

Senator David L. Thomas proposes the following substitute bill:

**AMENDMENTS TO SPECIAL DISTRICTS AND
LOCAL DISTRICTS FOR EXPANDED FIRE
PROTECTION SERVICES**

2003 GENERAL SESSION

STATE OF UTAH

Sponsor: David L. Thomas

This act modifies provisions related to Special Districts and to Limited Purpose Local Government Entities. The act authorizes the creation of a county service area and a local district for fire protection, paramedic, and emergency services by resolution of the legislative bodies of participating counties and municipalities without the necessity of voter approval under certain circumstances. The act modifies board of trustees provisions for a district created to provide fire protection, paramedic, and emergency services. The act requires counties and municipalities included within a certain type of district for fire protection, paramedic, and emergency services to reduce their certified tax rate to offset taxes imposed by the district for those services. The act imputes a tax imposed by a fire district to the county or municipality included within the district for purposes of the county or municipality's tax limit. The act provides for automatic annexation to certain districts providing fire protection, paramedic, and emergency services when an area is annexed to a municipality within the district and for automatic withdrawal from those districts when an area within the district is annexed to a municipality that is not within the district. The act provides an alternate method of withdrawing an area within a municipality from certain districts providing fire protection, paramedic, and emergency services upon resolution of the municipal legislative body and a vote of the municipality. The act also makes technical changes.

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



26 AMENDS:

- 27 **10-1-117**, as enacted by Chapter 318, Laws of Utah 2000
- 28 **10-2-406**, as last amended by Chapter 206, Laws of Utah 2001
- 29 **10-2-419**, as last amended by Chapter 337, Laws of Utah 1998
- 30 **10-2-425**, as last amended by Chapter 318, Laws of Utah 2000
- 31 **17A-2-403**, as last amended by Chapter 90, Laws of Utah 2001
- 32 **17A-2-411**, as last amended by Chapter 90, Laws of Utah 2001
- 33 **17B-2-202**, as enacted by Chapter 368, Laws of Utah 1998
- 34 **17B-2-213**, as enacted by Chapter 368, Laws of Utah 1998
- 35 **17B-2-214**, as enacted by Chapter 368, Laws of Utah 1998
- 36 **17B-2-215**, as enacted by Chapter 368, Laws of Utah 1998
- 37 **17B-2-216**, as enacted by Chapter 368, Laws of Utah 1998
- 38 **17B-2-502**, as enacted by Chapter 90, Laws of Utah 2001
- 39 **17B-2-503**, as enacted by Chapter 90, Laws of Utah 2001
- 40 **17B-2-514**, as enacted by Chapter 90, Laws of Utah 2001
- 41 **17B-2-601**, as enacted by Chapter 284, Laws of Utah 2002
- 42 **17B-2-603**, as enacted by Chapter 284, Laws of Utah 2002
- 43 **17B-2-610**, as enacted by Chapter 284, Laws of Utah 2002
- 44 **59-2-924**, as last amended by Chapters 133, 195 and 258, Laws of Utah 2001

45 ENACTS:

- 46 **17B-2-515.5**, Utah Code Annotated 1953
- 47 **17B-2-603.5**, Utah Code Annotated 1953

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

49 Section 1. Section **10-1-117** is amended to read:

50 **10-1-117. Amending articles of incorporation -- Lieutenant governor**
51 **certification.**

52 (1) A municipality may amend its articles of incorporation by filing amended articles
53 with the lieutenant governor.

54 (2) The lieutenant governor may not certify amended articles of incorporation unless
55 they have been:

56 (a) approved by the municipal legislative body; and

57 (b) signed and verified by the mayor of the municipality.

58 (3) (a) Within ten days after receiving amended articles of incorporation that comply
59 with Subsection (2), the lieutenant governor shall:

60 [~~(a)~~] (i) certify the amended articles; and

61 [~~(b)~~] (ii) deliver a copy of the certified articles to:

62 [~~(i)~~] (A) the legislative body of the municipality; and

63 [~~(ii)~~] (B) the clerk of the county in which the municipality is located.

64 (b) If the lieutenant governor receives amended articles of incorporation reflecting a
65 municipal annexation or boundary adjustment under Chapter 2, Part 4, Annexation, that also
66 causes an automatic annexation to a local district under Section 17B-2-515.5 or an automatic
67 withdrawal from a local district under Subsection 17B-2-601(2):

68 (i) the lieutenant governor may not certify the municipality's amended articles or issue
69 to the local district a certificate of annexation or withdrawal relating to the automatic
70 annexation or withdrawal until the lieutenant governor receives both the municipality's
71 amended articles of incorporation under Subsection 10-2-425(1)(b) and the local district's
72 notice of annexation under Subsection 17B-2-514(2)(b) or notice of withdrawal under
73 Subsection 17B-2-610(1)(b):

74 (ii) within ten days after receiving both the municipality's amended articles of
75 incorporation and the local district's notice of annexation or withdrawal, the lieutenant
76 governor shall:

77 (A) simultaneously:

78 (I) certify the amended articles; and

79 (II) issue a certificate of annexation or withdrawal, as the case may be;

80 (B) send a copy of the certified amended articles to the legislative body of the
81 municipality;

82 (C) send a certificate of annexation or withdrawal to the local district; and

83 (D) send a copy of the certified amended articles and certificate of annexation or
84 withdrawal to the State Tax Commission, the state auditor, and the assessor and recorder of
85 each county in which any part of the area included in the municipal annexation is located.

86 (4) Upon certification by the lieutenant governor, the amended articles shall take effect.

87 (5) The lieutenant governor:

88 (a) shall furnish a certified copy of the amended articles of incorporation to any person
89 who requests a certified copy; and

90 (b) may charge a reasonable fee for the certified copy.

91 Section 2. Section **10-2-406** is amended to read:

92 **10-2-406. Notice of certification -- Publishing and providing notice of petition.**

93 (1) After receipt of the notice of certification from the city recorder or town clerk under
94 Subsection 10-2-405(2)(b)(i), the municipal legislative body shall:

95 (a) (i) publish a notice at least once a week for three successive weeks, beginning no
96 later than ten days after receipt of the notice of certification, in a newspaper of general
97 circulation within:

98 (A) the area proposed for annexation; and

99 (B) the unincorporated area within 1/2 mile of the area proposed for annexation; or

100 (ii) if there is no newspaper of general circulation within those areas, post written
101 notices in conspicuous places within those areas that are most likely to give notice to residents
102 within those areas; and

103 (b) within 20 days of receipt of the notice of certification under Subsection
104 10-2-405(2)(b)(i), mail written notice to each affected entity.

105 (2) (a) The notice under Subsections (1)(a) and (b) shall:

106 (i) state that a petition has been filed with the municipality proposing the annexation of
107 an area to the municipality;

108 (ii) state the date of the municipal legislative body's receipt of the notice of certification
109 under Subsection 10-2-405(2)(b)(i);

110 (iii) describe the area proposed for annexation in the annexation petition;

111 (iv) state that the complete annexation petition is available for inspection and copying
112 at the office of the city recorder or town clerk;

113 (v) state in conspicuous and plain terms that the municipality may grant the petition
114 and annex the area described in the petition unless, within the time required under Subsection
115 10-2-407(2)(a)(i)(A), a written protest to the annexation petition is filed with the commission
116 and a copy of the protest delivered to the city recorder or town clerk of the proposed annexing
117 municipality; [~~and~~]

118 (vi) state the address of the commission or, if a commission has not yet been created in

119 the county, the county clerk, where a protest to the annexation petition may be filed[-];

120 (vii) state that the area proposed for annexation to the municipality will also
121 automatically be annexed to a local district providing fire protection, paramedic, and
122 emergency services, as provided in Section 17B-2-515.5, if:

123 (A) the proposed annexing municipality is entirely within the boundaries of a local
124 district:

125 (I) that provides fire protection, paramedic, and emergency services; and

126 (II) in the creation of which an election was not required because of Subsection
127 17B-2-214(3)(c); and

128 (B) the area proposed to be annexed to the municipality is not already within the
129 boundaries of the local district; and

130 (viii) state that the area proposed for annexation to the municipality will be
131 automatically withdrawn from a local district providing fire protection, paramedic, and
132 emergency services, as provided in Subsection 17B-2-601(2), if:

133 (A) the petition proposes the annexation of an area that is within the boundaries of a
134 local district:

135 (I) that provides fire protection, paramedic, and emergency services; and

136 (II) in the creation of which an election was not required because of Subsection
137 17B-2-214(3)(c); and

138 (B) the proposed annexing municipality is not within the boundaries of the local
139 district.

140 (b) The statement required by Subsection (2)(a)(v) shall state the deadline for filing a
141 written protest in terms of the actual date rather than by reference to the statutory citation.

