

**LIMITED PURPOSE LOCAL GOVERNMENT**

**ENTITIES REVISIONS**

2008 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Dennis E. Stowell**

House Sponsor: \_\_\_\_\_

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**LONG TITLE**

**Committee Note:**

The Political Subdivisions Interim Committee recommended this bill.

**General Description:**

This bill modifies provisions relating to limited purpose local government entities.

**Highlighted Provisions:**

This bill:

- ▶ repeals and reenacts, rewrites, clarifies, and modifies provisions related to special service districts;
- ▶ repeals and reenacts, rewrites, clarifies, and modifies provisions related to conservation districts;
- ▶ repeals provisions related to parking and business improvement districts, special road districts, and historic districts;
- ▶ reenacts historic preservation authority for counties and municipalities;
- ▶ modifies assessment area provisions to preserve authority eliminated through the repeal of parking and business improvement district provisions;
- ▶ requires the type of local district proposed to be created to be specified in the petition or resolution proposing the creation of a local district;
- ▶ clarifies that a local district board of trustees member must be a registered voter at the location of the member's residence;



- 28           ▶ expands the group of service areas that have a higher allowable tax rate to include
- 29 service areas in second class counties, if the service area provides fire protection,
- 30 paramedic, and emergency services;
- 31           ▶ eliminates a cap on the number of local district board of trustees members allowed,
- 32 and makes conforming changes;
- 33           ▶ restricts the area that an improvement district providing electric service may
- 34 include;
- 35           ▶ authorizes a special service district to provide service outside its boundary;
- 36           ▶ modifies the type of correctional facilities and services that a special service district
- 37 is authorized to provide;
- 38           ▶ authorizes a special service district in a county of the first class to provide extended
- 39 police protection;
- 40           ▶ eliminates a cap on the number of special service district administrative control
- 41 board members allowed;
- 42           ▶ modifies the qualifications of an administrative control board member;
- 43           ▶ modifies the authority of a conservation district;
- 44           ▶ modifies the date by which a conservation district's annual report is to be submitted
- 45 to the commission; and
- 46           ▶ makes technical changes.

**47 Monies Appropriated in this Bill:**

48           None

**49 Other Special Clauses:**

50           None

**51 Utah Code Sections Affected:**

**52 AMENDS:**

- 53           **11-42-102**, as enacted by Laws of Utah 2007, Chapter 329
- 54           **17B-1-102**, as renumbered and amended by Laws of Utah 2007, Chapter 329
- 55           **17B-1-203**, as renumbered and amended by Laws of Utah 2007, Chapter 329
- 56           **17B-1-205**, as renumbered and amended by Laws of Utah 2007, Chapter 329
- 57           **17B-1-215**, as renumbered and amended by Laws of Utah 2007, Chapter 329
- 58           **17B-1-302**, as renumbered and amended by Laws of Utah 2007, Chapter 329

- 59           **17B-1-1002**, as enacted by Laws of Utah 2007, Chapter 329
- 60           **17B-1-1103**, as enacted by Laws of Utah 2007, Chapter 329
- 61           **17B-2a-404**, as enacted by Laws of Utah 2007, Chapter 329
- 62           **17B-2a-406**, as renumbered and amended by Laws of Utah 2007, Chapter 329
- 63           **67-1a-6.5**, as last amended by Laws of Utah 2007, Chapters 212 and 329

64 ENACTS:

- 65           **10-8-85.9**, Utah Code Annotated 1953
- 66           **17-50-324**, Utah Code Annotated 1953
- 67           **17B-1-1501**, Utah Code Annotated 1953
- 68           **17B-1-1502**, Utah Code Annotated 1953
- 69           **17B-1-1503**, Utah Code Annotated 1953
- 70           **17D-1-101**, Utah Code Annotated 1953
- 71           **17D-1-102**, Utah Code Annotated 1953
- 72           **17D-1-103**, Utah Code Annotated 1953
- 73           **17D-1-104**, Utah Code Annotated 1953
- 74           **17D-1-105**, Utah Code Annotated 1953
- 75           **17D-1-106**, Utah Code Annotated 1953
- 76           **17D-1-107**, Utah Code Annotated 1953
- 77           **17D-1-108**, Utah Code Annotated 1953
- 78           **17D-1-201**, Utah Code Annotated 1953
- 79           **17D-1-202**, Utah Code Annotated 1953
- 80           **17D-1-203**, Utah Code Annotated 1953
- 81           **17D-1-204**, Utah Code Annotated 1953
- 82           **17D-1-205**, Utah Code Annotated 1953
- 83           **17D-1-206**, Utah Code Annotated 1953
- 84           **17D-1-207**, Utah Code Annotated 1953
- 85           **17D-1-208**, Utah Code Annotated 1953
- 86           **17D-1-209**, Utah Code Annotated 1953
- 87           **17D-1-210**, Utah Code Annotated 1953
- 88           **17D-1-211**, Utah Code Annotated 1953
- 89           **17D-1-301**, Utah Code Annotated 1953

90           **17D-1-302**, Utah Code Annotated 1953  
91           **17D-1-303**, Utah Code Annotated 1953  
92           **17D-1-304**, Utah Code Annotated 1953  
93           **17D-1-305**, Utah Code Annotated 1953  
94           **17D-1-306**, Utah Code Annotated 1953  
95           **17D-1-401**, Utah Code Annotated 1953  
96           **17D-1-402**, Utah Code Annotated 1953  
97           **17D-1-403**, Utah Code Annotated 1953  
98           **17D-1-501**, Utah Code Annotated 1953  
99           **17D-1-502**, Utah Code Annotated 1953  
100          **17D-1-503**, Utah Code Annotated 1953  
101          **17D-1-504**, Utah Code Annotated 1953  
102          **17D-1-505**, Utah Code Annotated 1953  
103          **17D-1-506**, Utah Code Annotated 1953  
104          **17D-1-507**, Utah Code Annotated 1953  
105          **17D-1-508**, Utah Code Annotated 1953  
106          **17D-1-509**, Utah Code Annotated 1953  
107          **17D-1-601**, Utah Code Annotated 1953  
108          **17D-1-602**, Utah Code Annotated 1953  
109          **17D-1-603**, Utah Code Annotated 1953  
110          **17D-2-101**, Utah Code Annotated 1953  
111          **17D-3-101**, Utah Code Annotated 1953  
112          **17D-3-103**, Utah Code Annotated 1953  
113          **17D-3-104**, Utah Code Annotated 1953  
114          **17D-3-201**, Utah Code Annotated 1953  
115          **17D-3-202**, Utah Code Annotated 1953  
116          **17D-3-203**, Utah Code Annotated 1953  
117          **17D-3-204**, Utah Code Annotated 1953  
118          **17D-3-301**, Utah Code Annotated 1953  
119          **17D-3-302**, Utah Code Annotated 1953  
120          **17D-3-303**, Utah Code Annotated 1953

- 121           **17D-3-304**, Utah Code Annotated 1953
- 122           **17D-3-305**, Utah Code Annotated 1953
- 123           **17D-3-306**, Utah Code Annotated 1953
- 124           **17D-3-307**, Utah Code Annotated 1953
- 125           **17D-3-308**, Utah Code Annotated 1953
- 126           **17D-3-309**, Utah Code Annotated 1953
- 127           **17D-3-310**, Utah Code Annotated 1953

128 RENUMBERS AND AMENDS:

- 129           **17D-3-102**, (Renumbered from 17A-3-800, as last amended by Laws of Utah 2007,
- 130 Chapter 179)

131 REPEALS:

- 132           **17A-2-1301**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 133           **17A-2-1302**, as last amended by Laws of Utah 2003, Chapter 292
- 134           **17A-2-1303**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 135           **17A-2-1304**, as last amended by Laws of Utah 2007, Chapters 183 and 203
- 136           **17A-2-1305**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 137           **17A-2-1306**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 138           **17A-2-1307**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 139           **17A-2-1308**, as last amended by Laws of Utah 2003, Chapter 292
- 140           **17A-2-1309**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 141           **17A-2-1310**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 142           **17A-2-1311**, as last amended by Laws of Utah 2005, Chapter 233
- 143           **17A-2-1312**, as last amended by Laws of Utah 2005, Chapter 105
- 144           **17A-2-1313**, as last amended by Laws of Utah 2005, Chapter 233
- 145           **17A-2-1314**, as last amended by Laws of Utah 2007, Chapter 329
- 146           **17A-2-1315**, as last amended by Laws of Utah 2007, Chapter 329
- 147           **17A-2-1316**, as last amended by Laws of Utah 2005, Chapter 105
- 148           **17A-2-1317**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 149           **17A-2-1318**, as last amended by Laws of Utah 2005, Chapter 148
- 150           **17A-2-1319**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 151           **17A-2-1320**, as last amended by Laws of Utah 2001, Chapter 195

- 152           **17A-2-1321**, as last amended by Laws of Utah 2004, Chapter 316
- 153           **17A-2-1322**, as last amended by Laws of Utah 2005, Chapters 105 and 260
- 154           **17A-2-1323**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 155           **17A-2-1324**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 156           **17A-2-1325**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 157           **17A-2-1326**, as last amended by Laws of Utah 2007, Chapters 203 and 329
- 158           **17A-2-1327**, as last amended by Laws of Utah 2005, Chapter 233
- 159           **17A-2-1328**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 160           **17A-2-1329**, as last amended by Laws of Utah 2005, Chapter 233
- 161           **17A-2-1330**, as last amended by Laws of Utah 2007, Chapter 329
- 162           **17A-2-1331**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 163           **17A-2-1332**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 164           **17A-3-401**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 165           **17A-3-402**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 166           **17A-3-403**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 167           **17A-3-404**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 168           **17A-3-405**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 169           **17A-3-406**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 170           **17A-3-407**, as last amended by Laws of Utah 2003, Chapter 292
- 171           **17A-3-408**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 172           **17A-3-409**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 173           **17A-3-410**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 174           **17A-3-411**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 175           **17A-3-412**, as last amended by Laws of Utah 2000, Chapter 1
- 176           **17A-3-413**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 177           **17A-3-414**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 178           **17A-3-801**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 179           **17A-3-802**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 180           **17A-3-803**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 181           **17A-3-804**, as last amended by Laws of Utah 1997, Chapter 180
- 182           **17A-3-805**, as last amended by Laws of Utah 2005, Chapter 39

- 183            **17A-3-806**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 184            **17A-3-807**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 185            **17A-3-1201**, as last amended by Laws of Utah 1993, Chapter 227
- 186            **17A-3-1202**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 187            **17A-3-1203**, as last amended by Laws of Utah 1993, Chapter 227
- 188            **17A-3-1204**, as last amended by Laws of Utah 1994, Chapter 146
- 189            **17A-3-1205**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 190            **17A-3-1206**, as last amended by Laws of Utah 1993, Chapter 227
- 191            **17A-3-1301**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 192            **17A-3-1302**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 193            **17A-3-1303**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 194            **17A-3-1304**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 195            **17A-3-1305**, as renumbered and amended by Laws of Utah 1990, Chapter 186
- 196            **17A-3-1306**, as renumbered and amended by Laws of Utah 1990, Chapter 186

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

199            Section 1. Section **10-8-85.9** is enacted to read:

200                            **CHAPTER 8. POWERS AND DUTIES OF MUNICIPALITIES**

201            **10-8-85.9. Preservation of historical areas and sites.**

202            A municipality may:

203            (1) expend public funds to preserve, protect, or enhance an historical area or site;

204            (2) acquire an historical area or site by direct purchase, contract, lease, trade, or gift;

205            (3) obtain an easement or right-of-way across public or private property to insure  
206 access or proper development of an historical area or site;

207            (4) protect an historical area or site;

208            (5) ensure proper development and utilization of land or an area adjacent to an  
209 historical area or site; and

210            (6) enter into an agreement with a private individual for the right to purchase an  
211 historical area or site if and when the private individual elects to sell or dispose of the owner's  
212 property.

213            Section 2. Section **11-42-102** is amended to read:

214 **11-42-102. Definitions.**

215 (1) "Adequate protests" means timely filed, written protests under Section 11-42-203  
216 that represent at least 50% of the frontage, area, taxable value, fair market value, lots, number  
217 of connections, or equivalent residential units of the property proposed to be assessed,  
218 according to the same assessment method by which the assessment is proposed to be levied,  
219 after eliminating:

220 (a) protests relating to:

221 (i) property that has been deleted from a proposed assessment area; or

222 (ii) an improvement that has been deleted from the proposed improvements to be  
223 provided to property within the proposed assessment area; and

224 (b) protests that have been withdrawn under Subsection 11-42-203(3).

225 (2) "Assessment area" means an area, or, if more than one area is designated, the  
226 aggregate of all areas within a local entity's jurisdictional boundaries that is designated by a  
227 local entity under Part 2, Designating an Assessment Area, for the purpose of financing the  
228 costs of improvements, operation and maintenance, or economic promotion activities that  
229 benefit property within the area.

230 (3) "Assessment bonds" means bonds that are:

231 (a) issued under Section 11-42-605; and

232 (b) payable in part or in whole from assessments levied in an assessment area,  
233 improvement revenues, and a guaranty fund or reserve fund.

234 (4) "Assessment fund" means a special fund that a local entity establishes under  
235 Section 11-42-412.

236 (5) "Assessment lien" means a lien on property within an assessment area that arises  
237 from the levy of an assessment, as provided in Section 11-42-501.

238 (6) "Assessment method" means the method by which an assessment is levied against  
239 property, whether by frontage, area, taxable value, fair market value, lot, number of  
240 connections, equivalent residential unit, or any combination of these methods.

241 (7) "Assessment ordinance" means an ordinance adopted by a local entity under  
242 Section 11-42-404 that levies an assessment on benefitted property within an assessment area.

243 (8) "Assessment resolution" means a resolution adopted by a local entity under Section  
244 11-42-404 that levies an assessment on benefitted property within an assessment area.



245 (9) "Benefitted property" means property within an assessment area that benefits from  
246 improvements, operation and maintenance, or economic promotion activities.

247 (10) "Bond anticipation notes" means notes issued under Section 11-42-602 in  
248 anticipation of the issuance of assessment bonds.

249 (11) "Bonds" means assessment bonds and refunding assessment bonds.

250 (12) "Commercial area" means an area in which at least 75% of the property is devoted  
251 to the interchange of goods or commodities.

252 (13) "Connection fee" means a fee charged by a local entity to pay for the costs of  
253 connecting property to a publicly owned sewer, water, gas, telecommunications, or electrical  
254 system, whether or not improvements are installed on the property.

255 (14) "Contract price" means:

256 (a) the cost of acquiring an improvement, if the improvement is acquired; or

257 (b) the amount payable to one or more contractors for the design, engineering,  
258 inspection, and construction of an improvement.

259 (15) "Designation ordinance" means an ordinance adopted by a local entity under  
260 Section 11-42-206 designating an assessment area.

261 (16) "Designation resolution" means a resolution adopted by a local entity under  
262 Section 11-42-206 designating an assessment area.

263 (17) "Economic promotion activities" means activities that promote economic growth  
264 in a commercial area of a local entity, including:

265 (a) sponsoring festivals and markets;

266 (b) promoting business investment;

267 (c) helping to coordinate public and private actions; [~~and~~]

268 (d) promoting general business activities; and

269 [~~(d)~~] (e) developing and issuing publications designed to improve the economic  
270 well-being of the commercial area.

271 (18) "Equivalent residential unit" means a dwelling, unit, or development that is equal  
272 to a single-family residence in terms of the nature of its use or impact on an improvement to be  
273 provided in the assessment area.

274 (19) "Governing body" means:

275 (a) for a county, city, or town, the legislative body of the county, city, or town;

276 (b) for a local district, the board of trustees of the local district; and

277 (c) for a special service district:

278 (i) the legislative body of the county, city, or town that established the special service  
279 district, if no administrative control board has been appointed under Section 17A-2-1326; or

280 (ii) the administrative control board of the special service district, if an administrative  
281 control board has been appointed under Section 17A-2-1326.

282 (20) "Guaranty fund" means the fund established by a local entity under Section  
283 11-42-701.

