

**MINIMUM BASIC LEVY AND OTHER
PROPERTY TAX AMENDMENTS**

2007 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Aaron Tilton

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends the Interlocal Cooperation Act, the Limited Purpose Local Government Entities - Community Development and Renewal Agencies Title, the Minimum School Program Act, the Property Tax Act, and the State Appropriations and Tax Limitation Act to amend provisions relating to the minimum basic levy and provisions relating to a taxing entity's certified tax rate.

Highlighted Provisions:

This bill:

- ▶ repeals the requirement that a school district impose a minimum basic levy before it may participate in the Minimum School Program;
- ▶ provides that a taxing entity levying a property tax rate in excess of the certified tax rate during the 2008 calendar year must obtain voter approval before imposing the tax rate; and
- ▶ makes technical changes.

Monies Appropriated in this Bill:

None

Other Special Clauses:

This bill takes effect on January 1, 2008.

Utah Code Sections Affected:



AMENDS:

11-13-302, as last amended by Chapter 21, Laws of Utah 2003

11-13-310, as last amended by Chapter 21, Laws of Utah 2003

11-13-311, as last amended by Chapter 21, Laws of Utah 2003

17C-1-102, as last amended by Chapter 254 and renumbered and amended by Chapter 359, Laws of Utah 2006

17C-4-201, as enacted by Chapter 359, Laws of Utah 2006

53A-1a-106, as last amended by Chapter 221, Laws of Utah 2003

53A-1a-513, as last amended by Chapters 9 and 291, Laws of Utah 2005

53A-3-415, as last amended by Chapter 72, Laws of Utah 1991

53A-17a-103, as last amended by Chapter 354, Laws of Utah 2006

53A-17a-136, as renumbered and amended by Chapter 72, Laws of Utah 1991

53A-17a-143, as last amended by Chapter 271, Laws of Utah 1995

53A-17a-144, as last amended by Chapters 88 and 221, Laws of Utah 2003

59-2-904, as last amended by Chapter 4, Laws of Utah 1993

59-2-919, as last amended by Chapters 26 and 104, Laws of Utah 2006

59-2-924, as last amended by Chapters 26, 105 and 359, Laws of Utah 2006

59-2-926, as last amended by Chapter 320, Laws of Utah 2003

63-38c-102, as last amended by Chapter 318, Laws of Utah 2004

REPEALS:

53A-17a-135, as last amended by Chapter 4, Laws of Utah 2006

59-2-902, as last amended by Chapters 4 and 227, Laws of Utah 1993

59-2-903, as last amended by Chapter 3, Laws of Utah 1988

59-2-905, as last amended by Chapter 3, Laws of Utah 1988

63-38c-401, as renumbered and amended by Chapter 275, Laws of Utah 1996

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

Section 1. Section **11-13-302** is amended to read:

11-13-302. Payment of fee in lieu of ad valorem property tax by certain energy suppliers -- Method of calculating -- Collection -- Extent of tax lien.

(1) (a) Each project entity created under this chapter that owns a project and that sells

any capacity, service, or other benefit from it to an energy supplier or suppliers whose tangible property is not exempted by Utah Constitution Article XIII, Section 2, from the payment of ad valorem property tax, shall pay an annual fee in lieu of ad valorem property tax as provided in this section to each taxing jurisdiction within which the project or any part of it is located.

(b) For purposes of this section, "annual fee" means the annual fee described in Subsection (1)(a) that is in lieu of ad valorem property tax.

(c) The requirement to pay an annual fee shall commence:

(i) with respect to each taxing jurisdiction that is a candidate receiving the benefit of impact alleviation payments under contracts or determination orders provided for in Sections 11-13-305 and 11-13-306, with the fiscal year of the candidate following the fiscal year of the candidate in which the date of commercial operation of the last generating unit, other than any generating unit providing additional project capacity, of the project occurs, or, in the case of any facilities providing additional project capacity, with the fiscal year of the candidate following the fiscal year of the candidate in which the date of commercial operation of the generating unit providing the additional project capacity occurs; and

(ii) with respect to any taxing jurisdiction other than a taxing jurisdiction described in Subsection (1)(c)(i), with the fiscal year of the taxing jurisdiction in which construction of the project commences, or, in the case of facilities providing additional project capacity, with the fiscal year of the taxing jurisdiction in which construction of those facilities commences.

(d) The requirement to pay an annual fee shall continue for the period of the useful life of the project or facilities.

(2) (a) The annual fees due a school district shall be as provided in Subsection (2)(b) ~~[because the ad valorem property tax imposed by a school district and authorized by the Legislature under Section 53A-17a-135 represents both:]~~.

~~[(i) a levy mandated by the state for the state minimum school program under Section 53A-17a-135; and]~~

~~[(ii) local levies for capital outlay, maintenance, transportation, and other purposes under Sections 11-2-7, 53A-16-107, 53A-16-110, 53A-17a-126, 53A-17a-127, 53A-17a-133, 53A-17a-134, 53A-17a-143, 53A-17a-145, and 53A-21-103.]~~

(b) The annual fees due a school district ~~[shall be as follows: (i) the project entity shall pay to the school district an annual fee for the state minimum school program at the rate~~

imposed by the school district and authorized by the Legislature under Subsection
53A-17a-135(1); and (ii) for all other] from the project entity for local property tax levies
authorized to be imposed by a school district[, the project entity] shall [pay to the school
district] be either:

[(A)] (i) an annual fee; or

[(B)] (ii) impact alleviation payments under contracts or determination orders provided
for in Sections 11-13-305 and 11-13-306.

(3) (a) An annual fee due a taxing jurisdiction for a particular year shall be calculated
by multiplying the tax rate or rates of the jurisdiction for that year by the product obtained by
multiplying the fee base or value determined in accordance with Subsection (4) for that year of
the portion of the project located within the jurisdiction by the percentage of the project which
is used to produce the capacity, service, or other benefit sold to the energy supplier or suppliers.

(b) As used in this section, "tax rate," when applied in respect to a school district,
includes any assessment to be made by the school district under Subsection (2) or Section
63-51-6.

(c) There is to be credited against the annual fee due a taxing jurisdiction for each year,
an amount equal to the debt service, if any, payable in that year by the project entity on bonds,
the proceeds of which were used to provide public facilities and services for impact alleviation
in the taxing jurisdiction in accordance with Sections 11-13-305 and 11-13-306.

(d) The tax rate for the taxing jurisdiction for that year shall be computed so as to:

(i) take into account the fee base or value of the percentage of the project located
within the taxing jurisdiction determined in accordance with Subsection (4) used to produce the
capacity, service, or other benefit sold to the supplier or suppliers; and

(ii) reflect any credit to be given in that year.

(4) (a) Except as otherwise provided in this section, the annual fees required by this
section shall be paid, collected, and distributed to the taxing jurisdiction as if:

(i) the annual fees were ad valorem property taxes; and

(ii) the project were assessed at the same rate and upon the same measure of value as
taxable property in the state.

(b) (i) Notwithstanding Subsection (4)(a), for purposes of an annual fee required by
this section, the fee base of a project may be determined in accordance with an agreement

among:

(A) the project entity; and

(B) any county that:

(I) is due an annual fee from the project entity; and

(II) agrees to have the fee base of the project determined in accordance with the agreement described in this Subsection (4).

(ii) The agreement described in Subsection (4)(b)(i):

(A) shall specify each year for which the fee base determined by the agreement shall be used for purposes of an annual fee; and

(B) may not modify any provision of this chapter except the method by which the fee base of a project is determined for purposes of an annual fee.

(iii) For purposes of an annual fee imposed by a taxing jurisdiction within a county described in Subsection (4)(b)(i)(B), the fee base determined by the agreement described in Subsection (4)(b)(i) shall be used for purposes of an annual fee imposed by that taxing jurisdiction.

(iv) (A) If there is not agreement as to the fee base of a portion of a project for any year, for purposes of an annual fee, the State Tax Commission shall determine the value of that portion of the project for which there is not an agreement:

(I) for that year; and

(II) using the same measure of value as is used for taxable property in the state.

(B) The valuation required by Subsection (4)(b)(iv)(A) shall be made by the State Tax Commission in accordance with rules made by the State Tax Commission.

(c) Payments of the annual fees shall be made from:

(i) the proceeds of bonds issued for the project; and

(ii) revenues derived by the project entity from the project.

(d) (i) The contracts of the project entity with the purchasers of the capacity, service, or other benefits of the project whose tangible property is not exempted by Utah Constitution Article XIII, Section 2, from the payment of ad valorem property tax shall require each purchaser, whether or not located in the state, to pay, to the extent not otherwise provided for, its share, determined in accordance with the terms of the contract, of these fees.