142 (c) In addition to the requirements under Subsection (2)(a), a notice under Subsection
143 (1)(a) for a proposed annexation of an area within a county of the first class shall include a
144 statement that a protest to the annexation petition may be filed with the commission by
145 property owners if it contains the signatures of the owners of private real property that:

146 (i) is located in the unincorporated area within 1/2 mile of the area proposed for
147 annexation;

148 (ii) covers at least 25% of the private land area located in the unincorporated area
149 within 1/2 mile of the area proposed for annexation; and

150 (iii) is equal in value to at least 15% of all real property located in the unincorporated
151 area within 1/2 mile of the area proposed for annexation.

152 Section 3. Section **10-2-419** is amended to read:

153 **10-2-419. Boundary adjustment -- Notice and hearing -- Protest.**

154 (1) The legislative bodies of two or more municipalities having common boundaries
155 may adjust their common boundaries as provided in this section.

156 (2) (a) The legislative body of each municipality intending to adjust a boundary that is
157 common with another municipality shall:

158 (i) adopt a resolution indicating the intent of the municipal legislative body to adjust a
159 common boundary;

160 (ii) hold a public hearing on the proposed adjustment no less than 60 days after the
161 adoption of the resolution under Subsection (2)(a)(i); and

162 (iii) (A) publish notice at least once a week for three successive weeks in a newspaper
163 of general circulation within the municipality; or

164 (B) if there is no newspaper of general circulation within the municipality, post at least
165 one notice per 1,000 population in places within the municipality that are most likely to give
166 notice to residents of the municipality.

167 (b) The notice required under Subsection (2)(a)(iii) shall:

168 (i) state that the municipal legislative body has adopted a resolution indicating the
169 municipal legislative body's intent to adjust a boundary that the municipality has in common
170 with another municipality;

171 (ii) describe the area proposed to be adjusted;

172 (iii) state the date, time, and place of the public hearing required under Subsection
173 (2)(a)(ii); ~~and~~

174 (iv) state in conspicuous and plain terms that the municipal legislative body will adjust
175 the boundaries unless, at or before the public hearing under Subsection (2)(a)(ii), written
176 protests to the adjustment are filed by the owners of private real property that:

177 (A) is located within the area proposed for adjustment;

178 (B) covers at least 25% of the total private land area within the area proposed for
179 adjustment; and

180 (C) is equal in value to at least 15% of the value of all private real property within the

181 area proposed for adjustment[-]; and

182 (v) state that the area that is the subject of the boundary adjustment will, because of the
183 boundary adjustment, be automatically annexed to a local district providing fire protection,
184 paramedic, and emergency services, as provided in Section 17B-2-515.5, if:

185 (A) the municipality to which the area is being added because of the boundary
186 adjustment is entirely within the boundaries of a local district:

187 (I) that provides fire protection, paramedic, and emergency services; and

188 (II) in the creation of which an election was not required because of Subsection
189 17B-2-214(3)(c); and

190 (B) the municipality from which the area is being taken because of the boundary
191 adjustment is not within the boundaries of the local district; and

192 (vi) state that the area proposed for annexation to the municipality will be
193 automatically withdrawn from a local district providing fire protection, paramedic, and
194 emergency services, as provided in Subsection 17B-2-601(2), if:

195 (A) the municipality to which the area is being added because of the boundary
196 adjustment is not within the boundaries of a local district:

197 (I) that provides fire protection, paramedic, and emergency services; and

198 (II) in the creation of which an election was not required because of Subsection
199 17B-2-214(3)(c); and

200 (B) the municipality from which the area is being taken because of the boundary
201 adjustment is entirely within the boundaries of the local district.

202 (c) The first publication of the notice required under Subsection (2)(a)(iii)(A) shall be
203 within 14 days of the municipal legislative body's adoption of a resolution under Subsection
204 (2)(a)(i).

205 (3) Upon conclusion of the public hearing under Subsection (2)(a)(ii), the municipal
206 legislative body may adopt an ordinance adjusting the common boundary unless, at or before
207 the hearing under Subsection (2)(a)(ii), written protests to the adjustment have been filed with
208 the city recorder or town clerk, as the case may be, by the owners of private real property that:

209 (a) is located within the area proposed for adjustment;

210 (b) covers at least 25% of the total private land area within the area proposed for
211 adjustment; and

212 (c) is equal in value to at least 15% of the value of all private real property within the
213 area proposed for adjustment.

214 (4) An ordinance adopted under Subsection (3) becomes effective when each
215 municipality involved in the boundary adjustment has adopted an ordinance under Subsection
216 (3).

217 Section 4. Section **10-2-425** is amended to read:

218 **10-2-425. Filing of plat or map and amended articles -- Notice requirements.**

219 (1) Within 30 days after enacting an ordinance annexing an unincorporated area or
220 adjusting a boundary under this part, the municipal legislative body shall:

221 (a) record with the county recorder a certified copy of the ordinance approving the
222 annexation or boundary adjustment, together with a plat or map prepared by a licensed
223 surveyor and approved by the municipal legislative body, showing the new boundaries of the
224 affected area; and

225 (b) file with the lieutenant governor amended articles of incorporation reflecting the
226 annexation or boundary adjustment, as provided in Section 10-1-117.

227 (2) If an annexation or boundary adjustment under this part also causes an automatic
228 annexation to a local district under Section 17B-2-515.5 or an automatic withdrawal from a
229 local district under Subsection 17B-2-601(2), the municipal legislative body shall, as soon as
230 practicable after enacting an ordinance annexing an unincorporated area or adjusting a
231 boundary, send notice of the annexation or boundary adjustment to the local district to which
232 the annexed area is automatically annexed or from which the annexed area is automatically
233 withdrawn.

234 [~~2~~] (3) The municipal legislative body shall comply with the notice requirements of
235 Section 10-1-116.

236 Section 5. Section **17A-2-403** is amended to read:

237 **17A-2-403. Authorized services -- Notice to and coordination with utility.**

238 (1) (a) A county service area may provide: extended police protection; fire protection,
239 paramedic, and emergency services; culinary or irrigation water retail service; water
240 conservation; local park, recreation or parkway facilities and services; cemeteries; public
241 libraries; sewers, sewage and storm water treatment and disposal; flood control; garbage and
242 refuse collection; street lighting; airports; planning and zoning; local streets and roads; curb,

243 gutter, and sidewalk construction and maintenance; mosquito abatement; health department
244 services; hospital service; or the underground installation of an electric utility line or the
245 conversion to underground of an existing electric utility line.

246 (b) If providing service requires the issuance of bonds or the creation of long-term
247 obligations, the service may be supplied by means available as provided in this part.

248 (2) Each county service area that supplies the service of the underground installation of
249 an electric utility line or the conversion to underground of an existing electric utility line shall,
250 in installing or converting the line, provide advance notice to and coordinate with the utility
251 that owns the line.

252 Section 6. Section 17A-2-411 is amended to read:

253 **17A-2-411. Board of trustees -- Selection procedures -- Surety bonds -- Other**
254 **provisions applicable.**

255 (1) Each service area authorized under this part shall be governed by a board of
256 trustees.

257 (2) (a) ~~Upon~~ Except as provided in Subsection (11), upon the creation of a county
258 service area, the county legislative body may adopt an ordinance declaring that the county
259 legislative body of the county shall act as the trustees of the service area.

260 (b) Upon passage of the ordinance, the county legislative body of the county shall act
261 as trustees of the service area with all the powers, authority, and responsibility vested in the
262 trustees under this part.

263 (c) (i) The county legislative body, when acting as trustees, may use any existing
264 county offices, officers, or employees for the purposes of the service area.

265 (ii) The county legislative body shall charge costs of those services to the service area
266 and require them to be paid to the county treasurer for the general fund of the county.

267 (3) ~~At~~ Except as provided in Subsection (11), at any time after the creation of a board
268 of trustees as provided in Subsection (1), if no elected board has been established as provided
269 in this section, the county legislative body of the county in which the service area is located
270 may:

271 (a) by ordinance, delegate its powers to an appointed or elected board of trustees as
272 provided in Chapter 1, Part 3, Special District Board Selection Procedures; and

273 (b) provide for the appointment or election of the board by following the procedures

274 and requirements of Chapter 1, Part 3, Special District Board Selection Procedures.

275 (4) ~~[At]~~ Except as provided in Subsection (11), at any time after the creation of a board
276 of trustees as provided in Subsections (2) and (3), the county legislative body shall hold an
277 election for trustees by following the procedures and requirements of Chapter 1, Part 3, Special
278 District Board Selection Procedures, if:

279 (a) the county legislative body receives a petition requesting that an election for
280 trustees be held that is:

281 (i) signed by at least 10% of persons eligible to vote in an election in a service area
282 authorized under this part; and

283 (ii) filed with the county legislative body at least 30 days before the date set for a bond
284 election or 90 days before the date set for any municipal election; or

285 (b) territory located within a municipality is annexed into the county service area under
286 Title 17B, Chapter 2, Part 5, Annexation.