284 (21) "Improved property" means property proposed to be assessed within an  
285 assessment area upon which a residential, commercial, or other building has been built.

286 (22) "Improvement" means any publicly owned infrastructure, system, or other facility  
287 that:

288 (a) a local entity is authorized to provide; or

289 (b) the governing body of a local entity determines is necessary or convenient to enable  
290 the local entity to provide a service that the local entity is authorized to provide.

291 (23) "Improvement revenues":

292 (a) means charges, fees, impact fees, or other revenues that a local entity receives from  
293 improvements; and

294 (b) does not include revenue from assessments.

295 (24) "Incidental refunding costs" means any costs of issuing refunding assessment  
296 bonds and calling, retiring, or paying prior bonds, including:

297 (a) legal and accounting fees;

298 (b) charges of fiscal agents, escrow agents, and trustees;

299 (c) underwriting discount costs, printing costs, the costs of giving notice;

300 (d) any premium necessary in the calling or retiring of prior bonds;

301 (e) fees to be paid to the local entity to issue the refunding assessment bonds and to  
302 refund the outstanding prior bonds;

303 (f) any other costs that the governing body determines are necessary or desirable to  
304 incur in connection with the issuance of refunding assessment bonds; and

305 (g) any interest on the prior bonds that is required to be paid in connection with the  
306 issuance of the refunding assessment bonds.

307 (25) "Installment payment date" means the date on which an installment payment of an  
308 assessment is payable.

309 (26) "Interim warrant" means a warrant issued by a local entity under Section  
310 11-42-601.

311 (27) "Jurisdictional boundaries" means:

312 (a) for a county, the boundaries of the unincorporated area of the county; and

313 (b) for each other local entity, the boundaries of the local entity.

314 (28) "Local district" means a local district under Title 17B, Limited Purpose Local  
315 Government Entities - Local Districts.

316 (29) "Local entity" means a county, city, town, special service district, or local district.

317 (30) "Local entity obligations" means assessment bonds, refunding assessment bonds,  
318 interim warrants, and bond anticipation notes issued by a local entity.

319 (31) "Mailing address" means:

320 (a) a property owner's last-known address using the name and address appearing on the  
321 last completed real property assessment roll of the county in which the property is located; and

322 (b) if the property is improved property:

323 (i) the property's street number; or

324 (ii) the post office box, rural route number, or other mailing address of the property, if  
325 a street number has not been assigned.

326 (32) "Net improvement revenues" means all improvement revenues that a local entity  
327 has received since the last installment payment date, less all amounts payable by the local entity  
328 from those improvement revenues for operation and maintenance costs.

329 (33) "Operation and maintenance costs" means the costs that a local entity incurs in  
330 operating and maintaining improvements in an assessment area, including service charges,  
331 administrative costs, ongoing maintenance charges, and tariffs or other charges for electrical,  
332 water, gas, or other utility usage.

333 (34) "Optional facilities":

334 (a) means facilities in an assessment area that:

335 (i) can be conveniently installed at the same time as improvements in the assessment  
336 area; and

337 (ii) are requested by a property owner on whose property or for whose benefit the

338 improvements are being installed; and

339 (b) includes private driveways, irrigation ditches, and water turnouts.

340 (35) "Overhead costs" means the actual costs incurred or the estimated costs to be  
341 incurred by a local entity in connection with an assessment area for appraisals, legal fees, filing  
342 fees, financial advisory charges, underwriting fees, placement fees, escrow, trustee, and paying  
343 agent fees, publishing and mailing costs, costs of levying an assessment, recording costs, and  
344 all other incidental costs.

345 (36) "Prior bonds" means the assessment bonds that are refunded in part or in whole by  
346 refunding assessment bonds.

347 (37) "Prior assessment ordinance" means the ordinance levying the assessments from  
348 which the prior bonds are payable.

349 (38) "Prior assessment resolution" means the resolution levying the assessments from  
350 which the prior bonds are payable.

351 (39) "Project engineer" means the surveyor or engineer employed by or private  
352 consulting engineer engaged by a local entity to perform the necessary engineering services for  
353 and to supervise the construction or installation of the improvements.

354 (40) "Property" includes real property and any interest in real property, including water  
355 rights, leasehold rights, and personal property related to the property.

356 (41) "Property price" means the price at which a local entity purchases or acquires by  
357 eminent domain property to make improvements in an assessment area.

358 (42) "Provide" or "providing," with reference to an improvement, includes the  
359 acquisition, construction, reconstruction, renovation, maintenance, repair, operation, and  
360 expansion of an improvement.

361 (43) "Public agency" means:

362 (a) the state or any agency, department, or division of the state; and

363 (b) a political subdivision of the state.

364 (44) "Reduced payment obligation" means the full obligation of an owner of property  
365 within an assessment area to pay an assessment levied on the property after the assessment has  
366 been reduced because of the issuance of refunding assessment bonds, as provided in Section  
367 11-42-608.

368 (45) "Refunding assessment bonds" means assessment bonds that a local entity issues

369 under Section 11-42-607 to refund, in part or in whole, assessment bonds.

370 (46) "Reserve fund" means a fund established by a local entity under Section  
371 11-42-702.

372 (47) "Service" means water, sewer, garbage collection, library, recreation, or electric  
373 service, economic promotion activities, or any other service that a local entity is required or  
374 authorized to provide.

375 (48) "Special service district" means a special service district under Title 17A, Chapter  
376 2, Part 13, Utah Special Service District Act.

377 (49) "Unimproved property" means property upon which no residential, commercial, or  
378 other building has been built.

379 (50) "Voluntary assessment area" means an assessment area that contains only property  
380 whose owners have voluntarily consented to an assessment.

381 Section 3. Section **17-50-324** is enacted to read:

382 **17-50-324. Preservation of historical areas and sites.**

383 A county may:

384 (1) expend public funds to preserve, protect, or enhance an historical area or site;

385 (2) acquire an historical area or site by direct purchase, contract, lease, trade, or gift;

386 (3) obtain an easement or right-of-way across public or private property to insure  
387 access or proper development of an historical area or site;

388 (4) protect an historical area or site;

389 (5) ensure proper development and utilization of land or an area adjacent to an  
390 historical area or site; and

391 (6) enter into an agreement with a private individual for the right to purchase an  
392 historical area or site if and when the private individual elects to sell or dispose of the owner's  
393 property.

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

395 **17B-1-102. Definitions.**

396 As used in this title:

397 (1) "Appointing authority" means the person or body authorized to make an  
398 appointment to the board of trustees.

399 (2) "Basic local district":

400 (a) means a local district that is not a [~~cemetery maintenance district, drainage district,~~  
401 ~~fire protection district, improvement district, irrigation district, metropolitan water district,~~  
402 ~~mosquito abatement district, public transit district, service area, or water conservancy]~~  
403 specialized local district; and

404 (b) includes an entity that was, under the law in effect before April 30, 2007, created  
405 and operated as a local district, as defined under the law in effect before April 30, 2007.

406 (3) "Bond" means:

407 (a) a written obligation to repay borrowed money, whether denominated a bond, note,  
408 warrant, certificate of indebtedness, or otherwise; and

409 (b) a lease agreement, installment purchase agreement, or other agreement that:

410 (i) includes an obligation by the district to pay money; and

411 (ii) the district's board of trustees, in its discretion, treats as a bond for purposes of Title  
412 11, Chapter 14, Local Government Bonding Act, or Title 11, Chapter 27, Utah Refunding Bond  
413 Act.

414 (4) "Cemetery maintenance district" means a local district that operates under and is  
415 subject to the provisions of this chapter and Chapter 2a, Part 1, Cemetery Maintenance District  
416 Act, including an entity that was created and operated as a cemetery maintenance district under  
417 the law in effect before April 30, 2007.

418 (5) "Drainage district" means a local district that operates under and is subject to the  
419 provisions of this chapter and Chapter 2a, Part 2, Drainage District Act, including an entity that  
420 was created and operated as a drainage district under the law in effect before April 30, 2007.

421 (6) "Facility" or "facilities" includes any structure, building, system, land, water right,  
422 water, or other real or personal property required to provide a service that a local district is  
423 authorized to provide, including any related or appurtenant easement or right-of-way,  
424 improvement, utility, landscaping, sidewalk, road, curb, gutter, equipment, or furnishing.

425 (7) "Fire protection district" means a local district that operates under and is subject to  
426 the provisions of this chapter and Chapter 2a, Part 3, Fire Protection District Act, including an  
427 entity that was created and operated as a fire protection district under the law in effect before  
428 April 30, 2007.

429 (8) "General obligation bond":

430 (a) means a bond that is directly payable from and secured by ad valorem property

431 taxes that are:

432 (i) levied by the district that issues the bond; and

433 (ii) in excess of the ad valorem property taxes of the district for the current fiscal year;

434 and

435 (b) does not include:

436 (i) a short-term bond;

437 (ii) a tax and revenue anticipation bond; or

438 (iii) a special assessment bond.

439 (9) "Improvement district" means a local district that operates under and is subject to  
440 the provisions of this chapter and Chapter 2a, Part 4, Improvement District Act, including an  
441 entity that was created and operated as a county improvement district under the law in effect  
442 before April 30, 2007.

443 (10) "Irrigation district" means a local district that operates under and is subject to the  
444 provisions of this chapter and Chapter 2a, Part 5, Irrigation District Act, including an entity that  
445 was created and operated as an irrigation district under the law in effect before April 30, 2007.

446 (11) "Local district" means a limited purpose local government entity, as described in  
447 Section 17B-1-103, that operates under, is subject to, and has the powers set forth in:

448 (a) this chapter; or

449 (b) (i) this chapter; and

450 (ii) (A) Chapter 2a, Part 1, Cemetery Maintenance District Act;

451 (B) Chapter 2a, Part 2, Drainage District Act;

452 (C) Chapter 2a, Part 3, Fire Protection District Act;

453 (D) Chapter 2a, Part 4, Improvement District Act;

454 (E) Chapter 2a, Part 5, Irrigation District Act;

455 (F) Chapter 2a, Part 6, Metropolitan Water District Act;

456 (G) Chapter 2a, Part 7, Mosquito Abatement District Act;

457 (H) Chapter 2a, Part 8, Public Transit District Act;

458 (I) Chapter 2a, Part 9, Service Area Act; or

459 (J) Chapter 2a, Part 10, Water Conservancy District Act.

460 (12) "Metropolitan water district" means a local district that operates under and is  
461 subject to the provisions of this chapter and Chapter 2a, Part 6, Metropolitan Water District

462 Act, including an entity that was created and operated as a metropolitan water district under the  
463 law in effect before April 30, 2007.

464 (13) "Mosquito abatement district" means a local district that operates under and is  
465 subject to the provisions of this chapter and Chapter 2a, Part 7, Mosquito Abatement District  
466 Act, including an entity that was created and operated as a mosquito abatement district under  
467 the law in effect before April 30, 2007.

468 (14) "Municipal" means of or relating to a municipality.

469 (15) "Municipality" means a city or town.

470 (16) "Person" has the same meaning as defined in Section 68-3-12.

471 (17) "Political subdivision" means a county, city, town, local district under this title,  
472 special service district under Title 17A, Chapter 2, Part 13, Utah Special Service District Act,  
473 an entity created by interlocal cooperation agreement under Title 11, Chapter 13, Interlocal  
474 Cooperation Act, or any other governmental entity designated in statute as a political  
475 subdivision of the state.

476 (18) "Private," with respect to real property, means not owned by the United States or  
477 any agency of the federal government, the state, a county, or a political subdivision.

478 (19) "Public entity" means:

479 (a) the United States or an agency of the United States;

480 (b) the state or an agency of the state;

481 (c) a political subdivision of the state or an agency of a political subdivision of the  
482 state;

483 (d) another state or an agency of that state; or

484 (e) a political subdivision of another state or an agency of that political subdivision.

485 (20) "Public transit district" means a local district that operates under and is subject to  
486 the provisions of this chapter and Chapter 2a, Part 8, Public Transit District Act, including an  
487 entity that was created and operated as a public transit district under the law in effect before  
488 April 30, 2007.

489 (21) "Revenue bond":

490 (a) means a bond payable from designated taxes or other revenues other than the local  
491 district's ad valorem property taxes; and

492 (b) does not include:



493 (i) an obligation constituting an indebtedness within the meaning of an applicable  
494 constitutional or statutory debt limit;

495 (ii) a tax and revenue anticipation bond; or

496 (iii) a special assessment bond.

497 (22) "Service area" means a local district that operates under and is subject to the  
498 provisions of this chapter and Chapter 2a, Part 9, Service Area Act, including an entity that was  
499 created and operated as a county service area or a regional service area under the law in effect  
500 before April 30, 2007.

501 (23) "Short-term bond" means a bond that is required to be repaid during the fiscal year  
502 in which the bond is issued.

503 (24) "Special assessment" means an assessment levied against property to pay all or a  
504 portion of the costs of making improvements that benefit the property.

505 (25) "Special assessment bond" means a bond payable from special assessments.

506 (26) "Specialized local district" means a local district that is a cemetery maintenance  
507 district, a drainage district, a fire protection district, an improvement district, an irrigation  
508 district, a metropolitan water district, a mosquito abatement district, a public transit district, a  
509 service area, or a water conservancy district.

510 [~~26~~] (27) "Taxable value" means the taxable value of property as computed from the  
511 most recent equalized assessment roll for county purposes.

512 [~~27~~] (28) "Tax and revenue anticipation bond" means a bond:

513 (a) issued in anticipation of the collection of taxes or other revenues or a combination  
514 of taxes and other revenues; and

515 (b) that matures within the same fiscal year as the fiscal year in which the bond is  
516 issued.

517 [~~28~~] (29) "Unincorporated" means not included within a municipality.

518 [~~29~~] (30) "Water conservancy district" means a local district that operates under and  
519 is subject to the provisions of this chapter and Chapter 2a, Part 10, Water Conservancy District  
520 Act, including an entity that was created and operated as a water conservancy district under the  
521 law in effect before April 30, 2007.

522 [~~30~~] (31) "Works" includes a dam, reservoir, well, canal, conduit, pipeline, drain,  
523 tunnel, power plant, and any facility, improvement, or property necessary or convenient for

524 supplying or treating water for any beneficial use, and for otherwise accomplishing the  
525 purposes of a local district.

526 Section 5. Section **17B-1-203** is amended to read:

527 **17B-1-203. Process to initiate the creation of a local district -- Petition or**  
528 **resolution.**

529 (1) The process to create a local district may be initiated by:

530 (a) subject to Section 17B-1-204, a petition signed by the owners of private real  
531 property that:

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

533 (ii) covers at least 33% of the total private land area within the proposed local district  
534 as a whole and within each applicable area;

535 (iii) is equal in value to at least 25% of the value of all private real property within the  
536 proposed local district as a whole and within each applicable area; and

537 (iv) complies with the requirements of Subsection 17B-1-205(1) and Section  
538 17B-1-208;

539 (b) subject to Section 17B-1-204, a petition that:

540 (i) is signed by registered voters residing within the proposed local district as a whole  
541 and within each applicable area, equal in number to at least 33% of the number of votes cast in  
542 the proposed local district as a whole and in each applicable area, respectively, for the office of  
543 governor at the last regular general election prior to the filing of the petition; and

544 (ii) complies with the requirements of Subsection 17B-1-205(1) and Section  
545 17B-1-208;

546 (c) a resolution proposing the creation of a local district, adopted by the legislative  
547 body of each county whose unincorporated area includes and each municipality whose  
548 boundaries include any of the proposed local district; or

549 (d) a resolution proposing the creation of a local district, adopted by the board of  
550 trustees of an existing local district whose boundaries completely encompass the proposed  
551 local district, if:

552 (i) the proposed local district is being created to provide one or more components of  
553 the same service that the initiating local district is authorized to provide; and

554 (ii) the initiating local district is not providing to the area of the proposed local district

555 any of the components that the proposed local district is being created to provide.

