "Special Service District Act."

Enacted by Chapter 360, 2008 General Session

17D-1-102 Definitions.

As used in this chapter:

- (1) "Adequate protests" means written protests timely filed by:
 - (a) the owners of private real property that:
 - (i) is located within the applicable area;
 - (ii) covers at least 25% of the total private land area within the applicable area; and
 - (iii) is equal in value to at least 15% of the value of all private real property within the applicable area; or
 - (b) registered voters residing within the applicable area equal in number to at least 25% of the number of votes cast in the applicable area for the office of president of the United States at the most recent election prior to the adoption of the resolution or filing of the petition.
- (2) "Applicable area" means:
 - (a) for a proposal to create a special service district, the area included within the proposed special service district;
 - (b) for a proposal to annex an area to an existing special service district, the area proposed to be annexed;
 - (c) for a proposal to add a service to the service or services provided by a special service district, the area included within the special service district; and
 - (d) for a proposal to consolidate special service districts, the area included within each special service district proposed to be consolidated.
- (3) "Facility" or "facilities" includes any structure, building, system, land, water right, water, or other real or personal property required to provide a service that a special service district is authorized to provide, including any related or appurtenant easement or right-of-way, improvement, utility, landscaping, sidewalk, road, curb, gutter, equipment, or furnishing.
- (4) "General obligation bond":
 - (a) means a bond that is directly payable from and secured by ad valorem property taxes that are:
 - (i) levied:
 - (A) by the county or municipality that created the special service district that issues the bond;
 - and
 - (B) on taxable property within the special service district; and
 - (ii) in excess of the ad valorem property taxes for the current fiscal year; and
 - (b) does not include:
 - (i) a short-term bond;
 - (ii) a tax and revenue anticipation bond; or

- (iii) a special assessment bond.
- (5) "Governing body" means:
 - (a) the legislative body of the county or municipality that creates the special service district, to the extent that the county or municipal legislative body has not delegated authority to an administrative control board created under Section 17D-1-301; or
 - (b) the administrative control board of the special service district, to the extent that the county or municipal legislative body has delegated authority to an administrative control board created under Section 17D-1-301.
- (6) "Guaranteed bonds" means bonds:
 - (a) issued by a special service district; and
 - (b) the debt service of which is guaranteed by one or more taxpayers owning property within the special service district.
- (7) "Revenue bond":
 - (a) means a bond payable from designated taxes or other revenues other than the ad valorem property taxes of the county or municipality that created the special service district; and
 - (b) does not include:
 - (i) an obligation constituting an indebtedness within the meaning of an applicable constitutional or statutory debt limit;
 - (ii) a tax and revenue anticipation bond; or
 - (iii) a special assessment bond.
- (8) "Seasonally occupied home" means a single-family residence:
 - (a) that is located within the special service district;
 - (b) that receives service from the special service district; and
 - (c) whose owner occupies the residence on a temporary or seasonal basis, rather than as the principal place of residence as defined in Section 20A-2-105.
- (9) "Special assessment" means an assessment levied against property to pay all or a portion of the costs of making improvements that benefit the property.
- (10) "Special assessment bond" means a bond payable from special assessments.
- (11) "Special district" has the same meaning as that term is defined in Section 17B-1-102.
- (12) "Special service district" means a limited purpose local government entity, as described in Section 17D-1-103, that:
 - (a) is created under authority of the Utah Constitution Article XI, Section 7; and
 - (b) operates under, is subject to, and has the powers set forth in this chapter.
- (13) "Tax and revenue anticipation bond" means a bond:
 - (a) issued in anticipation of the collection of taxes or other revenues or a combination of taxes and other revenues; and
 - (b) that matures within the same fiscal year as the fiscal year in which the bond is issued.

Amended by Chapter 15, 2023 General Session
Amended by Chapter 100, 2023 General Session

17D-1-103 Special service district status, powers, and duties -- Registration as a limited purpose entity -- Limitation on districts providing jail service.

- (1) A special service district:
 - (a) is:
 - (i) a body corporate and politic with perpetual succession, separate and distinct from the county or municipality that creates it;
 - (ii) a quasi-municipal corporation; and

- (iii) a political subdivision of the state; and
 - (b) may sue and be sued.
- (2) A special service district may:
- (a) exercise the power of eminent domain possessed by the county or municipality that creates the special service district;
 - (b) enter into a contract that the governing authority considers desirable to carry out special service district functions, including a contract:
 - (i) with the United States or an agency of the United States, the state, an institution of higher education, a county, a municipality, a school district, a special district, another special service district, or any other political subdivision of the state; or
 - (ii) that includes provisions concerning the use, operation, and maintenance of special service district facilities and the collection of fees or charges with respect to commodities, services, or facilities that the district provides;
 - (c) acquire or construct facilities;
 - (d) acquire real or personal property, or an interest in real or personal property, including water and water rights, whether by purchase, lease, gift, devise, bequest, or otherwise, and whether the property is located inside or outside the special service district, and own, hold, improve, use, finance, or otherwise deal in and with the property or property right;
 - (e) sell, convey, lease, exchange, transfer, or otherwise dispose of all or any part of the special service district's property or assets, including water and water rights;
 - (f) mortgage, pledge, or otherwise encumber all or any part of the special service district's property or assets, including water and water rights;
 - (g) enter into a contract with respect to the use, operation, or maintenance of all or any part of the special service district's property or assets, including water and water rights;
 - (h) accept a government grant or loan and comply with the conditions of the grant or loan;
 - (i) use an officer, employee, property, equipment, office, or facility of the county or municipality that created the special service district, subject to reimbursement as provided in Subsection (4);
 - (j) employ one or more officers, employees, or agents, including one or more engineers, accountants, attorneys, or financial consultants, and establish their compensation;
 - (k) designate an assessment area and levy an assessment as provided in Title 11, Chapter 42, Assessment Area Act;
 - (l) contract with a franchised, certificated public utility for the construction and operation of an electrical service distribution system within the special service district;
 - (m) borrow money and incur indebtedness;
 - (n) as provided in Part 5, Special Service District Bonds, issue bonds for the purpose of acquiring, constructing, and equipping any of the facilities required for the services the special service district is authorized to provide, including:
 - (i) bonds payable in whole or in part from taxes levied on the taxable property in the special service district;
 - (ii) bonds payable from revenues derived from the operation of revenue-producing facilities of the special service district;
 - (iii) bonds payable from both taxes and revenues;
 - (iv) guaranteed bonds, payable in whole or in part from taxes levied on the taxable property in the special service district;
 - (v) tax anticipation notes;
 - (vi) bond anticipation notes;
 - (vii) refunding bonds;