(ii) It is the responsibility of the project entity to enforce the obligations of the

152 purchasers.

153 (5) (a) The responsibility of the project entity to make payment of the annual fees is
154 limited to the extent that there is legally available to the project entity, from bond proceeds or
155 revenues, monies to make these payments, and the obligation to make payments of the annual
156 fees is not otherwise a general obligation or liability of the project entity.

157 (b) No tax lien may attach upon any property or money of the project entity by virtue of
158 any failure to pay all or any part of an annual fee.

159 (c) The project entity or any purchaser may contest the validity of an annual fee to the
160 same extent as if the payment was a payment of the ad valorem property tax itself.

161 (d) The payments of an annual fee shall be reduced to the extent that any contest is
162 successful.

163 (6) (a) Any public agency that is not a project entity and that owns an interest in
164 facilities providing additional project capacity which, if its tangible property is not exempted
165 by Utah Constitution, Article XIII, Section 2, from the payment of ad valorem property tax,
166 uses any capacity, service, or other benefit from it or which sells any capacity, service, or other
167 benefit from it to an energy supplier or suppliers whose tangible property is not exempted by
168 Utah Constitution, Article XIII, Section 2, from the payment of ad valorem property tax, shall
169 pay an annual fee with respect to its ownership interest, and shall have the obligations, credits,
170 rights, and protections set forth in Subsections (1), (2), (3), (4)(a), (4)(c), (4)(d), and (5) with
171 respect to its ownership interest as though it were a project entity.

172 (b) The ownership interest of a public agency upon which an annual fee is payable is
173 not subject to:

174 (i) ad valorem property taxes under Title 59, Chapter 2, Property Tax Act; or

175 (ii) privilege taxes under Title 59, Chapter 4, Privilege Tax.

176 (c) Each public agency and project entity that owns an interest in facilities providing
177 additional project capacity:

178 (i) is subject to an annual fee only with respect to that ownership interest; and

179 (ii) is not subject to an annual fee with respect to any portion of the facilities providing
180 additional project capacity that it does not own.

181 Section 2. Section **11-13-310** is amended to read:

182 **11-13-310. Termination of impact alleviation contract.**

183 If the project or any part of it or the facilities providing additional project capacity or
184 any part of them, or the output from the project or facilities providing additional project
185 capacity become subject, in addition to the requirements of Section 11-13-302, to ad valorem
186 property taxation or other payments in lieu of ad valorem property taxation, or other form of
187 tax equivalent payments to any candidate which is a party to an impact alleviation contract with
188 respect to the project or facilities providing additional project capacity or is receiving impact
189 alleviation payments or means with respect to the project or facilities providing additional
190 project capacity pursuant to a determination by the board, then the impact alleviation contract
191 or the requirement to make impact alleviation payments or provide means therefor pursuant to
192 the determination, as the case may be, shall, at the election of the candidate, terminate. In any
193 event, each impact alleviation contract or determination order shall terminate upon the project,
194 or, in the case of facilities providing additional project capacity, those facilities becoming
195 subject to the provisions of Section 11-13-302[~~except that no impact alleviation contract or~~
196 ~~agreement entered by a school district shall terminate because of in lieu ad valorem property~~
197 ~~tax fees levied under Subsection 11-13-302(2)(b)(i) or because of ad valorem property taxes~~
198 ~~levied under Section 53A-17a-135 for the state minimum school program]. In addition, if the~~
199 construction of the project, or, in the case of facilities providing additional project capacity, of
200 those facilities, is permanently terminated for any reason, each impact alleviation contract and
201 determination order, and the payments and means required thereunder, shall terminate. No
202 termination of an impact alleviation contract or determination order may terminate or reduce
203 any liability previously incurred pursuant to the contract or determination order by the
204 candidate beneficiary under it. If the provisions of Section 11-13-302, or its successor, are held
205 invalid by a court of competent jurisdiction, and no ad valorem taxes or other form of tax
206 equivalent payments are payable, the remaining provisions of this chapter shall continue in
207 operation without regard to the commencement of commercial operation of the last generating
208 unit of that project or of facilities providing additional project capacity.

209 Section 3. Section **11-13-311** is amended to read:

210 **11-13-311. Credit for impact alleviation payments against in lieu of ad valorem**
211 **property taxes -- Federal or state assistance.**

212 (1) In consideration of the impact alleviation payments and means provided by the
213 project entity or other public agency pursuant to the contracts and determination orders, the

project entity or other public agency, as the case may be, shall be entitled to a credit against the fees paid in lieu of ad valorem property taxes as provided by Section 11-13-302, ad valorem property or other taxation by, or other payments in lieu of ad valorem property taxation or other form of tax equivalent payments required by any candidate which is a party to an impact alleviation contract or board order.

(2) Each candidate may make application to any federal or state governmental authority for any assistance that may be available from that authority to alleviate the impacts to the candidate. To the extent that the impact was attributable to the project or to the facilities providing additional project capacity, any assistance received from that authority shall be credited to the alleviation obligation with respect to the project or the facilities providing additional project capacity, as the case may be, in proportion to the percentage of impact attributable to the project or facilities providing additional project capacity, but in no event shall the candidate realize less revenues than would have been realized without receipt of any assistance.

~~[(3) With respect to school districts the fee in lieu of ad valorem property tax for the state minimum school program required to be paid by the project entity or other public agency under Subsection 11-13-302(2)(b)(i) shall be treated as a separate fee and shall not affect any credits for alleviation payments received by the school districts under Subsection 11-13-302(2)(b)(i), or Sections 11-13-305 and 11-13-306.]~~

Section 4. Section **17C-1-102** is amended to read:

17C-1-102. Definitions.

As used in this title:

(1) "Adjusted tax increment" means:

(a) for tax increment under a pre-July 1, 1993 project area plan, tax increment under Section 17C-1-403, excluding tax increment under Subsection 17C-1-403(3); and

(b) for tax increment under a post-June 30, 1993 project area plan, tax increment under Section 17C-1-404, excluding tax increment under Section 17C-1-406.

(2) "Affordable housing" means housing to be owned or occupied by persons and families of low or moderate income, as determined by resolution of the agency.

(3) "Agency" or "community development and renewal agency" means a separate body corporate and politic, created under Section 17C-1-201 or as a redevelopment agency under

previous law, that is a political subdivision of the state, that is created to undertake or promote urban renewal, economic development, or community development, or any combination of them, as provided in this title, and whose geographic boundaries are coterminous with:

(a) for an agency created by a county, the unincorporated area of the county; and

(b) for an agency created by a city or town, the boundaries of the city or town.

(4) "Annual income" has the meaning as defined under regulations of the U.S. Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as amended or as superseded by replacement regulations.

(5) "Assessment roll" has the meaning as defined in Section 59-2-102.

(6) "Base taxable value" means the taxable value of the property within a project area from which tax increment will be collected, as shown upon the assessment roll last equalized before:

(a) for a pre-July 1, 1993 project area plan, the effective date of the project area plan;

or

(b) for a post-June 30, 1993 project area plan:

(i) the date of the taxing entity committee's approval of the first project area budget; or

(ii) if no taxing entity committee approval is required for the project area budget, the

later of:

(A) the date the project area plan is adopted by the community legislative body; and

(B) the date the agency adopts the first project area budget.

~~[(7) "Basic levy" means the portion of a school district's tax levy constituting the minimum basic levy under Section 59-2-902.]~~

~~[(8)]~~ (7) "Blight" or "blighted" means the condition of an area that meets the requirements of Subsection 17C-2-303(1).

~~[(9)]~~ (8) "Blight hearing" means a public hearing under Subsection 17C-2-102(1)(a)(iii) and Section 17C-2-302 regarding the existence or nonexistence of blight within the proposed urban renewal project area.

~~[(10)]~~ (9) "Blight study" means a study to determine the existence or nonexistence of blight within a survey area as provided in Section 17C-2-301.

~~[(11)]~~ (10) "Board" means the governing body of an agency, as provided in Section 17C-1-203.

276 ~~[(12)]~~ (11) "Budget hearing" means the public hearing on a draft project area budget
277 required under Subsection 17C-2-201(2)(d) for an urban renewal project area budget or
278 Subsection 17C-3-201(2)(d) for an economic development project area budget.

279 ~~[(13)]~~ (12) "Combined incremental value" means the combined total of all incremental
280 values from all urban renewal project areas, except project areas that contain some or all of a
281 military installation or inactive industrial site, within the agency's boundaries under adopted
282 project area plans and adopted project area budgets at the time that a project area budget for a
283 new urban renewal project area is being considered.