556 (2) (a) Each resolution under Subsection (1)(c) or (d) shall:

557 (i) describe the area proposed to be included in the proposed local district;

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

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

560 (iv) if the resolution proposes the creation of a specialized local district, specify the  
561 type of specialized local district proposed to be created;

562 [~~(iv)~~] (v) explain the anticipated method of paying the costs of providing the proposed  
563 service;

564 [~~(v)~~] (vi) state the estimated average financial impact on a household within the  
565 proposed local district;

566 [~~(vi)~~] (vii) state the number of members that the board of trustees of the proposed local  
567 district will have, consistent with the requirements of Subsection 17B-1-302(2);

568 [~~(vii)~~] (viii) for a proposed basic local district:

569 (A) state whether the members of the board of trustees will be elected or appointed or  
570 whether some members will be elected and some appointed, as provided in Section  
571 17B-1-1402;

572 (B) if one or more members will be elected, state the basis upon which each elected  
573 member will be elected; and

574 (C) if applicable, explain how the election or appointment of board members will  
575 transition from one method to another based on stated milestones or events, as provided in  
576 Section 17B-1-1402;

577 [~~(viii)~~] (ix) for a proposed improvement district whose remaining area members or  
578 county members, as those terms are defined in Section 17B-2a-404, are to be elected, state that  
579 those members will be elected; and

580 [~~(ix)~~] (x) for a proposed service area that is entirely within the unincorporated area of a  
581 single county, state whether the initial board of trustees will be:

582 (A) the county legislative body;

583 (B) appointed as provided in Section 17B-1-304; or

584 (C) elected as provided in Section 17B-1-306.

585 (b) Each county or municipal legislative body adopting a resolution under Subsection

586 (1)(c) shall, on or before the first public hearing under Section 17B-1-210, mail or deliver a  
587 copy of the resolution to the responsible body if the county or municipal legislative body's  
588 resolution is one of multiple resolutions adopted by multiple county or municipal legislative  
589 bodies proposing the creation of the same local district.

590 Section 6. Section **17B-1-205** is amended to read:

591 **17B-1-205. Petition and request requirements -- Withdrawal of signature.**

592 (1) Each petition and request shall:

593 (a) indicate the typed or printed name and current residence address of each property  
594 owner or registered voter signing the petition;

595 (b) if it is a property owner request or petition, indicate the address of the property as to  
596 which the owner is signing the request or petition;

597 (c) describe the entire area of the proposed local district;

598 (d) be accompanied by a map showing the boundaries of the entire proposed local  
599 district;

600 (e) specify the service proposed to be provided by the proposed local district;

601 (f) if the petition or request proposes the creation of a specialized local district, specify  
602 the type of specialized local district proposed to be created;

603 [~~f~~] (g) for a proposed basic local district:

604 (i) state whether the members of the board of trustees will be elected or appointed or  
605 whether some members will be elected and some appointed, as provided in Section  
606 17B-1-1402;

607 (ii) if one or more members will be elected, state the basis upon which each elected  
608 member will be elected; and

609 (iii) if applicable, explain how the election or appointment of board members will  
610 transition from one method to another based on stated milestones or events, as provided in  
611 Section 17B-1-1402;

612 [~~g~~] (h) for a proposed improvement district whose remaining area members or county  
613 members, as those terms are defined in Section 17B-2a-404, are to be elected, state that those  
614 members will be elected; and

615 [~~h~~] (i) for a proposed service area that is entirely within the unincorporated area of a  
616 single county, state whether the initial board of trustees will be:

617 (i) the county legislative body;  
618 (ii) appointed as provided in Section 17B-1-304; or  
619 (iii) elected as provided in Section 17B-1-306; and  
620 ~~[(i)]~~ (j) designate up to five signers of the petition or request as sponsors, one of whom  
621 shall be designated as the contact sponsor, with the mailing address and telephone number of  
622 each.

623 (2) A signer of a request or petition may withdraw or, once withdrawn, reinstate the  
624 signer's signature at any time before the filing of the request or petition by filing a written  
625 withdrawal or reinstatement with:

626 (a) in the case of a request:

627 (i) the clerk of the county or the clerk or recorder of the municipality in whose  
628 applicable area the signer's property is located, if the request is a property owner request; or

629 (ii) the clerk of the county or the clerk or recorder of the municipality in whose  
630 applicable area the signer resides, if the request is a registered voter request; or

631 (b) in the case of a petition, the responsible clerk.

632 Section 7. Section **17B-1-215** is amended to read:

633 **17B-1-215. Notice to lieutenant governor -- Certificate of incorporation -- Local**  
634 **district incorporated as specialized local district or basic local district.**

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

637 (a) the canvass of an election under Section 17B-1-214, if a majority of those voting at  
638 the election within the proposed local district as a whole vote in favor of the creation of a local  
639 district;

640 (b) certification of a petition as to which the election requirement of Subsection  
641 17B-1-214(1) does not apply because of Subsection 17B-1-214(3)(a) or (b); or

642 (c) adoption of a resolution under Subsection 17B-1-213(4) approving the creation of a  
643 local district for which an election was not required under Subsection 17B-1-214(3)(c) or (d),  
644 by the legislative body of each county whose unincorporated area is included within and the  
645 legislative body of each municipality whose area is included within the proposed local district,  
646 or by the board of trustees of the initiating local district.

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

648 (a) if an election was held under Section 17B-1-214, the area of the new local district  
649 as approved at the election;

650 (b) if an election was not required because of Subsection 17B-1-214(3)(a) or (b), the  
651 area of the proposed local district as described in the petition; or

652 (c) if an election was not required because of Subsection 17B-1-214(3)(c) or (d), the  
653 area of the new local district as described in the resolution adopted under Subsection  
654 17B-1-213(4).

655 (3) In each notice under Subsection (1) the responsible body shall:

656 (a) if the notice follows an election under Section 17B-1-214, certify the results of the  
657 election;

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

661 (c) certify that all requirements for the creation of a local district have been complied  
662 with.

663 (4) Upon the lieutenant governor's issuance of the certificate of creation under Section  
664 67-1a-6.5, the local district is created and incorporated[-] as:

665 (a) the type of specialized local district that was specified in the petition under  
666 Subsection 17B-1-203(1)(a) or (b) or resolution under Subsection 17B-1-203(1)(c) or (d), if the  
667 petition or resolution proposed the creation of a specialized local district; or

668 (b) a basic local district, if the petition or resolution did not propose the creation of a  
669 specialized local district.

670 Section 8. Section **17B-1-302** is amended to read:

671 **17B-1-302. Board member qualifications -- Number of board members.**

672 (1) (a) Each member of a local district board of trustees shall be:

673 (i) a registered voter at the location of the member's residence; and

674 (ii) except as provided in Subsections (1)(b) and (c), a resident within:

675 (A) the boundaries of the local district; and

676 (B) if applicable, the boundaries of the division of the local district from which the  
677 member is elected.

678 (b) (i) As used in this Subsection (1)(b):

679 (A) "Proportional number" means the number of members of a board of trustees that  
680 bears, as close as mathematically possible, the same proportion to all members of the board that  
681 the number of seasonally occupied homes bears to all residences within the district that receive  
682 service from the district.

683 (B) "Seasonally occupied home" means a single-family residence:

684 (I) that is located within the local district;

685 (II) that receives service from the local district; and

686 (III) whose owner:

687 (Aa) does not reside permanently at the residence; and

688 (Bb) may occupy the residence on a temporary or seasonal basis.

689 (ii) If over 50% of the residences within a local district that receive service from the  
690 local district are seasonally occupied homes, the requirement under Subsection (1)(a)(ii) is  
691 replaced, for a proportional number of members of the board of trustees, with the requirement  
692 that the member be an owner of land that:

693 (A) receives service from the district; and

694 (B) is located within:

695 (I) the local district; and

696 (II) if applicable, the division from which the member is elected.

697 (c) For a board of trustees member in a basic local district that has within its  
698 boundaries fewer than one residential dwelling unit per ten acres of land, the requirement under  
699 Subsection (1)(a)(ii) is replaced with the requirement that the member be an owner of land  
700 within the local district that receives service from the district, or an agent or officer of the  
701 owner.

702 (2) Except as otherwise provided by statute, the number of members of each board of  
703 trustees of a local district shall be an odd number that is no less than three [~~and no more than~~  
704 ~~nine~~].

705 (3) For a newly created local district, the number of members of the initial board of  
706 trustees shall be the number specified:

707 (a) for a local district whose creation was initiated by a petition under Subsection  
708 17B-1-203(1)(a) or (b), in the petition; or

709 (b) for a local district whose creation was initiated by a resolution under Subsection

710 17B-1-203(1)(c) or (d), in the resolution.

711 (4) (a) For an existing local district, the number of members of the board of trustees  
712 may be changed by a two-thirds vote of the board of trustees.

713 (b) No change in the number of members of a board of trustees under Subsection (4)(a)  
714 may:

715 (i) violate Subsection (2); or

716 (ii) serve to shorten the term of any member of the board.

717 Section 9. Section **17B-1-1002** is amended to read:

718 **17B-1-1002. Limit on local district property tax levy -- Exclusions.**

719 (1) The rate at which a local district levies a property tax for district operation and  
720 maintenance expenses on the taxable value of taxable property within the district may not  
721 exceed:

722 (a) .0008, for a basic local district;

723 (b) .0004, for a cemetery maintenance district;

724 (c) .0004, for a drainage district;

725 (d) .0008, for a fire protection district;

726 (e) .0008, for an improvement district;

727 (f) .0005, for a metropolitan water district;

728 (g) .0004, for a mosquito abatement district;

729 (h) .0004, for a public transit district;

730 (i) (i) .0023, for a service area that:

731 (A) is located in a county of the first or second class; and

732 (B) provides fire protection, paramedic, and emergency services; or

733 (ii) .0014, for each other service area; or

734 (j) the rates provided in Section 17B-2a-1006, for a water conservancy district.

735 (2) Property taxes levied by a local district are excluded from the limit applicable to  
736 that district under Subsection (1) if the taxes are:

737 (a) levied under Section 17B-1-1103 by a local district, other than a water conservancy  
738 district, to pay principal of and interest on general obligation bonds issued by the district;

739 (b) levied to pay debt and interest owed to the United States; or

740 (c) levied to pay assessments or other amounts due to a water users association or other



741 public cooperative or private entity from which the district procures water.

742 Section 10. Section **17B-1-1103** is amended to read:

743 **17B-1-1103. Levy to pay for general obligation bonds.**

744 (1) (a) If a district has issued general obligation bonds, or expects to have debt service  
745 payments due on general obligation bonds during the current year, the district's board of  
746 trustees may make an annual levy of ad valorem property taxes in order to:

747 (i) pay the principal of and interest on the general obligation bonds;

748 (ii) establish a sinking fund for defaults and future debt service on the general

749 obligation bonds; and

750 (iii) establish a reserve to secure payment of the general obligation bonds.

751 (b) A levy under Subsection (1)(a) is:

752 (i) for a water conservancy district, subject to the limit stated in Section 17B-2a-1006;

753 and

754 (ii) for each other local district, without limitation as to rate or amount.

755 (2) (a) Each district that levies a tax under Subsection (1) shall:

756 (i) levy the tax as a separate and special levy for the specific purposes stated in

757 Subsection (1); and

758 (ii) apply the proceeds from the levy solely for the purpose of paying the principal of

759 and interest on the general obligation bonds, even though the proceeds may be used to establish

760 or replenish a sinking fund under Subsection (1)~~(b)~~(a)(ii) or a reserve under Subsection

761 ~~(1)(c)~~(a)(iii).

762 (b) A levy under Subsection (2)(a) is not subject to a priority in favor of a district

763 obligation in existence at the time the bonds were issued.

764 Section 11. Section **17B-1-1501** is enacted to read:

765 **Part 15. Converting to a Special Service District**

766 **17B-1-1501. Local district may become a special service district -- Conditions.**

767 As provided in this part, a local district may become a special service district under

768 Title 17D, Chapter 1, Special Service District Act, if:

769 (1) the local district is entirely within a single county or municipality;

770 (2) the service or services that the local district provides are among the services that a

771 special service district is authorized under Section 17D-1-203 to provide;

772 (3) a special service district is created, as provided in Title 17D, Chapter 1, Part 2,  
773 Creating a Special Service District, with the same boundary as the local district and for the  
774 purpose of enabling the local district to become that special service district; and

775 (4) after the creation of a special service district, as provided in Subsection (3), the  
776 local district's board of trustees adopts a resolution electing to convert the local district into that  
777 special service district.

778 Section 12. Section **17B-1-1502** is enacted to read:

779 **17B-1-1502. Copy of resolution to the lieutenant governor -- Effect of lieutenant**  
780 **governor certificate.**

781 (1) Within ten days after adopting a resolution under Subsection 17B-1-1501(4), the  
782 local district's board of trustees shall send a copy of the resolution to the lieutenant governor.

783 (2) Upon the lieutenant governor's issuance of a certificate under Section 67-1a-6.5:

784 (a) the local district is converted into and becomes the special service district that was  
785 created under Subsection 17D-1-1501(3);

786 (b) the local district board of trustees is dissolved; and

787 (c) the special service district begins to provide service formerly provided by the local  
788 district to the area of the former local district, in accordance with and subject to Title 17D,  
789 Chapter 1, Special Service District Act.

790 Section 13. Section **17B-1-1503** is enacted to read:

791 **17B-1-1503. Obligations of former local district -- Effect of previous election**  
792 **approving the issuance of bonds.**

793 (1) Upon the effective date of the conversion under Section 17B-1-1502, each bond,  
794 note, or other obligation of the former local district becomes the bond, note, or other  
795 obligation, respectively, of the special service district as if issued or incurred by the special  
796 service district.

797 (2) An election authorizing the issuance of bonds of the former local district has the  
798 same effect as if the election had been held by the special service district under Title 17D,  
799 Chapter 1, Special Service District Act.

800 Section 14. Section **17B-2a-404** is amended to read:

801 **17B-2a-404. Improvement district board of trustees.**

802 (1) As used in this section:

803 (a) "County district" means an improvement district that does not include within its  
804 boundaries any territory of a municipality.

805 (b) "County member" means a member of a board of trustees of a county district.

806 (c) "Electric district" means an improvement district that was created for the purpose of  
807 providing electric service.

808 (d) "Included municipality" means a municipality whose boundaries are entirely  
809 contained within but do not coincide with the boundaries of an improvement district.

810 (e) "Municipal district" means an improvement district whose boundaries coincide  
811 with the boundaries of a single municipality.

812 (f) "Regular district" means an improvement district that is not a county district,  
813 electric district, or municipal district.

814 (g) "Remaining area" means the area of a regular district that:

815 (i) is outside the boundaries of an included municipality; and

816 (ii) includes the area of an included municipality whose legislative body elects, under  
817 Subsection (4)(a)(i)(B), not to appoint a member to the board of trustees of the regular district.

818 (h) "Remaining area member" means a member of a board of trustees of a regular  
819 district who is appointed, or, if applicable, elected to represent the remaining area of the  
820 district.

821 (2) The legislative body of the municipality included within a municipal district may:

822 (a) elect, at the time of the creation of the district, to be the board of trustees of the  
823 district; and

824 (b) adopt at any time a resolution providing for:

825 (i) the election of board of trustees members, as provided in Section 17B-1-306; or

826 (ii) the appointment of board of trustees members, as provided in Section 17B-1-304.

827 (3) The legislative body of a county whose unincorporated area is partly or completely  
828 within a county district may:

829 (a) elect, at the time of the creation of the district, to be the board of trustees of the  
830 district; and

831 (b) adopt at any time a resolution providing for:

832 (i) the election of board of trustees members, as provided in Section 17B-1-306; or

833 (ii) the appointment of board of trustees members, as provided in Section 17B-1-304.

834 (4) (a) (i) ~~[(A)]~~ Except as provided in ~~[Subsections]~~ Subsection (4)(a)~~[(i)(B) and]~~ (ii),  
835 the legislative body of each included municipality shall each appoint one member to the board  
836 of trustees of a regular district.

837 ~~[(B)]~~ (ii) The legislative body of an included municipality may elect not to appoint a  
838 member to the board under Subsection (4)(a)(i)(A).