287 (5) (a) If there is no elected board of trustees at the time of the first bond election,
288 trustees shall be elected in conjunction with that bond election, except as provided in
289 Subsection (11).

290 (b) Candidates for election to the board of trustees shall be taxpayers and qualified
291 voters in the service area.

292 (c) At any time within 30 days after the county legislative body has called a bond
293 election, but not less than 15 days before the day of election, any person who is qualified to
294 vote in the service area may file a signed statement with the county clerk announcing the
295 person's candidacy to be one of the first elected trustees of the service area.

296 (d) The board of trustees shall provide a ballot separate from the bond ballot that
297 contains the names of the candidates and blanks in which the voters may write in additional
298 names.

299 (e) A voter at the election may vote for the number of trustee positions to be filled.

300 (f) The persons receiving the highest number of votes at the election are members of
301 the board of trustees.

302 (6) (a) Each member of the board of trustees may vote on all questions, orders,
303 resolutions, and ordinances coming before the board.

304 (b) Notwithstanding Section 17B-2-404, if the county legislative body acts as the board

305 of trustees, no compensation may be paid to them as trustees.

306 (c) Each trustee who is also a member of the county legislative body shall take the oath
307 of office and shall give the bond that is required by law for members of the county legislative
308 body.

309 (7) All qualified voters in the service area may vote in elections to select trustees and in
310 elections to approve the issuance of bonds.

311 (8) Following the election or appointment of the first trustees, each elected trustee shall
312 be elected according to the procedures and requirements of Chapter 1, Part 3, Special District
313 Board Selection Procedures.

314 (9) Each vacancy of an elected trustee in office shall be filled according to the
315 procedures and requirements of Chapter 1, Part 3, Special District Board Selection Procedures.

316 (10) (a) ~~[The]~~ Except as provided in Subsection (11), the provisions of Title 17B,
317 Chapter 2, Part 4, Board of Trustees, apply to each county service area to the same extent as if
318 the county service area were a local district under Title 17B, Chapter 2, Local Districts.

319 (b) (i) If a change in the number of board of trustees members is necessary to comply
320 with the requirements of Subsection 17B-2-402(1), the board of trustees may by majority vote,
321 notwithstanding Subsection 17B-2-402(3), change the number of board members to the next
322 odd number higher or lower than the number of current board members.

323 (ii) If a change under Subsection (10)(b)(i) decreases the number of board members,
324 the change may not take effect until the expiration of the term of the member whose term next
325 expires.

326 (iii) If a change in the number of board members necessitated by Subsection
327 17B-2-402(1) would cause the district to violate a provision of bonds issued by the district, the
328 number of board members may be modified to the extent necessary to avoid a violation.

329 (c) (i) If a change in the expiration date of the term of a board of trustees member is
330 necessary to comply with the requirements of Subsection 17B-2-403(1), the term of each board
331 member whose term expires on a day other than the first Monday in January shall be extended
332 to the first Monday in January after the normal expiration date next following the special
333 district election date under Section 17A-1-305.

334 (ii) If a change in the length of the term of a board of trustees member is necessary to
335 comply with the requirements of Subsection 17B-2-403(2), the change may not take effect until

336 the expiration of the term of the member whose term length is to be changed.

337 (11) (a) This Subsection (11) applies to a county service area created on or after May 5,
338 2003 if:

339 (i) the county service area was created to provide fire protection, paramedic, and
340 emergency services; and

341 (ii) in the creation of the county service area, an election was not required under
342 Subsection 17B-2-214(3)(c).

343 (b) (i) Each county whose unincorporated area is included within the county service
344 area, whether in conjunction with the creation of the county service area or by later annexation,
345 shall appoint three members to the board of trustees.

346 (ii) Each municipality whose area is included within the county service area, whether
347 in conjunction with the creation of the county service area or by later annexation, shall appoint
348 one member to the board of trustees.

349 (c) The number of members of a board of trustees of a county service area to which this
350 Subsection (11) applies shall be the number resulting from application of Subsection (11)(b).

351 (d) An employee of the county service area may not serve as a member of the board of
352 trustees.

353 Section 7. Section **17B-2-202** is amended to read:

354 **17B-2-202. Local district may be created -- Services that may be provided --**
355 **Limitations -- Name.**

356 (1) A local district may be created as provided in this part to provide within its
357 boundaries service consisting of:

358 (a) the operation of an airport;

359 (b) the operation of a cemetery;

360 (c) the operation of a system for the generation or distribution of electricity;

361 (d) the operation of a system for the transmission of natural or manufactured gas that
362 is:

363 (i) connected to a gas plant, as defined in Section 54-2-1, of a gas corporation, as
364 defined in Section 54-2-1, that is regulated under Section 54-4-1; and

365 (ii) to be used to facilitate gas utility service within the district if such gas utility
366 service is not available within the district prior to the acquisition or construction of such a

367 system;

368 (e) fire protection, paramedic, and emergency services;

369 (f) garbage collection and disposal;

370 (g) health care;

371 (h) the operation of a library;

372 (i) abatement or control of mosquitos and other insects;

373 (j) the operation of parks or recreation facilities;

374 (k) the operation of a sewage system;

375 (l) street lighting;

376 (m) the construction and maintenance of curb, gutter, and sidewalk;

377 (n) transportation;

378 (o) the operation of a system for the control of storm or flood waters;

379 (p) the operation of an irrigation water system;

380 (q) the operation of a culinary water system; or

381 (r) the underground installation of an electric utility line or the conversion to

382 underground of an existing electric utility line.

383 (2) For purposes of this section:

384 (a) "Operation" means all activities involved in providing the indicated service
385 including acquisition and ownership of property reasonably necessary to provide the indicated
386 service and acquisition, construction, and maintenance of facilities and equipment reasonably
387 necessary to provide the indicated service.

388 (b) "System" means the aggregate of interrelated components that combine together to
389 provide the indicated service including:

390 (i) for a sewage system, collection and treatment; and

391 (ii) for an irrigation or culinary water system, collection, retention, treatment, and
392 distribution to either the end user or another that in turn distributes to the end user.

393 (3) (a) Except as provided in Subsection (3)(b), a local district may be created to
394 provide and may after its creation provide no more than two of the services listed in Subsection
395 (1).

396 (b) Notwithstanding Subsection (3)(a), a local district may be created to provide and
397 may after its creation provide services consisting of:

- 398 (i) the operation of some or all of the components of a sewage system;
- 399 (ii) the operation of some or all of the components of an irrigation water system; and
- 400 (iii) the operation of some or all of the components of a culinary water system.

401 (4) (a) Except as provided in Subsection (4)(b), a local district may not be created to
402 provide and may not after its creation provide to an area the same service already being
403 provided to that area by another political subdivision.

404 (b) For purposes of Subsection (4)(a), a local district does not provide the same service
405 as another political subdivision if it operates a component of a system that is different from a
406 component operated by another political subdivision but within the same:

- 407 (i) sewage system;
- 408 (ii) irrigation water system; or
- 409 (iii) culinary water system.

410 (5) ~~[The]~~ Except for a local district in the creation of which an election is not required
411 under Subsection 17B-2-214(3)(c), the area of a local district may include all or part of the
412 unincorporated area of one or more counties and all or part of one or more municipalities.

413 (6) The name of a local district:

414 (a) may include words descriptive of the type of service provided by the local district;
415 and

416 (b) may not include the name of a county or municipality.

417 Section 8. Section **17B-2-213** is amended to read:

418 **17B-2-213. Protest after adoption of resolution -- Adoption of resolution**
419 **approving creation for certain districts.**

420 (1) For purposes of this section, "adequate protests" means protests that are:

421 (a) filed with the county clerk or municipal clerk or recorder, as the case may be,
422 within 60 days after the last public hearing required under Section 17B-2-210; and

423 (b) signed by:

424 (i) the owners of private real property that:

425 (A) is located within the proposed local district;

426 (B) covers at least 25% of the total private land area within the applicable area; and

427 (C) is equal in value to at least 15% of the value of all private real property within the
428 applicable area; or

429 (ii) registered voters residing within the applicable area equal in number to at least 25%
430 of the number of votes cast in the applicable area for the office of governor at the last general
431 election prior to the adoption of the resolution.