- (viii) special assessment bonds; and
 - (ix) bonds payable in whole or in part from mineral lease payments as provided in Section 11-14-308;
 - (o) except as provided in Subsection (5), impose fees or charges or both for commodities, services, or facilities that the special service district provides;
 - (p) provide to an area outside the special service district's boundary, whether inside or outside the state, a service that the special service district is authorized to provide within its boundary, if the governing body makes a finding that there is a public benefit to providing the service to the area outside the special service district's boundary;
 - (q) provide other services that the governing body determines will more effectively carry out the purposes of the special service district; and
 - (r) adopt an official seal for the special service district.
- (3)
- (a) Each special service district shall register and maintain the special service district's registration as a limited purpose entity, in accordance with Section 67-1a-15.
 - (b) A special service district that fails to comply with Subsection (3)(a) or Section 67-1a-15 is subject to enforcement by the state auditor, in accordance with Section 67-3-1.
- (4)
- (a) Each special service district that uses an officer, employee, property, equipment, office, or facility of the county or municipality that created the special service district shall reimburse the county or municipality a reasonable amount for what the special service district uses.
 - (b) The amount invoiced for what the special service district uses under Subsection (4)(a) may not exceed the actual documented cost incurred, without markup, by the county or municipality.
- (5)
- (a) A special service district that provides jail service as provided in Subsection 17D-1-201(10) may not impose a fee or charge for the service it provides.
 - (b) Subsection (5)(a) may not be construed to limit a special service district that provides jail service from:
 - (i) entering into a contract with the federal government, the state, or a political subdivision of the state to provide jail service for compensation; or
 - (ii) receiving compensation for jail service it provides under a contract described in Subsection (5)(b)(i).

Amended by Chapter 382, 2024 General Session

17D-1-104 Property owner provisions -- Determination of registered voters.

- (1) For purposes of this chapter:
- (a) the owner of real property is:
 - (i) except as provided in Subsection (1)(a)(ii), the fee title owner according to the records of the county recorder on the date of the filing of the petition or protest; or
 - (ii) for a proposed annexation or addition of a new service under Part 4, Annexing a New Area and Adding a New Service, the lessee of military land, as defined in Section 63H-1-102, if the area proposed to be annexed or within which a new service is proposed to be added includes military land that is within a project area described in a project area plan adopted by the military installation development authority under Title 63H, Chapter 1, Military Installation Development Authority Act; and

- (b) the value of private real property is determined according to the last assessment before the filing of the petition or protest, as determined by:
 - (i)
 - (A) the county under Title 59, Chapter 2, Part 3, County Assessment, for property subject to assessment by the county; or
 - (B) the State Tax Commission under Title 59, Chapter 2, Part 2, Assessment of Property, for property subject to assessment by the State Tax Commission; and
 - (ii) the county, for all other property.
- (2) For purposes of each provision of this chapter that requires the owners of private real property covering a percentage of the total private land area within the applicable area to sign a petition or protest:
 - (a) a parcel of real property may not be included in the calculation of the required percentage unless the petition or protest is signed by:
 - (i) except as provided in Subsection (2)(a)(ii), owners representing a majority ownership interest in that parcel; or
 - (ii) if the parcel is owned by joint tenants or tenants by the entirety, 50% of the number of owners of that parcel;
 - (b) the signature of a person signing a petition or protest in a representative capacity on behalf of an owner is invalid unless:
 - (i) the person's representative capacity and the name of the owner the person represents are indicated on the petition or protest with the person's signature; and
 - (ii) the person provides documentation accompanying the petition or protest that reasonably substantiates the person's representative capacity; and
 - (c) subject to Subsection (2)(b), a duly appointed personal representative may sign a petition or protest on behalf of a deceased owner.
- (3) For purposes of this chapter, registered voters shall be determined according to the official register.

Amended by Chapter 92, 2009 General Session

17D-1-105 Authority of county or municipality to levy property tax on property within a special service district.

- (1) Subject to Subsections (2) and (3), a county or municipality that has created a special service district may levy a tax on the taxable property in the special service district.
- (2) Each levy under Subsection (1) is subject to the prior approval of a majority of the registered voters of the special service district voting in an election held for that purpose under Title 11, Chapter 14, Local Government Bonding Act, in the same manner as for an election for the issuance of bonds.
- (3) A tax levied under this section for a special service district that provides jail service as provided in Subsection 17D-1-201(10) is considered to be levied by the county for purposes of the county's tax limitation under Section 59-2-908.

Enacted by Chapter 360, 2008 General Session

17D-1-106 Special service districts subject to other provisions.

- (1) A special service district is, to the same extent as if it were a special district, subject to and governed by:
 - (a)

- (i) Sections 17B-1-105, 17B-1-107, 17B-1-108, 17B-1-110, 17B-1-111, 17B-1-113, 17B-1-116, 17B-1-118, 17B-1-119, 17B-1-120, 17B-1-121, 17B-1-304, 17B-1-307, 17B-1-310, 17B-1-311, 17B-1-312, 17B-1-313, and 17B-1-314; and
 - (ii) Sections 17B-1-305 and 17B-1-306, to the extent that a county legislative body or a municipal legislative body, as applicable, has delegated authority to an administrative control board with elected members, under Section 17D-1-301.
- (b) Subsections:
- (i) 17B-1-301(3) and (4); and
 - (ii) 17B-1-303(1), (2)(a) and (b), (3), (4), (5), (6), (7), and (9);
- (c) Section 20A-1-512;
- (d) Title 17B, Chapter 1, Part 6, Fiscal Procedures for Special Districts;
- (e) Title 17B, Chapter 1, Part 7, Special District Budgets and Audit Reports;
- (f) Title 17B, Chapter 1, Part 8, Special District Personnel Management; and
- (g) Title 17B, Chapter 1, Part 9, Collection of Service Fees and Charges.
- (2) For purposes of applying the provisions listed in Subsection (1) to a special service district, each reference in those provisions to the special district board of trustees means the governing body.

Amended by Chapter 15, 2023 General Session

17D-1-107 Contracts subject to building improvement and public works provisions.

- (1) For each special service district created by a county, the legislative body of that county shall by ordinance designate the classes of special service district contracts that are subject to the requirements of Title 11, Chapter 39, Building Improvements and Public Works Projects.
- (2) For each special service district created by a municipality, the legislative body of that municipality shall by ordinance designate the classes of special service district contracts that are subject to the requirements of Title 11, Chapter 39, Building Improvements and Public Works Projects.

Enacted by Chapter 360, 2008 General Session

17D-1-108 Conflict.

If a provision of this chapter conflicts with any other statutory provision, the provision of this chapter controls.

Enacted by Chapter 360, 2008 General Session

17D-1-109 Validation of previously created special service districts.

Each special service district created before May 5, 2008 is validated, ratified, and confirmed and declared to be validly existing.

Enacted by Chapter 360, 2008 General Session

Part 2
Creating a Special Service District

17D-1-201 Services that a special service district may be created to provide.