839 ~~[(ii) If municipalities are combined under Subsection (6)(b)(i), the legislative bodies of~~  
840 ~~the combined municipalities shall collectively appoint one member to the board of trustees, as~~  
841 ~~provided in Section 17B-1-304.]~~

842 (b) Except as provided in Subsection (5), the legislative body of each county whose  
843 boundaries include a remaining area shall appoint all other members to the board of trustees of  
844 a regular district.

845 (5) Each remaining area member of a regular district and each county member of a  
846 county district shall be elected, as provided in Section 17B-1-306, if:

847 (a) the petition or resolution initiating the creation of the district provides for remaining  
848 area or county members to be elected;

849 (b) the district holds an election to approve the district's issuance of bonds;

850 (c) for a regular district, an included municipality elects, under Subsection (4)(a)(i)(B),  
851 not to appoint a member to the board of trustees; or

852 (d) (i) at least 90 days before the municipal general election, a petition is filed with the  
853 district's board of trustees requesting remaining area members or county members, as the case  
854 may be, to be elected; and

855 (ii) the petition is signed by registered voters within the remaining area or county  
856 district, as the case may be, equal in number to at least 10% of the number of registered voters  
857 within the remaining area or county district, respectively, who voted in the last gubernatorial  
858 election.

859 (6) ~~[(a)]~~ Subject to Section 17B-1-302, the number of members of a board of trustees  
860 of a regular district shall be:

861 ~~[(i)]~~ (a) the number of included municipalities within the district, if:

862 ~~[(A)]~~ (i) the number is an odd number; and

863 ~~[(B)]~~ (ii) the district does not include a remaining area;

864 ~~[(ii)]~~ (b) the number of included municipalities plus one, if the number of included

865 municipalities within the district is even;

866       ~~[(iii)] (c) the number of included municipalities plus two, if:~~

867       ~~[(A)] (i) the number of included municipalities is odd; and~~

868       ~~[(B)] (ii) the district includes a remaining area.~~

869       ~~[(b) (i) If the number of board members under Subsection (6)(a) exceeds nine, then,~~  
870 ~~except as provided in Subsection (6)(b)(ii):]~~

871       ~~[(A) the number of members shall be nine; and]~~

872       ~~[(B) the least populated included municipalities shall be combined for purposes of~~  
873 ~~representation to the extent necessary to result in nine members.]~~

874       ~~[(ii) Application of Subsection (6)(b)(i) may not cause an included municipality to lose~~  
875 ~~its separate representation on the board until the end of the term of the board member~~  
876 ~~appointed by that municipality.]~~

877       (7) (a) Except as provided in Subsection (7)(b), each remaining area member of the  
878 board of trustees of a regular district shall reside within the remaining area.

879       (b) Notwithstanding Subsection (7)(a), if the population of the remaining area is less  
880 than 5% of the total district population, each remaining area member shall be chosen from the  
881 district at large.

882       (8) If the election of remaining area or county members of the board of trustees is  
883 required because of a bond election, as provided in Subsection (5)(b):

884       (a) a person may file a declaration of candidacy if:

885       (i) the person resides within:

886       (A) the remaining area, for a regular district; or

887       (B) the county district, for a county district; and

888       (ii) otherwise qualifies as a candidate;

889       (b) the board of trustees shall, if required, provide a ballot separate from the bond  
890 election ballot, containing the names of candidates and blanks in which a voter may write  
891 additional names; and

892       (c) the election shall otherwise be governed by Title 20A, Election Code.

893       (9) (a) (i) This Subsection (9) applies to the board of trustees members of an electric  
894 district.

895       (ii) Subsections (2) through (8) do not apply to an electric district.

896 (b) The legislative body of the county in which an electric district is located may  
897 appoint the initial board of trustees of the electric district as provided in Section 17B-1-304.

898 (c) After the initial board of trustees is appointed as provided in Subsection (9)(b), each  
899 member of the board of trustees of an electric district shall be elected by persons using  
900 electricity from and within the district.

901 (d) Each member of the board of trustees of an electric district shall be a user of  
902 electricity from the district and, if applicable, the division of the district from which elected.

903 (e) The board of trustees of an electric district may be elected from geographic  
904 divisions within the district.

905 (f) A municipality within an electric district is not entitled to automatic representation  
906 on the board of trustees.

907 Section 15. Section **17B-2a-406** is amended to read:

908 **17B-2a-406. Improvement districts providing electric service -- Public Service**  
909 **Commission jurisdiction -- Exceptions.**

910 (1) (a) An improvement district that provides electric service as authorized under  
911 Subsection 17B-2a-403(1)(a)(iv):

912 (i) is a public utility and subject to the jurisdiction of the Public Service  
913 Commission[-]; and

914 (ii) may include only an area:

915 (A) in which or adjacent to which an investor-owned utility, municipal agency, or  
916 electric cooperative did not provide retail electricity to commercial, industrial, residential, or  
917 other users of electricity from September 1, 1980 through August 31, 1985; and

918 (B) in which electric service was provided to at least one user of electricity as of  
919 September 1, 1985.

920 (b) Nothing in this part may be construed to give the Public Service Commission  
921 jurisdiction over:

922 (i) an improvement district, other than an improvement district that provides electric  
923 service as authorized under Subsection 17B-2a-403(1)(a)(iv); or

924 (ii) a municipality or an association of municipalities organized under Title 11, Chapter  
925 13, Interlocal Cooperation Act.

926 (c) Before an improvement district providing electric service serves any customer, the

927 improvement district shall obtain a certificate of public convenience and necessity from the  
928 Public Service Commission.

929 (2) (a) Section 54-7-12 does not apply to rate changes of an improvement district that  
930 provides electric service as authorized under Subsection 17B-2a-403(1)(a)(iv) if:

931 (i) the district is organized for the purpose of distributing electricity to customers  
932 within the boundaries of the district on a not-for-profit basis;

933 (ii) the schedule of new rates or other change that results in new rates has been  
934 approved by the board of trustees of the district;

935 (iii) prior to the implementation of any rate increases, the district first holds a public  
936 meeting for all its customers to whom mailed notice of the meeting is sent at least ten days  
937 prior to the meeting; and

938 (iv) the district has filed the schedule of new rates or other change with the Public  
939 Service Commission.

940 (b) The Public Service Commission shall make the district's schedule of new rates or  
941 other change available for public inspection.

942 Section 16. Section **17D-1-101** is enacted to read:

943 **TITLE 17D. LIMITED PURPOSE LOCAL GOVERNMENT ENTITIES - OTHER**  
944 **ENTITIES**

945 **CHAPTER 1. SPECIAL SERVICE DISTRICT ACT**

946 **Part 1. General Provisions**

947 **17D-1-101. Title.**

948 (1) This title is known as "Limited Purpose Local Government Entities - Other  
949 Entities."

950 (2) This chapter is known as the "Special Service District Act."

951 Section 17. Section **17D-1-102** is enacted to read:

952 **17D-1-102. Definitions.**

953 As used in this chapter:

954 (1) "Adequate protests" means written protests timely filed by:

955 (a) owners of property within the applicable area representing more than 33% of the  
956 taxable value of all taxable property within the applicable area; or

957 (b) more than 33% of all registered voters within the applicable area.

958 (2) "Applicable area" means:

959 (a) for a proposal to create a special service district, the area included within the  
960 proposed special service district;

961 (b) for a proposal to annex an area to an existing special service district, the area  
962 proposed to be annexed;

963 (c) for a proposal to add a service to the service or services provided by a special  
964 service district, the area included within the special service district; and

965 (d) for a proposal to consolidate special service districts, the area included within each  
966 special service district proposed to be consolidated.

967 (3) "Facility" or "facilities" includes any structure, building, system, land, water right,  
968 water, or other real or personal property required to provide a service that a special service  
969 district is authorized to provide, including any related or appurtenant easement or right-of-way,  
970 improvement, utility, landscaping, sidewalk, road, curb, gutter, equipment, or furnishing.

971 (4) "General obligation bond":

972 (a) means a bond that is directly payable from and secured by ad valorem property  
973 taxes that are:

974 (i) levied:

975 (A) by the county or municipality that created the special service district that issues the  
976 bond; and

977 (B) on taxable property within the special service district; and

978 (ii) in excess of the ad valorem property taxes for the current fiscal year; and

979 (b) does not include:

980 (i) a short-term bond;

981 (ii) a tax and revenue anticipation bond; or

982 (iii) a special assessment bond.

983 (5) "Governing body" means:

984 (a) the legislative body of the county or municipality that creates the special service  
985 district, to the extent that the county or municipal legislative body has not delegated authority  
986 to an administrative control board appointed under Section 17D-1-301; or

987 (b) the administrative control board of the special service district, to the extent that the  
988 county or municipal legislative body has delegated authority to an administrative control board



989 appointed under Section 17D-1-301.

990 (6) "Guaranteed bonds" means bonds:

991 (a) issued by a special service district; and

992 (b) the debt service of which is guaranteed by one or more taxpayers owning property

993 within the special service district.

994 (7) "Local district" has the same meaning as defined in Section 17B-1-102.

995 (8) "Revenue bond":

996 (a) means a bond payable from designated taxes or other revenues other than the ad

997 valorem property taxes of the county or municipality that created the special service district;

998 and

999 (b) does not include:

1000 (i) an obligation constituting an indebtedness within the meaning of an applicable

1001 constitutional or statutory debt limit;

1002 (ii) a tax and revenue anticipation bond; or

1003 (iii) a special assessment bond.

1004 (9) "Special assessment" means an assessment levied against property to pay all or a

1005 portion of the costs of making improvements that benefit the property.

1006 (10) "Special assessment bond" means a bond payable from special assessments.

1007 (11) "Special service district" means a limited purpose local government entity, as

1008 described in Section 17D-1-103, that:

1009 (a) is created under authority of the Utah Constitution Article XI, Section 7; and

1010 (b) operates under, is subject to, and has the powers set forth in this chapter.

1011 (12) "Tax and revenue anticipation bond" means a bond:

1012 (a) issued in anticipation of the collection of taxes or other revenues or a combination

1013 of taxes and other revenues; and

1014 (b) that matures within the same fiscal year as the fiscal year in which the bond is

1015 issued.

1016 Section 18. Section **17D-1-103** is enacted to read:

1017 **17D-1-103. Special service district status and powers.**

1018 (1) A special service district:

1019 (a) is a body corporate and politic with perpetual succession, separate and distinct from

- 1020 the county or municipality that creates it;
- 1021 (b) is a quasi-municipal corporation; and
- 1022 (c) may sue and be sued.
- 1023 (2) A special service district may:
- 1024 (a) exercise the power of eminent domain possessed by the county or municipality that
- 1025 creates the special service district;
- 1026 (b) enter into a contract that the governing authority considers desirable to carry out
- 1027 special service district functions, including a contract:
- 1028 (i) with the United States or an agency of the United States, the state, an institution of
- 1029 higher education, a county, a municipality, a school district, a local district, another special
- 1030 service district, or any other political subdivision of the state; or
- 1031 (ii) that includes provisions concerning the use, operation, and maintenance of special
- 1032 service district facilities and the collection of fees or charges with respect to commodities,
- 1033 services, or facilities that the district provides;
- 1034 (c) acquire or construct facilities;
- 1035 (d) acquire real or personal property, or an interest in real or personal property,
- 1036 including water and water rights, whether by purchase, lease, gift, devise, bequest, or
- 1037 otherwise, and whether the property is located inside or outside the special service district, and
- 1038 own, hold, improve, use, finance, or otherwise deal in and with the property or property right;
- 1039 (e) sell, convey, lease, exchange, transfer, or otherwise dispose of all or any part of the
- 1040 special service district's property or assets, including water and water rights;
- 1041 (f) mortgage, pledge, or otherwise encumber all or any part of the special service
- 1042 district's property or assets, including water and water rights;
- 1043 (g) enter into a contract with respect to the use, operation, or maintenance of all or any
- 1044 part of the special service district's property or assets, including water and water rights;
- 1045 (h) accept a government grant or loan and comply with the conditions of the grant or
- 1046 loan;
- 1047 (i) use an officer, employee, property, equipment, office, or facility of the county or
- 1048 municipality that created the special service district, subject to reimbursement as provided in
- 1049 Subsection (3);
- 1050 (j) employ one or more officers, employees, or agents, including one or more

1051 engineers, accountants, attorneys, or financial consultants, and establish their compensation;  
1052 (k) designate an assessment area and levy an assessment as provided in Title 11,  
1053 Chapter 42, Assessment Area Act;  
1054 (l) contract with a franchised, certificated public utility for the construction and  
1055 operation of an electrical service distribution system within the special service district;  
1056 (m) borrow money and incur indebtedness;  
1057 (n) as provided in Part 5, Special Service District Bonds, issue bonds for the purpose of  
1058 acquiring, constructing, and equipping any of the facilities required for the services the special  
1059 service district is authorized to provide, including:  
1060 (i) bonds payable in whole or in part from taxes levied on the taxable property in the  
1061 special service district;  
1062 (ii) bonds payable from revenues derived from the operation of revenue-producing  
1063 facilities of the special service district;  
1064 (iii) bonds payable from both taxes and revenues;  
1065 (iv) guaranteed bonds, payable in whole or in part from taxes levied on the taxable  
1066 property in the special service district;  
1067 (v) tax anticipation notes;  
1068 (vi) bond anticipation notes;  
1069 (vii) refunding bonds; and  
1070 (viii) bonds payable in whole or in part from mineral lease payments as provided in  
1071 Section 11-14-308;  
1072 (o) except as provided in Subsection (4), impose fees or charges or both for  
1073 commodities, services, or facilities that the special service district provides;  
1074 (p) provide to an area outside the special service district's boundary a service that the  
1075 special service district is authorized to provide within its boundary, if the governing body  
1076 makes a finding that there is a public benefit to providing the service to the area outside the  
1077 special service district's boundary;  
1078 (q) provide other services that the governing body determines will more effectively  
1079 carry out the purposes of the special service district; and  
1080 (r) adopt an official seal for the special service district.  
1081 (3) Each special service district that uses an officer, employee, property, equipment,

1082 office, or facility of the county or municipality that created the special service district shall  
1083 reimburse the county or municipality a reasonable amount for what the special service district  
1084 uses.

1085 (4) A special service district that provides jail service as provided in Subsection  
1086 17D-1-201(10) may not impose a fee or charge for the service it provides.

1087 Section 19. Section **17D-1-104** is enacted to read:

1088 **17D-1-104. Property owner provisions -- Determination of registered voters.**

1089 (1) For purposes of this chapter:

1090 (a) the owner of real property is the fee title owner according to the records of the  
1091 county recorder on the date of the filing of the petition or protest; and

1092 (b) the value of private real property is determined according to the last assessment  
1093 before the filing of the petition or protest, as determined by:

1094 (i) (A) the county under Title 59, Chapter 2, Part 3, County Assessment, for property  
1095 subject to assessment by the county; or

1096 (B) the State Tax Commission under Title 59, Chapter 2, Part 2, Assessment of  
1097 Property, for property subject to assessment by the State Tax Commission; and

1098 (ii) the county, for all other property.

1099 (2) For purposes of each provision of this chapter that requires the owners of private  
1100 real property covering a percentage of the total private land area within the applicable area to  
1101 sign a petition or protest:

1102 (a) a parcel of real property may not be included in the calculation of the required  
1103 percentage unless the petition or protest is signed by:

1104 (i) except as provided in Subsection (2)(a)(ii), owners representing a majority  
1105 ownership interest in that parcel; or

1106 (ii) if the parcel is owned by joint tenants or tenants by the entirety, 50% of the number  
1107 of owners of that parcel;

1108 (b) the signature of a person signing a petition or protest in a representative capacity on  
1109 behalf of an owner is invalid unless:

1110 (i) the person's representative capacity and the name of the owner the person represents  
1111 are indicated on the petition or protest with the person's signature; and

1112 (ii) the person provides documentation accompanying the petition or protest that

1113 reasonably substantiates the person's representative capacity; and

1114 (c) subject to Subsection (2)(b), a duly appointed personal representative may sign a  
1115 petition or protest on behalf of a deceased owner.

