

1 **SPECIAL SERVICE DISTRICT AMENDMENTS**

2 2002 GENERAL SESSION

3 STATE OF UTAH

4 **Sponsor: Eli H. Anderson**

5 **This act modifies the Utah Special Service District Act by exempting tax levies in connection**
6 **with special service districts from Truth in Taxation requirements.**

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

8 AMENDS:

9 **17A-2-1322**, as last amended by Chapters 9 and 195, Laws of Utah 2001

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

11 Section 1. Section **17A-2-1322** is amended to read:

12 **17A-2-1322. Tax levy and bonds -- Approval by majority of electors voting in**
13 **election -- Procedure for election.**

14 (1) The governing authority of a county or municipality which has established a service
15 district may levy a tax on all taxable property within the service district in addition to all other
16 taxes on such property levied or imposed by the county or municipality or by any other public
17 corporation, district, or political subdivision in which the service district is located, and may also
18 issue bonds payable in whole or in part from these taxes. No tax may be levied and no bonds or
19 guaranteed bonds shall be issued, however, unless authorized, except as otherwise provided in
20 Section 17A-2-1325, by a majority of the qualified electors of the service district voting at an
21 election for that purpose held as provided in this section.

22 (2) The proposition to levy the tax or to issue the bonds shall be submitted to the qualified
23 electors of the service district at an election called and held and for which notice is given in the
24 same manner as is provided in Title 11, Chapter 14, Utah Municipal Bond Act, for the holding of
25 bond elections. The proposition shall state the purpose or purposes for which the taxes are to be
26 levied or the bonds are to be issued. In addition, a proposition for the issuance of bonds shall state
27 the maximum amount of bonds to be issued, the maximum number of years from their respective



28 dates for which the bonds may run, and, if the bonds are to be payable in whole or in part from
29 taxes, that fact and that taxes may be levied on all taxable property in the service district to pay the
30 principal of and interest on the bonds. The purpose or purposes may be stated in general terms and
31 need not specify the particular projects or services for which the taxes are to be levied or the bonds
32 are to be issued nor the specific amount of the proceeds of the taxes or of the bonds to be expended
33 for each project or service. If bonds are to be payable in part from tax proceeds and in part from
34 the operating revenues of the service district or from any combination of them, the proposition
35 shall so indicate but need not specify how the bonds are to be divided as to source of payment. If
36 the bonds are to be issued as guaranteed bonds, the proposition shall also clearly state that fact
37 together with the name or names of the guarantors. A proposition for the levy of taxes and for the
38 issuance of bonds may be combined as a single proposition.

39 (3) (a) A tax levied under this section shall be the sole source of funding for a special
40 service district that provides jail service as provided in Subsection 17A-2-1304(1)(a)(x).

41 (b) Each tax levied under this section for a special service district that provides jail service
42 as provided in Subsection 17A-2-1304(1)(a)(x) shall be considered to be levied by the county for
43 purposes of the county's tax limitation under Section 59-2-908.

44 (4) The governing authority of a county or municipality which has levied a tax under this
45 section is exempt from the requirements of Sections 59-2-918 through 59-2-919 with respect to
46 the tax levied under this section.

Legislative Review Note
as of 12-18-01 8:58 AM

A limited legal review of this legislation raises no obvious constitutional or statutory concerns.

Office of Legislative Research and General Counsel