As provided in this part, a county or municipality may create a special service district to provide any combination of the following services:

- (1) water;
- (2) sewerage;
- (3) drainage;
- (4) flood control;
- (5) garbage collection and disposal;
- (6) health care;
- (7) transportation, including the receipt of federal secure rural school funds under Section 51-9-603 for the purposes of constructing, improving, repairing, or maintaining public roads;
- (8) recreation;
- (9) fire protection, including:
 - (a) emergency medical services, ambulance services, and search and rescue services, if fire protection service is also provided;
 - (b) Firewise Communities programs and the development of community wildfire protection plans; and
 - (c) the receipt of federal secure rural school funds as provided under Section 51-9-603 for the purposes of carrying out Firewise Communities programs, developing community wildfire protection plans, and performing emergency services, including firefighting on federal land and other services authorized under this Subsection (9);
- (10) providing, operating, and maintaining correctional and rehabilitative facilities and programs for municipal, state, and other detainees and prisoners;
- (11) street lighting;
- (12) consolidated 911 and emergency dispatch;
- (13) animal shelter and control;
- (14) receiving federal mineral lease funds under Title 59, Chapter 21, Mineral Lease Funds, and expending those funds to be used in accordance with state and federal law;
- (15) in a county of the first class, extended police protection;
- (16) control or abatement of earth movement or a landslide;
- (17) an energy efficiency upgrade, a clean energy system, or electric vehicle charging infrastructure as defined in Section 11-42a-102, in accordance with Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act; or
- (18) cemetery.

Amended by Chapter 53, 2024 General Session

17D-1-202 Limitations on the creation of a special service district.

- (1) Subject to Subsection (2), the boundary of a proposed special service district may include all or part of the area within the boundary of the county or municipality that creates the special service district.
- (2)
 - (a) The boundary of a proposed special service district may not include an area included within the boundary of an existing special service district that provides the same service that the proposed special service district is proposed to provide.
 - (b) The boundary of a proposed special service district may not include an area included within the boundary of an existing special district that provides the same service that the proposed special service district is proposed to provide, unless the special district consents.

- (c) A proposed special service district may not include land that will not be benefitted by the service that the special service district is proposed to provide, unless the owner of the nonbenefitted land consents to the inclusion.
 - (d) A county may not create a special service district that includes some or all of the area within a municipality unless the legislative body of that municipality adopts a resolution or ordinance consenting to the inclusion.
- (3) All areas included within a special service district need not be contiguous.

Amended by Chapter 15, 2023 General Session

17D-1-203 Initiating the process to create a special service district.

- (1) The process to create a special service district is initiated by:
- (a) the legislative body of a county or municipality that proposes to create a special service district adopting a resolution that:
 - (i) declares that the public health, convenience, and necessity require the creation of a special service district;
 - (ii) indicates the legislative body's intent to create a special service district; and
 - (iii) complies with the requirements of Subsection (3); or
 - (b) the filing of a petition that:
 - (i) proposes the creation of a special service district;
 - (ii) complies with the requirements of Subsections (2) and (3); and
 - (iii) is filed with the legislative body of the county or municipality in whose boundary the proposed special service district is located.
- (2) Each petition under Subsection (1)(b) shall:
- (a) be signed by:
 - (i) the owners of at least 10% of the taxable value of taxable property within the proposed special service district; or
 - (ii) at least 10% of the registered voters residing within the proposed special service district; and
 - (b) indicate:
 - (i) the residence address of each person who signs the petition; and
 - (ii) if the person signs the petition as a property owner, the address or other description of the person's property sufficient to identify the property.
- (3) Each resolution under Subsection (1)(a) and petition under Subsection (1)(b) shall:
- (a) describe the boundaries of the proposed special service district;
 - (b) specify each service that the special service district is proposed to provide; and
 - (c) designate a name for the proposed special service district.

Enacted by Chapter 360, 2008 General Session

17D-1-204 Prerequisites for adopting a resolution or ordinance approving the creation of a special service district.

Before the legislative body of a county or municipality may adopt a resolution or ordinance under Section 17D-1-208 approving the creation of a special service district:

- (1) the clerk or recorder, as the case may be, of the county or municipality shall give written notice as provided in Section 17D-1-205;
- (2) the legislative body shall hold a public hearing, as provided in Section 17D-1-207; and

- (3) the period for filing protests under Section 17D-1-206 shall have passed without adequate protests having been filed.

Amended by Chapter 350, 2009 General Session

17D-1-205 Notice.

- (1) Each notice required under Subsection 17D-1-204(1) shall:
 - (a) state that:
 - (i) the legislative body has adopted a resolution stating its intent to create a special service district; or
 - (ii) a petition has been filed proposing the creation of a special service district;
 - (b) describe the boundary of the proposed special service district;
 - (c) generally describe each service that the special service district is proposed to provide;
 - (d) state that taxes may be levied annually upon all taxable property within the proposed special service district;
 - (e) state that fees or charges may be imposed to pay for some or all of the services that the special service district is proposed to provide;
 - (f) explain the process, requirements, and timetable for filing a protest against the creation of the special service district or against a service that the special service district is proposed to provide;
 - (g) designate a date, time, and place for a public hearing on the proposed creation of the special service district; and
 - (h) except as provided in Subsection (2), be published:
 - (i)
 - (A) once a week for four consecutive weeks;
 - (B) not fewer than five days and no more than 20 days before the date of the public hearing required under Subsection 17D-1-204(2); and
 - (C) in a newspaper of general circulation in the county or municipality by which the special service district is proposed to be created; and
 - (ii) in accordance with Section 45-1-101 for 35 days before the date of the public hearing required under Subsection 17D-1-204(2).
- (2) Notwithstanding Subsection (1)(h)(i), if the proposed special service district is located entirely within a city of the third, fourth, or fifth class or a town that has no newspaper of general circulation in the city or town, the legislative body of the city or town may provide that the notice required under Subsection 17D-1-204(1) be given by posting the notice in at least five public places in the city or town at least 21 days before the public hearing required under Subsection 17D-1-204(2).
- (3) The legislative body of the county or municipality by which the special service district is proposed to be created may include in a notice under this section any other information that the legislative body considers necessary or appropriate.

Amended by Chapter 265, 2013 General Session

17D-1-206 Protests.

- (1) An interested person may protest:
 - (a) the creation of a special service district; or
 - (b) a service that the special service district is proposed to provide.
- (2) Each protest under Subsection (1) shall:

- (a) be in writing;
 - (b) be submitted:
 - (i) to the legislative body of the county or municipality by which the special service district is proposed to be created; and
 - (ii) no later than 60 days after the public hearing required under Subsection 17D-1-204(2); and
 - (c) explain why the person is protesting.
- (3) A person who submitted a written protest against the creation of a special service district may withdraw the protest or, having withdrawn a protest, cancel the withdrawal, no later than 60 days after the public hearing required under Subsection 17D-1-204(2).
- (4) The legislative body of a county or municipality may not adopt a resolution or ordinance creating a special service district if adequate protests are filed with respect to the creation of the special service district.
- (5) The legislative body of a county or municipality may not adopt a resolution or ordinance authorizing a special service district to provide a service if adequate protests are filed with respect to that service.

Amended by Chapter 265, 2013 General Session

17D-1-207 Public hearing.

- (1) On the date and at the time and place specified in the notice under Section 17D-1-205, the legislative body of the county or municipality by which the special service district is proposed to be created shall hold a public hearing.
- (2) At each public hearing under this section, the legislative body shall:
- (a) give full consideration to each written protest that has been filed; and
 - (b) hear and consider each interested person desiring to be heard.
- (3) The legislative body may continue the hearing to another date and time.