432 (2) If adequate protests are filed, the county or municipal legislative body that adopted
433 a resolution under Subsection 17B-2-203(1)(c):

434 (a) may not:

435 (i) hold or participate in an election under Subsection 17B-2-214(1) with respect to the
436 applicable area;

437 (ii) take any further action under the protested resolution to create a local district or
438 include the applicable area in a local district; or

439 (iii) for a period of two years, adopt a resolution under Subsection 17B-2-203(1)(c)
440 proposing the creation of a local district including substantially the same area as the applicable
441 area and providing the same service as the proposed local district in the protested resolution;
442 and

443 (b) shall, within five days of receiving adequate protests, mail or deliver written
444 notification of the adequate protests to the responsible body.

445 (3) Subsection (2)(a) may not be construed to prevent an election from being held for a
446 proposed local district whose boundaries do not include an applicable area that is the subject of
447 adequate protests.

448 (4) (a) If adequate protests are not filed with respect to a resolution proposing the
449 creation of a local district for which an election is not required under Subsection
450 17B-2-214(3)(c), a resolution approving the creation of the local district may be adopted by:

451 (i) the legislative body of a county whose unincorporated area is included within the
452 proposed local district; and

453 (ii) the legislative body of a municipality whose area is included within the proposed
454 local district.

455 (b) Each resolution adopted under Subsection (4)(a) shall:

456 (i) describe the area included in the local district;

457 (ii) be accompanied by a map that shows the boundaries of the local district;

458 (iii) describe the service to be provided by the local district;

459 (iv) state the name of the local district; and

460 (v) provide a process for the appointment of the members of the initial board of
461 trustees.

462 Section 9. Section **17B-2-214** is amended to read:

463 **17B-2-214. Election.**

464 (1) (a) Except as provided [~~under~~] in Subsection (3) and in Subsection
465 17B-2-213(2)(a), an election on the question of whether the local district should be created
466 shall be held by:

467 (i) if the proposed local district is located entirely within a single county, the
468 responsible clerk; or

469 (ii) except as provided under Subsection (1)(b), if the proposed local district is located
470 within more than one county, the clerk of each county in which part of the proposed local
471 district is located, in cooperation with the responsible clerk.

472 (b) Notwithstanding Subsection (1)(a)(ii), if the proposed local district is located
473 within more than one county and the only area of a county that is included within the proposed
474 local district is located within a single municipality, the election for that area shall be held by
475 the municipal clerk or recorder, in cooperation with the responsible clerk.

476 (2) Each election under Subsection (1) shall be held at the next special or regular
477 general election date that is:

478 (a) for an election pursuant to a property owner or registered voter petition, more than
479 45 days after certification of the petition under Subsection 17B-2-209(3)(b)(i); or

480 (b) for an election pursuant to a resolution, more than 60 days after the latest hearing
481 required under Section 17B-2-210.

482 (3) The election requirement of Subsection (1) does not apply:

483 (a) to a petition filed under Subsection 17B-2-203(1)(a) if it contains the signatures of
484 the owners of private real property that:

485 (i) is located within the proposed local district;

486 (ii) covers at least 67% of the total private land area within the proposed local district
487 as a whole and within each applicable area; and

488 (iii) is equal in value to at least 50% of the value of all private real property within the
489 proposed local district as a whole and within each applicable area; [~~or~~]

490 (b) to a petition filed under Subsection 17B-2-203(1)(b) if it contains the signatures of

491 registered voters residing within the proposed local district as a whole and within each
 492 applicable area, equal in number to at least 67% of the number of votes cast in the proposed
 493 local district as a whole and in each applicable area, respectively, for the office of governor at
 494 the last general election prior to the filing of the petition[-]; or

495 (c) to a resolution adopted under Subsection 17B-2-203(1)(c) on or after May 5, 2003
 496 that proposes the creation of a local district to provide fire protection, paramedic, and
 497 emergency services, if the proposed local district includes a majority of the unincorporated area
 498 of one or more counties and all of the area within one or more municipalities.

499 (4) (a) If the proposed local district is located in more than one county, the responsible
 500 clerk shall coordinate with the clerk of each other county and the clerk or recorder of each
 501 municipality involved in an election under Subsection (1) so that the election is held on the
 502 same date and in a consistent manner in each jurisdiction.

503 (b) The clerk of each county and the clerk or recorder of each municipality involved in
 504 an election under Subsection (1) shall cooperate with the responsible clerk in holding the
 505 election.

506 (c) Except as otherwise provided in this part, each election under Subsection (1) shall
 507 be governed by Title 20A, [~~Elections~~] Election Code.

508 Section 10. Section **17B-2-215** is amended to read:

509 **17B-2-215. Certification to lieutenant governor -- Certificate of incorporation --**
 510 **Notice to State Tax Commission and state auditor -- Local district incorporated --**
 511 **Incorporation presumed conclusive.**

512 (1) The responsible body shall file a notice with the lieutenant governor within ten days
 513 after:

514 (a) the canvass of an election under Section 17B-2-214, if a majority of those voting at
 515 the election within the proposed local district as a whole vote in favor of the creation of a local
 516 district; [~~or~~]

517 (b) certification of a petition as to which the election requirement of Subsection
 518 17B-2-214(1) does not apply because of Subsection 17B-2-214(3)[-](a) or (b); or

519 (c) adoption of a resolution under Subsection 17B-2-213(4) approving the creation of a
 520 local district for which an election was not required under Subsection 17B-2-214(3)(c), by the
 521 legislative body of each county whose unincorporated area is included within and the

522 legislative body of each municipality whose area is included within the proposed local district.

523 (2) In each notice under Subsection (1) the responsible body shall:

524 (a) if the notice follows an election under Section 17B-2-214:

525 (i) certify the results of the election; and

526 (ii) describe the boundaries of the new local district; and

527 (b) certify that all requirements for the creation of a local district have been complied

528 with.

529 (3) (a) Within ten days after receiving the notice under Subsection (1), the lieutenant
530 governor shall issue a certificate of incorporation for the new local district and send a copy of
531 the certificate to the responsible body.

532 (b) The area of each local district declared to be incorporated by a certificate of
533 incorporation issued under this section shall consist of:

534 (i) if an election was held under Section 17B-2-214, the area of the new local district as
535 approved at the election; ~~or~~

536 (ii) if an election was not required because of Subsection 17B-2-214(3)(a) or (b), the
537 area of the proposed local district as described in the petition[-]; or

538 (iii) if an election was not required because of Subsection 17B-2-214(3)(c), the area of
539 the new local district as described in the resolution adopted under Subsection 17B-2-213(4).

540 (4) (a) Within 30 days after receiving a certificate of incorporation under Subsection
541 (3), the responsible body shall file a written notice of the creation of the local district with the
542 State Tax Commission and the state auditor.

543 (b) Each notice to the State Tax Commission under Subsection (4)(a) shall be
544 accompanied by:

545 (i) a copy of the lieutenant governor's certificate of incorporation; and

546 (ii) a map showing the boundaries of the local district, prepared and certified by a
547 licensed surveyor.

548 (5) Upon the lieutenant governor's issuance of the certificate of incorporation, the local
549 district is created and incorporated.

550 (6) A local district shall be conclusively presumed to be lawfully incorporated if no
551 challenge to the existence or incorporation of the local district is filed in district court within 90
552 days after the lieutenant governor issues a certificate of incorporation.

553 Section 11. Section **17B-2-216** is amended to read:

554 **17B-2-216. Costs and expenses of creating local district.**

555 (1) Except as provided in Subsection (2), each county whose unincorporated area
556 includes and each municipality whose boundaries include some or all of the proposed local
557 district shall bear their respective costs and expenses associated with the procedure under this
558 part for creating a local district.

559 (2) Within a year after its creation, each local district shall reimburse the costs and
560 expenses associated with the preparation and certification of the map of the local district under
561 Subsection 17B-2-215[~~(3)~~](4)(b)(ii).

562 Section 12. Section **17B-2-502** is amended to read:

563 **17B-2-502. Annexation of area outside local district.**

564 (1) An area outside the boundaries of a local district may be annexed to the local
565 district, as provided in this part, in order to provide to the area a service that the local district
566 provides.

567 (2) The area proposed to be annexed:

568 (a) may consist of one or more noncontiguous areas; and

569 (b) need not be adjacent to the boundaries of the proposed annexing local district.

570 (3) With respect to a local district in the creation of which an election was not required
571 under Subsection 17B-2-214(3)(c):

572 (a) an unincorporated area of a county may not be annexed to the local district unless,
573 after annexation, at least a majority of the unincorporated area of the county will be included in
574 the local district; and

575 (b) the annexation of any part of an area within a municipality shall include all of the
576 area within the municipality.