284 ~~[(14)]~~ (13) "Community" means a county, city, or town.

285 ~~[(15)]~~ (14) "Community development" means development activities within a
286 community, including the encouragement, promotion, or provision of development.

287 ~~[(16)]~~ (15) "Economic development" means to promote the creation or retention of
288 public or private jobs within the state through:

289 (a) planning, design, development, construction, rehabilitation, business relocation, or
290 any combination of these, within a community; and

291 (b) the provision of office, industrial, manufacturing, warehousing, distribution,
292 parking, public, or other facilities, or other improvements that benefit the state or a community.

293 ~~[(17)]~~ (16) "Fair share ratio" means the ratio derived by:

294 (a) for a city or town, comparing the percentage of all housing units within the city or
295 town that are publicly subsidized income targeted housing units to the percentage of all
296 housing units within the whole county that are publicly subsidized income targeted housing
297 units; or

298 (b) for the unincorporated part of a county, comparing the percentage of all housing
299 units within the unincorporated county that are publicly subsidized income targeted housing
300 units to the percentage of all housing units within the whole county that are publicly subsidized
301 income targeted housing units.

302 ~~[(18)]~~ (17) "Family" has the meaning as defined under regulations of the U.S.
303 Department of Housing and Urban Development, 24 C.F.R. Section 5.403, as amended or as
304 superseded by replacement regulations.

305 ~~[(19)]~~ (18) "Greenfield" means land not developed beyond agricultural or forestry use.

306 ~~[(20)]~~ (19) "Housing funds" means the funds allocated in an urban renewal project area

budget under Section 17C-2-203 for the purposes provided in Subsection 17C-1-412(1).

~~[(21)]~~ (20) (a) "Inactive industrial site" means land that:

(i) consists of at least 1,000 acres;

(ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial facility; and

(iii) requires remediation because of the presence of hazardous or solid waste as defined in Subsection 17B-4-604(1)(a)(iii)(I), as last amended by Chapter 292, Laws of Utah 2005.

(b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land described in Subsection ~~[(21)]~~ (20)(a).

~~[(22)]~~ (21) "Income targeted housing" means housing to be owned or occupied by a family whose annual income is at or below 80% of the median annual income for the county in which the housing is located.

~~[(23)]~~ (22) "Incremental value" means a figure derived by multiplying the marginal value of the property located within an urban renewal project area on which tax increment is collected by a number that represents the percentage of adjusted tax increment from that project area that is paid to the agency.

~~[(24)]~~ (23) "Loan fund board" means the Olene Walker Housing Loan Fund Board, established under Title 9, Chapter 4, Part 7, Olene Walker Housing Loan Fund.

~~[(25)]~~ (24) "Marginal value" means the difference between actual taxable value and base taxable value.

~~[(26)]~~ (25) "Military installation project area" means a project area or a portion of a project area located within a federal military installation ordered closed by the federal Defense Base Realignment and Closure Commission.

~~[(27)]~~ (26) "Plan hearing" means the public hearing on a draft project area plan required under Subsection 17C-2-102(1)(a)(viii) for an urban renewal project area plan, Subsection 17C-3-102(1)(d) for an economic development project area plan, and Subsection 17C-4-102(1)(d) for a community development project area plan.

~~[(28)]~~ (27) "Post-June 30, 1993 project area plan" means a project area plan adopted on or after July 1, 1993, whether or not amended subsequent to its adoption.

~~[(29)]~~ (28) "Pre-July 1, 1993 project area plan" means a project area plan adopted

before July 1, 1993, whether or not amended subsequent to its adoption.

~~[(30)]~~ (29) "Private," with respect to real property, means:

(a) not owned by the United States or any agency of the federal government, a public entity, or any other governmental entity; and

(b) not dedicated to public use.

~~[(31)]~~ (30) "Project area" means the geographic area described in a project area plan or draft project area plan where the urban renewal, economic development, or community development, as the case may be, set forth in the project area plan or draft project area plan takes place or is proposed to take place.

~~[(32)]~~ (31) "Project area budget" means a multiyear projection of annual or cumulative revenues and expenses and other fiscal matters pertaining to a urban renewal or economic development project area that includes:

(a) the base taxable value of property in the project area;

(b) the projected tax increment expected to be generated within the project area;

(c) the amount of tax increment expected to be shared with other taxing entities;

(d) the amount of tax increment expected to be used to implement the project area plan, including the estimated amount of tax increment to be used for land acquisition, public improvements, infrastructure improvements, and loans, grants, or other incentives to private and public entities;

(e) the tax increment expected to be used to cover the cost of administering the project area plan;

(f) if the area from which tax increment is to be collected is less than the entire project area:

(i) the tax identification numbers of the parcels from which tax increment will be collected; or

(ii) a legal description of the portion of the project area from which tax increment will be collected; and

(g) for property that the agency owns and expects to sell, the expected total cost of the property to the agency and the expected selling price.

~~[(33)]~~ (32) "Project area plan" means a written plan under Part 4, Project Area Plan, that, after its effective date, guides and controls the urban renewal, economic development, or

community development activities within a project area.

~~[(34)]~~ (33) "Property tax" includes privilege tax and each levy on an ad valorem basis on tangible or intangible personal or real property.

~~[(35)]~~ (34) "Public entity" means:

(a) the state, including any of its departments or agencies; or

(b) a political subdivision of the state, including a county, city, town, school district, special district, local district, or interlocal cooperation entity.

~~[(36)]~~ (35) "Publicly owned infrastructure and improvements" means water, sewer, storm drainage, electrical, and other similar systems and lines, streets, roads, curb, gutter, sidewalk, walkways, parking facilities, public transportation facilities, and other facilities, infrastructure, and improvements benefitting the public and to be publicly owned or publicly maintained or operated.

~~[(37)]~~ (36) "Record property owner" or "record owner of property" means the owner of real property as shown on the records of the recorder of the county in which the property is located and includes a purchaser under a real estate contract if the contract is recorded in the office of the recorder of the county in which the property is located or the purchaser gives written notice of the real estate contract to the agency.

~~[(38)]~~ (37) "Superfund site":

(a) means an area included in the National Priorities List under the Comprehensive Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec. 9605; and

(b) includes an area formerly included in the National Priorities List, as described in Subsection ~~[(38)]~~ (37)(a), but removed from the list following remediation that leaves on site the waste that caused the area to be included in the National Priorities List.

~~[(39)]~~ (38) "Survey area" means an area designated by a survey area resolution for study to determine whether one or more urban renewal projects within the area are feasible.

~~[(40)]~~ (39) "Survey area resolution" means a resolution adopted by the agency board under Subsection 17C-2-101(1)(a) designating a survey area.

~~[(41)]~~ (40) "Taxable value" means the value of property as shown on the last equalized assessment roll as certified by the county assessor.

~~[(42)]~~ (41) (a) "Tax increment" means, except as provided in Subsection ~~[(42)]~~ (41)(b), the difference between:

(i) the amount of property tax revenues generated each tax year by all taxing entities from the area within a project area designated in the project area plan as the area from which tax increment is to be collected, using the current assessed value of the property; and

(ii) the amount of property tax revenues that would be generated from that same area using the base taxable value of the property.

(b) "Tax increment" does not include taxes levied and collected under Section 59-2-906.1 on or after January 1, 1994 upon the taxable property in the project area unless:

(i) the project area plan was adopted before May 4, 1993, whether or not the project area plan was subsequently amended; and

(ii) the taxes were pledged to support bond indebtedness or other contractual obligations of the agency.

~~[(43)]~~ (42) "Taxing entity" means a public entity that levies a tax on property within a community.

~~[(44)]~~ (43) "Taxing entity committee" means a committee representing the interests of taxing entities, created as provided in Section 17C-1-402.

~~[(45)]~~ (44) "Unincorporated" means not within a city or town.

~~[(46)]~~ (45) (a) "Urban renewal" means the development activities under a project area plan within an urban renewal project area, including:

(i) planning, design, development, demolition, clearance, construction, rehabilitation, or any combination of these, of part or all of a project area;

(ii) the provision of residential, commercial, industrial, public, or other structures or spaces, including recreational and other facilities incidental or appurtenant to them;

(iii) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating, or any combination of these, existing structures in a project area;

(iv) providing open space, including streets and other public grounds and space around buildings;

(v) providing public or private buildings, infrastructure, structures, and improvements; and

(vi) providing improvements of public or private recreation areas and other public grounds.

(b) "Urban renewal" means "redevelopment," as defined under the law in effect before

May 1, 2006, if the context requires.

