

AMENDMENTS TO SPECIAL DISTRICTS

1998 GENERAL SESSION

STATE OF UTAH

Sponsor: R. Mont Evans

AN ACT RELATING TO SPECIAL DISTRICTS; REQUIRING SPECIAL DISTRICT BOARDS TO HOLD A PUBLIC HEARING AND PROVIDE NOTICE BEFORE IMPOSING OR INCREASING A FEE; REQUIRING NEWLY CREATED SPECIAL DISTRICTS TO NOTIFY STATE AUDITOR; REQUIRING STATE AUDITOR TO KEEP LIST OF SPECIAL DISTRICTS; AND REQUIRING CERTAIN SPECIAL DISTRICTS TO OBTAIN LIABILITY INSURANCE.

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

ENACTS:

17A-1-448, Utah Code Annotated 1953

17A-1-504, Utah Code Annotated 1953

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

Section 1. Section **17A-1-448** is enacted to read:

17A-1-448. Imposing or increasing a fee for service provided by special district.

(1) (a) Before imposing a new fee or increasing an existing fee for a service provided by a special district, each special district board shall first hold a public hearing at which any interested person may speak for or against the proposal to impose a fee or to increase an existing fee.

(b) Each public hearing under Subsection (1)(a) shall be held in the evening beginning no earlier than 6:00 p.m.

(c) Except to the extent that this section imposes more stringent notice requirements, the special district board shall comply with Title 52, Chapter 4, Open and Public Meetings, in holding the public hearing under Subsection (1)(a).

(2) (a) Each special district board shall give notice of a hearing under Subsection (1) as provided in Subsection (2)(b) or (c).

(b) (i) The notice required under Subsection (2)(a) shall be published in a newspaper or combination of newspapers of general circulation in the special district, if there is a newspaper or

combination of newspapers of general circulation in the special district.

(ii) The notice shall be no less than 1/4 page in size and the type used shall be no smaller than 18 point, and surrounded by a 1/4-inch border.

(iii) The notice may not be placed in that portion of the newspaper where legal notices and classified advertisements appear.

(iv) It is legislative intent that, whenever possible, the advertisement appear in a newspaper that is published at least one day per week.

(v) It is further the intent of the Legislature that the newspaper or combination of newspapers selected be of general interest and readership in the special district, and not of limited subject matter.

(vi) The notice shall be run once each week for the two weeks preceding the hearing.

(vii) The notice shall state that the special district board intends to impose or increase a fee for a service provided by the special district and will hold a public hearing on a certain day, time, and place fixed in the notice, which shall be not less than seven days after the day the first notice is published, for the purpose of hearing comments regarding the proposed imposition or increase of a fee and to explain the reasons for the proposed imposition or increase.

(c) (i) If there is no newspaper or combination of newspapers of general circulation in the special district, the special district board shall post at least one notice per 1,000 population within the special district, at places within the special district that are most likely to provide actual notice to residents within the special district.

(ii) Each notice under Subsection (2)(c)(i) shall comply with Subsection (2)(b)(vii).

(d) Proof that notice was given as provided in Subsection (2)(b) or (c) is prima facie evidence that notice was properly given.

(e) If no challenge is made to the notice given of a hearing required by Subsection (1) within 30 days after the date of the hearing, the notice is considered adequate and proper.

(3) After holding a public hearing under Subsection (1), a special district board may:

(a) impose the new fee or increase the existing fee as proposed;

(b) adjust the amount of the proposed new fee or the increase of the existing fee and then impose the new fee or increase the existing fee as adjusted; or

(c) decline to impose the new fee or increase the existing fee.

(4) This section applies to each new fee imposed and each increase of an existing fee that occurs on or after July 1, 1998.

Section 2. Section **17A-1-504** is enacted to read:

17A-1-504. Notice to state auditor -- Proof of liability insurance.

(1) (a) (i) Except as provided in Subsection (1)(a)(ii), the legislative body of each county, city, or town that creates a special district after May 4, 1998, shall, within 60 days of the special district's creation, deliver written notification of the creation to the state auditor.

(ii) Notwithstanding Subsection (1)(a)(i), each special district created after May 4, 1998, shall, within 60 days of its creation, deliver written notification of its creation to the state auditor, if the special district was created by other than a county, city, or town.

(b) The state auditor shall maintain a list of all special districts in the state.

(2) Each special district with an annual operating budget of at least \$50,000 shall obtain liability insurance as considered appropriate by the special district board.