577 Section 13. Section **17B-2-503** is amended to read:

578 **17B-2-503. Initiation of annexation process -- Petition and resolution.**

579 (1) Except as provided in Sections 17B-2-515 [~~and~~], 17B-2-515.5, and 17B-2-516, the
580 process to annex an area to a local district may be initiated by:

581 (a) (i) for a district whose board of trustees is elected by electors based on the acre-feet
582 of water allotted to the land owned by the elector and subject to Subsection (2), a petition
583 signed by the owners of all of the acre-feet of water allotted to the land proposed for

584 annexation; or

585 (ii) for all other districts:

586 (A) a petition signed by the owners of private real property that:

587 (I) is located within the area proposed to be annexed;

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

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

592 (B) a petition signed by registered voters residing within the entire area proposed to be
593 annexed and within each applicable area equal in number to at least 10% of the number of
594 votes cast within the entire area proposed to be annexed and within each applicable area,
595 respectively, for the office of governor at the last regular general election before the filing of
596 the petition;

597 (b) a resolution adopted by the legislative body of each county whose unincorporated
598 area includes and each municipality whose boundaries include any of the area proposed to be
599 annexed; or

600 (c) a resolution adopted by the board of trustees of the proposed annexing local district
601 if, for at least 12 consecutive months immediately preceding adoption of the resolution, the
602 local district has provided:

603 (i) retail service to the area; or

604 (ii) a wholesale service to a provider of the same service that has provided that service
605 on a retail basis to the area.

606 (2) If an association representing all acre-feet of water allotted to the land that is
607 proposed to be annexed to a local district signs a petition under Subsection (1)(a)(i), pursuant
608 to a proper exercise of authority as provided in the bylaws or other rules governing the
609 association, the petition shall be considered to have been signed by the owners of all of the
610 acre-feet of water allotted to the land proposed for annexation, even though less than all of the
611 owners within the association consented to the association signing the petition.

612 (3) Each petition and resolution under Subsection (1) shall:

613 (a) describe the area proposed to be annexed; and

614 (b) be accompanied by a map of the boundaries of the area proposed to be annexed.

615 (4) The legislative body of each county and municipality that adopts a resolution under
616 Subsection (1)(b) shall, within five days after adopting the resolution, mail or deliver a copy of
617 the resolution to the board of trustees of the proposed annexing local district.

618 Section 14. Section **17B-2-514** is amended to read:

619 **17B-2-514. Resolution approving an annexation -- Notice of annexation -- When**
620 **annexation complete.**

621 (1) (a) Subject to Subsection (1)(b), the local district board shall adopt a resolution
622 annexing the area proposed to be annexed or rejecting the proposed annexation within 30 days
623 after:

624 (i) expiration of the protest period under Subsection 17B-2-512(2), if sufficient protests
625 to require an election are not filed;

626 (ii) for a petition that meets the requirements of Subsection 17B-2-513(1):

627 (A) a public hearing under Section 17B-2-509 is held, if the board chooses or is
628 required to hold a public hearing under Subsection 17B-2-513(2)(a)(ii); or

629 (B) expiration of the time for submitting a request for public hearing under Subsection
630 17B-2-513(2)(a)(ii)(B), if no request is submitted and the board chooses not to hold a public
631 hearing.

632 (b) If the local district has entered into an agreement with the United States that
633 requires the consent of the United States for an annexation of territory to the district, an
634 annexation under this part may not occur until the written consent of the United States is
635 obtained and filed with the board of trustees.

636 (2) (a) Within ten days after adoption of an annexation resolution under Subsection (1),
637 Subsection 17B-2-512(3)(c)(i), or Section 17B-2-515, or a boundary adjustment resolution
638 under Subsection 17B-2-516(4), the board shall:

639 ~~[(a)]~~ (i) file a written notice of annexation with the State Tax Commission, the
640 lieutenant governor, and the assessor and recorder of the county in which the annexed area is
641 located, accompanied by an accurate map or legal description of the boundaries of the area
642 being annexed, adequate for purposes of the county assessor and recorder; and

643 ~~[(b)]~~ (ii) prepare and execute a certificate acknowledging that the notices required
644 under Subsection (2)(a) have been filed, and maintain the certificate with the district records.

645 (b) (i) As soon as practicable after receiving the notice under Subsection 10-2-425(2)

646 of a municipal annexation that causes an automatic annexation to a local district under Section
647 17B-2-515.5, the board shall file a notice with the lieutenant governor.

648 (ii) The notice required under Subsection (2)(b)(i) shall:

649 (A) state that an area outside the boundaries of the local district is being automatically
650 annexed to the local district under Section 17B-2-515.5 because of a municipal annexation
651 under Title 10, Chapter 2, Part 4, Annexation; and

652 (B) be accompanied by an accurate map depicting the boundaries of the area to be
653 annexed or a legal description of the area to be annexed, adequate for purposes of the county
654 assessor and recorder.

655 (iii) The lieutenant governor shall issue a certificate of annexation as provided in
656 Subsection 10-2-117(3)(b).

657 (iv) The annexation shall be complete upon the lieutenant governor's issuance of the
658 certificate of annexation under Subsection 10-2-117(3)(b).

659 (3) The annexation shall be complete on the date indicated in the certificate required
660 under Subsection (2)(b) as the date on which the board filed the notices required under
661 Subsection (2)(a).

662 Section 15. Section **17B-2-515.5** is enacted to read:

663 **17B-2-515.5. Automatic annexation to fire district.**

664 (1) An area outside the boundaries of a local district that is annexed to a municipality
665 or added to a municipality by a boundary adjustment under Title 10, Chapter 2, Part 4,
666 Annexation, is automatically annexed to the local district if:

667 (a) the local district provides fire protection, paramedic, and emergency services;

668 (b) an election for the creation of the local district was not required because of
669 Subsection 17B-2-214(3)(b); and

670 (c) before the municipal annexation or boundary adjustment, the entire municipality
671 that is annexing the area or adding the area by boundary adjustment was included within the
672 local district.

673 (2) The effective date of an annexation under this section is governed by Subsection
674 17B-2-514(2)(b)(iv).

675 Section 16. Section **17B-2-601** is amended to read:

676 **17B-2-601. Withdrawal of area from local district -- Definitions.**

677 (1) An area within the boundaries of a local district may be withdrawn from the local
678 district as provided in this part.

679 (2) (a) An area within the boundaries of a local district is automatically withdrawn
680 from the local district by the annexation of the area to a municipality or the adding of the area
681 to a municipality by boundary adjustment under Title 10, Chapter 2, Part 4, Annexation, if:

682 (i) the local district provides fire protection, paramedic, and emergency services;

683 (ii) an election for the creation of the local district was not required because of
684 Subsection 17B-2-214(3)(c); and

685 (iii) before annexation or boundary adjustment, the boundaries of the local district do
686 not include any of the annexing municipality.

687 (b) The effective date of a withdrawal under this Subsection (2) is governed by
688 Subsection 17B-2-610(1)(b).

689 ~~[(2)]~~ (3) In addition to those definitions in Section 17B-2-101, as used in this part,
690 "receiving entity" means an entity that will, following a withdrawal, provide to the withdrawn
691 area the service previously provided by the local district.

692 Section 17. Section **17B-2-603** is amended to read:

693 **17B-2-603. Initiation of withdrawal process -- Notice of petition.**

694 (1) ~~[The]~~ Except as provided in Section 17B-2-603.5, the process to withdraw an area
695 from a local district may be initiated:

696 (a) for a local district funded predominantly by revenues from property taxes or service
697 charges other than those based upon acre-feet of water:

698 (i) by a petition signed by the owners of private real property that:

699 (A) is located within the area proposed to be withdrawn;

700 (B) covers at least 51% of the total private land within the area proposed to be
701 withdrawn; and

702 (C) is equal in taxable value to at least 51% of the taxable value of all private real
703 property within the area proposed to be withdrawn;

704 (ii) by a petition signed by registered voters residing within the area proposed to be
705 withdrawn equal in number to at least 67% of the number of votes cast in the same area for the
706 office of governor at the last regular general election before the filing of the petition;

707 (iii) by a resolution adopted by the board of trustees of the local district in which the

708 area proposed to be withdrawn is located, which:

709 (A) states the reasons for withdrawal; and

710 (B) is accompanied by a general description of the area proposed to be withdrawn; or

711 (iv) by a resolution to file a petition with the local district to withdraw from the local

712 district all or a specified portion of the area within a municipality or county, adopted by the

713 governing body of a municipality that has within its boundaries an area located within the

714 boundaries of a local district, or by the governing body of a county that has within its

715 boundaries an area located within the boundaries of a local district that is located in more than

716 one county, which petition of the governing body shall be filed with the board of trustees only

717 if a written request to petition the board of trustees to withdraw an area from the local district

718 has been filed with the governing body of the municipality, or county, and the request has been

719 signed by registered voters residing within the boundaries of the area proposed for withdrawal

720 equal in number to at least 51% of the number of votes cast in the same area for the office of

721 governor at the last regular general election before the filing of the petition;

722 (b) for a local district whose board of trustees is elected by electors based on the

723 acre-feet of water allotted to the land owned by the elector:

724 (i) in the same manner as provided in Subsection (1)(a)(iii) or Subsection (1)(a)(iv); or

725 (ii) by a petition signed by the owners of at least 67% of the acre-feet of water allotted

726 to the land proposed to be withdrawn; or

727 (c) for a local district funded predominantly by revenues other than property taxes,

728 service charges, or assessments based upon an allotment of acre-feet of water:

729 (i) in the same manner as provided in Subsection (1)(a)(iii) or Subsection (1)(a)(iv); or

730 (ii) by a petition signed by the registered voters residing within the entire area proposed

731 to be withdrawn, which area shall be comprised of an entire unincorporated area within the

732 local district or an entire municipality within a local district, or a combination thereof, equal in

733 number to at least 67% of the number of votes cast within the entire area proposed to be

734 withdrawn for the office of governor at the last regular general election before the filing of the

735 petition.