Section 5. Section **17C-4-201** is amended to read:

17C-4-201. Consent of a taxing entity or public agency to an agency receiving tax increment or sales tax funds for community development project.

(1) An agency may negotiate with a taxing entity and public agency for the taxing entity's or public agency's consent to the agency receiving the entity's or public agency's tax increment or sales tax revenues, or both, for the purpose of providing funds to carry out a proposed or adopted community development project area plan.

(2) The consent of a taxing entity or public agency under Subsection (1) may be expressed in:

(a) a resolution adopted by the taxing entity or public agency; or

(b) an interlocal agreement, under Title 11, Chapter 13, Interlocal Cooperation Act, between the taxing entity or public agency and the agency.

~~[(3) A school district may consent to an agency receiving tax increment from the school district's basic levy only to the extent that the school district also consents to the agency receiving tax increment from the school district's local levy.]~~

~~[(4)]~~ (3) (a) A resolution or interlocal agreement under this section may be amended from time to time.

(b) Each amendment of a resolution or interlocal agreement shall be subject to and receive the benefits of the provisions of this part to the same extent as if the amendment were an original resolution or interlocal agreement.

~~[(5)]~~ (4) A taxing entity's or public agency's consent to an agency receiving funds under this section is not subject to the requirements of Section 10-8-2.

Section 6. Section **53A-1a-106** is amended to read:

53A-1a-106. School district and individual school powers.

(1) In order to acquire and develop the characteristics listed in Section 53A-1a-104, each school district and each public school within its respective district shall implement a comprehensive system of accountability in which students advance through public schools by demonstrating competency in required skills and mastery of required knowledge through the use of diverse assessment instruments such as authentic and criterion referenced tests, projects, and portfolios.

462 (2) (a) Each school district and public school shall:

463 (i) develop and implement programs integrating technology into the curriculum,

464 instruction, and student assessment;

465 (ii) provide for teacher and parent involvement in policymaking at the school site;

466 (iii) implement a public school choice program to give parents, students, and teachers

467 greater flexibility in designing and choosing among programs with different focuses through

468 schools within the same district and other districts, subject to space availability, demographics,

469 and legal and performance criteria;

470 (iv) establish strategic planning at both the district and school level and site-based

471 decision making programs at the school level;

472 (v) provide opportunities for each student to acquire and develop academic and

473 occupational knowledge, skills, and abilities;

474 (vi) participate in ongoing research and development projects primarily at the school

475 level aimed at improving the quality of education within the system; and

476 (vii) involve business and industry in the education process through the establishment

477 of partnerships with the business community at the district and school level.

478 (b) (i) Each local school board, in consultation with school personnel, parents, and

479 school community councils or similar entities shall establish policies to provide for the

480 effective implementation of a personalized student education plan (SEP) or student

481 education/occupation plan (SEOP) for each student at the school site.

482 (ii) The policies shall include guidelines and expectations for:

483 (A) recognizing the student's accomplishments, strengths, and progress towards

484 meeting student achievement standards as defined in U-PASS;

485 (B) planning, monitoring, and managing education and career development; and

486 (C) involving students, parents, and school personnel in preparing and implementing

487 SEPs and SEOPs.

488 (iii) A parent may request conferences with school personnel in addition to SEP or

489 SEOP conferences established by local school board policy.

490 (iv) Time spent during the school day to implement SEPs and SEOPs is considered

491 part of the school term referred to in Subsection 53A-17a-103[~~(5)~~] (4).

492 (3) A school district or public school may submit proposals to modify or waive rules or

493 policies of a supervisory authority within the public education system in order to acquire or
494 develop the characteristics listed in Section 53A-1a-104.

495 (4) (a) Each school district and public school shall make an annual report to its patrons
496 on its activities under this section.

497 (b) The reporting process shall involve participation from teachers, parents, and the
498 community at large in determining how well the district or school is performing.

499 Section 7. Section **53A-1a-513** is amended to read:

500 **53A-1a-513. Funding for charter schools.**

501 (1) (a) Charter schools shall receive funding as described in this section, except
502 Subsections (2) through (7) do not apply to charter schools described in Subsection (1)(b).

503 (b) Charter schools authorized by local school boards that are converted from district
504 schools or operate in district facilities without paying reasonable rent shall receive funding as
505 prescribed in Section 53A-1a-515.

506 (2) (a) Except as provided in Subsection (2)(b), a charter school shall receive state
507 funds, as applicable, on the same basis as a school district receives funds.

508 (b) In distributing funds under Title 53A, Chapter 17a, Minimum School Program Act,
509 to charter schools, charter school pupils shall be weighted, where applicable, as follows:

510 (i) .55 for kindergarten pupils;

511 (ii) .9 for pupils in grades 1-6;

512 (iii) .99 for pupils in grades 7-8; and

513 (iv) 1.2 for pupils in grades 9-12.

514 (c) The State Board of Education shall make rules in accordance with Title 63, Chapter
515 46a, Utah Administrative Rulemaking Act, to administer Subsection (2)(b), including hold
516 harmless provisions to maintain a charter elementary school's funding level for a period of two
517 years after the effective date of the distribution formula.

518 (d) Subsection (2)(b) does not apply to funds appropriated to charter schools to replace
519 local property tax revenues.

520 (3) The State Board of Education shall adopt rules to provide for the distribution of
521 monies to charter schools under this section.

522 (4) (a) The Legislature shall provide an appropriation for charter schools for each of
523 their students to replace some of the local property tax revenues that are not available to charter

schools. The amount of money provided for each charter school student shall be determined by:

(i) calculating the sum of:

(A) school districts' operations and maintenance revenues derived from local property taxes~~[-, except revenues from imposing a minimum basic tax rate pursuant to Section 53A-17a-135];~~

(B) school districts' capital projects revenues derived from local property taxes; and

(C) school districts' expenditures for interest on debt; and

(ii) dividing the sum by the total average daily membership of the districts' schools.

(b) Of the monies provided to a charter school under Subsection (4)(a), 10% shall be expended for funding school facilities only.

(c) To qualify for money under Subsection (4)(a), a new charter school shall, by September 30 of the school year prior to the school year it intends to begin operations:

(i) obtain approval of its application for a charter from:

(A) the State Board of Education, pursuant to Section 53A-1a-505; or

(B) a local school board, pursuant to Section 53A-1a-515; and

(ii) submit to the chartering entity an estimate of the charter school's first year enrollment.

(d) Subsection (4)(c) does not apply to charter schools beginning operations in the 2005-06 school year.

(e) By December 1, the State Charter School Board shall submit to the Governor's Office of Planning and Budget and the Office of the Legislative Fiscal Analyst an estimate of total charter school enrollment in the state for the following school year.

(5) Charter schools are eligible to receive federal funds if they meet all applicable federal requirements and comply with relevant federal regulations.

(6) The State Board of Education shall distribute funds for charter school students directly to the charter school.

(7) (a) Notwithstanding Subsection (2), a charter school is not eligible to receive state transportation funding.

(b) The board shall also adopt rules relating to the transportation of students to and from charter schools, taking into account Sections 53A-2-210 and 53A-17a-127.

(c) The governing body of the charter school may provide transportation through an agreement or contract with the local school board, a private provider, or with parents.

(8) (a) (i) The state superintendent of public instruction may allocate grants for both start-up and ongoing costs to eligible charter school applicants from monies appropriated for the implementation of this part.

(ii) Applications for the grants shall be filed on a form determined by the state superintendent and in conjunction with the application for a charter.

(iii) The amount of a grant may vary based upon the size, scope, and special circumstances of the charter school.

(iv) The governing board of the charter school shall use the grant to meet the expenses of the school as established in the school's charter.

(b) The State Board of Education shall coordinate the distribution of federal monies appropriated to help fund costs for establishing and maintaining charter schools within the state.

(9) (a) A charter school may receive, hold, manage and use any devise, bequest, grant, endowment, gift, or donation of any property made to the school for any of the purposes of this part.

(b) It is unlawful for any person affiliated with a charter school to demand or request any gift, donation, or contribution from a parent, teacher, employee, or other person affiliated with the charter school as a condition for employment or enrollment at the school or continued attendance at the school.

(10) The State Office of Education shall use up to \$1,044,000 of funding provided for new growth to fund additional growth needs in charter schools in fiscal year 2005.

Section 8. Section **53A-3-415** is amended to read:

53A-3-415. School board policy on detaining students after school.

(1) Each local school board shall establish a policy on detaining students after regular school hours as a part of the districtwide discipline plan required under [~~Section 53A-17a-135~~] Chapter 11, Part 9, School Discipline and Conduct Plans.

(2) The policy shall apply to elementary school students, grades kindergarten through six. The board shall receive input from teachers, school administrators, and parents and guardians of the affected students before adopting the policy.

