

GOVERNMENT BOUNDARY CHANGES

2005 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Kory M. Holdaway

Senate Sponsor: Carlene M. Walker

LONG TITLE

General Description:

This bill modifies provisions relating to the processes and requirements for notifying certain entities when a boundary of a local government entity is changed.

Highlighted Provisions:

This bill:

- ▶ modifies the processes and requirements for notifying certain entities when a governmental boundary is created, modified, or dissolved for a county, municipality, special district, local district, redevelopment agency, local school district, or an entity created by interlocal agreement;
- ▶ standardizes the flow of information for entity boundary changes to be through the lieutenant governor and then the lieutenant governor notifies entities needing boundary change information;
- ▶ expands the list of entities notified under certain circumstances to include the Automated Geographic Reference Center, State Tax Commission, state auditor, county recorder, county surveyor, county auditor, and county attorney;
- ▶ modifies the requirements for preparing and processing documents describing boundaries, including maps and plats;
- ▶ establishes a process for boundary creation, modification, or dissolution in certain cases;
- ▶ modifies the number of days in which documents relating to a boundary creation, modification, or dissolution must be filed;
- ▶ creates a surveyor position within the Automated Geographic Reference Center,

Division of Information Technology Services with the following duties:

- provide technical support to the lieutenant governor in evaluating boundary creation or boundary changes;
 - assist the State Tax Commission in processing and quality assurance of boundary descriptions or maps into digital format;
 - coordinate with county recorders and surveyors to create a statewide parcel layer;
- and

- facilitate and integrate the collection efforts of local government and federal agencies for data collection to densify and enhance the statewide Public Land Survey System reference network in the State Geographic Information Database;

- ▶ requires the State Geographic Information Database to include an accurate representation of all civil subdivision boundaries of the state;
 - ▶ requires the lieutenant governor under certain circumstances to certify boundary creations, modifications, and dissolutions;
 - ▶ requires the lieutenant governor to keep, index, maintain, and make available to the public documents related to the creation, modification, and dissolving of boundaries;
- and

- ▶ makes technical corrections.

Monies Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a coordination clause.

Utah Code Sections Affected:

AMENDS:

10-1-116, as enacted by Chapter 337, Laws of Utah 1998

10-1-117, as last amended by Chapter 257, Laws of Utah 2003

10-2-119, as last amended by Chapter 318, Laws of Utah 2000

10-2-120, as last amended by Chapter 337, Laws of Utah 1998

10-2-125, as last amended by Chapter 292, Laws of Utah 2003
10-2-419, as last amended by Chapter 257, Laws of Utah 2003
10-2-425, as last amended by Chapter 350, Laws of Utah 2004
10-2-507, as last amended by Chapter 279, Laws of Utah 2003
10-2-611, as last amended by Chapter 318, Laws of Utah 2000
10-2-712, as last amended by Chapter 318, Laws of Utah 2000
11-13-203, as renumbered and amended by Chapter 286, Laws of Utah 2002
11-13-204, as last amended by Chapter 21, Laws of Utah 2003
11-13-205, as renumbered and amended by Chapter 286, Laws of Utah 2002
17-2-4, as last amended by Chapter 3, Laws of Utah 2002, Sixth Special Session
17-2-9, as last amended by Chapter 3, Laws of Utah 2002, Sixth Special Session
17-2-13, as enacted by Chapter 294, Laws of Utah 2002
17-3-3, as last amended by Chapter 225, Laws of Utah 2002
17-50-104, as enacted by Chapter 294, Laws of Utah 2002
17-50-105, as renumbered and amended by Chapter 294, Laws of Utah 2002
17A-2-1311, as last amended by Chapter 170, Laws of Utah 2003
17A-2-1313, as renumbered and amended by Chapter 186, Laws of Utah 1990
17A-2-1327, as last amended by Chapter 170, Laws of Utah 2003
17A-2-1329, as last amended by Chapter 170, Laws of Utah 2003
17B-2-215, as last amended by Chapter 257, Laws of Utah 2003
17B-2-216, as last amended by Chapter 257, Laws of Utah 2003
17B-2-514, as last amended by Chapters 170 and 257, Laws of Utah 2003
17B-2-515.5, as enacted by Chapter 257, Laws of Utah 2003
17B-2-516, as last amended by Chapter 170, Laws of Utah 2003
17B-2-601, as last amended by Chapter 257, Laws of Utah 2003
17B-2-603.5, as enacted by Chapter 257, Laws of Utah 2003
17B-2-610, as last amended by Chapters 170 and 257, Laws of Utah 2003
17B-2-708, as last amended by Chapter 170, Laws of Utah 2003

17B-4-201, as last amended by Chapter 205, Laws of Utah 2002

17B-4-410, as enacted by Chapter 133, Laws of Utah 2001

17B-4-1401, as enacted by Chapter 133, Laws of Utah 2001

20A-14-201, as last amended by Chapter 331, Laws of Utah 2000

53A-2-118, as enacted by Chapter 234, Laws of Utah 2003

63A-6-201, as renumbered and amended by Chapter 212, Laws of Utah 1993

63A-6-202, as enacted by Chapter 212, Laws of Utah 1993

63A-6-203, as last amended by Chapter 225, Laws of Utah 2002

ENACTS:

53A-2-101.5, Utah Code Annotated 1953

67-1a-6.5, Utah Code Annotated 1953

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

Section 1. Section **10-1-116** is amended to read:

10-1-116. Notice to lieutenant governor of incorporation, dissolution, or boundary change -- Tax rate on new property included in municipality.

(1) The legislative body of each city or town that is incorporated, dissolved, or whose boundaries are changed through annexation, boundary adjustment, disconnection, or consolidation [~~on or after May 4, 1998;~~] shall, within [~~45~~] 30 days of the incorporation, dissolution, or boundary change, file a written notice of the incorporation, dissolution, or boundary change with the [~~State Tax Commission~~] lieutenant governor.

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

(a) be accompanied by:

(i) (A) in the case of an incorporation or consolidation, a copy of the articles of incorporation [~~after certification by the lieutenant governor~~];

(B) in the case of a boundary change through annexation or boundary adjustment, a copy of the ordinance or resolution that effectuated the boundary change; [~~or~~]

(C) in the case of a disconnection, a copy of the amendment to the articles of

incorporation [~~after certification by the lieutenant governor~~]; [~~and~~] or

(D) in the case of a dissolution, a copy of the articles of dissolution; and

(ii) a map or plat that delineates a metes and bounds description of the area affected and evidence that the information has been recorded by the county recorder; and

(b) contain a certification by the municipal legislative body that all necessary legal requirements relating to the incorporation, dissolution, or boundary change have been completed.

(3) Property included in a newly incorporated municipality or added to a municipality through annexation or boundary adjustment shall carry the tax rate imposed by the municipality if the notice required under Subsection (1) is filed with the State Tax Commission no later than December 31 of the year during which the incorporation or boundary change occurs.

Section 2. Section **10-1-117** is amended to read:

10-1-117. Amending articles of incorporation -- Lieutenant governor certification -- Effective date.

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

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

- (a) approved by the municipal legislative body; and
- (b) signed and verified by the mayor of the municipality.

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

- (i) certify the amended articles; and
- (ii) deliver a copy of the certified articles to:
 - (A) the legislative body of the municipality; and
 - (B) the clerk of the county in which the municipality is located.

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

withdrawal from a local district under Subsection 17B-2-601(2):

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

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

(A) simultaneously:

(I) certify the amended articles; and

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

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

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

(D) send a copy of the certified amended articles and certificate of annexation or withdrawal to:

(I) the State Tax Commission[;];

(II) the Automated Geographic Reference Center created under Section 63A-6-202;

(III) the state auditor[;]; and

(IV) the [assessor] attorney, auditor, surveyor, and recorder of each county in which any part of the area included in the municipal annexation is located.

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

(5) The lieutenant governor:

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

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

Section 3. Section **10-2-119** is amended to read:

10-2-119. Filing of articles of incorporation with lieutenant governor.

(1) Within seven days after the canvass of the final election of city officers under Section 10-2-116, the mayor-elect of the new city shall file at least three copies of the articles of incorporation with the lieutenant governor.

(2) The articles of incorporation shall:

(a) contain the name of the city;

(b) contain ~~[a geographical description]~~ an accurate map or plat, prepared by a licensed surveyor, approved by the legislative body, and filed with the county surveyor in accordance with Section 17-23-17, showing the boundaries of the city;

(c) contain the city's class according to population as defined in Section 10-2-301; and

(d) be signed and verified by the mayor-elect of the city.

~~[(3) (a) Within ten days of receipt of the articles of incorporation of the new city, the lieutenant governor shall:]~~

~~[(i) certify the articles of incorporation;]~~

~~[(ii) deliver one copy of the articles of incorporation to the clerk of the county in which the new city is located; and]~~

~~[(iii) return one copy of the articles of incorporation to the mayor-elect of the new city.]~~

~~[(b) The lieutenant governor shall furnish a certified copy of the articles of incorporation to any person on request and may charge a reasonable fee for the copy.]~~

(3) The legislative body of the new city shall comply with the notice requirements of Section 10-1-116.

Section 4. Section **10-2-120** is amended to read:

10-2-120. Alternative to filing articles of incorporation -- Powers of officers-elect.

(1) (a) Before filing articles of incorporation, the mayor-elect of the future city may file with the lieutenant governor a verified notice of intention to file the articles of incorporation.

(b) The notice under Subsection (1)(a) shall contain:

(i) the name of the future city;

~~[(ii) a geographical description of the new city;]~~

(ii) an accurate map or plat, prepared by a licensed surveyor, approved by the legislative body, and filed with the county surveyor in accordance with Section 17-23-17, showing the boundaries of the future city;

(iii) the city's class according to population as defined in Section 10-2-301; and

(iv) the proposed date for filing the articles of incorporation.

~~[(2) On receipt of the notice under Subsection (1), the lieutenant governor shall:]~~

~~[(a) certify the notice;]~~

~~[(b) deliver one copy of the notice to the clerk of the county in which the future city is located; and]~~

~~[(c) return one copy of the notice to the mayor-elect.]~~

~~[(3)]~~ (2) Upon the lieutenant governor's certification of the notice under Section 67-1a-6.5 and until the future city becomes legally incorporated, the officers of the future city may:

(a) prepare and adopt, under Chapter 6, Uniform Fiscal Procedures Act For Utah Cities, a proposed budget and compilation of ordinances;

(b) negotiate and make personnel contracts and hirings;

(c) negotiate and make service contracts;

(d) file the notification required by Subsection 10-1-116(1);

(e) negotiate and make contracts to purchase equipment, materials, and supplies; ~~[and]~~

(f) borrow funds from the county in which the future city is located under Subsection 10-2-121(3);

(g) borrow funds for startup expenses of the future municipality; and

(h) issue tax anticipation notes in the name of the future municipality.

~~[(4)]~~ (3) The city's legislative body shall review and ratify each contract made by the officers-elect under Subsection ~~[(3)]~~ (2) within 30 days of the effective date of incorporation under Section 10-2-122.

Section 5. Section **10-2-125** is amended to read:

10-2-125. Incorporation of a town.