1116 (3) For purposes of this chapter, registered voters shall be determined according to the  
1117 official register.

1118 Section 20. Section **17D-1-105** is enacted to read:

1119 **17D-1-105. Authority of county or municipality to levy property tax on property**  
1120 **within a special service district.**

1121 (1) Subject to Subsection (2) and except as provided in Subsection (3), a county or  
1122 municipality that has created a special service district may levy a tax on the taxable property in  
1123 the special service district for the purpose of acquiring, constructing, equipping, operating, and  
1124 maintaining facilities required for any or all of the services that the special service district is  
1125 authorized to provide.

1126 (2) Each levy under Subsection (1) is subject to the prior approval of a majority of the  
1127 registered voters of the special service district voting in an election held for that purpose under  
1128 Title 11, Chapter 14, Local Government Bonding Act, in the same manner as for an election for  
1129 the issuance of bonds.

1130 (3) A tax levied under this section for a special service district that provides jail service  
1131 as provided in Subsection 17D-1-201(10) is considered to be levied by the county for purposes  
1132 of the county's tax limitation under Section 59-2-908.

1133 Section 21. Section **17D-1-106** is enacted to read:

1134 **17D-1-106. Special service districts subject to other provisions.**

1135 (1) A special service district is, to the same extent as if it were a local district, subject  
1136 to and governed by:

1137 (a) Sections 17B-1-105, 17B-1-107, 17B-1-108, 17B-1-109, 17B-1-110, 17B-1-111,  
1138 17B-1-112, 17B-1-113, and 17B-1-116;

1139 (b) Sections 17B-1-304, 17B-1-305, 17B-1-306, 17B-1-307, 17B-1-310, 17B-1-312,  
1140 and 17B-1-313;

1141 (c) Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts;

1142 (d) Title 17B, Chapter 1, Part 7, Local District Budgets and Audit Reports;

1143 (e) Title 17B, Chapter 1, Part 8, Local District Personnel Management; and

1144 (f) Title 17B, Chapter 1, Part 9, Collection of Service Fees and Charges.  
 1145 (2) For purposes of applying the provisions listed in Subsection (1) to a special service  
 1146 district, each reference in those provisions to the local district board of trustees means the  
 1147 governing authority.

1148 Section 22. Section **17D-1-107** is enacted to read:

1149 **17D-1-107. Conflict.**

1150 If a provision of this chapter conflicts with any other statutory provision, the provision  
 1151 of this chapter controls.

1152 Section 23. Section **17D-1-108** is enacted to read:

1153 **17D-1-108. Validation of previously created special service districts.**

1154 Each special service district created before May 5, 2008 is validated, ratified, and  
 1155 confirmed and declared to be validly existing.

1156 Section 24. Section **17D-1-201** is enacted to read:

1157 **Part 2. Creating a Special Service District**

1158 **17D-1-201. Services that a special service district may be created to provide.**

1159 As provided in this part, a county or municipality may create a special service district to  
 1160 provide any combination of the following services:

- 1161 (1) water;
- 1162 (2) sewerage;
- 1163 (3) drainage;
- 1164 (4) flood control;
- 1165 (5) garbage collection and disposal;
- 1166 (6) health care;
- 1167 (7) transportation;
- 1168 (8) recreation;
- 1169 (9) fire protection and, if fire protection service is provided, emergency medical or  
 1170 ambulance or both;
- 1171 (10) providing, operating, and maintaining correctional and rehabilitative facilities and  
 1172 programs for municipal, state, and other detainees and prisoners;
- 1173 (11) street lighting;
- 1174 (12) consolidated 911 and emergency dispatch;

1175 (13) animal shelter and control;

1176 (14) receiving federal mineral lease funds under Title 59, Chapter 21, Mineral Lease  
1177 Funds, and expending those funds to provide construction and maintenance of public facilities,  
1178 traditional governmental services, and planning, as a means for mitigating impacts from  
1179 extractive mineral industries; and

1180 (15) in a county of the first class, extended police protection.

1181 Section 25. Section **17D-1-202** is enacted to read:

1182 **17D-1-202. Limitations on the creation of a special service district.**

1183 (1) Subject to Subsection (2), the boundary of a proposed special service district may  
1184 include all or part of the area within the boundary of the county or municipality that creates the  
1185 special service district.

1186 (2) (a) The boundary of a proposed special service district may not include an area  
1187 included within the boundary of an existing special service district or local district that  
1188 provides the same service that the proposed special service district is proposed to provide.

1189 (b) A proposed special service district may not include land that will not be benefitted  
1190 by the service that the special service district is proposed to provide, unless the owner of the  
1191 nonbenefitted land consents to the inclusion.

1192 (c) A county may not create a special service district that includes some or all of the  
1193 area within a municipality unless the legislative body of that municipality adopts a resolution or  
1194 ordinance consenting to the inclusion.

1195 (3) All areas included within a special service district need not be contiguous.

1196 Section 26. Section **17D-1-203** is enacted to read:

1197 **17D-1-203. Initiating the process to create a special service district.**

1198 (1) The process to create a special service district is initiated by:

1199 (a) the legislative body of a county or municipality that proposes to create a special  
1200 service district adopting a resolution that:

1201 (i) declares that the public health, convenience, and necessity require the creation of a  
1202 special service district;

1203 (ii) indicates the legislative body's intent to create a special service district; and

1204 (iii) complies with the requirements of Subsection (3); or

1205 (b) the filing of a petition that:

1206 (i) proposes the creation of a special service district;  
 1207 (ii) complies with the requirements of Subsections (2) and (3); and  
 1208 (iii) is filed with the legislative body of the county or municipality in whose boundary  
 1209 the proposed special service district is located.

1210 (2) Each petition under Subsection (1)(b) shall:

1211 (a) be signed by:

1212 (i) the owners of at least 10% of the taxable value of taxable property within the  
 1213 proposed special service district; or

1214 (ii) at least 10% of the registered voters residing within the proposed special service  
 1215 district; and

1216 (b) indicate:

1217 (i) the residence address of each person who signs the petition; and

1218 (ii) if the person signs the petition as a property owner, the address or other description  
 1219 of the person's property sufficient to identify the property.

1220 (3) Each resolution under Subsection (1)(a) and petition under Subsection (1)(b) shall:

1221 (a) describe the boundaries of the proposed special service district;

1222 (b) describe each service that the special service district is proposed to provide; and

1223 (c) designate a name for the proposed special service district.

1224 Section 27. Section **17D-1-204** is enacted to read:

1225 **17D-1-204. Prerequisites for adopting a resolution or ordinance creating a special**  
 1226 **service district.**

1227 Before the legislative body of a county or municipality may adopt a resolution or  
 1228 ordinance under Section 17D-1-208 creating a special service district:

1229 (1) the clerk or recorder, as the case may be, of the county or municipality shall give  
 1230 written notice as provided in Section 17D-1-205;

1231 (2) the legislative body shall hold a public hearing, as provided in Section 17D-1-207;

1232 and

1233 (3) the period for filing protests under Section 17D-1-206 shall have passed without  
 1234 adequate protests having been filed.

1235 Section 28. Section **17D-1-205** is enacted to read:

1236 **17D-1-205. Notice.**



- 1237 (1) Each notice required under Subsection 17D-1-204(1) shall:  
1238 (a) state that:  
1239 (i) the legislative body has adopted a resolution stating its intent to create a special  
1240 service district; or  
1241 (ii) a petition has been filed proposing the creation of a special service district;  
1242 (b) describe the boundary of the proposed special service district;  
1243 (c) generally describe each service that the special service district is proposed to  
1244 provide;  
1245 (d) state that taxes may be levied annually upon all taxable property within the  
1246 proposed special service district to pay for some or all of the services that the special service  
1247 district is proposed to provide;  
1248 (e) state that fees or charges may be imposed to pay for some or all of the services that  
1249 the special service district is proposed to provide;  
1250 (f) explain the process, requirements, and timetable for filing a protest against the  
1251 creation of the special service district or against a service that the special service district is  
1252 proposed to provide;  
1253 (g) designate a date, time, and place for a public hearing on the proposed creation of  
1254 the special service district; and  
1255 (h) except as provided in Subsection (2), be published at least once a week during three  
1256 consecutive weeks:  
1257 (i) not less than 21 days or more than 35 days before the date of the public hearing  
1258 required under Subsection 17D-1-204(2); and  
1259 (ii) in a newspaper of general circulation in the county or municipality by which the  
1260 special service district is proposed to be created.  
1261 (2) Notwithstanding Subsection (1)(h), if the proposed special service district is located  
1262 entirely within a city of the third, fourth, or fifth class or a town that has no newspaper of  
1263 general circulation in the city or town, the legislative body of the city or town may provide that  
1264 the notice required under Subsection 17D-1-204(1) be given by posting the notice in at least  
1265 five public places in the city or town at least 21 days before the public hearing required under  
1266 Subsection 17D-1-204(2).  
1267 (3) The legislative body of the county or municipality by which the special service

1268 district is proposed to be created may include in a notice under this section any other  
1269 information that the legislative body considers necessary or appropriate.

1270 Section 29. Section **17D-1-206** is enacted to read:

1271 **17D-1-206. Protests.**

1272 (1) An interested person may protest:

1273 (a) the creation of a special service district; or

1274 (b) a service that the special service district is proposed to provide.

1275 (2) Each protest under Subsection (1) shall:

1276 (a) be in writing;

1277 (b) be submitted:

1278 (i) to the legislative body of the county or municipality by which the special service  
1279 district is proposed to be created; and

1280 (ii) no later than 15 days after the public hearing required under Subsection  
1281 17D-1-204(2); and

1282 (c) explain why the person is protesting.

1283 (3) A person who submitted a written protest against the creation of a special service  
1284 district may withdraw the protest or, having withdrawn a protest, cancel the withdrawal, until  
1285 30 days after the public hearing required under Subsection 17D-1-204(2).

1286 (4) The legislative body of a county or municipality may not adopt a resolution or  
1287 ordinance creating a special service district if adequate protests are filed with respect to the  
1288 creation of the special service district.

1289 (5) The legislative body of a county or municipality may not adopt a resolution or  
1290 ordinance authorizing a special service district to provide a service if adequate protests are filed  
1291 with respect to that service.

1292 Section 30. Section **17D-1-207** is enacted to read:

1293 **17D-1-207. Public hearing.**

1294 (1) On the date and at the time and place specified in the notice under Section  
1295 17D-1-205, the legislative body of the county or municipality by which the special service  
1296 district is proposed to be created shall hold a public hearing.

1297 (2) At each public hearing under this section, the legislative body shall:

1298 (a) give full consideration to each written protest that has been filed; and

1299 (b) hear and consider each interested person desiring to be heard.

1300 (3) The legislative body may continue the hearing to another date and time.

1301 Section 31. Section **17D-1-208** is enacted to read:

1302 **17D-1-208. Adoption of a resolution or ordinance creating a special service**

1303 **district.**

1304 (1) Subject to the provisions of and as provided in this part, the legislative body of a  
1305 county or municipality may adopt a resolution or ordinance creating a special service district.

1306 (2) (a) Subject to Subsection (2)(b), a resolution or ordinance adopted by a legislative  
1307 body under Subsection (1) may contain changes from the proposal as set forth in a resolution  
1308 under Subsection 17D-1-203(1)(a) or a petition under Subsection 17D-1-203(1)(b), including  
1309 changes in:

1310 (i) the boundary of the special service district; and

1311 (ii) the services to be provided by the special service district.

1312 (b) The legislative body of a county or municipality may not adopt a resolution or  
1313 ordinance under Subsection (1) that creates a special service district with a boundary that  
1314 includes more area than is included in, or that authorizes the special service district to provide a  
1315 service not proposed in, a resolution under Subsection 17D-1-203(1)(a) or a petition under  
1316 Subsection 17D-1-203(1)(b), unless the requirements of Sections 17D-1-205, 17D-1-206, and  
1317 17D-1-207 are met with respect to the additional area or service, as the case may be.

1318 Section 32. Section **17D-1-209** is enacted to read:

1319 **17D-1-209. Notice to lieutenant governor.**

1320 (1) Within 30 days after adopting a resolution or ordinance under Subsection  
1321 17D-1-208(1) creating a special service district, the legislative body adopting the resolution or  
1322 ordinance shall file a notice with the lieutenant governor.

1323 (2) Each notice under Subsection (1) shall:

1324 (a) be accompanied by:

1325 (i) a copy of the resolution or ordinance creating the special service district; and

1326 (ii) a map showing the boundaries of the special service district, prepared and certified  
1327 by a licensed surveyor and filed with the county surveyor in accordance with Section 17-23-17;  
1328 and

1329 (b) include the legislative body's certification that all requirements for the creation of

1330 the special service district have been met.

1331 (3) Upon the lieutenant governor's issuance of a certificate of creation under Section  
1332 67-1a-6.5, the special service district is created and incorporated.

1333 Section 33. Section **17D-1-210** is enacted to read:

1334 **17D-1-210. Municipality's ability to provide temporary jail facilities not affected**  
1335 **by the creation of a special service district to provide jail services.**

1336 The creation of a special service district to provide jail services as provided in  
1337 Subsection 17D-1-201(10) does not affect the ability of a municipality under Section 10-8-58  
1338 to provide, operate, and maintain facilities for the temporary incarceration, not to exceed 72  
1339 hours, of persons charged with the violation of a municipal ordinance.

1340 Section 34. Section **17D-1-211** is enacted to read:

1341 **17D-1-211. Action to challenge the creation of a special service district or a service**  
1342 **to be provided.**

1343 (1) A person may file an action in district court challenging the creation of a special  
1344 service district or a service that a special service district is proposed to provide if:

1345 (a) the person filed a written protest under Section 17D-1-206;

1346 (b) the person:

1347 (i) (A) is a registered voter within the special service district; and

1348 (B) alleges in the action that the procedures used to create the special service district  
1349 violated applicable law; or

1350 (ii) (A) is an owner of property included within the boundary of the special service  
1351 district; and

1352 (B) alleges in the action that:

1353 (I) the person's property will not be benefitted by a service that the special service  
1354 district is proposed to provide; or

1355 (II) the procedures used to create the special service district violated applicable law;  
1356 and

1357 (c) the action is filed within 30 days after the date that the legislative body adopts a  
1358 resolution or ordinance creating the special service district.

1359 (2) If an action is not filed within the time specified under Subsection (1), a registered  
1360 voter or an owner of property located within the special service district may not contest the

1361 creation of the special service district or a service that the special service district is proposed to  
1362 provide.

1363 Section 35. Section **17D-1-301** is enacted to read:

1364 **Part 3. Administrative Control Board**

1365 **17D-1-301. Governance of a special service district -- Authority to create and**  
1366 **delegate authority to an administrative control board -- Limitations on authority to**  
1367 **delegate.**

1368 (1) Each special service district shall be governed by the legislative body of the county  
1369 or municipality that creates the special service district, subject to any delegation under this  
1370 section of a right, power, or authority to an administrative control board.

1371 (2) At the time a special service district is created or at any time thereafter, the  
1372 legislative body of a county or municipality that creates a special service district may, by  
1373 resolution or ordinance:

1374 (a) create an administrative control board for the special service district; and

1375 (b) subject to Subsection (3), delegate to the administrative control board the exercise  
1376 of any right, power, or authority that the legislative body possesses with respect to the  
1377 governance of the special service district.

1378 (3) A county or municipal legislative body may not delegate to an administrative  
1379 control board of a special service district the power to:

1380 (a) levy a tax on the taxable property within the special service district;

1381 (b) issue special service district bonds payable from taxes;

1382 (c) call or hold an election for the authorization of a property tax or the issuance of  
1383 bonds;

1384 (d) levy an assessment;

1385 (e) issue interim warrants or bonds payable from an assessment; or

1386 (f) appoint a board of equalization under Section 11-42-404.

1387 (4) (a) A county or municipal legislative body that has delegated a right, power, or  
1388 authority under this section to an administrative control board may at any time modify, limit, or  
1389 revoke any right, power, or authority delegated to the administrative control board.