(3) The policy shall provide for notice to the parent or guardian of a student prior to holding the student after school on a particular day. The policy shall also provide for exceptions to the notice provision if detention is necessary for the student's health or safety.

Section 9. Section **53A-17a-103** is amended to read:

53A-17a-103. Definitions.

As used in this chapter:

(1) "Basic state-supported school program" or "basic program" means public education programs for kindergarten, elementary, and secondary school students that are operated and maintained for the amount derived by multiplying the number of weighted pupil units for each district by \$2,417, except as otherwise provided in this chapter.

~~[(2) "Certified revenue levy" means a property tax levy that provides an amount of ad valorem property tax revenue equal to the sum of:]~~

~~[(a) the amount of property tax revenue to be generated statewide in the previous year from imposing a minimum basic tax rate, as specified in Subsection 53A-17a-135(1)(a); and]~~

~~[(b) the product of:]~~

~~[(i) new growth, as defined in Section 59-2-924 and rules of the State Tax Commission; and]~~

~~[(ii) the minimum basic tax rate certified by the State Tax Commission for the previous year.]~~

~~[(3)]~~ (2) "Leeway program" or "leeway" means a state-supported voted leeway program or board leeway program authorized under Section 53A-17a-133 or 53A-17a-134.

~~[(4)]~~ (3) "Pupil in average daily membership (ADM)" means a full-day equivalent pupil.

~~[(5)]~~ (4) (a) "State-supported minimum school program" or "minimum school program" means public school programs for kindergarten, elementary, and secondary schools as described in this Subsection ~~[(5)]~~ (4).

(b) The minimum school program established in the districts shall include the equivalent of a school term of nine months as determined by the State Board of Education.

(c) (i) The board shall establish the number of days or equivalent instructional hours that school is held for an academic school year.

(ii) Education, enhanced by utilization of technologically enriched delivery systems,

when approved by local school boards, shall receive full support by the State Board of Education as it pertains to fulfilling the attendance requirements, excluding time spent viewing commercial advertising.

(d) The program includes the total of the following annual costs:

(i) the cost of a basic state-supported school program; and

(ii) other amounts appropriated in this chapter in addition to the basic program.

~~[(6)]~~ (5) "Weighted pupil unit or units or WPU or WPUs" means the unit of measure of factors that is computed in accordance with this chapter for the purpose of determining the costs of a program on a uniform basis for each district.

Section 10. Section **53A-17a-136** is amended to read:

53A-17a-136. Cost of operation and maintenance of minimum school program -- Division between state and school districts.

(1) The total cost of operation and maintenance of the minimum school program in the state is divided between the state and school districts as follows:

~~[(a) Each school district shall impose a minimum basic tax rate on all taxable, tangible property in the school district and shall contribute the tax proceeds toward the cost of the basic program as provided in this chapter.]~~

~~[(b)]~~ (a) Each school district may ~~[also]~~ impose a levy for the purpose of participating in the leeway programs provided in this chapter.

~~[(c)]~~ (b) The state shall contribute the balance of the total costs.

(2) The contributions by the school districts and by the state are computed separately for the purpose of determining their respective contributions to the basic program and to the leeway programs provided in this chapter.

Section 11. Section **53A-17a-143** is amended to read:

53A-17a-143. District tax rate -- Increase of local property tax rate -- Termination.

(1) ~~[In addition to the revenues received from the levy imposed by each school district and authorized by the Legislature under Section 53A-17a-135, a]~~ A local school board may increase its tax rate to provide an amount equal to the difference between the district's anticipated receipts under the entitlement for the fiscal year from Public Law 81-874 and the amount the district actually received from this source for the next preceding fiscal year.

(2) The tax rate for this purpose may not exceed .0008 per dollar of taxable value in any fiscal year.

(3) This authorization terminates for each district at the end of the third year it is used.

(4) If at the end of a fiscal year the sum of the receipts of a school district from this special tax rate plus allocation from Public Law 81-874 for that fiscal year exceeds the amount allocated to the district from Public Law 81-874 for the next preceding fiscal year, the excess funds are carried into the next succeeding fiscal year and become in that year a part of the district's contribution to its basic program for operation and maintenance under the state minimum school finance law.

(5) During that year the district's required tax rate for the basic program shall be reduced so that the yield from the reduced tax rate plus the carryover funds equal the district's required contribution to its basic program.

(6) A district that reduces its basic tax rate under this section shall receive state minimum school program funds as though the reduction in the tax rate had not been made.

Section 12. Section **53A-17a-144** is amended to read:

**53A-17a-144. Contribution of state to cost of minimum school program --
Determination of amounts -- Levy on taxable property -- Disbursal -- Deficiency.**

~~[The state's contribution to the total cost of the minimum school program is determined and distributed as follows:]~~

~~[(1) The State Tax Commission shall levy an amount determined by the Legislature on all taxable property of the state:]~~

~~[(a) This amount, together with other funds provided by law, is the state's contribution to the minimum school program.]~~

~~[(b) The statewide levy is set at zero until changed by the Legislature.]~~

~~[(2) During the first week in November, the State Tax Commission shall certify to the State Board of Education the amounts designated as state aid for each district under Section 59-2-902.]~~

~~[(3)(a) The actual amounts computed under Section 59-2-902 are the state's contribution to the minimum school program of each district.]~~

~~[(b) The state board shall provide each district with a statement of the amount of state aid.]~~

679 ~~[(4) Prior to the first day of each month, the state treasurer and the Division of Finance,~~
680 ~~with the approval of the State Board of Education, shall disburse 1/12 of the state's contribution~~
681 ~~to the cost of the minimum school program to each school district.]~~

682 ~~[(a) A disbursement may not be made to a district whose payments have been~~
683 ~~interrupted under Subsection (4)(d).]~~

684 ~~[(b) Discrepancies between the monthly disbursements and the actual cost of the~~
685 ~~program shall be adjusted in the final settlement under Subsection (5).]~~

686 ~~[(c) If the monthly distributions overdraw the money in the Uniform School Fund, the~~
687 ~~Division of Finance is authorized to run this fund in a deficit position.]~~

688 ~~[(d) The state board may interrupt disbursements to a district if, in the judgment of the~~
689 ~~board, the district is failing to comply with the minimum school program, is operating~~
690 ~~programs that are not approved by the state board, or has not submitted reports required by law~~
691 ~~or the state board.]~~

692 ~~[(i) Disbursements shall be resumed upon request of the state board.]~~

693 ~~[(ii) Back disbursements shall be included in the next regular disbursement, and the~~
694 ~~amount disbursed certified to the State Division of Finance and state treasurer by the state~~
695 ~~board.]~~

696 ~~[(e) The State Board of Education may authorize exceptions to the 1/12 per month~~
697 ~~disbursement formula for grant funds if the board determines that a different disbursement~~
698 ~~formula would better serve the purposes of the grant.]~~

699 ~~[(5)(a)]~~ (1) If monies in the Uniform School Fund are insufficient to meet the state's
700 contribution to the minimum school program as appropriated, the amount of the deficiency thus
701 created shall be carried as a deficiency in the Uniform School Fund until the next session of the
702 Legislature, at which time the Legislature shall appropriate funds to cover the deficiency.

703 ~~[(b)]~~ (2) If there is an operating deficit in public education Uniform School Fund
704 appropriations, the Legislature shall eliminate the deficit by:

705 ~~[(i)]~~ (a) budget transfers or other legal means;

706 ~~[(ii)]~~ (b) appropriating money from the Education Budget Reserve Account;

707 ~~[(iii)]~~ (c) appropriating up to 25% of the balance in the General Fund Budget Reserve
708 Account; or

709 ~~[(iv)]~~ (d) some combination of Subsections ~~[(5)(b)(i), (ii), and (iii)]~~ (2)(a), (b), and (c).

710 ~~[(c)]~~ (3) Nothing in Subsection ~~[(5)(b)]~~ (2) precludes the Legislature from
711 appropriating more than 25% of the balance in the General Fund Budget Reserve Account to
712 fund operating deficits in public education appropriations.

713 Section 13. Section **59-2-904** is amended to read:

714 **59-2-904. Participation by district in state's contributions to state-supported**
715 **leeway program.**

716 ~~[In addition to the basic state contribution provided in Section 59-2-902, each]~~ Each
717 school district may participate in the state's contributions to the state-supported leeway program
718 by conforming to the requirements of the Minimum School Program Act and by making the
719 required additional levy. Each district shall participate in the state-supported leeway program,
720 and certify to the State Board of Education the results of its determination and the amount of
721 additional levy which the district will impose.