(1) (a) A contiguous area of a county not within a municipality, with a population of at least 100 but less than 1,000, may incorporate as a town as provided in this section.

(b) (i) The population figure under Subsection (1)(a) shall be derived from the most recent official census or census estimate of the United States Bureau of the Census.

(ii) If the population figure is not available from the United States Bureau of the Census, the population figure shall be derived from the estimate from the Utah Population Estimates Committee.

(2) (a) The process to incorporate an area as a town is initiated by filing a petition with the clerk of the county in which the area is located.

(b) Each petition under Subsection (2)(a) shall:

(i) be signed by the owners of private real property that:

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

(B) covers a majority of the total private land area within the area; and

(C) is equal in value to at least 1/3 of the value of all private real property within the area;

(ii) state the legal description of the boundaries of the area proposed to be incorporated as a town; and

(iii) substantially comply with and be circulated in the following form:

PETITION FOR INCORPORATION OF (insert the proposed name of the proposed town)

To the Honorable County Legislative Body of (insert the name of the county in which the proposed town is located) County, Utah:

We, the undersigned owners of real property within the area described in this petition, respectfully petition the county legislative body to examine the question of whether the area should incorporate as a town. Each of the undersigned affirms that each has personally signed this petition and is an owner of real property within the described area, and that the current residence address of each is correctly written after the signer's name. The area proposed to be incorporated as a town is described as follows: (insert an accurate description of the area

proposed to be incorporated).

(c) A petition under this section may not describe an area that includes some or all of an area proposed for annexation in an annexation petition under Section 10-2-403 that:

- (i) was filed before the filing of the petition; and
- (ii) is still pending on the date the petition is filed.

(3) Section 10-2-104 applies to a petition for incorporation as a town, except that the notice under Subsection 10-2-104(1) shall be sent within seven calendar days of the filing of a petition under Subsection (2).

(4) (a) A county legislative body may treat a petition filed under Subsection (2) as a request for a feasibility study under Section 10-2-103 and process it as a request under that section would be processed under this part to determine whether the feasibility study results meet the requirements of Subsection 10-2-109(3).

(b) If the results of a feasibility study under Subsection (4)(a) do not meet the requirements of Subsection 10-2-109(3), the county legislative body may not approve the incorporation petition.

(c) If the results of the feasibility study under Subsection (4)(a) meet the requirements of Subsection 10-2-109(3), the county legislative body may approve the incorporation petition, if the county legislative body determines that the incorporation is in the best interests of the citizens of the county and the proposed town.

(5) Upon approval of a petition filed under Subsection (2), the legislative body of the county in which the proposed town is located shall appoint a mayor and members of the town council who shall hold office until the next regular municipal election and until their successors are elected and qualified.

(6) (a) ~~(i)~~ Each mayor appointed under Subsection (5) shall, within seven days of appointment, file articles of incorporation of the new town with the lieutenant governor.

~~(i)~~ (b) The articles of incorporation shall meet the requirements of Subsection 10-2-119(2).

~~(b)~~ Within ten days of receipt of the articles of incorporation, the lieutenant governor

shall:]

~~[(i) certify the articles of incorporation;]~~

~~[(ii) return a copy of the articles of incorporation to the appointed mayor; and]~~

~~[(iii) send a copy of the articles of incorporation to the recorder of the county in which the town is located.]~~

(7) A town is incorporated upon the lieutenant governor's ~~[certification of the articles of incorporation]~~ issuance of a certificate of entity creation under Section 67-1a-6.5.

~~[(8) (a) Within 30 days of incorporation, the legislative body of the new town shall record with the recorder of the county in which the new town is located a plat or map, prepared by a licensed surveyor and approved by the legislative body, showing the boundaries of the town:]~~

~~[(b)]~~ (8) The legislative body of the new town shall comply with the notice requirements of Section 10-1-116.

Section 6. Section **10-2-419** is amended to read:

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

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

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

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

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

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

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

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

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

(ii) describe the area proposed to be adjusted;

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

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

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

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

(C) is equal in value to at least 15% of the value of all private real property within the area proposed for adjustment; and

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

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

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

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

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

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

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

- (I) that provides fire protection, paramedic, and emergency services; and
- (II) in the creation of which an election was not required because of Subsection 17B-2-214(3)(c); and

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

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

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

- (a) is located within the area proposed for adjustment;
- (b) covers at least 25% of the total private land area within the area proposed for adjustment; and
- (c) is equal in value to at least 15% of the value of all private real property within the area proposed for adjustment.

(4) The municipal legislative body shall comply with the requirements of Section 10-2-425 as if the boundary change were an annexation.

~~[(4)]~~ (5) An ordinance adopted under Subsection (3) becomes effective when each municipality involved in the boundary adjustment has adopted an ordinance under Subsection (3) and as determined under Subsection 10-2-425(5) if the boundary change were an annexation.

Section 7. Section **10-2-425** is amended to read:

10-2-425. Filing of plat or map and amended articles -- Notice requirements -- Effective date of annexation.

(1) ~~[(a)]~~ Within 30 days after enacting an ordinance annexing an unincorporated area or

adjusting a boundary under this part, the municipal legislative body shall:

~~[(i)]~~ (a) send notice of the enactment to each affected entity;

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

~~[(iii)]~~ (b) file with the lieutenant governor:

~~(i) a certified copy of the ordinance approving the annexation or boundary adjustment, together with a plat or map prepared by a licensed surveyor, approved by the municipal legislative body, and filed with the county surveyor in accordance with Section 17-23-17, showing the new boundaries of the affected area; and~~

~~(ii) (A) if the municipality has articles of incorporation, amended articles of incorporation reflecting the annexation or boundary adjustment, as provided in Section 10-1-117; or~~

~~(B) if the municipality does not have articles of incorporation, written notice of the adoption of an annexation ordinance, accompanied by a copy of the ordinance; and~~

~~[(iv)] (c) in accordance with Section 26-8a-414, file the documents described in Subsection (1)~~[(a)(ii)]~~(b)(i) with the Department of Health.~~

~~[(b) Within ten days after receiving a notice of the adoption of an annexation ordinance under Subsection (1)(a)(iii)(B), the lieutenant governor shall issue a certificate of annexation and send a copy of the certificate to the legislative body of the annexing municipality, the State Tax Commission, the state auditor, and the assessor and recorder of each county in which any part of the annexed area is located.]~~

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

area is automatically annexed or from which the annexed area is automatically withdrawn.

(3) The municipal legislative body shall comply with the notice requirements of Section 10-1-116.

(4) Each notice required under Subsections (1) and (3) relating to an annexation shall state the effective date of the annexation, as determined under Subsection (5).

(5) An annexation under this part is completed and takes effect:

(a) for the annexation of an area located in a county of the first class:

(i) July 1 following enactment of an ordinance annexing the unincorporated area if:

(A) the ordinance is adopted during the preceding November 1 through April 30; and

(B) the requirements of Subsection (1) are met before that July 1; or

(ii) January 1 following enactment of an ordinance annexing the unincorporated area if:

(A) the ordinance is adopted during the preceding May 1 through October 31; and

(B) the requirements of Subsection (1) are met before that January 1; and

(b) for all other annexations, the date of the lieutenant governor's issuance of:

(i) a certification of amended articles under Subsection 10-1-117(3), for an annexation by a municipality that has articles of incorporation and filed with the lieutenant governor amended articles of incorporation under Subsection (1)(a)(iii)(A); or

(ii) a certificate of annexation under Subsection (1)(b), for an annexation by a municipality that does not have articles of incorporation and filed with the lieutenant governor a notice of adoption of an annexation ordinance under Subsection (1)(a)(iii)(B).

Section 8. Section **10-2-507** is amended to read:

10-2-507. Disconnection decree -- Filing of documents -- Notice requirements.

(1) (a) Upon entering a disconnection order, the court shall file with the lieutenant governor a certified copy of the order and a transparent reproducible copy of the map or plat [~~in the county recorder's office~~].

(b) The disconnection is effective upon the lieutenant governor's certification of the disconnection order under Section 67-1a-6.5.

(2) The municipality shall file amended articles of incorporation in the lieutenant

governor's office, as provided in Section 10-1-117, and the county recorder's office within 30 days after, as the case may be:

(a) adoption of an ordinance approving disconnection under Subsection 10-2-502.5(4)(b); or

(b) entry of a court order under Section 10-2-502.7 ordering disconnection.

(3) The amended articles of incorporation shall:

(a) describe the postdisconnection geography of the municipality; and

(b) specify the postdisconnection population of the municipality.

(4) The lieutenant governor shall comply with the requirements of Subsection 10-1-117(3).

(5) Any cost incurred by the municipality in complying with this section may be charged against the disconnected territory.

(6) The legislative body of each municipality that has had territory disconnected shall comply with the notice requirements of Section 10-1-116.

Section 9. Section **10-2-611** is amended to read:

10-2-611. When incorporation complete -- Disincorporation of original municipalities.

~~[(1) (a) Within ten days after receiving the articles of consolidation, the lieutenant governor shall:]~~

~~[(i) certify the articles;]~~

~~[(ii) deliver one copy of the certified articles to the clerk of the county in which the new municipality is located; and]~~

~~[(iii) return one copy of the certified articles to the legislative body of the new municipality.]~~

~~[(b) The lieutenant governor:]~~

~~[(i) shall furnish a certified copy of the articles of consolidation to any person who requests a certified copy; and]~~

~~[(ii) may charge a reasonable fee for the certified copy.]~~

~~[(2)]~~ (1) Upon the lieutenant governor's certification of the articles of consolidation under Section 67-1a-6.5, the incorporation of the new municipality shall be complete and the original municipalities involved in the consolidation shall be considered to be disincorporated.

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

Section 10. Section **10-2-712** is amended to read:

10-2-712. Power of court -- Articles of dissolution -- Notice to lieutenant governor.

(1) The district court may:

(a) enforce compliance with any order issued to give effect to this part by proceedings for contempt; and

(b) appoint any person to assist it in carrying out the provisions of this part.

(2) (a) The district court shall ~~[cause]~~ file articles of dissolution ~~[to be filed]~~ with the lieutenant governor on the dissolution of the municipality.

~~[(b) Within ten days after receiving the articles of dissolution, the lieutenant governor shall:]~~

~~[(i) certify the articles; and]~~

~~[(ii) deliver one copy of the certified articles to the clerk of the county in which the dissolved municipality was located.]~~

~~[(c) The lieutenant governor:]~~

~~[(i) shall furnish a certified copy of the articles of dissolution to any person who requests a certified copy; and]~~

~~[(ii) may charge a reasonable fee for the certified copy.]~~

~~[(d)]~~ (b) Upon the lieutenant governor's certification of the articles of dissolution, the municipality is dissolved under Section 67-1a-6.5.

Section 11. Section **11-13-203** is amended to read:

11-13-203. Interlocal entities -- Agreement to create an interlocal entity -- Utah interlocal entity may become electric interlocal entity or energy services interlocal entity.

(1) An interlocal entity ~~[created under this section]~~ is:

- (a) separate from the public agencies that create it;
- (b) a body politic and corporate; and
- (c) a political subdivision of the state.