1390 (b) A modification, limitation, or revocation under Subsection (4)(a) does not affect the  
1391 validity of an action taken by an administrative control board before the modification,

1392 limitation, or revocation.

1393 Section 36. Section **17D-1-302** is enacted to read:

1394 **17D-1-302. Number of members of an administrative control board.**

1395 (1) Each administrative control board shall consist of at least three members.

1396 (2) The number of administrative control board members for a special service district  
1397 established by a county of the first class to provide jail service as provided in Subsection  
1398 17D-1-201(10) is nine.

1399 Section 37. Section **17D-1-303** is enacted to read:

1400 **17D-1-303. Election or appointment of administrative control board members.**

1401 (1) Except as provided in Subsection (2)(b)(iii), a county or municipal legislative body  
1402 that creates an administrative control board may provide for board members to be elected or  
1403 appointed, or for some members to be elected and some appointed.

1404 (2) (a) Except as provided in Subsection (2)(b), each member of an administrative  
1405 control board shall be elected or appointed as provided for the election or appointment,  
1406 respectively, of a member of a board of trustees of a local district under Title 17B, Chapter 1,  
1407 Part 3, Board of Trustees.

1408 (b) (i) A municipality or improvement district under Title 17B, Chapter 2a, Part 4,  
1409 Improvement District Act, may appoint one member to represent it on an administrative control  
1410 board created by a special service district if:

1411 (A) the special service district was created by a county;

1412 (B) the special service district provides the same service as the municipality or  
1413 improvement district; and

1414 (C) the special service district includes some or all of the area included within the  
1415 municipality or improvement district.

1416 (ii) An institution of higher education for which a special service district provides  
1417 commodities, services, or facilities may appoint the number of members of an administrative  
1418 control board of that special service district that are equal in number to at least 1/3 of the total  
1419 number of board members.

1420 (iii) With respect to an administrative control board created for a special service district  
1421 created by a county of the first class to provide jail service as provided in Subsection  
1422 17D-1-201(10), the county legislative body shall appoint:

1423 (A) three members from a list of at least six recommendations from the county sheriff;

1424 (B) three members from a list of at least six recommendations from municipalities

1425 within the county; and

1426 (C) three members from a list of at least six recommendations from the county

1427 executive.

1428 Section 38. Section **17D-1-304** is enacted to read:

1429 **17D-1-304. Qualifications of administrative control board members -- Term of**  
1430 **office.**

1431 (1) (a) Except as provided in Subsection (1)(b), each member of an administrative  
1432 control board shall be:

1433 (i) a registered voter within the special service district; or

1434 (ii) an officer or employee of the county or municipality that created the special service  
1435 district.

1436 (b) Subsection (1)(a) does not apply if:

1437 (i) at least 90% of the owners of real property within the special service district are not  
1438 registered voters within the special service district; or

1439 (ii) the member is appointed under Subsection 17D-1-303(2)(b)(i) or (ii).

1440 (2) (a) Except as provided in Subsection (2)(b), the term of each member of an  
1441 administrative control board is four years.

1442 (b) The term of as close as possible to half of the initial members of an administrative  
1443 control board, chosen by lot, is two years.

1444 Section 39. Section **17D-1-305** is enacted to read:

1445 **17D-1-305. Compensation for administrative control board members.**

1446 An administrative control board member may receive compensation and reimbursement  
1447 of expenses as provided in Section 17B-1-307 to the same extent as if the member were a  
1448 member of a board of trustees of a local district.

1449 Section 40. Section **17D-1-306** is enacted to read:

1450 **17D-1-306. Administrative control board review of certain charges in special**  
1451 **service districts providing jail service.**

1452 If the legislative body of a county of the first class creates an administrative control  
1453 board under this part for a special service district that provides jail service as provided in

1454 Subsection 17D-1-201(10), the administrative control board may review and approve any  
1455 amount charged to the special service district as reimbursement to the county for services  
1456 provided under Subsection 17D-1-103(2)(i) before the amount is included in the special service  
1457 district budget.

1458 Section 41. Section **17D-1-401** is enacted to read:

1459 **Part 4. Annexing a New Area and Adding a New Service**

1460 **17D-1-401. Annexing an area or adding a service to an existing special service**  
1461 **district.**

1462 (1) Except as provided in Subsection (3), a county or municipal legislative body may,  
1463 as provided in this part:

1464 (a) annex an area to an existing special service district to provide to that area a service  
1465 that the special service district is authorized to provide;

1466 (b) add a service under Section 17D-1-201 within the area of an existing special service  
1467 district that the special service district is not already authorized to provide; or

1468 (c) both annex an area under Subsection (1)(a) and add a service under Subsection  
1469 (1)(b).

1470 (2) Except for Section 17D-1-209, the provisions of Part 2, Creating a Special Service  
1471 District, apply to and govern the process of annexing an area to an existing special service  
1472 district or adding a service that the special service district is not already authorized to provide,  
1473 to the same extent as if the annexation or addition were the creation of a special service district.

1474 (3) A county or municipal legislative body may not:

1475 (a) annex an area to an existing special service district if a local district provides to that  
1476 area the same service that the special service district is proposed to provide to the area, unless  
1477 the local district consents to the annexation; or

1478 (b) add a service within the area of an existing special service district if a local district  
1479 provides to that area the same service that is proposed to be added, unless the local district  
1480 consents to the addition.

1481 Section 42. Section **17D-1-402** is enacted to read:

1482 **17D-1-402. Inapplicability of some requirements if petition is filed by all owners**  
1483 **of taxable real property.**

1484 Notwithstanding Section 17D-1-401, the notice, hearing, and protest requirements of



1485 Part 2, Creating a Special Service District, do not apply if a petition to annex an area or to add  
1486 a service to an existing special service district is filed with the legislative body of the county or  
1487 municipality, as the case may be, containing the signatures of all owners of taxable real  
1488 property:

1489 (1) within the area proposed to be annexed, if the petition is for annexation of an area  
1490 to the special service district; or

1491 (2) within the special service district, if the petition is for adding a service to be  
1492 provided by the special service district.

1493 Section 43. Section **17D-1-403** is enacted to read:

1494 **17D-1-403. Notice of annexation to lieutenant governor -- Lieutenant governor**  
1495 **certification.**

1496 (1) If a county or municipal legislative body adopts a resolution approving the  
1497 annexation of an area to an existing special service district, the legislative body shall, within 30  
1498 days after adopting the resolution, file a notice with the lieutenant governor.

1499 (2) Each notice under Subsection (1) shall:

1500 (a) be accompanied by:

1501 (i) a copy of the resolution adopted by the legislative body approving the annexation;

1502 and

1503 (ii) a map showing the additional area to be annexed to the special service district,  
1504 prepared and certified by a licensed surveyor and filed with the county surveyor in accordance  
1505 with Section 17-23-17; and

1506 (b) include the legislative body's certification that all requirements for the annexation  
1507 of the additional area have been met.

1508 (3) Upon the lieutenant governor's issuance of the certificate of boundary change under  
1509 Section 67-1a-6.5, the additional area that is the subject of the legislative body's resolution is  
1510 annexed to the special service district.

1511 Section 44. Section **17D-1-501** is enacted to read:

1512 **Part 5. Special Service District Bonds**

1513 **17D-1-501. Provisions applicable to a special service district's issuance of bonds.**

1514 **Subject to the provisions of this part:**

1515 (1) each special service district that issues bonds shall:

1516 (a) issue them as provided in Title 11, Chapter 14, Local Government Bonding Act;  
1517 and

1518 (b) receive the benefits of Title 11, Chapter 30, Utah Bond Validation Act; and

1519 (2) each special service district that issues refunding bonds shall issue them as

1520 provided in Title 11, Chapter 27, Utah Refunding Bond Act.

1521 Section 45. Section **17D-1-502** is enacted to read:

1522 **17D-1-502. General obligation bonds.**

1523 (1) Except as provided in Subsection (3), if a special service district intends to issue  
1524 general obligation bonds, the special service district shall first obtain the approval of special  
1525 service district voters for issuance of the bonds at an election held for that purpose as provided  
1526 in Title 11, Chapter 14, Local Government Bonding Act.

1527 (2) General obligation bonds shall be secured by a pledge of the full faith and credit of  
1528 the special service district.

1529 (3) A special service district may issue refunding general obligation bonds, as provided  
1530 in Title 11, Chapter 27, Utah Refunding Bond Act, without obtaining voter approval.

1531 (4) (a) A special service district may not issue general obligation bonds if the issuance  
1532 of the bonds will cause the outstanding principal amount of all of the special service district's  
1533 general obligation bonds to exceed the amount that results from multiplying the fair market  
1534 value of the taxable property within the special service district, as determined under Subsection  
1535 11-14-301(3)(b), by .12.

1536 (b) Bonds or other obligations of a special service district that are not general  
1537 obligation bonds are not included in the limit stated in Subsection (4)(a).

1538 (5) A special service district may not be considered to be a municipal corporation for  
1539 purposes of the debt limitation of the Utah Constitution Article XIV, Section 4.

1540 (6) Bonds issued by an administrative or legal entity created under Title 11, Chapter  
1541 13, Interlocal Cooperation Act, may not be considered to be bonds of a special service district  
1542 that participates in the agreement creating the administrative or legal entity.

1543 Section 46. Section **17D-1-503** is enacted to read:

1544 **17D-1-503. Levy to pay for general obligation bonds.**

1545 (1) (a) If a special service district has issued general obligation bonds, or expects to  
1546 have debt service payments due on general obligation bonds during the current year, the

1547 legislative body of the county or municipality that created the special service district may make  
 1548 an annual levy of ad valorem property taxes in order to:

1549 (i) pay the principal of and interest on the general obligation bonds;

1550 (ii) establish a sinking fund for defaults and future debt service on the general  
 1551 obligation bonds; and

1552 (iii) establish a reserve to secure payment of the general obligation bonds.

1553 (b) A levy under Subsection (1)(a) is:

1554 (i) without limitation as to rate or amount; and

1555 (ii) subject to the prior approval of a majority of registered voters of the special service  
 1556 district voting in an election held for that purpose.

1557 (2) (a) Each county or municipality that levies a tax under Subsection (1) shall:

1558 (i) levy the tax as a separate and special levy for the specific purposes stated in  
 1559 Subsection (1); and

1560 (ii) apply the proceeds from the levy solely for the purpose of paying the principal of  
 1561 and interest on the general obligation bonds, even though the proceeds may be used to establish  
 1562 or replenish a sinking fund under Subsection (1)(a)(ii) or a reserve under Subsection (1)(a)(iii).

1563 (b) A levy under Subsection (2)(a) is not subject to a priority in favor of a special  
 1564 service district obligation in existence at the time the bonds were issued.

1565 Section 47. Section **17D-1-504** is enacted to read:

1566 **17D-1-504. Pledge of revenues to pay for bonds.**

1567 Bonds may be payable from and secured by the pledge of all or any specified part of:

1568 (1) the revenues to be derived by the special service district from providing its services  
 1569 and from the operation of its facilities and other properties;

1570 (2) sales and use taxes, property taxes, and other taxes;

1571 (3) federal, state, or local grants; and

1572 (4) other money legally available to the special service district.

1573 Section 48. Section **17D-1-505** is enacted to read:

1574 **17D-1-505. Revenue bonds -- Requirement to impose rates and charges to cover**  
 1575 **revenue bonds -- Authority to make agreements and covenants to provide for bond**  
 1576 **repayment.**

1577 (1) Subject to Subsection 17D-1-501(2), a special service district intending to issue

1578 revenue bonds may, but is not required to, submit to special service district voters for their  
1579 approval the issuance of the revenue bonds at an election held for that purpose as provided in  
1580 Title 11, Chapter 14, Local Government Bonding Act.

1581 (2) Each special service district that has issued revenue bonds shall impose rates and  
1582 charges for the services or commodities it provides fully sufficient, along with other sources of  
1583 special service district revenues, to carry out all undertakings of the special service district with  
1584 respect to its revenue bonds.

1585 (3) A special service district that issues revenue bonds may:

1586 (a) agree to pay operation and maintenance expenses of the special service district from  
1587 the proceeds of the ad valorem taxes that this chapter authorizes the county or municipality that  
1588 created the special service district to levy; and

1589 (b) for the benefit of bondholders, enter into covenants that:

1590 (i) are permitted by Title 11, Chapter 14, Local Government Bonding Act; and

1591 (ii) provide for other pertinent matters that the governing body considers proper to  
1592 assure the marketability of the bonds.

1593 Section 49. Section **17D-1-506** is enacted to read:

1594 **17D-1-506. Governing body required to fix rates to cover district expenses and**  
1595 **bonds.**

1596 The governing body shall fix the rate or rates for services or commodities provided by  
1597 the special service district that will, in conjunction with the proceeds of any maintenance and  
1598 operation tax and other special service district revenues:

1599 (1) pay the special service district's operating expenses;

1600 (2) provide for repairs and depreciation of works owned or operated by the special  
1601 service district;

1602 (3) pay the interest on any bonds issued by the special service district; and

1603 (4) provide, as much as practicable, a sinking or other fund to pay the principal of the  
1604 bonds as they become due.

1605 Section 50. Section **17D-1-507** is enacted to read:

1606 **17D-1-507. Guaranteed bonds.**

1607 (1) Before a special service district may issue guaranteed bonds:

1608 (a) the special service district shall:

- 1609           (i) obtain a report:  
1610           (A) prepared by:  
1611           (I) a qualified, registered architect or engineer; or  
1612           (II) a person qualified by experience appropriate to the project proposed to be funded  
1613 by the proceeds from the guaranteed bonds;  
1614           (B) setting forth:  
1615           (I) a description of the project proposed to be funded by the proceeds from the  
1616 guaranteed bonds;  
1617           (II) the estimated or, if available, the actual cost of the project;  
1618           (III) the principal amount and stated maturity of:  
1619           (Aa) the guaranteed bonds to be issued; and  
1620           (Bb) any outstanding guaranteed bonds of the special service district;  
1621           (IV) the interest rate of any outstanding guaranteed bonds of the special service district;  
1622           (V) the amount of the annual debt service for each year during the life of all  
1623 outstanding guaranteed bonds issued by the special service district;  
1624           (VI) the estimated amount of the annual debt service for each year during the life of all  
1625 guaranteed bonds that the special service district intends to issue to finance all or any part of  
1626 the project; and  
1627           (VII) the date or estimated date that the project will be complete; and  
1628           (ii) submit to the Governor's Office of Economic Development:  
1629           (A) the report described in Subsection (1)(a)(i);  
1630           (B) a certified copy of each proposed guarantee of the guaranteed bonds;  
1631           (C) a legal opinion indicating that each guarantee, when executed, will be the legal and  
1632 binding obligation of the taxpayer executing the guarantee in accordance with the terms of the  
1633 guarantee; and  
1634           (D) evidence satisfactory to the Governor's Office of Economic Development from  
1635 each taxpayer executing a guarantee of the guaranteed bonds as to the financial ability of the  
1636 taxpayer to perform under the guarantee;  
1637           (b) the Governor's Office of Economic Development shall, if it approves the issuance  
1638 of the guaranteed bonds, deliver to the special service district governing body a written  
1639 statement of its approval; and

1640 (c) the special service district governing body shall file the written approval statement  
1641 under Subsection (1)(b) with the recorder of the county in which the special service district is  
1642 located.

1643 (2) The issuance of guaranteed bonds is conditioned upon the approval of special  
1644 service district voters at an election held for that purpose as provided in Title 11, Chapter 14,  
1645 Local Government Bonding Act.

1646 (3) Guaranteed bonds that have been issued and remain outstanding shall be included  
1647 in the determination of the debt limit under Subsection 17D-1-502(4) if the bonds by their  
1648 terms no longer enjoy the benefit of the guarantee.