722 Section 14. Section **59-2-919** is amended to read:

723 **59-2-919. Resolution proposing tax increases -- Notice -- Contents of notice of**
724 **proposed tax increase -- Personal mailed notice in addition to advertisement -- Contents**
725 **of personal mailed notice -- Hearing -- Dates.**

726 A tax rate in excess of the certified tax rate may not be levied until a resolution has
727 been approved by the taxing entity in accordance with the following procedure:

728 (1) (a) (i) The taxing entity shall advertise its intent to exceed the certified tax rate in a
729 newspaper or combination of newspapers of general circulation in the taxing entity.

730 (ii) Notwithstanding Subsection (1)(a)(i), a taxing entity is not required to meet the
731 advertisement or hearing requirements of this section if:

732 (A) the taxing entity:

733 (I) collected less than \$15,000 in ad valorem tax revenues for the previous fiscal year;

734 or

735 (II) is expressly exempted by law from complying with the requirements of this
736 section; or

737 (B) (I) the taxing entity is a party to an interlocal agreement under Title 11, Chapter 13,
738 Interlocal Cooperation Act, that creates an interlocal entity to provide fire protection,
739 emergency, and emergency medical services;

740 (II) the tax rate increase is approved by the taxing entity's voters at an election held for

741 that purpose on or before December 31, 2010;

742 (III) the purpose of the tax rate increase is to pay for fire protection, emergency, and
743 emergency medical services provided by the interlocal entity; and

744 (IV) at least 30 days before its annual budget hearing, the taxing entity:

745 (Aa) adopts a resolution certifying that the taxing entity will dedicate all revenue from
746 the tax rate increase exclusively to pay for fire protection, emergency, and emergency medical
747 services provided by the interlocal entity and that the amount of other revenues, independent of
748 the revenue generated from the tax rate increase, that the taxing entity spends for fire
749 protection, emergency, and emergency medical services each year after the tax rate increase
750 will not decrease below the amount spent by the taxing entity during the year immediately
751 before the tax rate increase without a corresponding decrease in the taxing entity's property tax
752 revenues used in calculating the taxing entity's certified tax rate; and

753 (Bb) sends a copy of the resolution to the commission.

754 (iii) The exception under Subsection (1)(a)(ii)(B) from the advertisement and hearing
755 requirements of this section does not apply to an increase in a taxing entity's tax rate that occurs
756 after December 31, 2010, even if the tax rate increase is approved by the taxing entity's voters
757 before that date.

758 (iv) Notwithstanding Subsection (1)(a)(i), a taxing entity is not required to meet the
759 advertisement requirements of this section if Section 53A-17a-133 allows the taxing entity to
760 levy a tax rate that exceeds that certified tax rate without having to comply with the
761 advertisement requirements of this section.

762 (b) The advertisement described in this section shall:

763 (i) be no less than 1/4 page in size;

764 (ii) use type no smaller than 18 point; and

765 (iii) be surrounded by a 1/4-inch border.

766 (c) The advertisement described in this section may not be placed in that portion of the
767 newspaper where legal notices and classified advertisements appear.

768 (d) It is the intent of the Legislature that:

769 (i) whenever possible, the advertisement described in this section appear in a
770 newspaper that is published at least one day per week; and

771 (ii) the newspaper or combination of newspapers selected:

(A) be of general interest and readership in the taxing entity; and

(B) not be of limited subject matter.

(e) The advertisement described in this section shall:

(i) be run once each week for the two weeks preceding the adoption of the final budget; and

(ii) state that the taxing entity will meet on a certain day, time, and place fixed in the advertisement, which shall be not less than seven days after the day the first advertisement is published, for the purpose of hearing comments regarding any proposed increase and to explain the reasons for the proposed increase.

(f) The meeting on the proposed increase may coincide with the hearing on the proposed budget of the taxing entity.

(2) The form and content of the notice shall be substantially as follows:

"NOTICE OF PROPOSED TAX INCREASE

(NAME OF TAXING ENTITY)

The (name of the taxing entity) is proposing to increase its property tax revenue.

● If the proposed budget is approved, this would be an increase of ____% above the (name of the taxing entity) property tax budgeted revenue for the prior year.

● The (name of the taxing entity) tax on a (insert the average value of a residence in the taxing entity rounded to the nearest thousand dollars) residence would increase from \$_____ to \$_____, which is \$_____ per year.

● The (name of the taxing entity) tax on a (insert the value of a business having the same value as the average value of a residence in the taxing entity) business would increase from \$_____ to \$_____, which is \$_____ per year.

(Name of taxing entity) property tax revenue from new growth and other sources will increase from \$_____ to \$_____.

All concerned citizens are invited to a public hearing on the tax increase.

PUBLIC HEARING

Date/Time: (date) (time)

Location: (name of meeting place and address of meeting place)

To obtain more information regarding the tax increase, citizens may contact the (name of the taxing entity) at (phone number of taxing entity)."

(3) The commission:

(a) shall adopt rules governing the joint use of one advertisement under this section or Section 59-2-918 by two or more taxing entities; and

(b) may, upon petition by any taxing entity, authorize either:

(i) the use of weekly newspapers in counties having both daily and weekly newspapers where the weekly newspaper would provide equal or greater notice to the taxpayer; or

(ii) the use of a commission-approved direct notice to each taxpayer if the:

(A) cost of the advertisement would cause undue hardship; and

(B) direct notice is different and separate from that provided for in Subsection (4).

(4) (a) In addition to providing the notice required by Subsections (1) and (2), the county auditor, on or before July 22 of each year, shall notify, by mail, each owner of real estate as defined in Section 59-2-102 who is listed on the assessment roll.

(b) The notice described in Subsection (4)(a) shall:

(i) be sent to all owners of real property by mail not less than ten days before the day on which:

(A) the county board of equalization meets; and

(B) the taxing entity holds a public hearing on the proposed increase in the certified tax rate;

(ii) be printed on a form that is:

(A) approved by the commission; and

(B) uniform in content in all counties in the state; and

(iii) contain for each property:

(A) the value of the property;

(B) the date the county board of equalization will meet to hear complaints on the valuation;

(C) itemized tax information for all taxing entities~~[-including a separate statement for the minimum school levy under Section 53A-17a-135]~~ stating:

(I) the dollar amount the taxpayer would have paid based on last year's rate; and

(II) the amount of the taxpayer's liability under the current rate;

(D) the tax impact on the property;

(E) the time and place of the required public hearing for each entity;

(F) property tax information pertaining to:

(I) taxpayer relief;

(II) options for payment of taxes; and

(III) collection procedures;

(G) information specifically authorized to be included on the notice under Title 59, Chapter 2, Property Tax Act; and

(H) other property tax information approved by the commission.

(5) (a) The taxing entity, after holding a hearing as provided in this section, may adopt a resolution levying a tax rate in excess of the certified tax rate.

(b) If a resolution adopting a tax rate is not adopted on the day of the public hearing, the scheduled time and place for consideration and adoption of the resolution shall be announced at the public hearing.

(c) If a resolution adopting a tax rate is to be considered at a day and time that is more than two weeks after the public hearing described in Subsection (4)(b)(iii)(E), a taxing entity, other than a taxing entity described in Subsection (1)(a)(ii), shall advertise the date of the proposed adoption of the resolution in the same manner as provided under Subsections (1) and (2).

(6) (a) All hearings described in this section shall be open to the public.

(b) The governing body of a taxing entity conducting a hearing shall permit all interested parties desiring to be heard an opportunity to present oral testimony within reasonable time limits.

(7) (a) Each taxing entity shall notify the county legislative body by March 1 of each year of the date, time, and place a public hearing is held by the taxing entity pursuant to this section.

(b) A taxing entity may not schedule a hearing described in this section at the same time as another overlapping taxing entity in the same county, but all taxing entities in which the power to set tax levies is vested in the same governing board or authority may consolidate the required hearings into one hearing.

(c) The county legislative body shall resolve any conflicts in hearing dates and times after consultation with each affected taxing entity.

(8) A taxing entity shall hold a public hearing under this section beginning at or after 6

865 p.m.

866 Section 15. Section **59-2-924** is amended to read:

867 **59-2-924. Report of valuation of property to county auditor and commission --**

868 **Transmittal by auditor to governing bodies -- Certified tax rate -- Calculation of certified**
869 **tax rate -- Rulemaking authority -- Adoption of tentative budget.**

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

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

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

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

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

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

880 (iii) the certified tax rate; and

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

882 (2) (a) (i) The "certified tax rate" means a tax rate that will provide the same ad
883 valorem property tax revenues for a taxing entity as were budgeted by that taxing entity for the
884 prior year.