(2) Any two or more Utah public agencies may [by] enter into an agreement to create a Utah interlocal entity to accomplish the purpose of their joint or cooperative action, including undertaking and financing a facility or improvement to provide the service contemplated by that agreement.

(3) (a) A Utah public agency and one or more public agencies may [by] enter into an agreement to create an electric interlocal entity to accomplish the purpose of their joint or cooperative action if that purpose is to participate in the undertaking or financing of:

- (i) facilities to provide additional project capacity;
- (ii) common facilities under Title 54, Chapter 9, Electric Power Facilities Act; or
- (iii) electric generation or transmission facilities.

(b) By agreement with one or more public agencies that are not parties to the agreement creating it, a Utah interlocal entity may be reorganized as an electric interlocal entity if:

(i) the public agencies that are parties to the agreement creating the Utah interlocal entity authorize, in the same manner required to amend the agreement creating the Utah interlocal entity, the Utah interlocal entity to be reorganized as an electric interlocal entity; and

(ii) the purpose of the joint or cooperative action to be accomplished by the electric interlocal entity meets the requirements of Subsection (3)(a).

(4) (a) Two or more Utah public agencies may [by] enter into an agreement with one another or with one or more public agencies to create an energy services interlocal entity to accomplish the purposes of their joint and cooperative action with respect to facilities, services, and improvements necessary or desirable with respect to the acquisition, generation, transmission, management, and distribution of electric energy for the use and benefit of the public agencies that enter into the agreement.

(b) (i) A Utah interlocal entity that was created to facilitate the transmission or supply of electric power may, by resolution adopted by its governing body, elect to become an energy

services interlocal entity.

(ii) Notwithstanding Subsection (4)(b)(i), a Utah interlocal entity that is also a project entity may not elect to become an energy services interlocal entity.

(iii) An election under Subsection (4)(b)(i) does not alter, limit, or affect the validity or enforceability of a previously executed contract, agreement, bond, or other obligation of the Utah interlocal entity making the election.

Section 12. Section **11-13-204** is amended to read:

11-13-204. Powers and duties of interlocal entities -- Additional powers of energy services interlocal entities -- Length of term of agreement and interlocal entity -- Notice to lieutenant governor.

(1) (a) An interlocal entity:

(i) may:

(A) adopt, amend, and repeal rules, bylaws, policies, and procedures for the regulation of its affairs and the conduct of its business;

(B) sue and be sued;

(C) have an official seal and alter that seal at will;

(D) make and execute contracts and other instruments necessary or convenient for the performance of its duties and the exercise of its powers and functions;

(E) acquire real or personal property, or an undivided, fractional, or other interest in real or personal property, necessary or convenient for the purposes contemplated in the agreement creating the interlocal entity and sell, lease, or otherwise dispose of that property;

(F) directly or by contract with another:

(I) own and acquire facilities and improvements or an undivided, fractional, or other interest in facilities and improvements;

(II) construct, operate, maintain, and repair facilities and improvements; and

(III) provide the services contemplated in the agreement creating the interlocal entity;

(G) borrow money, incur indebtedness, and issue revenue bonds, notes, or other obligations and secure their payment by an assignment, pledge, or other conveyance of all or any

part of the revenues and receipts from the facilities, improvements, or services that the interlocal entity provides;

(H) offer, issue, and sell warrants, options, or other rights related to the bonds, notes, or other obligations issued by the interlocal entity; and

(I) sell or contract for the sale of the services, output, product, or other benefits provided by the interlocal entity to:

(I) public agencies inside or outside the state; and

(II) with respect to any excess services, output, product, or benefits, any person on terms that the interlocal entity considers to be in the best interest of the public agencies that are parties to the agreement creating the interlocal entity; and

(ii) may not levy, assess, or collect ad valorem property taxes.

(b) An assignment, pledge, or other conveyance under Subsection (1)(a)(i)(G) may, to the extent provided by the documents under which the assignment, pledge, or other conveyance is made, rank prior in right to any other obligation except taxes or payments in lieu of taxes payable to the state or its political subdivisions.

(2) An energy services interlocal entity:

(a) except with respect to any ownership interest it has in facilities providing additional project capacity, is not subject to:

(i) Part 3, Project Entity Provisions; or

(ii) Title 59, Chapter 8, Gross Receipts Tax on Certain Corporations Not Required to Pay Corporate Franchise or Income Tax Act; and

(b) may:

(i) own, acquire, and, by itself or by contract with another, construct, operate, and maintain a facility or improvement for the generation, transmission, and transportation of electric energy or related fuel supplies;

(ii) enter into a contract to obtain a supply of electric power and energy and ancillary services, transmission, and transportation services, and supplies of natural gas and fuels necessary for the operation of generation facilities;

(iii) enter into a contract with public agencies, investor-owned or cooperative utilities, and others, whether located in or out of the state, for the sale of wholesale services provided by the energy services interlocal entity; and

(iv) adopt and implement risk management policies and strategies and enter into transactions and agreements to manage the risks associated with the purchase and sale of energy, including forward purchase and sale contracts, hedging, tolling and swap agreements, and other instruments.

(3) Notwithstanding Section 11-13-216, an agreement creating an interlocal entity or an amendment to that agreement may provide that the agreement may continue and the interlocal entity may remain in existence until the latest to occur of:

(a) 50 years after the date of the agreement or amendment;

(b) five years after the interlocal entity has fully paid or otherwise discharged all of its indebtedness;

(c) five years after the interlocal entity has abandoned, decommissioned, or conveyed or transferred all of its interest in its facilities and improvements; or

(d) five years after the facilities and improvements of the interlocal entity are no longer useful in providing the service, output, product, or other benefit of the facilities and improvements, as determined under the agreement governing the sale of the service, output, product, or other benefit.

(4) (a) The governing body of each party to the agreement to create an interlocal entity ~~[created]~~ under Section 11-13-203 ~~[on or after May 4, 1998;]~~ shall, within 30 days of the ~~[creation]~~ date of the agreement, jointly file a written notice of the [creation] agreement with the ~~[State Tax Commission]~~ lieutenant governor.

(b) Each written notice required under Subsection (4)(a) shall:

(i) be accompanied by:

(A) a copy of the agreement ~~[creating]~~ to create the interlocal entity; and

(B) if less than all of the territory of any Utah public agency that is a party to the agreement is included within the interlocal entity, a plat that delineates a metes and bounds

description of the area affected or a map of the area affected [~~and evidence that the information has been recorded by the recorder of the county in which the Utah public agency is located~~]; and

(ii) contain a certification by the governing body that all necessary legal requirements relating to the creation have been completed.

(5) Upon the lieutenant governor's issuance of a certificate of creation under Section 67-1a-6.5, the interlocal entity is created.

~~[(5)]~~ (6) Nothing in this section [~~shall~~] may be construed as expanding the rights of any municipality or interlocal entity to sell or provide retail service.

Section 13. Section **11-13-205** is amended to read:

11-13-205. Agreement by public agencies to create a new entity to own sewage and wastewater facilities -- Powers and duties of new entities -- Validation of previously created entities -- Notice to lieutenant governor.

(1) It is declared that the policy of the state is to assure the health, safety, and welfare of its citizens, that adequate sewage and wastewater treatment plants and facilities are essential to the well-being of the citizens of the state and that the acquisition of adequate sewage and wastewater treatment plants and facilities on a regional basis in accordance with federal law and state and federal water quality standards and effluent standards in order to provide services to public agencies is a matter of statewide concern and is in the public interest. It is found and declared that there is a statewide need to provide for regional sewage and wastewater treatment plants and facilities, and as a matter of express legislative determination it is declared that the compelling need of the state for construction of regional sewage and wastewater treatment plants and facilities requires the creation of entities under the Interlocal Cooperation Act to own, construct, operate, and finance sewage and wastewater treatment plants and facilities; and it is the purpose of this law to provide for the accomplishment thereof in the manner provided in this section.

(2) Any two or more public agencies of the state may also agree to create a separate legal or administrative entity to accomplish and undertake the purpose of owning, acquiring, constructing, financing, operating, maintaining, and repairing regional sewage and wastewater

treatment plants and facilities.

(3) A separate legal or administrative entity created in the manner provided herein is considered to be a political subdivision and body politic and corporate of the state with power to carry out and effectuate its corporate powers, including, but not limited to, the power:

(a) to adopt, amend, and repeal rules, bylaws, and regulations, policies, and procedures for the regulation of its affairs and the conduct of its business, to sue and be sued in its own name, to have an official seal and power to alter that seal at will, and to make and execute contracts and all other instruments necessary or convenient for the performance of its duties and the exercise of its powers and functions under the Interlocal Cooperation Act;

(b) to own, acquire, construct, operate, maintain, repair, or cause to be constructed, operated, maintained, and repaired one or more regional sewage and wastewater treatment plants and facilities, all as shall be set forth in the agreement providing for its creation;

(c) to borrow money, incur indebtedness and issue revenue bonds, notes or other obligations payable solely from the revenues and receipts derived from all or a portion of the regional sewage and wastewater treatment plants and facilities which it owns, operates, and maintains, such bonds, notes, or other obligations to be issued and sold in compliance with the provisions of Title 11, Chapter 14, Utah Municipal Bond Act;

(d) to enter into agreements with public agencies and other parties and entities to provide sewage and wastewater treatment services on such terms and conditions as it considers to be in the best interests of its participants; and

(e) to acquire by purchase or by exercise of the power of eminent domain, any real or personal property in connection with the acquisition and construction of any sewage and wastewater treatment plant and all related facilities and rights-of-way which it owns, operates, and maintains.

(4) The provisions of Part 3, Project Entity Provisions, do not apply to a legal or administrative entity created for regional sewage and wastewater treatment purposes under this section.

(5) All proceedings previously had in connection with the creation of any legal or

administrative entity pursuant to this chapter, and all proceedings previously had by any such entity for the authorization and issuance of bonds of the entity are validated, ratified, and confirmed; and these entities are declared to be validly created interlocal cooperation entities under this chapter. These bonds, whether previously or subsequently issued pursuant to these proceedings, are validated, ratified, and confirmed and declared to constitute, if previously issued, or when issued, the valid and legally binding obligations of the entity in accordance with their terms. Nothing in this section shall be construed to affect or validate any bonds, or the organization of any entity, the legality of which is being contested at the time this act takes effect.

(6) (a) The governing body of each party to the agreement to create an entity [~~created~~] under this section [~~on or after May 4, 1998,~~] shall, within 30 days of the [~~creation~~] date of the agreement, jointly file a written notice of the [~~creation~~] agreement with the [~~State Tax Commission~~] lieutenant governor.

(b) Each written notice required under Subsection (6)(a) shall:

(i) be accompanied by:

(A) a copy of the agreement [~~creating~~] to create the entity; and

(B) a map or plat that delineates a metes and bounds description of the area affected [~~and evidence that the information has been recorded by the county recorder~~]; and

(ii) contain a certification by the governing body that all necessary legal requirements relating to the creation have been completed.

(7) Upon the lieutenant governor's issuance of a certificate of entity creation under Section 67-1a-6.5, the entity is created.

Section 14. Section ~~17-2-4~~ is amended to read:

17-2-4. When annexation effective -- Governor's proclamation -- Notice to lieutenant governor -- Effective date.