736 (2) Prior to soliciting any signatures on a petition under Subsection (1), the sponsors of
737 the petition shall:

738 (a) notify the local district board with which the petition is intended to be filed that the

739 sponsors will be soliciting signatures for a petition; and

740 (b) mail a copy of the petition to the local district board.

741 Section 18. Section **17B-2-603.5** is enacted to read:

742 **17B-2-603.5. Withdrawal of municipality in certain fire districts.**

743 (1) (a) The process to withdraw an area from a local district may be initiated by a
744 resolution adopted by the legislative body of a municipality that is entirely within the
745 boundaries of a local district:

746 (i) that provides fire protection, paramedic, and emergency services; and

747 (ii) in the creation of which an election was not required because of Subsection
748 17B-2-214(3)(c).

749 (b) Within ten days after adopting a resolution under Subsection (1)(a), the municipal
750 legislative body shall submit to the board of trustees of the local district written notice of the
751 adoption of the resolution, accompanied by a copy of the resolution.

752 (2) If a resolution is adopted under Subsection (1), the municipal legislative body shall
753 hold an election at the next municipal general election that is more than 60 days after adoption
754 of the resolution on the question of whether the municipality should withdraw from the local
755 district.

756 (3) If a majority of those voting on the question of withdrawal at an election held under
757 Subsection (2) vote in favor of withdrawal, the municipality shall be withdrawn from the local
758 district.

759 (4) (a) Within ten days after the canvass of an election at which a withdrawal under this
760 section is submitted to voters, the municipal legislative body shall send written to the board of
761 the local district from which the municipality is proposed to withdraw.

762 (b) Each notice under Subsection (4)(a) shall:

763 (i) state the results of the withdrawal election; and

764 (ii) if the withdrawal was approved by voters, be accompanied by a map or legal
765 description of the area to be withdrawn, adequate for purposes of the county assessor and
766 recorder.

767 (5) The effective date of a withdrawal under this section is governed by Subsection
768 17B-2-610(1)(b).

769 Section 19. Section **17B-2-610** is amended to read:

770 **17B-2-610. Notice of withdrawal -- Contest period -- Judicial review.**

771 (1) (a) (i) Within ten days after adopting a resolution approving a withdrawal under
772 Section 17B-2-608, the board of trustees shall file a written notice of the withdrawal with the
773 State Tax Commission and the assessor and recorder of each county in which any part of the
774 withdrawn area is located, accompanied by a copy of the resolution approving the withdrawal,
775 an accurate map depicting the boundaries of the withdrawn area or a legal description of the
776 withdrawn area, adequate for purposes of the county assessor and recorder.

777 ~~(b)~~ (ii) Upon the filing of the notices required by Subsection (1)(a), the withdrawal
778 shall be effective, subject to the conditions of the withdrawal resolution.

779 (b) (i) As soon as practicable after receiving a notice under Subsection 10-2-425(2) of
780 an automatic withdrawal under Subsection 17B-2-601(2) or after receiving notice of a
781 withdrawal of a municipality from a local district under Section 17B-2-603.5, the board of
782 trustees shall file a written notice of the withdrawal with the lieutenant governor.

783 (ii) The notice required under Subsection (1)(b)(i) shall be accompanied by an accurate
784 map depicting the boundaries of the withdrawn area or a legal description of the withdrawn
785 area, adequate for purposes of the county assessor and recorder.

786 (iii) Within ten days after receiving the notice of a withdrawal of a municipality from a
787 local district under Section 17B-2-603.5, the lieutenant governor shall:

788 (A) issue a certificate of withdrawal and send a copy of the certificate to the local
789 district board, the State Tax Commission, the state auditor, and the assessor and recorder of
790 each county in which any part of the withdrawn area is located; and

791 (B) send a copy of the notice of withdrawal, including the accompanying map or legal
792 description, to the State Tax Commission and the assessor and recorder of each county in
793 which any part of the withdrawn area is located.

794 (iv) (A) An automatic withdrawal under Subsection 17B-2-601(2) shall be effective
795 upon the lieutenant governor's issuance of a certificate of withdrawal under Subsection
796 10-1-117(3)(b).

797 (B) A withdrawal of a municipality from a local district under Section 17B-2-603.5
798 shall be effective upon the lieutenant governor's issuance of a certificate of withdrawal under
799 Subsection (1)(b)(iii).

800 (2) The local district may provide for the publication of any resolution approving or

801 denying the withdrawal of an area in a newspaper of general circulation in the area proposed
802 for withdrawal. In lieu of publishing the entire resolution, the local district may publish a
803 notice of withdrawal or denial of withdrawal, containing:

804 (a) the name of the local district;

805 (b) a description of the area proposed for withdrawal;

806 (c) a brief explanation of the grounds on which the board of trustees determined to
807 approve or deny the withdrawal; and

808 (d) the times and place where a copy of the resolution may be examined, which shall be
809 at the place of business of the local district, identified in the notice, during regular business
810 hours of the local district as described in the notice and for a period of at least 30 days after the
811 publication of the notice.

812 (3) Any sponsor of the petition or receiving entity may contest the board's decision to
813 deny a withdrawal of an area from the local district by submitting a request, within 60 days
814 after the resolution is adopted under Section 17B-2-608, to the board of trustees, suggesting
815 terms or conditions to mitigate or eliminate the conditions upon which the board of trustees
816 based its decision to deny the withdrawal.

817 (4) Within 60 days after the request under Subsection (3) is submitted to the board of
818 trustees, the board may consider the suggestions for mitigation and adopt a resolution
819 approving or denying the request in the same manner as provided in Section 17B-2-608 with
820 respect to the original resolution denying the withdrawal and file a notice of the action as
821 provided in Subsection (1).

822 (5) (a) Any person in interest may seek judicial review of:

823 (i) the board of trustees' decision to withdraw an area from the local district;

824 (ii) the terms and conditions of a withdrawal; or

825 (iii) the board's decision to deny a withdrawal.

826 (b) Judicial review under this Subsection (5) shall be initiated by filing an action in the
827 district court in the county in which a majority of the area proposed to be withdrawn is located:

828 (i) if the resolution approving or denying the withdrawal is published under Subsection
829 (2), within 60 days after the publication or after the board of trustees' denial of the request
830 under Subsection (4);

831 (ii) if the resolution is not published pursuant to Subsection (2), within 60 days after

832 the resolution approving or denying the withdrawal is adopted; or

833 (iii) if a request is submitted to the board of trustees of a local district under Subsection
834 (3), and the board adopts a resolution under Subsection (4), within 60 days after the board
835 adopts a resolution under Subsection (4) unless the resolution is published under Subsection
836 (2), in which event the action must be filed within 60 days after the publication.

837 (c) A court in which an action is filed under this Subsection (5) may not overturn, in
838 whole or in part, the board of trustees' decision to approve or reject the withdrawal unless:

839 (i) the court finds the board of trustees' decision to be arbitrary or capricious; or

840 (ii) the court finds that the board materially failed to follow the procedures set forth in
841 this part.

842 (d) A court may award costs and expenses of an action under this section, including
843 reasonable attorney's fees, to the prevailing party.

844 (6) After the applicable contest period under Subsection (3) or (5), no person may
845 contest the board of trustees' approval or denial of withdrawal for any cause.

846 Section 20. Section **59-2-924** is amended to read:

847 **59-2-924. Report of valuation of property to county auditor and commission --**
848 **Transmittal by auditor to governing bodies -- Certified tax rate -- Adoption of tentative**
849 **budget.**

850 (1) (a) Before June 1 of each year, the county assessor of each county shall deliver to
851 the county auditor and the commission the following statements:

852 (i) a statement containing the aggregate valuation of all taxable property in each taxing
853 entity; and

854 (ii) a statement containing the taxable value of any additional personal property
855 estimated by the county assessor to be subject to taxation in the current year.