Enacted by Chapter 360, 2008 General Session

17D-1-208 Adoption of a resolution or ordinance approving the creation of a special service district.

- (1) Subject to the provisions of and as provided in this part, the legislative body of a county or municipality may adopt a resolution or ordinance approving the creation of a special service district.
- (2)
- (a) Subject to Subsection (2)(b), a resolution or ordinance adopted by a legislative body under Subsection (1) may contain changes from the proposal as set forth in a resolution under Subsection 17D-1-203(1)(a) or a petition under Subsection 17D-1-203(1)(b), including changes in:
 - (i) the boundary of the special service district; and
 - (ii) the services to be provided by the special service district.
 - (b) The legislative body of a county or municipality may not adopt a resolution or ordinance under Subsection (1) that approves the creation of a special service district with a boundary that includes more area than is included in, or that authorizes the special service district to provide a service not proposed in, a resolution under Subsection 17D-1-203(1)(a) or a petition under Subsection 17D-1-203(1)(b), unless the requirements of Sections 17D-1-205, 17D-1-206, and 17D-1-207 are met with respect to the additional area or service, as the case may be.

Amended by Chapter 350, 2009 General Session

17D-1-209 Notice and plat to lieutenant governor -- Recording requirements -- Effective date.

- (1) The legislative body adopting a resolution or ordinance approving the creation of a special service district shall:
 - (a) within 30 days after adopting the resolution or ordinance, file with the lieutenant governor:
 - (i) a copy of 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); and
 - (ii) a copy of an approved final local entity plat, as defined in Section 67-1a-6.5; and
 - (b) upon the lieutenant governor's issuance of a certificate of incorporation under Section 67-1a-6.5, submit to the recorder of the county in which the special service district is located:
 - (i) the original notice of an impending boundary action;
 - (ii) the original certificate of incorporation;
 - (iii) the original approved final local entity plat; and
 - (iv) a certified copy of the resolution or ordinance approving the creation of the special service district.
- (2)
 - (a) Upon the lieutenant governor's issuance of a certificate of creation under Section 67-1a-6.5, the special service district is created and incorporated.
 - (b)
 - (i) The effective date of a special service district's incorporation for purposes of assessing property within the special service district is governed by Section 59-2-305.5.
 - (ii) Until the documents listed in Subsection (1)(b) are recorded in the office of the recorder of the county in which the property is located:
 - (A) the county, city, or town that created the special service district may not levy or collect a property tax for special service district purposes on property within the special service district; and
 - (B) the special service district may not:
 - (I) levy or collect an assessment on property within the special service district; or
 - (II) charge or collect a fee for service provided to property within the special service district.

Amended by Chapter 350, 2009 General Session

17D-1-210 Services that special service district is authorized to provide.

- (1) After its creation, a special service district may provide the service or services:
 - (a) specified in the resolution or ordinance creating the special service district; or
 - (b) added under Part 4, Annexing a New Area and Adding a New Service.
- (2) Notwithstanding Subsection (1), a special service district created before May 5, 2008 may continue on and after that date to provide a service that the special service district was authorized before May 5, 2008 to provide.

Enacted by Chapter 360, 2008 General Session

17D-1-211 Municipality's ability to provide temporary jail facilities not affected by the creation of a special service district to provide jail services.

The creation of a special service district to provide jail services as provided in Subsection 17D-1-201(10) does not affect the ability of a municipality under Section 10-8-58 to provide,

operate, and maintain facilities for the temporary incarceration, not to exceed 72 hours, of persons charged with the violation of a municipal ordinance.

Enacted by Chapter 360, 2008 General Session

17D-1-212 Action to challenge the creation of a special service district or a service to be provided.

- (1) A person may bring an action in a court with jurisdiction under Title 78A, Judiciary and Judicial Administration, challenging the creation of a special service district or a service that a special service district is proposed to provide if:
 - (a) the person filed a written protest under Section 17D-1-206;
 - (b) the person:
 - (i)
 - (A) is a registered voter within the special service district; and
 - (B) alleges in the action that the procedures used to create the special service district violated applicable law; or
 - (ii)
 - (A) is an owner of property included within the boundary of the special service district; and
 - (B) alleges in the action that:
 - (I) the person's property will not be benefitted by a service that the special service district is proposed to provide; or
 - (II) the procedures used to create the special service district violated applicable law; and
 - (c) the action is filed within 30 days after the date that the legislative body adopts a resolution or ordinance creating the special service district.
 - (2) If an action is not filed within the time specified under Subsection (1), a registered voter or an owner of property located within the special service district may not contest the creation of the special service district or a service that the special service district is proposed to provide.

Amended by Chapter 158, 2024 General Session

Part 3
Administrative Control Board

17D-1-301 Governance of a special service district -- Authority to create and delegate authority to an administrative control board -- Limitations on authority to delegate.

- (1) Each special service district shall be governed by the legislative body of the county or municipality that creates the special service district, subject to any delegation under this section of a right, power, or authority to an administrative control board.
- (2) At the time a special service district is created or at any time thereafter, the legislative body of a county or municipality that creates a special service district may, by resolution or ordinance:
 - (a) create an administrative control board for the special service district;
 - (b) subject to Subsection (3), delegate to the administrative control board the exercise of any right, power, or authority that the legislative body possesses with respect to the governance of the special service district; and
 - (c) specify the members of the initial administrative control board by name or other designation that clearly identifies each member of the initial administrative control board.

- (3) A county or municipal legislative body may not delegate to an administrative control board of a special service district the power to:
- (a) annex an area to an existing special service district or add a service within the area of an existing special service district under Part 4, Annexing a New Area and Adding a New Service;
 - (b) designate, under Section 17D-1-107, the classes of special service district contracts that are subject to Title 11, Chapter 39, Building Improvements and Public Works Projects;
 - (c) levy a tax on the taxable property within the special service district;
 - (d) issue special service district bonds payable from taxes;
 - (e) call or hold an election for the authorization of a property tax or the issuance of bonds;
 - (f) levy an assessment;
 - (g) issue interim warrants or bonds payable from an assessment; or
 - (h) appoint a board of equalization under Section 11-42-403.
- (4)
- (a) A county or municipal legislative body that has delegated a right, power, or authority under this section to an administrative control board may at any time modify, limit, or revoke any right, power, or authority delegated to the administrative control board.
 - (b) A modification, limitation, or revocation under Subsection (4)(a) does not affect the validity of an action taken by an administrative control board before the modification, limitation, or revocation.

Amended by Chapter 437, 2015 General Session

17D-1-302 Number of members of an administrative control board.

- (1) An administrative control board shall consist of at least three members in addition to a member appointed in accordance with Subsections 17D-1-303(3) and (4).
- (2) The number of administrative control board members for a special service district established by a county of the first class to provide jail service as provided in Subsection 17D-1-201(10) is nine.