(1) Upon receipt of the election result from the lieutenant governor under Section 17-2-3, the governor shall issue a proclamation, stating the result of the vote in each of the counties, and that the annexation of the one county to the other will take effect as provided in Subsection [~~(2)~~] (3).

~~[(2) An annexation approved at an election under Section 17-2-1 takes effect on January 1 of the year immediately following issuance of the governor's proclamation.]~~

~~[(3)] (2) (a)~~ Within 30 days after the issuance of the governor's proclamation under Subsection (1), the legislative body of the annexing county shall send a notice to the ~~[State Tax Commission]~~ lieutenant governor.

(b) Each notice under Subsection ~~[(3)] (2)~~(a) shall include:

(i) a copy of the governor's proclamation;

(ii) a certification that all necessary legal requirements relating to the annexation have been completed; and

(iii) a map or plat that delineates an accurate metes and bounds description of the annexing county following annexation.

(3) An annexation approved at an election under Section 17-2-1 takes effect on January 1 of the year immediately following issuance of the:

(a) governor's proclamation; and

(b) certificate of consolidation by the lieutenant governor under Section 67-1a-6.5.

Section 15. Section **17-2-9** is amended to read:

17-2-9. Governor's proclamation -- Notice to lieutenant governor -- When annexation effective.

(1) Upon receipt of the lieutenant governor's certification under Section 17-2-8, the governor shall issue a proclamation, stating the result of the vote in each county, and that the annexation of the territory to the annexing county will take effect as provided in Subsection ~~[(2)] (3)~~.

~~[(2) An annexation approved at an election under Section 17-2-6 takes effect on January 1 of the year immediately following issuance of the governor's proclamation.]~~

~~[(3)] (2) (a)~~ Within 30 days after the issuance of the governor's proclamation under Subsection (1), the legislative body of the annexing county shall send a notice to the ~~[State Tax Commission]~~ lieutenant governor.

(b) Each notice under Subsection ~~[(3)] (2)~~(a) shall include:

- (i) a copy of the governor's proclamation;
- (ii) a certification that all necessary legal requirements relating to the annexation have been completed; and
- (iii) a map or plat that delineates an accurate metes and bounds description of the area that was annexed.

(3) An annexation approved at an election under Section 17-2-6 takes effect on January 1 of the year immediately following issuance of the:

- (a) governor's proclamation; and
- (b) certificate of boundary change by the lieutenant governor under Section 67-1a-6.5.

Section 16. Section **17-2-13** is amended to read:

17-2-13. Minor adjustments to county boundaries authorized -- Public hearing -- Joint resolution of county legislative bodies -- Notice to lieutenant governor.

(1) Counties sharing a common boundary may, in accordance with the provisions of Subsection (2) and Article XI, Section 3, of the Utah Constitution, adjust all or part of the common boundary to move it up to 1,000 feet from its location before the adjustment.

(2) The legislative bodies of both counties desiring to adjust a common boundary in accordance with Subsection (1) shall:

- (a) hold a joint public hearing on the proposed boundary adjustment;
- (b) in addition to the regular notice required for public meetings of the county legislative bodies, mail written notice to all real property owners of record whose property may change counties as the result of the proposed adjustment; and
- (c) adopt a joint resolution approved by both county legislative bodies which:
 - (i) approves the proposed boundary adjustment;
 - (ii) sets forth the legal description of the county boundary after the adjustment; and
 - (iii) provides an effective date for the boundary adjustment.

(3) (a) Within 15 days after the adoption of a joint resolution under Subsection (2)(c) by both counties, the legislative bodies shall jointly send a notice to the lieutenant governor.

- (b) Each notice under Subsection (3)(a) shall include:

- (i) a copy of the joint resolution under Subsection (2)(c);
- (ii) a certification that all necessary legal requirements relating to the boundary adjustment have been completed; and
- (iii) a map or plat, verified by the county surveyor, and filed with the county surveyor in accordance with Section 17-23-17, that delineates an accurate metes and bounds description of the boundary adjustment.

~~[(3)]~~ (4) Upon the effective date of the joint resolution under Subsection (2)(c) or the date the lieutenant governor issues the certificate of boundary change under Section 67-1a-6.5, whichever date is later, all territory designated to be annexed into another county shall become the territory of the annexing county and the provisions of Sections 17-2-11 and 17-2-12 shall apply in the same manner as with any other annexations under this chapter.

Section 17. Section **17-3-3** is amended to read:

17-3-3. Certification of returns -- Governor's proclamation of creation of new county -- Name -- Judicial district -- Notice to lieutenant governor.

(1) The certified abstract of returns under Section 17-3-2 shall be filed in the office of the lieutenant governor, who shall certify the result to the governor.

(2) If it appears that any proposition submitted to the electors as provided in this chapter has been carried in the affirmative by a majority vote of the qualified electors residing in that portion of the county proposed as a new county, and also by a majority vote of the qualified electors residing in the remaining portion of that county, the governor shall issue a proclamation, stating:

- (a) the result of the vote in each division of the county;
- (b) the name and boundaries of the new county;
- (c) the boundaries of the original county as changed by the creation of the new county;
- (d) that the creation of the new county will take effect on the first Monday in January following;
- (e) the name proposed in the petition as the name of the new county; and
- (f) the judicial district to which the new county belongs.

(3) (a) Within 30 days after the issuance of the governor's proclamation under Subsection (2), the legislative body of the county from which the greatest portion of the new county was taken shall send a notice to the ~~[State Tax Commission]~~ lieutenant governor.

(b) Each notice under Subsection (3)(a) shall include:

- (i) a copy of the governor's proclamation;
- (ii) a certification that all necessary legal requirements relating to the creation of the new county have been completed; and
- (iii) a map or plat that delineates an accurate metes and bounds description of the new county.

(4) The new county that is the subject of the governor's proclamation under Subsection (2) shall be a county of the state from and after 12 noon of the first Monday in January following the issuance of the governor's proclamation.

Section 18. Section **17-50-104** is amended to read:

17-50-104. Counties of the state -- County boundaries maintained by lieutenant governor -- Notice of county boundary changes.

(1) The counties of the state are those whose geographic boundaries are described in the official county boundary records maintained by the office of the lieutenant governor and may be changed only in accordance with the provisions of this title.

(2) The office of the lieutenant governor shall maintain the official county boundaries for the counties of the state and update those boundaries when notified of a change in county boundaries in accordance with Subsection (3).

(3) Whenever any change is made to county boundaries under this title, the affected counties shall provide notice ~~[to the office of the lieutenant governor and the State Tax Commission of the change, including a description of the changed county boundaries]~~ of the change, including an accurate map or plat of the changed county boundaries, to the lieutenant governor.

Section 19. Section **17-50-105** is amended to read:

17-50-105. Disputed boundaries.

(1) (a) If a dispute or uncertainty arises as to the true location of a county boundary as described in the official records maintained by the office of the lieutenant governor, the surveyors of each county whose boundary is the subject of the dispute or uncertainty may determine the true location.

(b) If agreement is reached under Subsection (1)(a), the county surveyors shall provide notice, accompanied by a map, to the lieutenant governor showing the true location of the county boundary.

(2) (a) If the county surveyors fail to agree on or otherwise fail to establish the true location of the county boundary, the county executive of either or both of the affected counties shall engage the services of the state engineer.

(b) After being engaged under Subsection (2)(a), the state engineer shall notify the surveyor of each county whose boundary is the subject of the dispute or uncertainty of the procedure the state engineer will use to determine the true location of the boundary.

(c) With the assistance of each surveyor who chooses to participate, the state engineer shall determine permanently the true location of the boundary by marking surveys and erecting suitable monuments to designate the boundary.

(d) Each boundary established under this Subsection (2) shall be considered permanent until superseded by legislative enactment.

(e) The state engineer shall provide notice, accompanied by a map, to the lieutenant governor showing the true location of the county boundary.

(3) Nothing in this section may be construed to give the county surveyors or state engineer any authority other than to erect suitable monuments to designate county boundaries as they are described in the official records maintained by the office of the lieutenant governor.

Section 20. Section **17A-2-1311** is amended to read:

17A-2-1311. Adoption of resolution -- Notice to lieutenant governor -- Judicial review.

(1) (a) After conclusion of the hearing, and after the time for filing protests as provided in Section 17A-2-1309 has expired, the governing authority shall adopt a resolution either

approving the establishment of the special service district or determining that the proposal to establish it should be abandoned.

(b) A resolution approving the establishment of a special service district may contain any changes from the initial resolution or notice of intention the governing authority determines to be appropriate, including reduction of the boundaries of the special service district and elimination of one or more of the types of services proposed.

(c) The boundaries of the special service district may not be increased nor additional types of services added, unless the governing authority gives a new notice of intention and holds a new hearing.

(d) All or a part of the area of an abandoned special service district may be included in a new special service district established in the manner provided in this part.

(2) (a) Within ~~[90]~~ 30 days after adopting a resolution approving the establishment of a special service district under Subsection (1), the governing authority shall file a notice with the lieutenant governor.

(b) Each notice under Subsection (2)(a) shall:

(i) be accompanied by:

(A) a copy of the resolution adopted by the governing authority approving the establishment of the special service district; and

(B) a map showing the boundaries of the special service district, prepared and certified by a licensed surveyor and filed with the county surveyor in accordance with Section 17-23-17; and

(ii) include a certification by the governing authority that all requirements for the establishment of a special service district have been complied with.

~~[(c) Within ten days after receiving the notice under Subsection (2)(a), the lieutenant governor shall:]~~

~~[(i) issue a certificate of incorporation for the new special service district and send a copy of the certificate to the governing authority, the State Tax Commission, and the state auditor; and]~~

~~[(ii) send a copy of the notice under Subsection (2)(a), including the accompanying map, to the State Tax Commission.]~~

~~[(d)]~~ (c) Upon the lieutenant governor's issuance of the certificate of ~~[incorporation]~~ creation under Section 67-1a-6.5, the special service district is created and incorporated.

(3) After a special service district is established, a person may petition the district court for a writ of review of the actions of the governing authority in establishing the district if:

(a) (i) the person filed a written protest; or

(ii) the person filed a written protest, withdrew the protest, and then cancelled the withdrawal; and

(b) (i) the person is a qualified voter residing within the district; or

(ii) the person is a qualified voter whose property has been included within the boundaries of the special service district; and

(c) the petition is filed within 30 days after the date of the resolution establishing the special service district; and

(d) (i) the petition alleges that the person's property will not be benefitted by one or more of the services to be provided by the special service district; or

(ii) the petition alleges that the procedures used to establish the special service district violated the law.

(4) If a petition for a writ of review is not filed within the time limits established by this section, owners of property and qualified voters within the special service district may not object to the establishment of the district.

(5) The governing authority may consider the voter registration records of the county as conclusive evidence of residency in the special service district.

Section 21. Section **17A-2-1313** is amended to read:

17A-2-1313. Service district as separate body politic -- Supervision and control by governing authority.

(1) ~~[After the adoption of the resolution establishing a service district, the]~~ A special service district ~~[so]~~ established ~~[shall be]~~ under this part is a separate body politic and corporate

and a quasi-municipal public corporation distinct from each county or municipality in which the service district is located.