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

887 (A) collections from redemptions;

888 (B) interest; and

889 (C) penalties.

890 (iii) (A) Except as provided in Subsection (2)(a)(v), the certified tax rate shall be
891 calculated by dividing the ad valorem property tax revenues budgeted for the prior year by the
892 taxing entity by the amount calculated under Subsection (2)(a)(iii)(B).

893 (B) For purposes of Subsection (2)(a)(iii)(A), the legislative body of a taxing entity
894 shall calculate an amount as follows:

895 (I) calculate for the taxing entity the difference between:

896 (Aa) the aggregate taxable value of all property taxed; and
897 (Bb) any redevelopment adjustments for the current calendar year;
898 (II) after making the calculation required by Subsection (2)(a)(iii)(B)(I), calculate an
899 amount determined by increasing or decreasing the amount calculated under Subsection
900 (2)(a)(iii)(B)(I) by the average of the percentage net change in the value of taxable property for
901 the equalization period for the three calendar years immediately preceding the current calendar
902 year;
903 (III) after making the calculation required by Subsection (2)(a)(iii)(B)(II), calculate the
904 product of:
905 (Aa) the amount calculated under Subsection (2)(a)(iii)(B)(II); and
906 (Bb) the percentage of property taxes collected for the five calendar years immediately
907 preceding the current calendar year; and
908 (IV) after making the calculation required by Subsection (2)(a)(iii)(B)(III), calculate an
909 amount determined by subtracting from the amount calculated under Subsection
910 (2)(a)(iii)(B)(III) any new growth as defined in this section:
911 (Aa) within the taxing entity; and
912 (Bb) for the current calendar year.
913 (C) For purposes of Subsection (2)(a)(iii)(B)(I), the aggregate taxable value of all
914 property taxed includes:
915 (I) the total taxable value of the real and personal property contained on the tax rolls;
916 and
917 (II) the taxable value of any additional personal property estimated by the county
918 assessor to be subject to taxation in the current year.
919 (D) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act,
920 the commission may prescribe rules for calculating redevelopment adjustments for a calendar
921 year.
922 (iv) (A) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking
923 Act, the commission shall make rules determining the calculation of ad valorem property tax
924 revenues budgeted by a taxing entity.
925 (B) For purposes of Subsection (2)(a)(iv)(A), ad valorem property tax revenues
926 budgeted by a taxing entity shall be calculated in the same manner as budgeted property tax

revenues are calculated for purposes of Section 59-2-913.

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

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

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

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

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

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

(I) school leeways provided for under Sections 11-2-7, 53A-16-110, 53A-17a-125, 53A-17a-127, 53A-17a-133, 53A-17a-134, 53A-17a-143, 53A-17a-145, and 53A-21-103; and

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

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

(B) The ad valorem property tax revenue generated by the judgment levy shall not be considered in establishing the taxing entity's aggregate certified tax rate.

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

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

(iii) "New growth" means:

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

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

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

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

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

(I) the Legislature;

(II) a court;

(III) the commission in an administrative rule; or

(IV) the commission in an administrative order.

(c) Beginning January 1, 1997, if a taxing entity receives increased revenues from uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1, 59-2-405.2, or 59-2-405.3 as a result of any county imposing a sales and use tax under Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease its certified tax rate to offset the increased revenues.

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

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

(B) increased by the amount necessary to offset the county's reduction in revenue from uniform fees on tangible personal property under Section 59-2-404, 59-2-405, 59-2-405.1, 59-2-405.2, or 59-2-405.3 as a result of the decrease in the certified tax rate under Subsection (2)(d)(i)(A).

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

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

(f) For the calendar year beginning on January 1, 1999, and ending on December 31,

1999, a taxing entity's certified tax rate shall be adjusted by the amount necessary to offset the adjustment in revenues from uniform fees on tangible personal property under Section 59-2-405.1 as a result of the adjustment in uniform fees on tangible personal property under Section 59-2-405.1 enacted by the Legislature during the 1998 Annual General Session.

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

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

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

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

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

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

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

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

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

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

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

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

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

(i) (i) For purposes of Subsection (2)(h)(i), the commission shall increase a taxing entity's certified tax rate under this section and a taxing entity's certified revenue levy under

1020 Section 59-2-906.1 by the amount necessary to offset the difference between:

1021 (A) the taxing entity's 1998 actual collections; and

1022 (B) the sum of:

1023 (I) the taxing entity's 1999 actual collections; and

1024 (II) any adjustments the commission made under Subsection (2)(f).

1025 (ii) For purposes of Subsection (2)(h)(ii), the commission shall decrease a taxing

1026 entity's certified tax rate under this section and a taxing entity's certified revenue levy under

1027 Section 59-2-906.1 by the amount necessary to offset the difference between:

1028 (A) the sum of:

1029 (I) the taxing entity's 1999 actual collections; and

1030 (II) any adjustments the commission made under Subsection (2)(f); and

1031 (B) the taxing entity's 1998 actual collections.

1032 (iii) For purposes of Subsection (2)(h)(iii), the commission shall decrease a taxing

1033 entity's certified tax rate under this section and a taxing entity's certified revenue levy under

1034 Section 59-2-906.1 by the amount of any adjustments the commission made under Subsection

1035 (2)(f).

1036 (j) In accordance with Title 63, Chapter 46a, Utah Administrative Rulemaking Act, for

1037 purposes of Subsections (2)(f) through (i), the commission may make rules establishing the

1038 method for determining a taxing entity's 1998 actual collections and 1999 actual collections.

1039 (k) (i) (A) For fiscal year 2000, the certified tax rate of each county required under

1040 Subsection 17-34-1(4)(a) to provide advanced life support and paramedic services to the

1041 unincorporated area of the county shall be decreased by the amount necessary to reduce

1042 revenues in that fiscal year by an amount equal to the difference between the amount the county

1043 budgeted in its 2000 fiscal year budget for advanced life support and paramedic services

1044 countywide and the amount the county spent during fiscal year 2000 for those services,

1045 excluding amounts spent from a municipal services fund for those services.

1046 (B) For fiscal year 2001, the certified tax rate of each county to which Subsection

1047 (2)(k)(i)(A) applies shall be decreased by the amount necessary to reduce revenues in that fiscal

1048 year by the amount that the county spent during fiscal year 2000 for advanced life support and

1049 paramedic services countywide, excluding amounts spent from a municipal services fund for

1050 those services.

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

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

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

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

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

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

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

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

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

(Aa) publishes a notice that meets the size, type, placement, and frequency

requirements of Section 59-2-919, reflects that the increase is a shift of a tax from one imposed by the county to one imposed by the city or town, and explains how the revenues from the tax increase will be used; and

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

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

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

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

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

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

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

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

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

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

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

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

(Bb) for a participating municipality, in the municipality; and

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

1113 (Aa) for participating counties, in the unincorporated area of all participating counties;
1114 and

1115 (Bb) for participating municipalities, in all the participating municipalities.

1116 (D) "Fire district" means a county service area under Title 17A, Chapter 2, Part 4,
1117 County Service Area Act, in the creation of which an election was not required under
1118 Subsection 17B-2-214(3)(c).

1119 (E) "Fire protection tax rate" means:

1120 (I) for an annexing county, the property tax rate that, when applied to taxable property
1121 in the unincorporated area of the county, generates enough property tax revenue to cover all the
1122 costs associated with providing fire protection, paramedic, and emergency services in the
1123 unincorporated area of the county; and

1124 (II) for an annexing municipality, the property tax rate that generates enough property
1125 tax revenue in the municipality to cover all the costs associated with providing fire protection,
1126 paramedic, and emergency services in the municipality.

1127 (F) "Participating county" means a county whose unincorporated area is included
1128 within a fire district at the time of the creation of the fire district.

1129 (G) "Participating municipality" means a municipality whose area is included within a
1130 fire district at the time of the creation of the fire district.

1131 (ii) In the first year following creation of a fire district, the certified tax rate of each
1132 participating county and each participating municipality shall be decreased by the amount of
1133 the equalized fire protection tax rate.

1134 (iii) In the first year following annexation to a fire district, the certified tax rate of each
1135 annexing county and each annexing municipality shall be decreased by the fire protection tax
1136 rate.

1137 (iv) Each tax levied under this section by a fire district shall be considered to be levied
1138 by:

1139 (A) each participating county and each annexing county for purposes of the county's
1140 tax limitation under Section 59-2-908; and

1141 (B) each participating municipality and each annexing municipality for purposes of the
1142 municipality's tax limitation under Section 10-5-112, for a town, or Section 10-6-133, for a
1143 city.