Amended by Chapter 377, 2014 General Session

17D-1-303 Election or appointment of administrative control board members.

- (1) Except as provided in Subsection (5), a county or municipal legislative body that creates an administrative control board may provide for board members to be elected or appointed, or for some members to be elected and some appointed.
- (2) Except as provided in Subsection (3), each member of an administrative control board shall be elected or appointed as provided for the election or appointment, respectively, of a member of a board of trustees of a special district under Title 17B, Chapter 1, Part 3, Board of Trustees.
- (3) A municipality or improvement district under Title 17B, Chapter 2a, Part 4, Improvement District Act, may appoint one member to represent it on an administrative control board created for a special service district if:
 - (a) the special service district was created by a county;
 - (b) the municipality or improvement district:
 - (i) provides the same service as the special service district; or
 - (ii) provided the same service as the special service district:
 - (A) prior to the creation of the special service district, if all or part of the municipality or improvement district was then included in the special service district; or

- (B) prior to all or part of the municipality or improvement district being annexed into the special service district; and
- (c) the special service district includes some or all of the area included within the municipality or improvement district.
- (4) An institution of higher education for which a special service district provides commodities, services, or facilities may appoint the number of members of an administrative control board of that special service district that are equal in number to at least 1/3 of the total number of board members.
- (5) With respect to an administrative control board created for a special service district created by a county of the first class to provide jail service as provided in Subsection 17D-1-201(10), the county legislative body shall appoint:
 - (a) three members from a list of at least six recommendations from the county sheriff;
 - (b) three members from a list of at least six recommendations from municipalities within the county; and
 - (c) three members from a list of at least six recommendations from the county executive.

Amended by Chapter 15, 2023 General Session

17D-1-304 Qualifications of administrative control board members -- Term of office.

- (1)
 - (a) Except as provided in Subsection (1)(b), each member of an administrative control board shall be:
 - (i) a registered voter within the special service district;
 - (ii) an officer or employee of the county or municipality that created the special service district; or
 - (iii) an owner of land, or an agent or officer of the owner of land, located within the special service district that receives, or intends to receive, service from the special service district, if:
 - (A) at least 60% of the residences within the special service district are seasonally occupied homes; or
 - (B) more than 50%, but less than 60%, of the residences within the special service district are seasonally occupied homes, if the number of members appointed under this Subsection (1)(a)(iii)(B) comprises less than a quorum of the board.
 - (b) Subsection (1)(a) does not apply if:
 - (i) at least 90% of the owners of real property within the special service district are not registered voters within the special service district; or
 - (ii) the member is appointed under Subsection 17D-1-303(3) or (4).
- (2)
 - (a) Except as provided in Subsection (2)(b), the term of each member of an administrative control board is four years.
 - (b) The term of as close as possible to half of the initial members of an administrative control board, chosen by lot, is two years.

Amended by Chapter 100, 2023 General Session

17D-1-305 Compensation for administrative control board members.

An administrative control board member may receive compensation and reimbursement of expenses as provided in Section 17B-1-307 to the same extent as if the member were a member of a board of trustees of a special district.

Amended by Chapter 15, 2023 General Session

17D-1-306 Administrative control board review of certain charges in special service districts providing jail service.

If the legislative body of a county of the first class creates an administrative control board under this part for a special service district that provides jail service as provided in Subsection 17D-1-201(10), the administrative control board may review and approve any amount charged to the special service district as reimbursement to the county for services provided under Subsection 17D-1-103(2)(i) before the amount is included in the special service district budget.

Enacted by Chapter 360, 2008 General Session

17D-1-307 Meetings of administrative control board.

- (1)
- (a) Each meeting of the administrative control board shall comply with Title 52, Chapter 4, Open and Public Meetings Act.
 - (b) Subject to Subsection (2), an administrative control board shall:
 - (i) adopt rules of order and procedure to govern a public meeting of the administrative control board;
 - (ii) conduct a public meeting in accordance with the rules of order and procedure described in Subsection (1)(b)(i); and
 - (iii) make the rules of order and procedure described in Subsection (1)(b)(i) available to the public:
 - (A) at each meeting of the administrative control board; and
 - (B) if the special service district has a public website, on the website.
- (2) Subsection (1)(b) does not affect the administrative control board's duty to comply with Title 52, Chapter 4, Open and Public Meetings Act.

Enacted by Chapter 100, 2023 General Session

Part 4
Annexing a New Area and Adding a New Service

17D-1-401 Annexing an area or adding a service to an existing special service district.

- (1) Except as provided in Subsections (3) and (4), a county or municipal legislative body acting as the governing body of the special service district may, as provided in this part:
- (a) annex an area to an existing special service district to provide to that area a service that the special service district is authorized to provide;
 - (b) add a service under Section 17D-1-201 within the area of an existing special service district that the special service district is not already authorized to provide; or
 - (c) both annex an area under Subsection (1)(a) and add a service under Subsection (1)(b).

- (2) Except for Section 17D-1-209, the provisions of Part 2, Creating a Special Service District, apply to and govern the process of annexing an area to an existing special service district or adding a service that the special service district is not already authorized to provide, to the same extent as if the annexation or addition were the creation of a special service district.
- (3) A county or municipal legislative body may not:
 - (a) annex an area to an existing special service district if a special district provides to that area the same service that the special service district is proposed to provide to the area, unless the special district consents to the annexation; or
 - (b) add a service within the area of an existing special service district if a special district provides to that area the same service that is proposed to be added, unless the special district consents to the addition.
- (4) A county or municipal legislative body may not annex an area to an existing special service district or add a service within the area of an existing special service district if the creation of a special service district including that area or providing that service would not be allowed under Part 2, Creating a Special Service District.
- (5) A county or municipal legislative body may not annex an area to an existing special service district or add a service within the area of an existing special service district if the area is located within a project area described in a project area plan adopted by the military installation development authority under Title 63H, Chapter 1, Military Installation Development Authority Act, unless the county or municipal legislative body has first obtained the authority's approval.

Amended by Chapter 15, 2023 General Session

17D-1-402 Inapplicability of some requirements if petition is filed by all owners of taxable real property.

Notwithstanding Section 17D-1-401, the notice, hearing, and protest requirements of Part 2, Creating a Special Service District, do not apply if a petition to annex an area or to add a service to an existing special service district is filed with the legislative body of the county or municipality, as the case may be, containing the signatures of all owners of taxable real property:

- (1) within the area proposed to be annexed, if the petition is for annexation of an area to the special service district; or
- (2) within the special service district, if the petition is for adding a service to be provided by the special service district.

Enacted by Chapter 360, 2008 General Session

17D-1-403 Notice and plat to lieutenant governor -- Lieutenant governor certification -- Recording requirements -- Effective date.