(2) The governing authority of the county or municipality in which the service district is located shall control and have supervisory authority over all activities of the service district but may delegate:

(a) to an administrative control board established under Section 17A-2-1326 or to designated officers or employees (who may, but need not be, officers or employees of the county or municipality which established the service district), the performance of any such activities and the exercise of any rights, powers, and authority of the service district; and

(b) to designated officers or employees all rights, powers, and authority that may be delegated to an administrative control board established under Section 17A-2-1326.

Section 22. Section **17A-2-1327** is amended to read:

17A-2-1327. Adding additional services -- Annexing additional area -- Notice to lieutenant governor.

(1) Subject to the provisions of Subsections (2) and (3), after the establishment of a special service district, additional services from that specified in the resolution establishing the district may be added and additional area from that specified in the resolution may be annexed to the district by using the procedure provided for in this part for the establishment of the district with appropriate changes in the wording of the required instruments.

(2) (a) Notwithstanding Subsection (1), additional services may not be added and additional area may not be annexed to the special service district and the governing authority shall abandon the additional services or annexation proceedings if written protests are filed at or before the hearing by:

(i) with respect to proceedings to add services:

(A) the owners of more than 50% of the taxable value of the taxable property within the district; or

(B) more than 50% of the qualified electors of the district; or

(ii) with respect to proceedings to annex new area:

(A) the owners of more than 50% of the taxable value of the taxable property within the area to be annexed; or

(B) more than 50% of the qualified electors of the area to be annexed.

(b) (i) The determination of owners, properties, and taxable value under Subsection (2)(a) shall be according to the assessment rolls last completed before the adoption of the resolution proposing the addition of services or annexation.

(ii) The determination of qualified electors under Subsection (2)(a) shall be from the registration lists last made or revised before the adoption of the resolution proposing the addition of services or annexation.

(3) (a) Notwithstanding Subsection (1), the notice, hearing, and protest requirements of Sections 17A-2-1307, 17A-2-1308, and 17A-2-1309 do not apply if a petition for additional services or annexation of additional area is filed with the governing body of the special service district containing the signatures of all owners of all taxable real property:

(i) within the special service district, if the petition is for additional services; or

(ii) within the area proposed to be annexed, if the petition is for annexation of additional area.

(b) For purposes of Subsection (3)(a), the owners of taxable property shall be determined according to the assessment roll last completed before the filing of the petition.

(4) (a) If the governing authority adopts a resolution approving the annexation of additional area, the governing authority shall, within [~~90~~] 30 days after adopting the resolution, file a notice with the lieutenant governor.

(b) The notice required under Subsection (4)(a) shall:

(i) be accompanied by:

(A) a copy of the resolution adopted by the governing authority approving the annexation of additional area; and

(B) a map showing the additional area to be annexed by the special service district, prepared and certified by a licensed surveyor and filed with the county surveyor in accordance with Section 17-23-17; and

(ii) include a certification by the governing authority that all requirements for the annexation of the additional area have been complied with.

~~[(c) Within ten days after receiving the notice under Subsection (4)(a), the lieutenant governor shall:]~~

~~[(i) issue a certificate of annexation and send a copy of the certificate to the governing authority, the State Tax Commission, and the state auditor; and]~~

~~[(ii) send a copy of the notice under Subsection (4)(a), including the accompanying map, to the State Tax Commission.]~~

~~[(d)]~~ (c) Upon the lieutenant governor's issuance of the certificate of ~~[annexation]~~ boundary change under Section 67-1a-6.5, the additional area that is the subject of the governing authority's resolution is annexed to the special service district.

Section 23. Section ~~17A-2-1329~~ is amended to read:

17A-2-1329. Dissolution of district -- Withdrawal of area from district -- Notice to lieutenant governor.

(1) A special service district may not be dissolved nor areas withdrawn from the district if any bonds, notes, or other obligations of the district are outstanding and unpaid or if any contractual obligation to provide the services exists.

(2) Subject to the limitation in Subsection (1), the governing authority of the special service district may by resolution:

(a) approve the dissolution of the district upon a determination that the district is no longer needed for the purposes for which it was formed; or

(b) approve the withdrawal of specifically described areas from the special service district upon a determination that these areas should not or cannot be supplied with the services of the special service district.

(3) (a) Within ~~[90]~~ 30 days after the adoption of a resolution approving a dissolution or withdrawal under Subsection (2), the governing authority shall file a notice with the lieutenant governor.

(b) The notice required under Subsection (3)(a) shall:

(i) be accompanied by:

(A) a copy of the resolution adopted by the governing authority approving the dissolution or withdrawal; and

(B) in the case of a withdrawal, a map showing the area to be withdrawn, prepared and certified by a licensed surveyor and filed with the county surveyor in accordance with Section 17-23-17; and

(ii) include a certification by the governing authority that all requirements for the dissolution or withdrawal have been complied with.

~~[(c) Within ten days after receiving the notice under Subsection (3)(a), the lieutenant governor shall:]~~

~~[(i) issue a certificate of dissolution or withdrawal, as the case may be, and send a copy of the certificate to the governing authority, the State Tax Commission, and the state auditor; and]~~

~~[(ii) in the case of a withdrawal, send a copy of the notice under Subsection (3)(a), including the accompanying map, to the State Tax Commission.]~~

~~[(d)]~~ (c) (i) Upon the lieutenant governor's issuance of the certificate of dissolution under Section 67-1a-6.5, the special service district is dissolved.

(ii) Upon the lieutenant governor's issuance of the certificate of withdrawal, the area to be withdrawn that is the subject of the governing authority's resolution is withdrawn from the special service district.

Section 24. Section **17B-2-215** is amended to read:

17B-2-215. Notice to lieutenant governor -- Certificate of incorporation -- Local district incorporated -- Incorporation presumed conclusive.

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

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

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

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

(2) The area of each local district shall consist of:

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

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

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

~~[(2)]~~ (3) In each notice under Subsection (1) the responsible body shall:

(a) if the notice follows an election under Section 17B-2-214~~[(i)]~~ certify the results of the election; ~~[and]~~

~~[(i)]~~ (b) describe the boundaries of the new local district with an accurate map or plat showing the boundaries delineated in Subsection (2), prepared and certified by a licensed surveyor and filed with the county surveyor in accordance with Section 17-23-17; and

~~[(b)]~~ (c) certify that all requirements for the creation of a local district have been complied with.

~~[(3)-(a)]~~ (4) Within ten days after receiving the notice under Subsection (1), the lieutenant governor shall issue a certificate of incorporation for the new local district and send a copy of the certificate to the responsible body.

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

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

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

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

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

~~[(b) Each notice to the State Tax Commission under Subsection (4)(a) shall be accompanied by:]~~

~~[(i) a copy of the lieutenant governor's certificate of incorporation; and]~~

~~[(ii) a map showing the boundaries of the local district, prepared and certified by a licensed surveyor.]~~

(5) Upon the lieutenant governor's issuance of the certificate of ~~[incorporation]~~ creation under Section 67-1a-6.5, the local district is created and incorporated.

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

Section 25. Section **17B-2-216** is amended to read:

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

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

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

Section 26. Section **17B-2-514** is amended to read:

17B-2-514. Resolution approving an annexation -- Notice of annexation -- When

annexation complete.

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

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

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

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

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

(b) If the local district has entered into an agreement with the United States that requires the consent of the United States for an annexation of territory to the district, a resolution approving annexation under this part may not be adopted until the written consent of the United States is obtained and filed with the board of trustees.

(2) (a) The board shall file a notice with the lieutenant governor:

(i) within ~~[90]~~ 30 days after adoption of a resolution under Subsection (1), Subsection 17B-2-512(3)(c)(i), or Section 17B-2-515; and

(ii) as soon as practicable after receiving the notice under Subsection 10-2-425(2) of a municipal annexation that causes an automatic annexation to a local district under Section 17B-2-515.5.

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

(i) be accompanied by:

(A) if applicable, a copy of the board resolution approving the annexation; and

(B) an accurate map depicting the boundaries of the area to be annexed or a legal description of the area to be annexed, adequate for purposes of the county assessor and recorder;

(ii) for an annexation pursuant to a resolution described in Subsection (2)(a)(i), include a

certification by the local district board that all requirements for the annexation have been complied with; and

(iii) for an automatic annexation to a local district under Section 17B-2-515.5, state that an area outside the boundaries of the local district is being automatically annexed to the local district under Section 17B-2-515.5 because of a municipal annexation under Title 10, Chapter 2, Part 4, Annexation.

~~[(c)(i) Within ten days after receiving the notice under Subsection (2)(a)(i), the lieutenant governor shall:]~~

~~[(A) issue a certificate of annexation and send a copy of the certificate to the local district board, the State Tax Commission, the state auditor, and the assessor and recorder of each county in which any part of the annexed area is located; and]~~

~~[(B) send a copy of the notice under Subsection (2)(a)(i), including the accompanying map or legal description, to the State Tax Commission and the assessor and recorder of each county in which any part of the annexed area is located:]~~

~~[(ii) The lieutenant governor shall issue a certificate of annexation for an automatic annexation that is the subject of a notice under Subsection (2)(a)(ii) as provided in Subsection 10-2-117(3)(b).]~~

(3) The annexation shall be complete:

(a) for an annexation pursuant to a resolution described in Subsection (2)(a)(i), upon the lieutenant governor's issuance of the certificate of annexation under ~~[Subsection (2)(c)(i)]~~ Section 67-1a-6.5; and

(b) for an automatic annexation that is the subject of a notice under Subsection (2)(a)(ii), upon the lieutenant governor's issuance of the certificate of annexation under Subsection 10-1-117(3)(b).

Section 27. Section **17B-2-515.5** is amended to read:

17B-2-515.5. Automatic annexation to a district providing fire protection, paramedic, and emergency services.

(1) An area outside the boundaries of a local district that is annexed to a municipality or

added to a municipality by a boundary adjustment under Title 10, Chapter 2, Part 4, Annexation, is automatically annexed to the local district if:

- (a) the local district provides fire protection, paramedic, and emergency services;
- (b) an election for the creation of the local district was not required because of

Subsection 17B-2-214(3)(c); and

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

(2) The effective date of an annexation under this section is governed by Subsection 17B-2-514~~[(2)(b)(iv)]~~(3)(b).

Section 28. Section **17B-2-516** is amended to read:

17B-2-516. Boundary adjustment -- Notice and hearing -- Protest -- Resolution adjusting boundaries -- Notice of the adjustment -- Notice to lieutenant governor.

(1) As used in this section, "affected area" means the area located within the boundaries of one local district that will be removed from that local district and included within the boundaries of another local district because of a boundary adjustment under this section.

(2) The boards of trustees of two or more local districts having a common boundary and providing the same service on the same wholesale or retail basis may adjust their common boundary as provided in this section.