1649 (4) On July 1 of each year, the governing body shall file with the department of  
1650 community affairs a report certifying:

1651 (a) the total amount of bonds issued by the special service district and other debt then  
1652 outstanding and subject to the debt limit of Subsection 17D-1-502(4);

1653 (b) the total amount of guaranteed bonds then outstanding and not subject to the debt  
1654 limit of Subsection 17D-1-502(4); and

1655 (c) the total amount of guaranteed bonds that, during the preceding 12 months,  
1656 discontinued to enjoy the benefit of the guarantee.

1657 Section 51. Section **17D-1-508** is enacted to read:

1658 **17D-1-508. Special service district obligations are not obligations of any other**  
1659 **entity.**

1660 A special service district bond, note, or other obligation or indebtedness, whether or not  
1661 payable from taxes, may not be:

1662 (1) considered to be a bond, note, or other obligation or indebtedness of or to be  
1663 enforceable against the state or a county, municipality, school district, or other political  
1664 subdivision of the state; or

1665 (2) taken into account in calculating a debt limit applicable to the state or a county,  
1666 municipality, school district, or other political subdivision of the state.

1667 Section 52. Section **17D-1-509** is enacted to read:

1668 **17D-1-509. Ratification of previously issued bonds and previously entered**  
1669 **contracts.**

1670 All bonds issued or contracts entered into by a special service district before May 5,

1671 2008 are ratified, validated, and confirmed and declared to be valid and legally binding  
1672 obligations of the special service district in accordance with their terms.

1673 Section 53. Section **17D-1-601** is enacted to read:

1674 **Part 6. Withdrawal, Dissolution, and Discontinuing Service**

1675 **17D-1-601. Adoption of a resolution to approve withdrawal, dissolution, or**  
1676 **discontinuance of a service.**

1677 Subject to and as provided in this part, the legislative body of the county or  
1678 municipality that created a special service district may by resolution:

1679 (1) approve the withdrawal of an area from the special service district if the legislative  
1680 body determines that the area should not or cannot be provided the service that the special  
1681 service district provides;

1682 (2) approve the dissolution of the special service district if the legislative body  
1683 determines that the special service district is no longer needed for the purposes for which it was  
1684 created; or

1685 (3) discontinue a service that the special service district provides.

1686 Section 54. Section **17D-1-602** is enacted to read:

1687 **17D-1-602. Limitations on adoption of withdrawal, dissolution, or discontinuance**  
1688 **resolution.**

1689 (1) A resolution under Subsection 17D-1-601(1) or (2) to approve the withdrawal of an  
1690 area from a special service district or the dissolution of a special service district may not be  
1691 adopted if:

1692 (a) any bond, note, or other obligation of the special service district is outstanding and  
1693 unpaid; or

1694 (b) any contractual obligation to provide service exists.

1695 (2) (a) A resolution under Subsection 17D-1-601(3) to discontinue a service may not  
1696 be adopted if the special service district:

1697 (i) has an outstanding bond payable in whole or in part from fees and charges imposed  
1698 for the service to be discontinued; or

1699 (ii) is under contractual obligation to provide the service.

1700 (b) Notwithstanding Subsection (2)(a)(i), a resolution to discontinue a service may be  
1701 adopted if:

- 1702 (i) the bond is paid;
- 1703 (ii) adequate provision is made for payment of the bond; or
- 1704 (iii) the holder of the bond agrees to the discontinuance, if allowed under the bond.
- 1705 (c) Notwithstanding Subsection (2)(a)(ii), a resolution to discontinue a service may be
- 1706 adopted if all parties to the contract consent to the discontinuance.

Section 55. Section **17D-1-603** is enacted to read:

**17D-1-603. Notice of adoption of resolution approving a withdrawal or dissolution**  
**-- Lieutenant governor certificate -- Effective date of withdrawal or dissolution.**

(1) Within 30 days after adopting a resolution approving the withdrawal of an area from a special service district or the dissolution of a special service district, the county or municipal legislative body, as the case may be, shall file a notice with the lieutenant governor.

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

(a) be accompanied by:

- 1715 (i) a copy of the resolution approving the withdrawal or dissolution; and
- 1716 (ii) in the case of a withdrawal, a map showing the area to be withdrawn, prepared and
- 1717 certified by a licensed surveyor and filed with the county surveyor in accordance with Section
- 1718 17-23-17; and

(b) include the legislative body's certification that all requirements for the withdrawal or dissolution have been met.

(3) (a) Upon the lieutenant governor's issuance of the certificate of withdrawal under Section 67-1a-6.5, the area to be withdrawn that is the subject of the legislative body's resolution is withdrawn from the special service district.

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

Section 56. Section **17D-2-101** is enacted to read:

**CHAPTER 2. LOCAL BUILDING AUTHORITY ACT**

**Part 1. General Provisions**

**17D-2-101. Title.**

This chapter is known as the "Local Building Authority Act."

Section 57. Section **17D-3-101** is enacted to read:

**CHAPTER 3. CONSERVATION DISTRICT ACT**



1733 **Part 1. General Provisions**

1734 **17D-3-101. Title.**

1735 This chapter is known as the "Conservation District Act."

1736 Section 58. Section **17D-3-102**, which is renumbered from Section 17A-3-800 is

1737 renumbered and amended to read:

1738 ~~[17A-3-800].~~ **17D-3-102. Definitions.**

1739 As used in this chapter:

1740 (1) "Commission" means the Conservation Commission created ~~[by]~~ under Section

1741 4-18-4.

1742 (2) "Conservation district" means a limited purpose local government entity, as  
1743 described in Section 17D-3-103, that operates under, is subject to, and has the powers set forth  
1744 in this chapter.

1745 ~~[(2)]~~ (3) "Department" means the Department of Agriculture and Food created ~~[in]~~  
1746 under Section 4-2-1.

1747 ~~[(3) "District" means a conservation district created under this chapter.]~~

1748 Section 59. Section **17D-3-103** is enacted to read:

1749 **17D-3-103. Conservation district status, authority, and duties.**

1750 (1) A conservation district created under this chapter:

1751 (a) is a body corporate and politic;

1752 (b) is a political subdivision of the state; and

1753 (c) may sue and be sued.

1754 (2) (a) A conservation district may:

1755 (i) survey, investigate, and research soil erosion, flood water, nonpoint source water  
1756 pollution, flood control, water pollution, sediment damage, and watershed development;

1757 (ii) subject to Subsection (2)(b), devise and implement on state or private land a  
1758 measure to prevent soil erosion, floodwater or sediment damage, nonpoint source water  
1759 pollution, or other degradation of a watershed or of property affecting a watershed;

1760 (iii) subject to Subsection (2)(b), devise and implement a measure to conserve,  
1761 develop, utilize, or dispose of water on state or private land;

1762 (iv) construct, improve, operate, and maintain a structure that the board of supervisors  
1763 considers necessary or convenient for the conservation district to carry out its purposes under

1764 this chapter;

1765 (v) acquire property, real or personal, by purchase or otherwise, and maintain, improve,  
1766 and administer that property consistent with the purposes of this chapter;

1767 (vi) enter into a contract in the name of the conservation district;

1768 (vii) receive money from:

1769 (A) a federal or state agency;

1770 (B) a county, municipality, or other political subdivision of the state; or

1771 (C) a private source;

1772 (viii) subject to Subsection (2)(c), make recommendations governing land use within  
1773 the conservation district, including:

1774 (A) the observance of particular methods of cultivation;

1775 (B) the use of specific crop programs and tillage practices;

1776 (C) the avoidance of tilling and cultivating highly erosive areas where erosion may not  
1777 be adequately controlled if cultivated;

1778 (D) the construction of terraces, terrace outlets, check dams, dikes, ponds, or other  
1779 structures; and

1780 (E) the development or restoration, or both, of range or forest lands or other natural  
1781 resources, whether in private, state, or federal ownership;

1782 (ix) make recommendations for county and municipal land use authorities within the  
1783 conservation district to consider with respect to land use applications and other development  
1784 proposals;

1785 (x) employ clerical and other staff personnel, including legal staff, subject to available  
1786 funds; and

1787 (xi) perform any other act that the board of supervisors considers necessary or  
1788 convenient for the efficient and effective administration of the conservation district.

1789 (b) A conservation district's authority under Subsections (2)(a)(ii) and (iii) is subject to  
1790 the consent of:

1791 (i) the land occupier; and

1792 (ii) in the case of school and institutional trust lands, as defined in Section 53C-1-103,  
1793 the director of the School and Institutional Trust Lands Administration, in accordance with  
1794 Sections 53C-1-102 and 53C-1-303.

1795 (c) (i) Each recommendation under Subsection (2)(a)(viii) shall be uniform throughout  
 1796 the conservation district or, if the board of supervisors classifies land under Subsection  
 1797 (2)(c)(ii), throughout each land classification.

1798 (ii) The board of supervisors may uniformly classify land within the conservation  
 1799 district with respect to soil type, degree of slope, degree of threatened or existing erosion,  
 1800 cropping and tillage practices in use, or other relevant factors.

1801 (3) (a) Each conservation district shall annually submit to the commission, no later  
 1802 than the date that the commission prescribes:

1803 (i) a copy of the minutes of each conservation district meeting;

1804 (ii) a copy of the conservation district's annual work plan; and

1805 (iii) an accounting of the conservation district's financial affairs, as provided in  
 1806 Subsection (3)(b).

1807 (b) The accounting required under Subsection (3)(a)(iii) shall:

1808 (i) be prepared by a disinterested person; and

1809 (ii) show the conservation district's debits and credits, including accounts payable and  
 1810 accounts receivable, the purpose of each debit, the source of each credit, and the actual cash  
 1811 balance on hand.

1812 Section 60. Section **17D-3-104** is enacted to read:

1813 **17D-3-104. District court jurisdiction.**

1814 The district court in which a conservation district is located has jurisdiction to decide  
 1815 all cases and controversies involving the construction, application, or enforcement of land use  
 1816 ordinances within the conservation district.

1817 Section 61. Section **17D-3-201** is enacted to read:

1818 **Part 2. Creation, Consolidation, Division, and Dissolution of Conservation Districts**

1819 **17D-3-201. Commission authority to approve the creation, consolidation, division,**  
 1820 **and dissolution of conservation districts -- Notice and hearing requirements.**

1821 (1) As provided in this part, the commission may:

1822 (a) pursuant to a petition under Section 17D-3-202, approve the creation of a  
 1823 conservation district; or

1824 (b) pursuant to a petition under Section 17D-3-202 or on its own motion, approve:

1825 (i) the consolidation of two or more existing conservation districts;

1826 (ii) the division of an existing conservation district into two or more conservation  
1827 districts; or

1828 (iii) the dissolution of an existing conservation district.

1829 (2) Before taking an action authorized under Subsection (1), the commission shall:

1830 (a) cause notice of a hearing on the proposed creation, consolidation, division, or  
1831 dissolution to be published:

1832 (i) no more than 30 days after, as the case may be:

1833 (A) the filing of a petition under Section 17D-3-202, for a proposed creation,  
1834 consolidation, division, or dissolution; or

1835 (B) adoption of the commission's own motion, for a proposed consolidation, division,  
1836 or dissolution; and

1837 (ii) within:

1838 (A) for a proposed creation, the area of the proposed conservation district;

1839 (B) for a proposed consolidation, the area of each conservation district proposed to be  
1840 consolidated; and

1841 (C) for a proposed division or dissolution, within the area of the conservation district  
1842 proposed to be divided or dissolved; and

1843 (b) hold a public hearing on the desirability and necessity of the creation,  
1844 consolidation, division, or dissolution.

1845 Section 62. Section **17D-3-202** is enacted to read:

1846 **17D-3-202. Petition to create conservation district -- Petition or commission**  
1847 **motion to consolidate, divide, or dissolve conservation districts -- Petition requirements.**

1848 (1) A petition to create a conservation district, to consolidate two or more existing  
1849 conservation districts, or to divide or dissolve an existing conservation district may be filed by  
1850 25 or more land occupiers residing within:

1851 (a) for the proposed creation of a conservation district, the area included within the  
1852 proposed conservation district;

1853 (b) for the proposed consolidation of existing conservation districts, the area included  
1854 within the conservation districts proposed to be consolidated; or

1855 (c) for the proposed division or dissolution of an existing conservation district, the area  
1856 included within the conservation district proposed to be divided or dissolved.

1857 (2) Each petition under Subsection (1) shall be:

1858 (a) in the form that the commission prescribes; and

1859 (b) filed with the commission.

1860 Section 63. Section **17D-3-203** is enacted to read:

1861 **17D-3-203. Considerations in determining whether to approve conservation**  
1862 **district creation, consolidation, division, or dissolution -- Denial or approval --**  
1863 **Certification to lieutenant governor -- Prohibition against considering similar creation,**  
1864 **consolidation, division, or dissolution if previously denied.**

1865 (1) In determining whether to approve the creation of a conservation district, the  
1866 consolidation of existing conservation districts, or the division or dissolution of an existing  
1867 conservation district, the commission shall consider:

1868 (a) the demonstrated necessity and administrative practicality of the creation,  
1869 consolidation, division, or dissolution;

1870 (b) the topography of and soil compositions and prevailing land use practices within  
1871 the area of the proposed or existing conservation district or districts;

1872 (c) the relationship of the area of the proposed or existing conservation district or  
1873 districts to existing watersheds and agricultural regions; and

1874 (d) the sentiment expressed by persons within the area of the proposed or existing  
1875 conservation district or districts with respect to the proposed creation, consolidation, division,  
1876 or dissolution.

1877 (2) After holding a public hearing as required under Subsection 17D-3-201(2)(b) and  
1878 considering the factors listed in Subsection (1), the commission shall:

1879 (a) (i) deny the creation of a conservation district, the consolidation of existing  
1880 conservation districts, or the division or dissolution of an existing conservation district, as the  
1881 case may be, if the commission determines that creation, consolidation, division, or dissolution  
1882 is not necessary or administratively practical; or

1883 (ii) approve the creation of a conservation district, the consolidation of existing  
1884 conservation districts, or the division or dissolution of an existing conservation district, as the  
1885 case may be, if the commission determines that creation, consolidation, division, or dissolution  
1886 is necessary and administratively practical; and

1887 (b) set forth in writing the reasons for the commission's action.

1888 (3) (a) (i) If the commission approves the creation, consolidation, division, or  
1889 dissolution, the commission shall certify its action and deliver a copy of the certification to the  
1890 lieutenant governor.

1891 (ii) Each certification under Subsection (3)(a)(i) of a creation, consolidation, or  
1892 division shall include an accurate legal description of the conservation district or districts as it  
1893 or they are proposed to exist as a result of the creation, consolidation, or division.

1894 (b) Upon the lieutenant governor's issuance of the certificate of creation, consolidation,  
1895 division, or dissolution under Section 67-1a-6.5, as the case may be, the conservation district is  
1896 created and incorporated, consolidated, divided, or dissolved, respectively.

1897 (4) If the commission denies a creation, consolidation, division, or dissolution under  
1898 Subsection (2)(a)(i), the commission may not, for six months following the denial, consider a  
1899 similar proposal to create, divide, or dissolve the conservation district or to consolidate the  
1900 conservation districts, as the case may be.

1901 Section 64. Section **17D-3-204** is enacted to read:

1902 **17D-3-204. Commission action if conservation districts are consolidated, divided,**  
1903 **or dissolved.**

1904 (1) If two or more conservation districts are consolidated, the commission shall merge  
1905 the assets and liabilities of the conservation districts that have been consolidated into the  
1906 conservation district resulting from the consolidation.

1907 (2) If a conservation district is divided, the commission shall equitably divide the  
1908 assets and liabilities of the divided conservation district between the conservation districts  
1909 resulting from the division.

1910 (3) If a conservation district is dissolved, the commission shall wind up the affairs of  
1911 the dissolved conservation district.

1912 Section 65. Section **17D-3-301** is enacted to read:

1913 **Part 3. Conservation District Board of Supervisors**

1914 **17D-3-301. Board of supervisors -- Number -- Term -- Chair and officers --**  
1915 **Quorum -- Compensation.**

1916 (1) Each conservation district shall be governed by a board of supervisors.

1917 (2) (a) The board of supervisors of a conservation district consists of five members  
1918 elected as provided in this part, at least three of whom shall be private agricultural land

1919 operators.