- (1) If a county or municipal legislative body adopts a resolution approving the annexation of an area to an existing special service district, the legislative body shall:
 - (a) within 30 days after adopting the resolution, file with the lieutenant governor:
 - (i) a copy of 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); and
 - (ii) a copy of an approved final local entity plat, as defined in Section 67-1a-6.5; and
 - (b) upon the lieutenant governor's issuance of a certificate of annexation under Section 67-1a-6.5, submit to the recorder of the county in which the special service district is located:
 - (i) the original notice of an impending boundary action;
 - (ii) the original certificate of annexation;

- (iii) the original approved final local entity plat; and
 - (iv) a certified copy of the resolution approving the annexation.
- (2)
- (a) Upon the lieutenant governor's issuance of the certificate of annexation under Section 67-1a-6.5, the additional area that is the subject of the legislative body's resolution is annexed to the special service district.
 - (b)
 - (i) The effective date of an annexation under this section for purposes of assessing property within the annexed area is governed by Section 59-2-305.5.
 - (ii) Until the documents listed in Subsection (1)(b) are recorded in the office of the recorder of the county in which the property is located:
 - (A) the county, city, or town that created the special service district may not levy or collect a property tax for special service district purposes on property within the annexed area; and
 - (B) the special service district may not:
 - (I) levy or collect an assessment on property within the annexed area; or
 - (II) charge or collect a fee for service provided to property within the annexed area.
 - (iii) Subsection (2)(b)(ii)(B)(II):
 - (A) may not be construed to limit a special service district's ability before annexation to charge and collect a fee for service provided to property that is outside the special service district's boundary; and
 - (B) does not apply until 60 days after the effective date, under Subsection (2)(b), of the special service district's annexation, with respect to a fee that the special service district was charging for service provided to property within the annexed area immediately before the area was annexed to the special service district.
- (3) After the documents listed in Subsection (1)(b) are recorded in the office of the county recorder in which the property is located, the annexed area is subject to user fees imposed by, and property taxes levied for the benefit of, the special service district.

Amended by Chapter 382, 2024 General Session

Part 5

Special Service District Bonds

17D-1-501 Provisions applicable to a special service district's issuance of bonds.

Except as otherwise provided in this chapter:

- (1) each special service district that issues bonds shall:
 - (a) issue them as provided in, as applicable:
 - (i) Title 11, Chapter 14, Local Government Bonding Act; or
 - (ii) Title 11, Chapter 42, Assessment Area Act; and
 - (b) receive the benefits of Title 11, Chapter 30, Utah Bond Validation Act; and
- (2) each special service district that issues refunding bonds shall issue them as provided in Title 11, Chapter 27, Utah Refunding Bond Act.

Enacted by Chapter 360, 2008 General Session

17D-1-502 General obligation bonds.

- (1) Except as provided in Subsection (3), if a special service district intends to issue general obligation bonds, the special service district shall first obtain the approval of special service district voters for issuance of the bonds at an election held for that purpose as provided in Title 11, Chapter 14, Local Government Bonding Act.
- (2) General obligation bonds shall be secured by a pledge of the full faith and credit of the special service district.
- (3) A special service district may issue refunding general obligation bonds, as provided in Title 11, Chapter 27, Utah Refunding Bond Act, without obtaining voter approval.
- (4)
 - (a) A special service district may not issue general obligation bonds if the issuance of the bonds will cause the outstanding principal amount of all of the special service district's general obligation bonds to exceed the amount that results from multiplying the fair market value of the taxable property within the special service district, as determined under Subsection 11-14-301(3)(b), by .12.
 - (b) Bonds or other obligations of a special service district that are not general obligation bonds are not included in the limit stated in Subsection (4)(a).
- (5) A special service district may not be considered to be a municipal corporation for purposes of the debt limitation of the Utah Constitution Article XIV, Section 4.
- (6) Bonds issued by an administrative or legal entity created under Title 11, Chapter 13, Interlocal Cooperation Act, may not be considered to be bonds of a special service district that participates in the agreement creating the administrative or legal entity.

Enacted by Chapter 360, 2008 General Session

17D-1-503 Levy to pay for general obligation bonds.

- (1)
 - (a) If a special service district has issued general obligation bonds, or expects to have debt service payments due on general obligation bonds during the current year, the legislative body of the county or municipality that created the special service district may make an annual levy of ad valorem property taxes in order to:
 - (i) pay the principal of and interest on the general obligation bonds;
 - (ii) establish a sinking fund for defaults and future debt service on the general obligation bonds;
and
 - (iii) establish a reserve to secure payment of the general obligation bonds.
 - (b) A levy under Subsection (1)(a) is:
 - (i) without limitation as to rate or amount; and
 - (ii) subject to the prior approval of a majority of registered voters of the special service district voting in an election held for that purpose on a date specified in Section 20A-1-204.
- (2)
 - (a) Each county or municipality that levies a tax under Subsection (1) shall:
 - (i) levy the tax as a separate and special levy for the specific purposes stated in Subsection (1);
and
 - (ii) apply the proceeds from the levy solely for the purpose of paying the principal of and interest on the general obligation bonds, even though the proceeds may be used to establish or replenish a sinking fund under Subsection (1)(a)(ii) or a reserve under Subsection (1)(a)(iii).
 - (b) A levy under Subsection (2)(a) is not subject to a priority in favor of a special service district obligation in existence at the time the bonds were issued.

Amended by Chapter 415, 2013 General Session

17D-1-504 Pledge of revenues to pay for bonds.

Bonds may be payable from and secured by the pledge of all or any specified part of:

- (1) the revenues to be derived by the special service district from providing its services and from the operation of its facilities and other properties;
- (2) sales and use taxes, property taxes, and other taxes;
- (3) federal, state, or local grants;
- (4) in the case of special assessment bonds, the special assessments pledged to repay the special assessment bonds; and
- (5) other money legally available to the special service district.

Enacted by Chapter 360, 2008 General Session

17D-1-505 Revenue bonds -- Requirement to impose rates and charges to cover revenue bonds -- Authority to make agreements and covenants to provide for bond repayment.

- (1) Subject to Subsection 17D-1-501(2), a special service district intending to issue revenue bonds may, but is not required to, submit to special service district voters for their approval the issuance of the revenue bonds at an election held for that purpose as provided in Title 11, Chapter 14, Local Government Bonding Act.
- (2) Each special service district that has issued revenue bonds shall impose rates and charges for the services or commodities it provides fully sufficient, along with other sources of special service district revenues, to carry out all undertakings of the special service district with respect to its revenue bonds.
- (3) A special service district that issues revenue bonds may:
 - (a) agree to pay operation and maintenance expenses of the special service district from the proceeds of the ad valorem taxes that this chapter authorizes the county or municipality that created the special service district to levy; and
 - (b) for the benefit of bondholders, enter into covenants that:
 - (i) are permitted by Title 11, Chapter 14, Local Government Bonding Act; and
 - (ii) provide for other pertinent matters that the governing body considers proper to assure the marketability of the bonds.

Enacted by Chapter 360, 2008 General Session

17D-1-506 Governing body required to fix rates to cover district expenses and bonds.

The governing body shall fix the rate or rates for services or commodities provided by the special service district that will, in conjunction with the proceeds of any maintenance and operation tax and other special service district revenues:

- (1) pay the special service district's operating expenses;
- (2) provide for repairs and depreciation of works owned or operated by the special service district;
- (3) pay the interest on any bonds issued by the special service district; and
- (4) provide, as much as practicable, a sinking or other fund to pay the principal of the bonds as they become due.