(3) (a) The board of trustees of each local district intending to adjust a boundary that is common with another local district shall:

(i) adopt a resolution indicating the board's intent to adjust a common boundary;

(ii) hold a public hearing on the proposed boundary adjustment no less than 60 days after the adoption of the resolution under Subsection (3)(a)(i); and

(iii) (A) (I) publish notice once a week for two successive weeks in a newspaper of general circulation within the local district; or

(II) if there is no newspaper of general circulation within the local district, post notice in at least four conspicuous places within the local district; or

(B) mail a notice to each owner of property located within the affected area and to each registered voter residing within the affected area.

(b) The notice required under Subsection (3)(a)(iii) shall:

(i) state that the board of trustees of the local district has adopted a resolution indicating the board's intent to adjust a boundary that the local district has in common with another local district that provides the same service as the local district;

(ii) describe the affected area;

(iii) state the date, time, and location of the public hearing required under Subsection (3)(a)(ii);

(iv) provide a local district telephone number where additional information about the proposed boundary adjustment may be obtained;

(v) explain the financial and service impacts of the boundary adjustment on property owners or residents within the affected area; and

(vi) state in conspicuous and plain terms that the board of trustees may approve the adjustment of the boundaries unless, at or before the public hearing under Subsection (3)(a)(ii), written protests to the adjustment are filed with the board by:

(A) the owners of private real property that:

(I) is located within the affected area;

(II) covers at least 50% of the total private land area within the affected area; and

(III) is equal in assessed value to at least 50% of the assessed value of all private real property within the affected area; or

(B) registered voters residing within the affected area equal in number to at least 50% of the votes cast in the affected area for the office of governor at the last regular general election before the filing of the protests.

(c) The first publication of the notice required under Subsection (3)(a)(iii)(A) shall be within 14 days after the board's adoption of a resolution under Subsection (3)(a)(i).

(d) The boards of trustees of the local districts whose boundaries are being adjusted may jointly:

- (i) publish, post, or mail the notice required under Subsection (3)(a)(iii); and
- (ii) hold the public hearing required under Subsection (3)(a)(ii).

(4) After the public hearing required under Subsection (3)(a)(ii), the board of trustees may adopt a resolution approving the adjustment of the common boundary unless, at or before the public hearing, written protests to the boundary adjustment have been filed with the board by:

(a) the owners of private real property that:

- (i) is located within the affected area;
- (ii) covers at least 50% of the total private land area within the affected area; and
- (iii) is equal in assessed value to at least 50% of the assessed value of all private real

property within the affected area; or

(b) registered voters residing within the affected area equal in number to at least 50% of the votes cast in the affected area for the office of governor at the last regular general election before the filing of the protests.

(5) A resolution adopted under Subsection (4) does not take effect until the board of each local district whose boundaries are being adjusted has adopted a resolution under Subsection (4).

(6) (a) Within ~~[90]~~ 30 days after the resolutions take effect under Subsection (5), the board of the local district whose boundaries are being adjusted to include the affected area shall file a notice with the lieutenant governor.

(b) The notice required under Subsection (6)(a) shall:

(i) be accompanied by:

- (A) a copy of each of the board resolutions approving the boundary adjustment; and
- (B) an accurate map depicting the affected area or a legal description of the affected area,

adequate for purposes of the county assessor and recorder; and

(ii) include a certification by the board of the local district whose boundaries are being adjusted to include the affected area that all requirements for the boundary adjustment have been complied with.

~~[(c) Within ten days after receiving the notice under Subsection (6)(a), the lieutenant governor shall:]~~

~~[(i) issue a certificate of boundary adjustment and send a copy of the certificate to the board of each local district whose boundary is being adjusted, the State Tax Commission, the state auditor, and the assessor and recorder of each county in which any part of the affected area is located; and]~~

~~[(ii) send a copy of the notice under Subsection (6)(a), including the accompanying map or legal description, to the State Tax Commission and the assessor and recorder of each county in which any part of the affected area is located.]~~

(7) Upon the lieutenant governor's issuance of a certificate of boundary [adjustment] change under Section 67-1a-6.5, the affected area is annexed to the local district whose boundaries are being adjusted to include the affected area, and the affected area is withdrawn from the local district whose boundaries are being adjusted to exclude the affected area.

Section 29. Section **17B-2-601** is amended to read:

17B-2-601. Withdrawal of area from local district -- Automatic withdrawal in certain circumstances -- Definitions.

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

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

- (i) the local district provides fire protection, paramedic, and emergency services;
- (ii) an election for the creation of the local district was not required because of

Subsection 17B-2-214(3)(c); and

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

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

(3) In addition to those definitions in Section 17B-2-101, as used in this part, "receiving entity" means an entity that will, following a withdrawal, provide to the withdrawn area the

service previously provided by the local district.

Section 30. Section **17B-2-603.5** is amended to read:

17B-2-603.5. Withdrawal of municipality in certain districts providing fire protection, paramedic, and emergency services.

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

(i) that provides fire protection, paramedic, and emergency services; and
(ii) in the creation of which an election was not required because of Subsection 17B-2-214(3)(c).

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

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

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

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

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

(i) state the results of the withdrawal election; and
(ii) if the withdrawal was approved by voters, be accompanied by a map or legal description of the area to be withdrawn, adequate for purposes of the county assessor and recorder.

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

Section 31. Section **17B-2-610** is amended to read:

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

(1) (a) The board of trustees shall file a written notice of withdrawal with the lieutenant governor:

(i) within ten days after adopting a resolution approving a withdrawal under Section 17B-2-608; and

(ii) as soon as practicable after receiving a notice under Subsection 10-2-425(2) of an automatic withdrawal under Subsection 17B-2-601(2) or after receiving notice of a withdrawal of a municipality from a local district under Section 17B-2-603.5.

(b) The notice required under Subsection (1)(a) shall:

(i) be accompanied by:

(A) for a withdrawal pursuant to a resolution adopted under Section 17B-2-608, a copy of the board resolution approving the withdrawal; and

(B) an accurate map depicting the boundaries of the withdrawn area or a legal description of the withdrawn area, adequate for purposes of the county assessor and recorder; and

(ii) for a withdrawal pursuant to a resolution adopted under Section 17B-2-608, include a certification by the local district board that all requirements for the withdrawal have been complied with.

~~[(c) Within ten days after receiving the notice of withdrawal under Subsection (1)(a) for a withdrawal under Section 17B-2-608 or for the withdrawal of a municipality from a local district under Section 17B-2-603.5, the lieutenant governor shall:]~~

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

~~[(ii) send a copy of the notice under Subsection (1)(a), including the accompanying map or legal description, to the State Tax Commission and the assessor and recorder of each county in~~

which any part of the withdrawn area is located.]

(2) (a) Upon the lieutenant governor's issuance of the certificate of [~~withdrawal~~] boundary change under [~~Subsection (1)(c)(i)~~] Section 67-1a-6.5 for a withdrawal under Section 17B-2-608 or for the withdrawal of a municipality from a local district under Section 17B-2-603.5, the withdrawal shall be effective, subject to the conditions of the withdrawal resolution, if applicable.

(b) An automatic withdrawal under Subsection 17B-2-601(2) shall be effective upon the lieutenant governor's issuance of a certificate of [~~withdrawal~~] boundary change under [~~Subsection 10-1-117(3)(b)~~] Section 67-1a-6.5.

(3) The local district may provide for the publication of any resolution approving or denying the withdrawal of an area in a newspaper of general circulation in the area proposed for withdrawal. In lieu of publishing the entire resolution, the local district may publish a notice of withdrawal or denial of withdrawal, containing:

- (a) the name of the local district;
- (b) a description of the area proposed for withdrawal;
- (c) a brief explanation of the grounds on which the board of trustees determined to approve or deny the withdrawal; and
- (d) the times and place where a copy of the resolution may be examined, which shall be at the place of business of the local district, identified in the notice, during regular business hours of the local district as described in the notice and for a period of at least 30 days after the publication of the notice.

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

(5) Within 60 days after the request under Subsection (4) is submitted to the board of trustees, the board may consider the suggestions for mitigation and adopt a resolution approving

or denying the request in the same manner as provided in Section 17B-2-608 with respect to the original resolution denying the withdrawal and file a notice of the action as provided in Subsection (1).

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

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

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

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

(b) Judicial review under this Subsection (6) shall be initiated by filing an action in the district court in the county in which a majority of the area proposed to be withdrawn is located:

(i) if the resolution approving or denying the withdrawal is published under Subsection (3), within 60 days after the publication or after the board of trustees' denial of the request under Subsection (5);

(ii) if the resolution is not published pursuant to Subsection (3), within 60 days after the resolution approving or denying the withdrawal is adopted; or

(iii) if a request is submitted to the board of trustees of a local district under Subsection (4), and the board adopts a resolution under Subsection (5), within 60 days after the board adopts a resolution under Subsection (5) unless the resolution is published under Subsection (3), in which event the action must be filed within 60 days after the publication.

(c) A court in which an action is filed under this Subsection (6) may not overturn, in whole or in part, the board of trustees' decision to approve or reject the withdrawal unless:

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

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

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

(7) After the applicable contest period under Subsection (4) or (6), no person may contest the board of trustees' approval or denial of withdrawal for any cause.

Section 32. Section **17B-2-708** is amended to read:

17B-2-708. Dissolution resolution -- Limitations on dissolution -- Distribution of remaining assets -- Notice of dissolution to lieutenant governor.

(1) After the public hearing required under Section 17B-2-706 and subject to Subsection (2), the administrative body may adopt a resolution approving dissolution of the local district.

(2) A resolution under Subsection (1) may not be adopted unless:

(a) any outstanding debt of the local district is:

(i) satisfied and discharged in connection with the dissolution; or

(ii) assumed by another governmental entity with the consent of all the holders of that debt and all the holders of other debts of the local district;

(b) for a local district that has provided service during the preceding three years or undertaken planning or other activity preparatory to providing service:

(i) another entity has committed to provide the same service to the area being served or proposed to be served by the local district; and

(ii) all who are to receive the service have consented to the service being provided by the other entity; and

(c) all outstanding contracts to which the local district is a party are resolved through mutual termination or the assignment of the district's rights, duties, privileges, and responsibilities to another entity with the consent of the other parties to the contract.

(3) (a) (i) Any assets of the local district remaining after paying all debts and other obligations of the local district shall be used to pay costs associated with the dissolution process under this part.

(ii) Any costs of the dissolution process remaining after exhausting the remaining assets of the local district under Subsection (3)(a)(i) shall be paid by the administrative body.

(b) Any assets of the local district remaining after application of Subsection (3)(a) shall be distributed:

(i) proportionately to the owners of real property within the dissolved local district if there is a readily identifiable connection between a financial burden borne by the real property owners in the district and the remaining assets; or

(ii) except as provided in Subsection (3)(b)(i), to each county, city, or town in which the dissolved local district was located before dissolution in the same proportion that the land area of the local district located within the unincorporated area of the county or within the city or town bears to the total local district land area.

(4) (a) Within ~~[90]~~ 30 days after adopting a resolution approving dissolution of the local district, the administrative body shall file a notice with the lieutenant governor.

(b) The notice required under Subsection (4)(a) shall:

(i) be accompanied by a copy of the board resolution approving the dissolution; and

(ii) include a certification by the administrative body that all requirements for the dissolution have been complied with.