1144 (3) (a) On or before June 22, each taxing entity shall annually adopt a tentative budget.

1145 (b) If the taxing entity intends to exceed the certified tax rate, it shall notify the county
1146 auditor of:

1147 (i) its intent to exceed the certified tax rate; and

1148 (ii) the amount by which it proposes to exceed the certified tax rate.

1149 (c) The county auditor shall notify all property owners of any intent to exceed the
1150 certified tax rate in accordance with Subsection 59-2-919(2).

1151 (4) (a) The taxable value for the base year under Subsection 17C-1-102(6) shall be
1152 reduced for any year to the extent necessary to provide a community development and renewal
1153 agency established under Title 17C, Limited Purpose Local Government Entities - Community
1154 Development and Renewal Agencies, with approximately the same amount of money the
1155 agency would have received without a reduction in the county's certified tax rate if:

1156 (i) in that year there is a decrease in the certified tax rate under Subsection (2)(c) or
1157 (2)(d)(i);

1158 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of the
1159 previous year; and

1160 (iii) the decrease results in a reduction of the amount to be paid to the agency under
1161 Section 17C-1-403 or 17C-1-404.

1162 (b) The base taxable value under Subsection 17C-1-102(6) shall be increased in any
1163 year to the extent necessary to provide a community development and renewal agency with
1164 approximately the same amount of money as the agency would have received without an
1165 increase in the certified tax rate that year if:

1166 (i) in that year the base taxable value under Subsection 17C-1-102(6) is reduced due to
1167 a decrease in the certified tax rate under Subsection (2)(c) or (2)(d)(i); and

1168 (ii) The certified tax rate of a city, school district, or special district increases
1169 independent of the adjustment to the taxable value of the base year.

1170 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2)(c) or
1171 (2)(d)(i), the amount of money allocated and, when collected, paid each year to a community
1172 development and renewal agency established under Title 17C, Limited Purpose Local
1173 Government Entities - Community Development and Renewal Agencies, for the payment of
1174 bonds or other contract indebtedness, but not for administrative costs, may not be less than that

1175 amount would have been without a decrease in the certified tax rate under Subsection (2)(c) or
1176 (2)(d)(i).

1177 (5) (a) For the calendar year beginning on January 1, 2008, and ending December 31,
1178 2008, to impose a tax rate that exceeds the certified tax rate established in Subsection (2), a
1179 taxing entity shall obtain approval for the tax increase by a majority vote of the:

1180 (i) governing body; and

1181 (ii) people as provided in Subsection (5)(b).

1182 (b) To obtain voter approval for a tax increase under Subsection (5)(a), a taxing entity
1183 shall hold an election:

1184 (i) at a regular election conducted in accordance with the procedures and requirements
1185 of Title 20A, Election Code, governing regular elections; or

1186 (ii) at a special election called by the county legislative body that is:

1187 (A) held only on the date of a municipal general election as provided in Subsection
1188 20A-1-202(1); and

1189 (B) authorized in accordance with the procedures and requirements of Section
1190 20A-1-203.

1191 (c) A tax rate imposed by a taxing entity under this Subsection (5) may not exceed the
1192 maximum levy permitted by law under Section 59-2-908.

1193 Section 16. Section **59-2-926** is amended to read:

1194 **59-2-926. Proposed tax increase by state -- Notice -- Contents -- Dates.**

1195 If the state authorizes a levy [~~pursuant to Section 53A-17a-135 that exceeds the~~
1196 ~~certified revenue levy as defined in Section 53A-17a-103 or authorizes a levy]~~ pursuant to
1197 Section 59-2-906.1 that exceeds the certified revenue levy as defined in Section 59-2-102, the
1198 state shall publish a notice no later than ten days after the last day of the annual legislative
1199 general session that meets the following requirements:

1200 (1) The Office of the Legislative Fiscal Analyst shall advertise that the state authorized
1201 a levy that generates revenue in excess of the previous year's ad valorem tax revenue, plus new
1202 growth, but exclusive of revenue from collections from redemptions, interest, and penalties in a
1203 newspaper of general circulation in the state. The advertisement shall be no less than 1/4 page
1204 in size and the type used shall be no smaller than 18 point, and surrounded by a 1/4-inch
1205 border. The advertisement may not be placed in that portion of the newspaper where legal

1206 notices and classified advertisements appear. The advertisement shall be run once.

1207 (2) The form and content of the notice shall be substantially as follows:

1208 "NOTICE OF TAX INCREASE

1209 The state has budgeted an increase in its property tax revenue from \$_____ to
1210 \$_____ or ____%. The increase in property tax revenues will come from the following
1211 sources (include all of the following provisions):

1212 (a) \$_____ of the increase will come from (provide an explanation of the cause
1213 of adjustment or increased revenues, such as reappraisals or factoring orders);

1214 (b) \$_____ of the increase will come from natural increases in the value of the
1215 tax base due to (explain cause of new growth, such as new building activity, annexation, etc.);

1216 (c) a home valued at \$100,000 in the state of Utah which based on last year's (levy for
1217 the basic state-supported school program, levy for the Property Tax Valuation Agency Fund, or
1218 both) paid \$_____ in property taxes would pay the following:

1219 (i) \$_____ if the state of Utah did not budget an increase in property tax revenue
1220 exclusive of new growth; and

1221 (ii) \$_____ under the increased property tax revenues exclusive of new growth
1222 budgeted by the state of Utah."

1223 Section 17. Section **63-38c-102** is amended to read:

1224 **63-38c-102. Purpose of chapter -- Limitations on state mandated property tax,**
1225 **state appropriations, and state debt.**

1226 (1) (a) It is the purpose of this chapter to:

1227 ~~[(i) place a limitation on the state mandated property tax rate under Title 53A, Chapter~~
1228 ~~17a, Minimum School Program Act;]~~

1229 ~~[(ii)] (i)~~ place limitations on state government appropriations based upon the combined
1230 changes in population and inflation; and

1231 ~~[(iii)] (ii)~~ place a limitation on the state's outstanding general obligation debt.

1232 (b) The limitations imposed by this chapter are in addition to limitations on tax levies,
1233 rates, and revenues otherwise provided for by law.

1234 (2) (a) This chapter may not be construed as requiring the state to collect the full
1235 amount of tax revenues permitted to be appropriated by this chapter.

1236 (b) This chapter's purpose is to provide a ceiling, not a floor, limitation on the

1237 appropriations of state government.

1238 (3) The recommendations and budget analysis prepared by the Governor's Office of
1239 Planning and Budget and the Office of the Legislative Fiscal Analyst, as required by Title 36,
1240 Chapter 12, Legislative Organization, shall be in strict compliance with the limitations imposed
1241 under this chapter.

1242 Section 18. **Repealer.**

1243 This bill repeals:

1244 Section **53A-17a-135, Minimum basic tax rate -- Certified revenue levy.**

1245 Section **59-2-902, Minimum basic tax levy for school districts.**

1246 Section **59-2-903, Remittance to credit of Uniform School Fund of moneys in excess**
1247 **of basic state-supported school program -- Manner.**

1248 Section **59-2-905, Legislature to set minimum rate of levy for state's contribution**
1249 **to minimum school program -- Matters to be considered -- Commission to transmit rate**
1250 **to auditors -- Acknowledgment of receipt.**

1251 Section **63-38c-401, State mandated property tax limitation -- Vote requirement**
1252 **needed to exceed limitation.**

1253 Section 19. **Effective date.**

1254 This bill takes effect on January 1, 2008.

Legislative Review Note
as of 1-25-07 1:45 PM

Office of Legislative Research and General Counsel

H.B. 151 - Minimum Basic Levy and Other Property Tax Amendments

Fiscal Note

2007 General Session

State of Utah

State Impact

Enactment of this bill could reduce the local contribution to the minimum school program by \$258,026,600 beginning in FY 2009.

	FY 2007 <u>Approp.</u>	FY 2008 <u>Approp.</u>	FY 2009 <u>Approp.</u>	FY 2007 <u>Revenue</u>	FY 2008 <u>Revenue</u>	FY 2009 <u>Revenue</u>
Property Tax	\$0	\$0	(\$258,026,600)	\$0	\$0	(\$258,026,600)
Total	\$0	\$0	(\$258,026,600)	\$0	\$0	(\$258,026,600)

Individual, Business and/or Local Impact

Enactment of this bill could reduce the property tax burden on individuals and businesses. There will be an increase in tax assessments for all non basic levy property tax entities to compensate for the loss of tax increment to the Redevelopment Agencies.

1/31/2007, 8:20:44 AM, Lead Analyst: Wilko, A.

Office of the Legislative Fiscal Analyst