Enacted by Chapter 360, 2008 General Session

17D-1-507 Guaranteed bonds.

- (1) Before a special service district may issue guaranteed bonds:
 - (a) the special service district shall:
 - (i) obtain a report:
 - (A) prepared by:
 - (I) a qualified, registered architect or engineer; or
 - (II) a person qualified by experience appropriate to the project proposed to be funded by the proceeds from the guaranteed bonds;
 - (B) setting forth:
 - (I) a description of the project proposed to be funded by the proceeds from the guaranteed bonds;
 - (II) the estimated or, if available, the actual cost of the project;
 - (III) the principal amount and date and amount of each stated maturity of:
 - (Aa) the guaranteed bonds to be issued; and
 - (Bb) any outstanding guaranteed bonds of the special service district;
 - (IV) the interest rate or rates of any outstanding guaranteed bonds of the special service district;
 - (V) the amount of the annual debt service for each year during the life of all outstanding guaranteed bonds issued by the special service district;
 - (VI) the estimated amount of the annual debt service for each year during the life of all guaranteed bonds that the special service district intends to issue to finance all or any part of the project; and
 - (VII) the date or estimated date that the project will be complete; and
 - (ii) submit to the Governor's Office of Economic Opportunity:
 - (A) the report described in Subsection (1)(a)(i);
 - (B) a copy of each proposed guarantee of the guaranteed bonds, certified by the special service district;
 - (C) a legal opinion indicating that each guarantee, when executed, will be the legal and binding obligation of the taxpayer executing the guarantee in accordance with the terms of the guarantee; and
 - (D) evidence satisfactory to the Governor's Office of Economic Opportunity from each taxpayer executing a guarantee of the guaranteed bonds as to the financial ability of the taxpayer to perform under the guarantee;
 - (b) the Governor's Office of Economic Opportunity shall, if it approves the issuance of the guaranteed bonds, deliver to the special service district governing body a written statement of its approval; and
 - (c) the special service district governing body shall file the written approval statement under Subsection (1)(b) with the recorder of the county in which the special service district is located.
 - (2) The issuance of guaranteed bonds is conditioned upon the approval of special service district voters at an election held for that purpose as provided in Title 11, Chapter 14, Local Government Bonding Act.
 - (3) Guaranteed bonds that have been issued and remain outstanding shall be included in the determination of the debt limit under Subsection 17D-1-502(4) if the bonds by their terms no longer enjoy the benefit of the guarantee.
 - (4) On July 1 of each year, the governing body shall file with the department of community affairs a report certifying:
 - (a) the total amount of bonds issued by the special service district and other debt then outstanding and subject to the debt limit of Subsection 17D-1-502(4);

- (b) the total amount of guaranteed bonds then outstanding and not subject to the debt limit of Subsection 17D-1-502(4); and
- (c) the total amount of guaranteed bonds that, during the preceding 12 months, discontinued to enjoy the benefit of the guarantee.

Amended by Chapter 282, 2021 General Session

17D-1-508 Special service district obligations are not obligations of any other entity.

A special service district bond, note, or other obligation or indebtedness, whether or not payable from taxes, may not be:

- (1) considered to be a bond, note, or other obligation or indebtedness of or to be enforceable against the state or a county, municipality, school district, or other political subdivision of the state; or
- (2) taken into account in calculating a debt limit applicable to the state or a county, municipality, school district, or other political subdivision of the state.

Enacted by Chapter 360, 2008 General Session

17D-1-509 Ratification of previously issued bonds and previously entered contracts.

All bonds issued or contracts entered into by a special service district before May 5, 2008 are ratified, validated, and confirmed and declared to be valid and legally binding obligations of the special service district in accordance with their terms.

Enacted by Chapter 360, 2008 General Session

Part 6

Withdrawal, Dissolution, Discontinuing Services, and Reorganization

17D-1-601 Adoption of a resolution to approve withdrawal, dissolution, discontinuance of a service, or reorganization.

Subject to and as provided in this part, the legislative body of the county or municipality that created a special service district may by resolution:

- (1) approve the withdrawal of an area from the special service district if the legislative body determines that the area should not or cannot be provided the service that the special service district provides;
- (2) approve the dissolution of the special service district if the legislative body determines that the special service district is no longer needed for the purposes for which it was created;
- (3) discontinue a service that the special service district provides; or
- (4) reorganize the special service district as a special district.

Amended by Chapter 15, 2023 General Session

17D-1-602 Limitations on adoption of withdrawal, dissolution, or discontinuance resolution.

- (1)
 - (a) A resolution under Subsection 17D-1-601(1) or (2) to approve the withdrawal of an area from a special service district or the dissolution of a special service district may not be adopted if:

- (i) any bond, note, or other obligation of the special service district is outstanding and unpaid; or
 - (ii) any contractual obligation to provide service exists.
- (b) Notwithstanding Subsection (1)(a)(i), a resolution approving the withdrawal of an area from a special service district may be adopted if:
- (i) each holder of or obligee under each outstanding and unpaid bond, note, or other obligation consents to the withdrawal;
 - (ii) the bond, note, or other obligation is payable from and secured by solely:
 - (A) federal mineral lease payments appropriated to the special service district; or
 - (B) other special service district revenue, the amount of which is not subject to reduction as a result of the withdrawal;
 - (iii) adequate provision is made for payment of the bond, note, or other obligation in accordance with the terms of the bond, note, or other obligation, respectively; or
 - (iv)
 - (A) the area proposed to be withdrawn has been annexed by a municipality that receives from another special service district the service provided by the special service district from which the area is proposed to be withdrawn;
 - (B) the other special service district adopts a resolution proposing to annex the area;
 - (C) the municipality adopts a resolution consenting to the area being included within the proposed annexing special service district;
 - (D) the proposed annexing special service district and the special service district from which the area is proposed to be withdrawn make adequate arrangements for the proposed annexing special service district to provide the service to the area; and
 - (E) for a special service district from which the area to be withdrawn has any bond, note, or other obligation outstanding that is secured by revenue derived from taxes, rates, fees, or other charges paid by the owners of property within the area proposed to be withdrawn:
 - (I) the proposed annexing special service district agrees to provide for the payment of a proportional share of the amounts payable with respect to the bond, note, or other obligation, on terms that are mutually agreeable to the proposed annexing special service district and the special service district from which the area is to be withdrawn; and
 - (II) the withdrawal of the area and the payment arrangement under Subsection (1)(b)(iv)(E) (I) do not violate any covenant of any agreement or instrument with respect to the bond, note, or other obligation.
- (c) Notwithstanding Subsection (1)(a)(ii), a resolution to withdraw an area from a special service district may be adopted if all parties to the contract consent to the withdrawal.
- (2)
- (a) A resolution under Subsection 17D-1-601(3) to discontinue a service may not be adopted if the special service district:
 - (i) has an outstanding bond payable in whole or in part from fees and charges imposed for the service to be discontinued; or
 - (ii) is under contractual obligation to provide the service.
 - (b) Notwithstanding Subsection (2)(a)(i), a resolution to discontinue a service may be adopted if:
 - (i) the bond is paid;
 - (ii) adequate provision is made for payment of the bond; or
 - (iii) the holder of the bond agrees to the discontinuance, if allowed under the bond.
 - (c) Notwithstanding Subsection (2)(a)(ii), a resolution to discontinue a service may be adopted if all parties to the contract consent to the discontinuance.