~~[(c) Within ten days after receiving the notice under Subsection (4)(a), the lieutenant governor shall:]~~

~~[(i) issue a certificate of dissolution and send a copy of the certificate to the administrative body; and]~~

~~[(ii) send a copy of the certificate of dissolution, with a copy of the administrative body's resolution, to the State Tax Commission, the state auditor, and the assessor and recorder of each county in which any part of the dissolved district was located immediately before dissolution.]~~

(c) Upon the lieutenant governor's issuance of the certificate of dissolution under Section 67-1a-6.5, the local district is dissolved.

Section 33. Section **17B-4-201** is amended to read:

17B-4-201. Creation of agency -- Notice to lieutenant governor.

(1) Subject to Subsection (2), a community may, by ordinance adopted by its legislative body, create an agency.

(2) (a) Within ten days after adopting an ordinance under Subsection (1), the community legislative body shall ~~[cause]~~ file with the lieutenant governor a notice of the adoption of the ordinance, with a copy of the ordinance~~[-to be filed with the lieutenant governor].~~

~~[(b) Within ten days after receiving the notice under Subsection (2)(a), the lieutenant governor shall issue a certificate of incorporation for the agency and send a copy of the certificate~~

to the community legislative body.]

~~[(e)]~~ (b) Upon the lieutenant governor's issuance of the certificate of ~~[incorporation]~~ creation under Section 67-1a-6.5, the agency is created and incorporated.

~~[(3) Within 20 days after the issuance of the certificate of incorporation, the agency shall cause a notice of the agency's creation and incorporation, with a copy of the certificate of incorporation attached, to be filed with the State Tax Commission and the state auditor.]~~

Section 34. Section **17B-4-410** is amended to read:

17B-4-410. Agency required to transmit and record documents after adoption of project area plan.

Within 30 days after the community legislative body adopts, under Section 17B-4-408, a project area plan, the agency shall:

(1) record with the recorder of the county in which the project area is located a document containing:

- (a) a description of the land within the project area;
- (b) a statement that the project area plan for the project area has been adopted; and
- (c) the date of adoption; ~~[and]~~

(2) transmit a copy of the description of the land within the project area and an accurate map or plat indicating the boundaries of the project area to the Automated Geographic Reference Center created under Section 63A-6-202; and

~~[(2)]~~ (3) for a project area plan that provides for the payment of tax increment to the agency, transmit a copy of the description of the land within the project area, a copy of the community legislative body ordinance adopting the project area plan, and a map or plat indicating the boundaries of the project area to:

(a) the auditor, recorder, attorney, surveyor, and assessor of ~~[the]~~ each county in which any part of the project area is located;

(b) the officer or officers performing the function of auditor or assessor for each taxing entity that does not use the county assessment roll or collect its taxes through the county;

(c) the legislative body or governing board of each taxing entity;

- (d) the State Tax Commission; and
- (e) the State Board of Education.

Section 35. Section **17B-4-1401** is amended to read:

17B-4-1401. Dissolution by ordinance -- Restrictions -- Filing copy of ordinance -- Agency records -- Dissolution expenses.

(1) (a) Subject to Subsection (1)(b), the legislative body of the community that created an agency may, by ordinance, deactivate and dissolve the agency.

(b) An ordinance dissolving an agency may not be adopted unless the agency has no outstanding bonded indebtedness, other unpaid loans, indebtedness, or advances, and no legally binding contractual obligations with persons or entities other than the community.

(2) ~~[The]~~ (a) Within ten days after adopting an ordinance under Subsection (1), the community legislative body [of each community that adopts an ordinance under Subsection (1)] shall ~~[:-(a)]~~ file a certified copy of the ordinance with the ~~[State Tax Commission, county assessor, county auditor,]~~ lieutenant governor.

(b) Upon the lieutenant governor's issuance of the certificate of dissolution under Section 67-1a-6.5, the agency is dissolved.

(c) Within ten days after receiving the certificate of dissolution from the lieutenant governor under Section 67-1a-6.5, the community legislative body shall send a copy of the certificate of dissolution and the ordinance adopted under Subsection (1) to the State Board of Education, and each taxing entity ~~[-and].~~

~~[(b) cause]~~ (d) The community legislative body shall publish a notice of dissolution ~~[to be published]~~ in a newspaper of general circulation in the county in which the dissolved agency is located.

(3) The books, documents, records, papers, and seal of each dissolved agency shall be deposited for safekeeping and reference with the recorder of the community that dissolved the agency.

(4) The agency shall pay all expenses of the deactivation and dissolution.

Section 36. Section **20A-14-201** is amended to read:

**20A-14-201. Boards of education -- School board districts -- Creation --
Reapportionment.**

(1) (a) The county legislative body, for local school districts whose boundaries encompass more than a single municipality, and the municipal legislative body, for school districts contained completely within a municipality, shall divide the local school district into local school board districts as required under Subsection 20A-14-202(1)(a).

(b) The county and municipal legislative bodies shall divide the school district so that the local school board districts are substantially equal in population and are as contiguous and compact as practicable.

(2) (a) County and municipal legislative bodies shall reapportion district boundaries to meet the population, compactness, and contiguity requirements of this section:

- (i) at least once every ten years;
- (ii) whenever a new district is created;
- (iii) whenever districts are consolidated;
- (iv) whenever a district loses more than 20% of the population of the entire school district to another district;
- (v) whenever a district loses more than 50% of the population of a local school board district to another district;
- (vi) whenever a district receives new residents equal to at least 20% of the population of the district at the time of the last reapportionment because of a transfer of territory from another district; and
- (vii) whenever it is necessary to increase the membership of a board from five to seven members as a result of changes in student membership under Section 20A-14-202.

(b) If a school district receives territory containing less than 20% of the population of the transferee district at the time of the last reapportionment, the local school board may assign the new territory to one or more existing school board districts.

(3) (a) Reapportionment does not affect the right of any school board member to complete the term for which the member was elected.

(b) (i) After reapportionment, representation in a local school board district shall be determined as provided in Subsection (3).

(ii) If only one board member whose term extends beyond reapportionment lives within a reapportioned local school board district, that board member shall represent that local school board district.

(iii) (A) If two or more members whose terms extend beyond reapportionment live within a reapportioned local school board district, the members involved shall select one member by lot to represent the local school board district.

(B) The other members shall serve at-large for the remainder of their terms.

(C) The at-large board members shall serve in addition to the designated number of board members for the board in question for the remainder of their terms.

(iv) If there is no board member living within a local school board district whose term extends beyond reapportionment, the seat shall be treated as vacant and filled as provided in this part.

(4) (a) If, before an election affected by reapportionment, the county or municipal legislative body that conducted the reapportionment determines that one or more members must be elected to terms of two years to meet this part's requirements for staggered terms, the legislative body shall determine by lot which of the reapportioned local school board districts will elect members to two-year terms and which will elect members to four-year terms.

(b) All subsequent elections are for four-year terms.

(5) Within ten days after any local school board district boundary change, the county or municipal legislative body making the change shall send an accurate map or plat of the boundary change to the Automated Geographic Reference Center created under Section 63A-6-202.

Section 37. Section **53A-2-101.5** is enacted to read:

53A-2-101.5. Notice of school district boundary changes including creation, consolidation, division, or dissolution.

(1) Within 30 days after the creation, consolidation, division, or dissolution of a school district, or any other change affecting the boundary of a new or existing school district, the

county legislative body shall file a written notice of the action with the lieutenant governor.

(2) The notice under Subsection (1) shall be accompanied by an accurate map or plat showing the boundaries of the affected school districts, prepared and certified by a local surveyor and filed with the county surveyor in accordance with Section 17-23-17.

(3) Upon the lieutenant governor's issuance of the certificate under Section 67-1a-6.5, the creation, consolidation, division, dissolution, or other change affecting the boundary of a new or existing school districts that was the subject of the action has legal effect.

Section 38. Section **53A-2-118** is amended to read:

53A-2-118. Creation of new school district by county legislative body -- Initiation of process -- Procedures to be followed.

(1) A county legislative body may create a new school district from an existing school district within the geographical boundaries of the county.

(2) (a) The process may be initiated:

(i) through a citizens' initiative petition; or

(ii) at the request of the board of the existing district or districts to be affected by the creation of the new district.

(b) A petition submitted under Subsection (2)(a)(i) must be signed by qualified electors residing within the geographical boundaries of the proposed new school district equal in number to at least 15% of the number of electors in the area who voted for the office of governor at the last regular general election.

(c) The process may only be initiated once during any four-year period.

(d) A new district may not be formed if the student population of the proposed new district is less than 5,000 or the existing district's student population would be less than 5,000 because of the creation of the new school district.

(e) If a county legislative body receives a request or petition to create a new district on or before December 1:

(i) the county legislative body shall appoint an ad hoc advisory committee, as provided by Subsection (3), on or before January 1;

(ii) the ad hoc advisory committee shall submit its report and recommendations to the county legislative body, as provided by Subsection (3), on or before July 1; and

(iii) if the county legislative body approves a proposal to create a new district, the proposal shall be submitted to the county clerk to be voted on by the electors of the existing district at the regular general or municipal general election held in November.

(3) (a) The county legislative body shall appoint an ad hoc advisory committee to review and make recommendations on a request for the creation of a new school district submitted under Subsection (2)(a).

(b) The advisory committee shall:

(i) seek input from:

(A) those requesting the creation of the new school district;

(B) the school board and school personnel of the existing school district;

(C) those citizens residing within the geographical boundaries of the existing school district;

(D) the State Board of Education; and

(E) other interested parties;

(ii) review data and gather information on at least:

(A) the financial viability of the proposed new school district;

(B) the proposal's financial impact on the existing school district;

(C) the exact placement of school district boundaries; and

(D) the positive and negative effects of creating a new school district and whether the positive effects outweigh the negative if a new school district were to be created; and

(iii) make a report to the county legislative body in a public meeting on the committee's activities, together with a recommendation on whether to create a new school district.

(4) (a) The county legislative body shall provide for a 45-day public comment period on the report and recommendation to begin on the day the report is given under Subsection (3)(b)(iii).

(b) Within 14 days after the end of the comment period, the county legislative body shall

vote on the creation of the proposed new school district.

(c) The proposal is approved if a majority of the members of the county legislative body votes in favor of the proposal.

(d) If the proposal is approved, the county legislative body shall submit the proposal to the county clerk to be voted on:

(i) by the electors of the existing school district;

(ii) in accordance with Title 20A, Election Code; and

(iii) at the next regular general election or municipal general election, whichever is first.

(e) Creation of the new school district shall occur if a majority of the electors within both the proposed school district and the remaining school district voting on the proposal vote in favor of the creation of the new district.

(f) ~~[(f)]~~ The county legislative body shall ~~[, within 45 days of the creation of the new school district, file a written]~~ provide notice of the action ~~[with the State Tax Commission]~~ as required in Section 53A-2-101.5.

~~[(ii) The notice shall be accompanied by a map showing the boundaries of the affected school districts, prepared and certified by a local surveyor.]~~

(5) If a proposal to create a new district is approved by the electors, the existing district's documented costs to study and implement the proposal shall be reimbursed by the new district.

Section 39. Section **63A-6-201** is amended to read:

63A-6-201. Definitions.