856 (b) The county auditor shall, on or before June 8, transmit to the governing body of
857 each taxing entity:

858 (i) the statements described in Subsections (1)(a)(i) and (ii);

859 (ii) an estimate of the revenue from personal property;

860 (iii) the certified tax rate; and

861 (iv) all forms necessary to submit a tax levy request.

862 (2) (a) (i) The "certified tax rate" means a tax rate that will provide the same ad valorem

863 property tax revenues for a taxing entity as were collected by that taxing entity for the prior
864 year.

865 (ii) For purposes of this Subsection (2), "ad valorem property tax revenues" do not
866 include:

867 (A) collections from redemptions;

868 (B) interest; and

869 (C) penalties.

870 (iii) Except as provided in Subsection (2)(a)(iv), the certified tax rate shall be
871 calculated by dividing the ad valorem property tax revenues collected for the prior year by the
872 taxing entity by the taxable value established in accordance with Section 59-2-913.

873 (iv) The certified tax rates for the taxing entities described in this Subsection (2)(a)(iv)
874 shall be calculated as follows:

875 (A) except as provided in Subsection (2)(a)(iv)(B), for new taxing entities the certified
876 tax rate is zero;

877 (B) for each municipality incorporated on or after July 1, 1996, the certified tax rate is:

878 (I) in a county of the first, second, or third class, the levy imposed for municipal-type
879 services under Sections 17-34-1 and 17-36-9; and

880 (II) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
881 purposes and such other levies imposed solely for the municipal-type services identified in
882 Section 17-34-1 and Subsection 17-36-3(22);

883 (C) for debt service voted on by the public, the certified tax rate shall be the actual levy
884 imposed by that section, except that the certified tax rates for the following levies shall be
885 calculated in accordance with Section 59-2-913 and this section:

886 (I) school leeways provided for under Sections 11-2-7, 53A-16-110, 53A-17a-125,
887 53A-17a-127, 53A-17a-134, 53A-17a-143, 53A-17a-145, and 53A-21-103; and

888 (II) levies to pay for the costs of state legislative mandates or judicial or administrative
889 orders under Section 59-2-906.3.

890 (v) (A) A judgment levy imposed under Section 59-2-1328 or Section 59-2-1330 shall
891 be established at that rate which is sufficient to generate only the revenue required to satisfy
892 one or more eligible judgments, as defined in Section 59-2-102.

893 (B) The ad valorem property tax revenue generated by the judgment levy shall not be

894 considered in establishing the taxing entity's aggregate certified tax rate.

895 (b) (i) For the purpose of calculating the certified tax rate, the county auditor shall use
896 the taxable value of property on the assessment roll.

897 (ii) For purposes of Subsection (2)(b)(i), the taxable value of property on the
898 assessment roll does not include new growth as defined in Subsection (2)(b)(iii).

899 (iii) "New growth" means:

900 (A) the difference between the increase in taxable value of the taxing entity from the
901 previous calendar year to the current year; minus

902 (B) the amount of an increase in taxable value described in Subsection (2)(b)(iv).

903 (iv) Subsection (2)(b)(iii)(B) applies to the following increases in taxable value:

904 (A) the amount of increase to locally assessed real property taxable values resulting
905 from factoring, reappraisal, or any other adjustments; or

906 (B) the amount of an increase in the taxable value of property assessed by the
907 commission under Section 59-2-201 resulting from a change in the method of apportioning the
908 taxable value prescribed by:

909 (I) the Legislature;

910 (II) a court;

911 (III) the commission in an administrative rule; or

912 (IV) the commission in an administrative order.

913 (c) Beginning January 1, 1997, if a taxing entity receives increased revenues from
914 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, or 59-2-405.1 as
915 a result of any county imposing a sales and use tax under Chapter 12, Part 11, County Option
916 Sales and Use Tax, the taxing entity shall decrease its certified tax rate to offset the increased
917 revenues.

918 (d) (i) Beginning July 1, 1997, if a county has imposed a sales and use tax under
919 Chapter 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:

920 (A) decreased on a one-time basis by the amount of the estimated sales tax revenue to
921 be distributed to the county under Subsection 59-12-1102(3); and

922 (B) increased by the amount necessary to offset the county's reduction in revenue from
923 uniform fees on tangible personal property under Section 59-2-404, 59-2-405, or 59-2-405.1 as
924 a result of the decrease in the certified tax rate under Subsection (2)(d)(i)(A).

925 (ii) The commission shall determine estimates of sales tax distributions for purposes of
926 Subsection (2)(d)(i).

927 (e) Beginning January 1, 1998, if a municipality has imposed an additional resort
928 communities sales tax under Section 59-12-402, the municipality's certified tax rate shall be
929 decreased on a one-time basis by the amount necessary to offset the first 12 months of
930 estimated revenue from the additional resort communities sales tax imposed under Section
931 59-12-402.

932 (f) For the calendar year beginning on January 1, 1999, and ending on December 31,
933 1999, a taxing entity's certified tax rate shall be adjusted by the amount necessary to offset the
934 adjustment in revenues from uniform fees on tangible personal property under Section
935 59-2-405.1 as a result of the adjustment in uniform fees on tangible personal property under
936 Section 59-2-405.1 enacted by the Legislature during the 1998 Annual General Session.

937 (g) For purposes of Subsections (2)(h) through (j):

938 (i) "1998 actual collections" means the amount of revenues a taxing entity actually
939 collected for the calendar year beginning on January 1, 1998, under Section 59-2-405 for:

940 (A) motor vehicles required to be registered with the state that weigh 12,000 pounds or
941 less; and

942 (B) state-assessed commercial vehicles required to be registered with the state that
943 weigh 12,000 pounds or less.

944 (ii) "1999 actual collections" means the amount of revenues a taxing entity actually
945 collected for the calendar year beginning on January 1, 1999, under Section 59-2-405.1.

946 (h) For the calendar year beginning on January 1, 2000, the commission shall make the
947 following adjustments:

948 (i) the commission shall make the adjustment described in Subsection (2)(i)(i) if, for
949 the calendar year beginning on January 1, 1999, a taxing entity's 1998 actual collections were
950 greater than the sum of:

951 (A) the taxing entity's 1999 actual collections; and

952 (B) any adjustments the commission made under Subsection (2)(f);

953 (ii) the commission shall make the adjustment described in Subsection (2)(i)(ii) if, for
954 the calendar year beginning on January 1, 1999, a taxing entity's 1998 actual collections were
955 greater than the taxing entity's 1999 actual collections, but the taxing entity's 1998 actual

956 collections were less than the sum of:

957 (A) the taxing entity's 1999 actual collections; and

958 (B) any adjustments the commission made under Subsection (2)(f); and

959 (iii) the commission shall make the adjustment described in Subsection (2)(i)(iii) if, for
960 the calendar year beginning on January 1, 1999, a taxing entity's 1998 actual collections were
961 less than the taxing entity's 1999 actual collections.

962 (i) (i) For purposes of Subsection (2)(h)(i), the commission shall increase a taxing
963 entity's certified tax rate under this section and a taxing entity's certified revenue levy under
964 Section 59-2-906.1 by the amount necessary to offset the difference between:

965 (A) the taxing entity's 1998 actual collections; and

966 (B) the sum of:

967 (I) the taxing entity's 1999 actual collections; and

968 (II) any adjustments the commission made under Subsection (2)(f).

969 (ii) For purposes of Subsection (2)(h)(ii), the commission shall decrease a taxing
970 entity's certified tax rate under this section and a taxing entity's certified revenue levy under
971 Section 59-2-906.1 by the amount necessary to offset the difference between:

972 (A) the sum of:

973 (I) the taxing entity's 1999 actual collections; and

974 (II) any adjustments the commission made under Subsection (2)(f); and

975 (B) the taxing entity's 1998 actual collections.

976 (iii) For purposes of Subsection (2)(h)(iii), the commission shall decrease a taxing
977 entity's certified tax rate under this section and a taxing entity's certified revenue levy under
978 Section 59-2-906.1 by the amount of any adjustments the commission made under Subsection
979 (2)(f).

980 (j) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, for
981 purposes of Subsections (2)(f) through (i), the commission may make rules establishing the
982 method for determining a taxing entity's 1998 actual collections and 1999 actual collections.

983 (k) (i) (A) For fiscal year 2000, the certified tax rate of each county required under
984 Subsection 17-34-1(4)(a) to provide advanced life support and paramedic services to the
985 unincorporated area of the county shall be decreased by the amount necessary to reduce
986 revenues in that fiscal year by an amount equal to the difference between the amount the county

987 budgeted in its 2000 fiscal year budget for advanced life support and paramedic services
988 countywide and the amount the county spent during fiscal year 2000 for those services,
989 excluding amounts spent from a municipal services fund for those services.

