

**PUBLIC TRANSIT DISTRICTS ANNEXATION
AMENDMENTS**

2003 GENERAL SESSION

STATE OF UTAH

Sponsor: David N. Cox

This act modifies provisions relating to Limited Purpose Local Government Entities and to Revenue and Taxation. The act requires voter approval of an annexation to a local district in which the counties, cities, and towns impose a sales and use tax for transit district purposes and clarifies that the election approving the annexation and imposition of the sales and use tax satisfies the voter approval requirement for imposition of the sales and use tax. The act makes technical changes.

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

AMENDS:

17B-2-510, as enacted by Chapter 90, Laws of Utah 2001

17B-2-512, as enacted by Chapter 90, Laws of Utah 2001

59-12-501, as last amended by Chapter 253, Laws of Utah 2000

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

Section 1. Section **17B-2-510** is amended to read:

17B-2-510. Notice of public hearing.

(1) Before holding a public hearing required under Section 17B-2-509, the board of trustees of each proposed annexing local district shall:

(a) mail notice of the public hearing and the proposed annexation to:

(i) if the local district is funded predominantly by revenues from a property tax, each owner of private real property located within the area proposed to be annexed, as shown upon the county assessment roll last equalized as of the previous December 31; or

(ii) if the local district is not funded predominantly by revenues from a property tax, each registered voter residing within the area proposed to be annexed, as determined by the voter registration list maintained by the county clerk as of a date selected by the board of trustees that is at least 20 but not more than 60 days before the public hearing; and

(b) post notice of the public hearing and the proposed annexation in at least four conspicuous places within the area proposed to be annexed, no less than ten and no more than 30 days before the public hearing.

(2) Each notice required under Subsection (1) shall:

(a) describe the area proposed to be annexed;

(b) identify the proposed annexing local district;

(c) state the date, time, and location of the public hearing;

(d) provide a local district telephone number where additional information about the proposed annexation may be obtained; ~~and~~

(e) specify the estimated financial impact, in terms of taxes and fees, upon the typical resident and upon the typical property owner within the area proposed to be annexed if the proposed annexation is completed; and

~~(f)~~ (f) except for a proposed annexation under a petition that meets the requirements of Subsection 17B-2-513(1), explain that property owners and registered voters within the area proposed to be annexed may protest the annexation by filing a written protest with the local district board of trustees within 30 days after the public hearing.

Section 2. Section **17B-2-512** is amended to read:

17B-2-512. Protests -- Election.

(1) (a) ~~[Except as provided in Section 17B-2-513 and except for an annexation under Section 17B-2-515, an]~~ An owner of private real property located within or a registered voter residing within an area proposed to be annexed may protest an annexation by filing a written protest with the board of trustees of the proposed annexing local district~~[-],~~ except:

(i) as provided in Section 17B-2-513;

(ii) for an annexation under Section 17B-2-515; and

(iii) for an annexation proposed by a local district that receives sales and use tax funds from the counties, cities, and towns within the local district that impose a sales and use tax under Section 59-12-501.

(b) A protest of a boundary adjustment is not governed by this section but is governed by

Section 17B-2-516.

(2) Each protest under Subsection (1)(a) shall be filed within 30 days after the date of the public hearing under Section 17B-2-509.

(3) (a) Except as provided in Subsection (4), the local district shall hold an election on the proposed annexation if:

(i) timely protests are filed by:

~~[(i)]~~ (A) the owners of private real property that:

~~[(A)]~~ (I) is located within the area proposed to be annexed;

~~[(B)]~~ (II) covers at least 10% of the total private land area within the entire area proposed to be annexed and within each applicable area; and

~~[(C)]~~ (III) is equal in assessed value to at least 10% of the assessed value of all private real property within the entire area proposed to be annexed and within each applicable area; or

~~[(ii)]~~ (B) registered voters residing within the entire area proposed to be annexed and within each applicable area equal in number to at least 10% of the number of votes cast within the entire area proposed for annexation and within each applicable area, respectively, for the office of governor at the last regular general election before the filing of the petition[-]; or

(ii) the proposed annexing local district is one that receives sales and use tax funds from the counties, cities, and towns within the local district that impose a sales and use tax under Section 59-12-501.

(b) (i) At each election held under Subsection (3)(a)(ii), the ballot question shall be phrased to indicate that a voter's casting a vote for or against the annexation includes also a vote for or against the imposition of the sales and use tax as provided in Section 59-12-501.

~~[(b)]~~ (ii) Except as otherwise provided in this part, each election under Subsection (3)(a) shall be governed by Title 20A, Election Code.

(c) If a majority of registered voters residing within the area proposed to be annexed and voting on the proposal vote:

(i) in favor of annexation, the board of trustees shall, subject to Subsections 17B-2-514(1)(b), (2), and (3), complete the annexation by adopting a resolution annexing the

area; or

(ii) against annexation, the annexation process is terminated, the board may not adopt a resolution annexing the area, and the area proposed to be annexed may not for two years be the subject of an effort under this part to annex to the same local district.

(4) If sufficient protests are filed under this section to require an election for a proposed annexation to which the protest provisions of this section are applicable, a board of trustees may, notwithstanding Subsection (3), adopt a resolution rejecting the annexation and terminating the annexation process without holding an election.

Section 3. Section **59-12-501** is amended to read:

59-12-501. Public transit tax -- Base -- Rate -- Voter approval.

(1) (a) (i) Except as provided in Subsection (1)(a)(ii), in addition to other sales and use taxes, any county, city, or town within a transit district organized under Title 17A, Chapter 2, Part 10, Utah Public Transit District Act, may impose a sales and use tax of 1/4 of 1% on the transactions described in Subsection 59-12-103(1), to fund a public transportation system.

(ii) Notwithstanding Subsection (1)(a)(i), a county, city, or town may not impose a tax under this section on:

(A) the sales and uses described in Section 59-12-104 to the extent the sales and uses are exempt from taxation under Section 59-12-104; and

(B) any amounts paid or charged by a vendor that collects a tax under Subsection 59-12-107(1)(b).

(b) (i) A county, city, or town may impose a tax under this section only if the governing body of the county, city, or town, by resolution, submits the proposal to all the qualified voters within the county, city, or town for approval at a general or special election conducted in the manner provided by statute.

(ii) An election under Subsection 17B-2-512(3)(a)(ii) approving the annexation of an area to a public transit district or local district and approving for that annexed area the sales and use tax authorized by this section satisfies the election requirement of Subsection (1)(b)(i) for the area to be annexed to the public transit district or local district.

(2) (a) If only a portion of a county is included within a public transit district, the proposal may be submitted only to the qualified voters residing within the boundaries of the proposed or existing public transit district.

(b) Notice of any such election shall be given by the county, city, or town governing body 15 days in advance in the manner prescribed by statute.

(c) If a majority of the voters voting in such election approve the proposal, it shall become effective on the date provided by the county, city, or town governing body.

(3) This section may not be construed to require an election in jurisdictions where voters have previously approved a public transit sales or use tax.