Amended by Chapter 267, 2010 General Session

17D-1-603 Notice and plat to lieutenant governor -- Recording requirements.

- (1) If a county or municipal legislative body adopts a resolution approving the withdrawal of an area from a special service district, the dissolution of a special service district, or the reorganization of a special service district as a special district, the county or municipal legislative body, as the case may be, shall:
 - (a) within 30 days after adopting the resolution, file with the lieutenant governor:
 - (i) a copy of 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); and
 - (ii) in the case of a withdrawal, a copy of an approved final local entity plat, as defined in Section 67-1a-6.5; and
 - (b) upon the lieutenant governor's issuance of a certificate of withdrawal, dissolution, or incorporation, as the case may be, under Section 67-1a-6.5, submit to the recorder of the county in which the special service district is located:
 - (i) the original notice of an impending boundary action;
 - (ii) the original certificate of withdrawal or dissolution, as the case may be;
 - (iii) in the case of a withdrawal, the original approved final local entity plat; and
 - (iv) a certified copy of the resolution approving the withdrawal, dissolution, or incorporation.
- (2)
 - (a) Upon the lieutenant governor's issuance of the certificate of withdrawal under Section 67-1a-6.5, the area to be withdrawn that is the subject of the legislative body's resolution is withdrawn from the special service district.
 - (b) Upon the lieutenant governor's issuance of the certificate of dissolution under Section 67-1a-6.5, the special service district is dissolved.
- (3)
 - (a) Upon the lieutenant governor's issuance of a certificate of incorporation as provided in Section 67-1a-6.5, the special service district is:
 - (i) reorganized and incorporated as a special district subject to the provisions of Title 17B, Chapter 1, Provisions Applicable to All Special Districts;
 - (ii) subject to Subsection (3)(b), if the special service district is reorganized as a special district described in and subject to Title 17B, Chapter 2a, Provisions Applicable to Different Types of Special Districts, the applicable part of that chapter; and
 - (iii) no longer a special service district.
 - (b) A special service district reorganized as a special district is a basic special district as provided in Title 17B, Chapter 1, Part 14, Basic Special District, unless the resolution adopted in accordance with Subsection 17D-1-604(5):
 - (i) specifies that the reorganized special district is a different type of special district other than a basic special district; and
 - (ii) states the type of that special district, including the governing part in Title 17B, Chapter 2a, Provisions Applicable to Different Types of Special Districts.

Amended by Chapter 15, 2023 General Session

17D-1-604 Reorganization as a special district.

- (1) The legislative body of a county or municipality that has created a special service district may reorganize the special service district as a special district in accordance with this section.

- (2) The process to reorganize a special service district as a special district is initiated if the legislative body of the county or municipality that originally created the special service district adopts a resolution that:
 - (a) indicates the legislative body's intent to reorganize the special service district as a special district; and
 - (b) complies with the requirements of Subsection (3).
- (3) A resolution to initiate reorganization described in Subsection (2) shall:
 - (a) state the name of the special service district that is proposed to be reorganized as a special district;
 - (b) generally describe the boundaries of the special service district, whether or not those boundaries coincide with the boundaries of the creating county or municipality; and
 - (c) specify each service that the special service district is authorized to provide.
- (4) After adopting the resolution described in Subsection (3), the legislative body of the county or municipality that created the special service district shall hold a public hearing following the notice requirements of Section 17D-1-205 applicable to the creation of a special service district, with changes as appropriate for the reorganization of the special service district as a special district.
- (5)
 - (a) At or following the public hearing, the county or municipal legislative body shall:
 - (i) subject to Subsection (5)(b), adopt a resolution approving the reorganization of the special service district as a special district; or
 - (ii) abandon the reorganization.
 - (b) A resolution approving reorganization shall:
 - (i) state the name of the special service district that is being reorganized as a special district;
 - (ii) state the name of the special district in accordance with Subsection (7);
 - (iii) subject to Subsection (5)(c), describe the boundaries of the special district;
 - (iv) subject to Subsection (8)(a), specify the service or services to be provided by the special district;
 - (v) state:
 - (A) whether the special district is a different type of special district other than a basic special district; and
 - (B) if the reorganized special district is not a basic special district, the type of special district, including the governing part in Title 17B, Chapter 2a, Provisions Applicable to Different Types of Special Districts;
 - (vi) state whether the special district is to be governed by an appointed or an elected board of trustees, or a combination of appointed and elected trustees, in accordance with Title 17B, Chapter 1, Part 3, Board of Trustees;
 - (vii) state whether an administrative control board established for the special service district that is being reorganized as a special district will serve as the first board of trustees of the special district; and
 - (viii) contain additional provisions as necessary.
 - (c) The boundaries of the special district shall reflect the boundaries of the reorganized special service district.
- (6) A county may not reorganize a special service district as a special district to include some or all of the area within a municipality unless the legislative body of the municipality adopts a resolution or ordinance consenting to the reorganization.
- (7) The name of the special district:
 - (a) shall comply with Subsection 17-50-103(2)(a); and

- (b) may not include the phrase "special service district."
- (8) A special district created under this section may not provide:
 - (a)
 - (i) at the time of reorganization, a service that it could not have provided as the special service district prior to reorganization; or
 - (ii) after reorganization, an additional service listed in Section 17B-1-202, unless the special district adds the service in accordance with the provisions of Title 17B, Chapter 1, Provisions Applicable to All Special Districts; and
 - (b) more than four of the services listed in Section 17B-1-202 at any time.
- (9) After the lieutenant governor issues, in accordance with Section 67-1a-6.5, a certificate of incorporation for a special district created under this section, the special district:
 - (a) is:
 - (i) a body corporate and politic with perpetual succession;
 - (ii) a quasi-municipal corporation; and
 - (iii) a political subdivision of the state as provided in Section 17B-1-103; and
 - (b) may, subject to Subsection (8), provide a service that:
 - (i) the special service district was authorized to provide before reorganization; and
 - (ii) the special district is authorized to provide under the resolution adopted in accordance with Subsection (5).
- (10) An action taken, a bond issued, or a contract or other obligation entered into by the reorganized special service district before reorganization is a valid action, bond issuance, contract, or other obligation of the special district.
- (11) A special district created under this section:
 - (a) may impose and collect taxes, fees, and other charges for services provided in accordance with applicable law;
 - (b) shall own all property acquired by the special service district before reorganization; and
 - (c) shall have a power, right, or obligation that the reorganized special service district had before the reorganization, unless otherwise provided by law.

Amended by Chapter 15, 2023 General Session