990 (B) For fiscal year 2001, the certified tax rate of each county to which Subsection
991 (2)(k)(i)(A) applies shall be decreased by the amount necessary to reduce revenues in that fiscal
992 year by the amount that the county spent during fiscal year 2000 for advanced life support and
993 paramedic services countywide, excluding amounts spent from a municipal services fund for
994 those services.

995 (ii) (A) A city or town located within a county of the first class to which Subsection
996 (2)(k)(i) applies may increase its certified tax rate by the amount necessary to generate within
997 the city or town the same amount of revenues as the county would collect from that city or
998 town if the decrease under Subsection (2)(k)(i) did not occur.

999 (B) An increase under Subsection (2)(k)(ii)(A), whether occurring in a single fiscal
1000 year or spread over multiple fiscal years, is not subject to the notice and hearing requirements
1001 of Sections 59-2-918 and 59-2-919.

1002 (l) (i) The certified tax rate of each county required under Subsection 17-34-1(4)(b) to
1003 provide detective investigative services to the unincorporated area of the county shall be
1004 decreased:

1005 (A) in fiscal year 2001 by the amount necessary to reduce revenues in that fiscal year
1006 by at least \$4,400,000; and

1007 (B) in fiscal year 2002 by the amount necessary to reduce revenues in that fiscal year
1008 by an amount equal to the difference between \$9,258,412 and the amount of the reduction in
1009 revenues under Subsection (2)(l)(i)(A).

1010 (ii) (A) (I) Beginning with municipal fiscal year 2002, a city or town located within a
1011 county to which Subsection (2)(l)(i) applies may increase its certified tax rate to generate
1012 within the city or town the same amount of revenue as the county would have collected during
1013 county fiscal year 2001 from within the city or town except for Subsection (2)(l)(i)(A).

1014 (II) Beginning with municipal fiscal year 2003, a city or town located within a county
1015 to which Subsection (2)(l)(i) applies may increase its certified tax rate to generate within the
1016 city or town the same amount of revenue as the county would have collected during county
1017 fiscal year 2002 from within the city or town except for Subsection (2)(l)(i)(B).

1018 (B) (I) Except as provided in Subsection (2)(l)(ii)(B)(II), an increase in the city or
1019 town's certified tax rate under Subsection (2)(l)(ii)(A), whether occurring in a single fiscal year
1020 or spread over multiple fiscal years, is subject to the notice and hearing requirements of
1021 Sections 59-2-918 and 59-2-919.

1022 (II) For an increase under this Subsection (2)(l)(ii) that generates revenue that does not
1023 exceed the same amount of revenue as the county would have collected except for Subsection
1024 (2)(l)(i), the requirements of Sections 59-2-918 and 59-2-919 do not apply if the city or town:

1025 (aa) publishes a notice that meets the size, type, placement, and frequency requirements
1026 of Section 59-2-919, reflects that the increase is a shift of a tax from one imposed by the county
1027 to one imposed by the city or town, and explains how the revenues from the tax increase will
1028 be used; and

1029 (bb) holds a public hearing on the tax shift that may be held in conjunction with the
1030 city or town's regular budget hearing.

1031 (m) (i) This Subsection (2)(m) applies to each county that:

1032 (A) establishes a countywide special service district under Title 17A, Chapter 2, Part
1033 13, Utah Special Service District Act, to provide jail service, as provided in Subsection
1034 17A-2-1304(1)(a)(x); and

1035 (B) levies a property tax on behalf of the special service district under Section
1036 17A-2-1322.

1037 (ii) (A) The certified tax rate of each county to which this Subsection (2)(m) applies
1038 shall be decreased by the amount necessary to reduce county revenues by the same amount of
1039 revenues that will be generated by the property tax imposed on behalf of the special service
1040 district.

1041 (B) Each decrease under Subsection (2)(m)(ii)(A) shall occur contemporaneously with
1042 the levy on behalf of the special service district under Section 17A-2-1322.

1043 (n) (i) As used in this Subsection (2)(n):

1044 (A) "Annexing county" means a county whose unincorporated area is included within a
1045 fire district by annexation.

1046 (B) "Annexing municipality" means a municipality whose area is included within a fire
1047 district by annexation.

1048 (C) "Equalized fire protection tax rate" means the tax rate that results from:

1049 (I) calculating, for each participating county and each participating municipality, the
1050 property tax revenue necessary to cover all of the costs associated with providing fire
1051 protection, paramedic, and emergency services:

1052 (aa) for a participating county, in the unincorporated area of the county; and

1053 (bb) for a participating municipality, in the municipality; and

1054 (II) adding all the amounts calculated under Subsection (2)(i)(C)(I) for all participating
1055 counties and all participating municipalities and then dividing that sum by the aggregate
1056 taxable value of the property, as adjusted in accordance with Section 59-2-913:

1057 (aa) for participating counties, in the unincorporated area of all participating counties;
1058 and

1059 (bb) for participating municipalities, in all the participating municipalities.

1060 (D) "Fire district" means a county service area under Title 17A, Chapter 2, Part 4,
1061 County Service Area Act, in the creation of which an election was not required under
1062 Subsection 17B-2-214(3)(c).

1063 (E) "Fire protection tax rate" means:

1064 (I) for an annexing county, the property tax rate that, when applied to taxable property
1065 in the unincorporated area of the county, generates enough property tax revenue to cover all the
1066 costs associated with providing fire protection, paramedic, and emergency services in the
1067 unincorporated area of the county; and

1068 (II) for an annexing municipality, the property tax rate that generates enough property
1069 tax revenue in the municipality to cover all the costs associated with providing fire protection,
1070 paramedic, and emergency services in the municipality.

1071 (F) "Participating county" means a county whose unincorporated area is included
1072 within a fire district at the time of the creation of the fire district.

1073 (G) "Participating municipality" means a municipality whose area is included within a
1074 fire district at the time of the creation of the fire district.

1075 (ii) In the first year following creation of a fire district, the certified tax rate of each
1076 participating county and each participating municipality shall be decreased by the amount of
1077 the equalized fire protection tax rate.

1078 (iii) In the first year following annexation to a fire district, the certified tax rate of each
1079 annexing county and each annexing municipality shall be decreased by the fire protection tax

1080 rate.

1081 (iv) Each tax levied under this section by a fire district shall be considered to be levied

1082 by:

1083 (A) each participating county and each annexing county for purposes of the county's

1084 tax limitation under Section 59-2-908; and

1085 (B) each participating municipality and each annexing municipality for purposes of the

1086 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a

1087 city.

1088 (3) (a) On or before June 22, each taxing entity shall annually adopt a tentative budget.

1089 (b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county

1090 auditor of:

1091 (i) its intent to exceed the certified tax rate; and

1092 (ii) the amount by which it proposes to exceed the certified tax rate.

1093 (c) The county auditor shall notify all property owners of any intent to exceed the

1094 certified tax rate in accordance with Subsection 59-2-919(2).

1095 (4) (a) The taxable value for the base year under Subsection 17B-4-102(4) shall be

1096 reduced for any year to the extent necessary to provide a redevelopment agency established

1097 under Title 17B, Chapter 4, Redevelopment Agencies Act, with approximately the same

1098 amount of money the agency would have received without a reduction in the county's certified

1099 tax rate if:

1100 (i) in that year there is a decrease in the certified tax rate under Subsection (2)(c) or

1101 (2)(d)(i);

1102 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the

1103 previous year; and

1104 (iii) the decrease results in a reduction of the amount to be paid to the agency under

1105 Section 17B-4-1003 or 17B-4-1004.

1106 (b) The taxable value of the base year under Subsection [~~17B-4-101~~] 17B-4-102(4)

1107 shall be increased in any year to the extent necessary to provide a redevelopment agency with

1108 approximately the same amount of money as the agency would have received without an

1109 increase in the certified tax rate that year if:

1110 (i) in that year the taxable value for the base year under Subsection [~~17B-4-101~~]

1111 17B-4-102(4) is reduced due to a decrease in the certified tax rate under Subsection (2)(c) or
1112 (2)(d)(i); and

1113 (ii) The certified tax rate of a city, school district, or special district increases
1114 independent of the adjustment to the taxable value of the base year.

1115 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2)(c) or
1116 (2)(d)(i), the amount of money allocated and, when collected, paid each year to a
1117 redevelopment agency established under Title 17B, Chapter 4, Redevelopment Agencies Act,
1118 for the payment of bonds or other contract indebtedness, but not for administrative costs, may
1119 not be less than that amount would have been without a decrease in the certified tax rate under
1120 Subsection (2)(c) or (2)(d)(i).