As used in this part:

(1) "Center" means the Automated Geographic Reference Center created in Section 63A-6-202.

(2) "Database" means the State Geographic Information Database created in Section 63A-6-203.

(3) "Division" means the Division of Information Technology Services.

(4) "Geographic Information System" means a computer driven data integration and map production system that interrelates disparate layers of data to specific geographic locations.

(5) "State Geographic Information Database" means the database [~~mandated by~~] created in Section [63A-6-202] 63A-6-203.

Section 40. Section **63A-6-202** is amended to read:

63A-6-202. Automated Geographic Reference Center.

(1) There is created the Automated Geographic Reference Center as part of the division.

(2) The center shall:

(a) provide geographic information system services to state agencies under rules and policies established by the division;

(b) provide geographic information system services to federal government, local political subdivisions, and private persons under rules and policies established by the division;

(c) manage the State Geographic Information Database; and

(d) establish standard format, lineage, and other requirements for the database.

(3) There is created a position of surveyor within the center which surveyor shall be licensed as a professional land surveyor under Title 58, Chapter 22, Professional Engineers and Land Surveyors Licensing Act, and shall have the following duties:

(a) provide technical support to the office of lieutenant governor in evaluating boundary creation or boundary changes prior to certification by the lieutenant governor under Section 67-1a-6.5;

(b) assist the State Tax Commission in processing and quality assurance of boundary descriptions or maps into digital format for inclusion in the State Geographic Information Database;

(c) coordinate with county recorders and surveyors to create a statewide parcel layer in the State Geographic Information Database containing parcel boundary, parcel identifier, parcel address, owner type, and county recorder contact information; and

(d) facilitate and integrate the collection efforts of local government and federal agencies for data collection to densify and enhance the statewide Public Land Survey System reference network in the State Geographic Information Database.

~~(3)~~ (4) The division may:

- (a) make rules and establish policies to govern the center and its operations; and
- (b) set fees for the services provided by the center.

(5) The state may not sell information obtained from counties under Subsection (3)(c).

Section 41. Section **63A-6-203** is amended to read:

63A-6-203. State Geographic Information Database.

- (1) There is created a State Geographic Information Database to be managed by the center.
- (2) The database shall:
 - (a) serve as the central reference for all information contained in any GIS database by any state agency;
 - (b) serve as a clearing house and repository for all data layers required by multiple users; ~~and~~
 - (c) serve as a standard format for geographic information acquired, purchased, or produced by any state agency~~[-]; and~~
 - (d) include an accurate representation of all civil subdivision boundaries of the state.
- (3) Each state agency that acquires, purchases, or produces digital geographic information data shall:
 - (a) inform the center of the existence of the data layers and their geographic extent;
 - (b) allow the center access to all data classified public; and
 - (c) comply with any database requirements established by the center.
- (4) At least annually, the State Tax Commission shall deliver to the center information the State Tax Commission receives under Sections 10-1-116, 11-13-204, 11-13-205, 17-2-4, 17-2-9, 17-3-3, 17A-1-102, 17B-2-215, and 17B-4-201 relating to the creation or modification of the boundaries of the political subdivisions that are the subject of those sections.

Section 42. Section **67-1a-6.5** is enacted to read:

67-1a-6.5. Lieutenant governor certification of governmental entity creation, consolidation, division, dissolution, or boundary change.

- (1) As used in this section:

(a) "AGRC" means the Automated Geographic Reference Center created under Section 63A-6-202.

(b) "Boundary change" means the adjustment of an entity's boundary either through gaining territory (annexation), losing territory (withdrawal), adjusting the common boundary with an adjacent entity (may gain territory, lose territory, or a combination of both gaining and losing territory), or any other adjustment of the entity's boundary.

(c) "Consolidation" means the combining of two or more entities into a single entity such that the consolidated entity's boundary contains all of the territory of the original entities, but no additional territory.

(d) "County attorney" means the county attorney of each county which contains any part of the area affected by the entity creation, consolidation, division, dissolution, or boundary change.

(e) (i) "County auditor" means the county auditor of each county which contains any part of the area affected by the entity creation, consolidation, division, dissolution, or boundary change.

(ii) If the county does not have a county auditor, "county auditor" means the county clerk or other government official acting as the county auditor.

(f) "County recorder" means the county recorder of each county which contains any part of the area affected by the entity creation, consolidation, division, dissolution, or boundary change.

(g) "County surveyor" means the county surveyor of each county which contains any part of the area affected by the entity creation, consolidation, division, dissolution, or boundary change.

(h) "Creation" means the forming of a new entity where that entity did not exist before its creation.

(i) "Dissolution" means the disbandment of an entity.

(j) "Division" means the dividing of one entity into two or more entities such that the original entity's boundary contains all of the territory of the resultant entities, but no additional

territory.

(k) "Entity" means the entity that is created, consolidated, divided, dissolved, or whose boundary is changed.

(l) "Initiating body" means the county legislative body, municipal legislative body, special district board, local district board, court, public official, or other authorized person that initiates the creation, dissolution, consolidation, or boundary change of an entity or entities.

(m) "Notice of entity boundary change" means the notice the lieutenant governor receives under Subsection 10-1-116(1), 10-2-419(4), 10-2-425(1), 10-2-507(1), 17-2-9(2), 17-2-13(3), 17-50-104(3), 17-50-105(1)(b) or (2)(e), 17A-2-1327(4), 17B-2-514(2), 17B-2-516(6), 17B-2-610(1), or 53A-2-101.5(1) of an entity's pending boundary change.

(n) "Notice of entity consolidation" means the notice the lieutenant governor receives under Section 10-2-610 or Subsection 10-1-116(1) or 17-2-4(2) of entities' pending consolidation.

(o) "Notice of entity creation" means the notice the lieutenant governor receives under Subsection 10-1-116(1), 10-2-119(1), 10-2-125(6), 11-13-204(4), 11-13-205(6), 17A-2-1311(2), 17B-2-215(1), 17B-4-201(2), or 53A-2-101.5(1) of an entity's pending creation.

(p) "Notice of entity dissolution" means the notice the lieutenant governor receives under Subsection 10-1-116(1), 10-2-712(2), 17A-2-1329(3), 17B-2-708(4), or 17B-4-1401(2)(a) of an entity's pending dissolution.

(q) "Notice of entity division" means the notice the lieutenant governor receives under Subsection 17-3-3(3) of an entity's pending division.

(r) "Notice of intention to file articles of incorporation" means the notice the lieutenant governor receives under Subsection 10-2-120(1).

(s) "Lieutenant governor" means the lieutenant governor created in Article VII, Section 1 of the Utah Constitution.

(t) "State auditor" means the state auditor created in Article VII, Section 1 of the Utah Constitution.

(u) "State Tax Commission" means the State Tax Commission created in Article XIII.

Section 6 of the Utah Constitution.

(2) Within ten days after receiving a notice of entity creation, the lieutenant governor shall:

(a) issue a certificate of entity creation;

(b) (i) send a copy of the certificate issued under Subsection (2)(a) and a copy of the notice of entity creation, including the accompanying map or legal description, to the State Tax Commission, AGRC, county recorder, county surveyor, county auditor, and county attorney; and

(ii) send a copy of the certificate issued under Subsection (2)(a) to the state auditor; and

(c) send to the initiating body a copy of the certificate issued under Subsection (2)(a) and a statement indicating completion of Subsection (2)(b).

(3) Within ten days after receiving a notice of intention to file articles of incorporation, the lieutenant governor shall:

(a) issue a certificate indicating receipt of a notice of intention to file articles of incorporation;

(b) (i) send a copy of the certificate issued under Subsection (3)(a) and a copy of the notice of intention to file articles of incorporation, including the accompanying map or legal description, to the State Tax Commission, AGRC, county recorder, county surveyor, county auditor, and county attorney; and

(ii) send a copy of the certificate issued under Subsection (3)(a) to the state auditor; and

(c) send to the initiating body a copy of the certificate issued under Subsection (3)(a) and a statement indicating completion of Subsection (3)(b).

(4) Within ten days after receiving a notice of entity consolidation, the lieutenant governor shall:

(a) issue a certificate of entity consolidation;

(b) (i) send a copy of the certificate issued under Subsection (4)(a) and a copy of the notice of entity consolidation to the State Tax Commission, AGRC, county recorder, county surveyor, county auditor, and county attorney; and

(ii) send a copy of the certificate issued under Subsection (4)(a) to the state auditor; and

(c) send to the initiating body and the entities being consolidated, if different from the initiating body, a copy of the certificate issued under Subsection (4)(a) and a statement indicating completion of Subsection (4)(b).

(5) Within ten days after receiving a notice of entity division, the lieutenant governor shall:

(a) issue a certificate of entity division;

(b) (i) send a copy of the certificate issued under Subsection (5)(a) and a copy of the notice of entity consolidation, including the accompanying map or legal description, to the State Tax Commission, AGRC, county recorder, county surveyor, county auditor, and county attorney; and

(ii) send a copy of the certificate issued under Subsection (5)(a) to the state auditor; and

(c) send to the initiating body a copy of the certificate issued under Subsection (5)(a) and a statement indicating completion of Subsection (5)(b).

(6) Within ten days after receiving a notice of entity dissolution, the lieutenant governor shall:

(a) issue a certificate of entity dissolution;

(b) (i) send a copy of the certificate issued under Subsection (6)(a) and a copy of the notice of entity dissolution to the State Tax Commission, AGRC, county recorder, county surveyor, county auditor, and county attorney; and

(ii) send a copy of the certificate issued under Subsection (6)(a) to the state auditor; and

(c) send to the initiating body and the entity being dissolved, if different than the initiating body, a copy of the certificate issued under Subsection (6)(a) and a statement indicating completion of Subsection (6)(b).

(7) Within ten days after receiving a notice of entity boundary change, the lieutenant governor shall:

(a) issue a certificate of entity boundary change;

(b) send a copy of the certificate issued under Subsection (7)(a) and a copy of the notice of entity boundary change, including the accompanying map or legal description, to the State Tax

Commission, AGRC, county recorder, county surveyor, county auditor, and county attorney; and

(c) send to the initiating body or bodies, and each entity whose boundary is changed, if different than the initiating body, a copy of the certificate issued under Subsection (7)(a) and a statement indicating completion of Subsection (7)(b).

(8) (a) The lieutenant governor shall keep, index, maintain, and make available to the public certificates, notices, maps, and other documents necessary in performing the duties of Subsections (2) through (7).

(b) The lieutenant governor shall furnish a certified copy of documents to any person who requests a certified copy.

(c) The lieutenant governor may charge a reasonable fee for copies of documents or certified copies of documents.

Section 43. Coordinating H.B. 113 with H.B. 109.

If this H.B. 113 and H.B. 109, Information Technology Governance Amendments, both pass, it is the intent of the Legislature that the Office of Legislative Research and General Counsel, in preparing the database for publication:

(1) replace each reference to Section 63A-6-202 in this bill with Section 63F-1-506; and

(2) modify Subsection 63F-1-502(6), as enacted in H.B. 109, to read:

"(6) "State Geographic Information Database" means the database created in Section 63F-1-507."