1920 (b) If the board of supervisors divides the conservation district into watershed voting  
1921 areas under Section 17D-3-308, at least one member of the board of supervisors shall reside  
1922 within each watershed voting area.

1923 (3) (a) The term of office of each member of a board of supervisors is four years.

1924 (b) Notwithstanding Subsection (3)(a), if multiple conservation districts are  
1925 consolidated or a single conservation district divided or dissolved under Part 2, Creation,  
1926 Consolidation, Division, and Dissolution of Conservation Districts:

1927 (i) the term of each member of the board of supervisors of the consolidated  
1928 conservation districts or the divided or dissolved conservation district terminates immediately  
1929 upon consolidation, division, or dissolution; and

1930 (ii) (A) the commission shall hold an election, as provided in this part, for all board of  
1931 supervisors members of the consolidated conservation district or divided conservation districts,  
1932 as the case may be; and

1933 (B) the term of the two candidates receiving the highest number of votes at an election  
1934 under Subsection (3)(b)(ii)(A) shall be four years, and the term of the three candidates  
1935 receiving the next highest number of votes shall be two years.

1936 (4) The board of supervisors shall elect a chair from among their number, and may  
1937 elect other officers from among their number that the board considers necessary.

1938 (5) A majority of the board of supervisors constitutes a quorum for the transaction of  
1939 board business, and action by a majority of a quorum present at a meeting of the board  
1940 constitutes action of the board.

1941 (6) For performing official duties, each member of the board of supervisors of a  
1942 conservation district shall receive:

1943 (a) compensation for travel and time, as fixed by the commission; and

1944 (b) actual and necessary expenses.

1945 Section 66. Section **17D-3-302** is enacted to read:

1946 **17D-3-302. Board of supervisor members to be elected -- Candidates nominated**  
1947 **by nominating committee or petition -- Candidate qualifications.**

1948 (1) As provided in this part, each member of a board of supervisors of a conservation  
1949 district shall be elected at large within the conservation district from candidates nominated by:

1950 (a) a nominating committee consisting of:

1951 (i) the chair of the commission or council of the county in which the conservation  
1952 district is located;

1953 (ii) the chair of the USDA Farm Service Agency Committee of the county in which the  
1954 conservation district is located;

1955 (iii) (A) the chair of the board of supervisors of the conservation district; or

1956 (B) the chair's designee, if the chair wishes to be a candidate for reelection;

1957 (iv) the agricultural extension service designated representative of the county in which  
1958 the conservation district is located; or

1959 (b) petition under Section 17D-3-304.

1960 (2) Each candidate for election to the board of supervisors of a conservation district  
1961 shall be:

1962 (a) at least 18 years of age; and

1963 (b) a resident within the conservation district.

1964 Section 67. Section **17D-3-303** is enacted to read:

1965 **17D-3-303. Nominating committee nomination of candidates for election to the**  
1966 **board of supervisors.**

1967 The nominating committee under Subsection 17D-3-302(1)(a) shall:

1968 (1) nominate for each conservation district election a slate of candidates for election to  
1969 the board of supervisors of the conservation district equal in number to at least one more than  
1970 the number of board of supervisors members to be elected; and

1971 (2) submit the names of candidates to the commission no later than the date set by the  
1972 commission as the close of nominations.

1973 Section 68. Section **17D-3-304** is enacted to read:

1974 **17D-3-304. Petition to nominate candidates for election to the board of**  
1975 **supervisors.**

1976 (1) A person may be nominated to be a candidate for election as a member of a board  
1977 of supervisors of a conservation district by a petition filed with the commission no later than  
1978 the date set by the commission as the close of nominations.

1979 (2) Each petition under Subsection (1) shall:

1980 (a) state:



1981 (i) the candidate's name;  
1982 (ii) that the candidate is at least 18 years of age; and  
1983 (iii) that the candidate is a resident of the conservation district for which the election is  
1984 to be held;

1985 (b) contain the signatures of at least six persons who reside and are registered voters  
1986 within the conservation district; and

1987 (c) list the name, address, and voting precinct number of each person who signs the  
1988 petition.

1989 Section 69. Section **17D-3-305** is enacted to read:

1990 **17D-3-305. Setting the date of an election of the board of supervisors -- Notice of**  
1991 **the election.**

1992 (1) The commission shall:

1993 (a) set the date of the election of members of the board of supervisors of a conservation  
1994 district; and

1995 (b) publish notice of the election in a newspaper or other media outlet method with  
1996 general circulation within the conservation district.

1997 (2) The date set for an election under Subsection (1)(a) may not be later than six weeks  
1998 after the date set by the commission for the close of nominations.

1999 (3) The notice required under Subsection (1)(b) shall:

2000 (a) state:

2001 (i) the date of the election;

2002 (ii) the names of all candidates; and

2003 (iii) that a ballot request form for the election may be obtained from the commission  
2004 office or from any other place that the commission designates; and

2005 (b) specify the address of the commission office or other place where a ballot request  
2006 form may be obtained.

2007 Section 70. Section **17D-3-306** is enacted to read:

2008 **17D-3-306. Eligibility to vote in an election for board of supervisors members.**

2009 A person is eligible to vote in an election of members of the board of supervisors of a  
2010 conservation district if the person:

2011 (1) (a) is a registered voter; and

2012 (b) resides within the conservation district; or  
 2013 (2) (a) owns or operates private agricultural land in the conservation district; and  
 2014 (b) (i) requests a ballot; or  
 2015 (ii) has voted in one of the last two elections of the conservation district's board of  
 2016 supervisors members.

2017 Section 71. Section **17D-3-307** is enacted to read:

2018 **17D-3-307. Supervisor's election mailing list.**

2019 (1) The commission and department shall establish and maintain for each conservation  
 2020 district a supervisor's election mailing list that contains the name and mailing address of each  
 2021 person eligible to vote in an election of board of supervisors members.

2022 (2) Before each election of board of supervisors members, the commission shall deliver  
 2023 a copy of the supervisor's election mailing list to the nominating committee under Subsection  
 2024 17D-3-302(1)(a) for the committee's review and approval.

2025 Section 72. Section **17D-3-308** is enacted to read:

2026 **17D-3-308. Watershed voting areas.**

2027 The board of supervisors of a conservation district may divide the conservation district  
2028 into no more than three watershed voting areas.

2029 Section 73. Section **17D-3-309** is enacted to read:

2030 **17D-3-309. Election of board of supervisors members -- Ballots -- Commission**  
2031 **duties regarding elections -- Election expenses.**

2032 (1) The commission and department shall conduct by mail each election of members of  
2033 the board of supervisors of a conservation district.

2034 (2) (a) No later than five days before the date set for the election of board of  
 2035 supervisors members, the commission shall mail a ballot to each person listed on the  
 2036 supervisor's election mailing list under Section 17D-3-307.

2037 (b) Each ballot shall:

2038 (i) contain:

2039 (A) the names of all nominees for board of supervisors members, listed in alphabetical  
2040 order according to last name;

2041 (B) a place for the voter to indicate the person or persons for whom the voter is voting;  
2042 and

2043 (C) instructions to the voter on how to mark the ballot to indicate the voter's vote; and  
2044 (ii) specify the date after which the ballot will not be accepted for purposes of the  
2045 election.

2046 (3) The candidates equal in number to the number of board of supervisors positions  
2047 available and receiving the highest number of votes are elected as members of the board of  
2048 supervisors and take office on the date set by the commission for their terms to begin.

2049 (4) The commission shall:

2050 (a) determine all questions of voter eligibility;

2051 (b) certify the count and tally of ballots and votes cast; and

2052 (c) declare and certify each board of supervisors member elected.

2053 (5) The department shall pay all expenses incident to an election of board of  
2054 supervisors members.

2055 Section 74. Section **17D-3-310** is enacted to read:

2056 **17D-3-310. Vacancies in the board of supervisors.**

2057 If a vacancy occurs in the office of board of supervisors member, the remaining  
2058 members of the board of supervisors shall appoint a person to fill the vacancy, to serve the  
2059 remainder of the unexpired term of the member creating the vacancy.

2060 Section 75. Section **67-1a-6.5** is amended to read:

2061 **67-1a-6.5. Lieutenant governor certification of governmental entity creation,**  
2062 **consolidation, division, dissolution, or boundary change.**

2063 (1) As used in this section:

2064 (a) "AGRC" means the Automated Geographic Reference Center created under Section  
2065 63F-1-506.

2066 (b) "Boundary change" means the adjustment of an entity's boundary either through  
2067 gaining territory (annexation), losing territory (withdrawal), adjusting the common boundary  
2068 with an adjacent entity (may gain territory, lose territory, or a combination of both gaining and  
2069 losing territory), or any other adjustment of the entity's boundary.

2070 (c) "Consolidation" means the combining of two or more entities into a single entity  
2071 such that the consolidated entity's boundary contains all of the territory of the original entities,  
2072 but no additional territory.

2073 (d) "County attorney" means the county attorney of each county which contains any

2074 part of the area affected by the entity creation, consolidation, division, dissolution, or boundary  
2075 change.

2076 (e) (i) "County auditor" means the county auditor of each county which contains any  
2077 part of the area affected by the entity creation, consolidation, division, dissolution, or boundary  
2078 change.

2079 (ii) If the county does not have a county auditor, "county auditor" means the county  
2080 clerk or other government official acting as the county auditor.

2081 (f) "County recorder" means the county recorder of each county which contains any  
2082 part of the area affected by the entity creation, consolidation, division, dissolution, or boundary  
2083 change.

2084 (g) "County surveyor" means the county surveyor of each county which contains any  
2085 part of the area affected by the entity creation, consolidation, division, dissolution, or boundary  
2086 change.

2087 (h) "Creation" means the forming of a new entity where that entity did not exist before  
2088 its creation.

2089 (i) "Dissolution" means the disbandment of an entity.

2090 (j) "Division" means the dividing of one entity into two or more entities such that the  
2091 original entity's boundary contains all of the territory of the resultant entities, but no additional  
2092 territory.

2093 (k) "Entity" means the entity that is created, consolidated, divided, dissolved, or whose  
2094 boundary is changed.

2095 (l) "Initiating body" means the county legislative body, municipal legislative body,  
2096 local district or special service district board, court, public official, or other authorized person  
2097 or body that initiates the creation, dissolution, consolidation, or boundary change of an entity or  
2098 entities.

2099 (m) "Notice of entity boundary change" means the notice the lieutenant governor  
2100 receives under Subsection 10-1-116(1), 10-2-419(4), 10-2-425(1), 10-2-507(1), 17-2-9(2),  
2101 17-2-13(3), 17-50-104(3), 17-50-105(1)(b) or (2)(e), 17A-2-1327(4), 17B-1-414(2),  
2102 17B-1-417(6), 17B-1-512(1), or 53A-2-101.5(1) of an entity's pending boundary change.

2103 (n) "Notice of entity consolidation" means the notice the lieutenant governor receives  
2104 under Section 10-2-610 or Subsection 10-1-116(1) [~~or~~], 17-2-4(2), or 17D-3-203(3) of entities'

2105 pending consolidation.

2106 (o) "Notice of entity creation" means the notice the lieutenant governor receives under  
2107 Subsection 10-1-116(1), 10-2-119(1), 10-2-125(8), 11-13-204(4), 11-13-205(6),  
2108 17A-2-1311(2), 17B-1-215(1), 17C-1-201(2), 17D-3-203(3), or 53A-2-101.5(1) of an entity's  
2109 pending creation.

2110 (p) "Notice of entity dissolution" means the notice the lieutenant governor receives  
2111 under Subsection 10-1-116(1), 10-2-712(2), 17A-2-1329(3), 17B-1-1308(4), [~~or~~]  
2112 17C-1-701(2)(a), or 17D-3-203(3) of an entity's pending dissolution.

2113 (q) "Notice of entity division" means the notice the lieutenant governor receives under  
2114 Subsection 17-3-3(3) or 17D-3-203(3) of an entity's pending division.

2115 (r) "Notice of intention to file articles of incorporation" means the notice the lieutenant  
2116 governor receives under Subsection 10-2-120(1).

2117 (s) "Lieutenant governor" means the lieutenant governor created in Article VII, Section  
2118 1 of the Utah Constitution.

2119 (t) "State auditor" means the state auditor created in Article VII, Section 1 of the Utah  
2120 Constitution.

2121 (u) "State Tax Commission" means the State Tax Commission created in Article XIII,  
2122 Section 6 of the Utah Constitution.

2123 (2) Within ten days after receiving a notice of entity creation, the lieutenant governor  
2124 shall:

2125 (a) issue a certificate of entity creation;

2126 (b) (i) send a copy of the certificate issued under Subsection (2)(a) and a copy of the  
2127 notice of entity creation, including the accompanying map or legal description, to the State Tax  
2128 Commission, AGRC, county recorder, county surveyor, county auditor, and county attorney;  
2129 and

2130 (ii) send a copy of the certificate issued under Subsection (2)(a) to the state auditor;  
2131 and

2132 (c) send to the initiating body a copy of the certificate issued under Subsection (2)(a)  
2133 and a statement indicating completion of Subsection (2)(b).

2134 (3) Within ten days after receiving a notice of intention to file articles of incorporation,  
2135 the lieutenant governor shall:

2136 (a) issue a certificate indicating receipt of a notice of intention to file articles of  
2137 incorporation;

2138 (b) (i) send a copy of the certificate issued under Subsection (3)(a) and a copy of the  
2139 notice of intention to file articles of incorporation, including the accompanying map or legal  
2140 description, to the State Tax Commission, AGRC, county recorder, county surveyor, county  
2141 auditor, and county attorney; and

2142 (ii) send a copy of the certificate issued under Subsection (3)(a) to the state auditor;  
2143 and

2144 (c) send to the initiating body a copy of the certificate issued under Subsection (3)(a)  
2145 and a statement indicating completion of Subsection (3)(b).

2146 (4) Within ten days after receiving a notice of entity consolidation, the lieutenant  
2147 governor shall:

2148 (a) issue a certificate of entity consolidation;

2149 (b) (i) send a copy of the certificate issued under Subsection (4)(a) and a copy of the  
2150 notice of entity consolidation to the State Tax Commission, AGRC, county recorder, county  
2151 surveyor, county auditor, and county attorney; and

2152 (ii) send a copy of the certificate issued under Subsection (4)(a) to the state auditor;  
2153 and

2154 (c) send to the initiating body and the entities being consolidated, if different from the  
2155 initiating body, a copy of the certificate issued under Subsection (4)(a) and a statement  
2156 indicating completion of Subsection (4)(b).

2157 (5) Within ten days after receiving a notice of entity division, the lieutenant governor  
2158 shall:

2159 (a) issue a certificate of entity division;

2160 (b) (i) send a copy of the certificate issued under Subsection (5)(a) and a copy of the  
2161 notice of entity consolidation, including the accompanying map or legal description, to the  
2162 State Tax Commission, AGRC, county recorder, county surveyor, county auditor, and county  
2163 attorney; and

2164 (ii) send a copy of the certificate issued under Subsection (5)(a) to the state auditor;  
2165 and

2166 (c) send to the initiating body a copy of the certificate issued under Subsection (5)(a)

2167 and a statement indicating completion of Subsection (5)(b).

2168 (6) Within ten days after receiving a notice of entity dissolution, the lieutenant  
2169 governor shall:

2170 (a) issue a certificate of entity dissolution;

2171 (b) (i) send a copy of the certificate issued under Subsection (6)(a) and a copy of the  
2172 notice of entity dissolution to the State Tax Commission, AGRC, county recorder, county  
2173 surveyor, county auditor, and county attorney; and

2174 (ii) send a copy of the certificate issued under Subsection (6)(a) to the state auditor;  
2175 and

2176 (c) send to the initiating body and the entity being dissolved, if different than the  
2177 initiating body, a copy of the certificate issued under Subsection (6)(a) and a statement  
2178 indicating completion of Subsection (6)(b).

2179 (7) Within ten days after receiving a notice of entity boundary change, the lieutenant  
2180 governor shall:

2181 (a) issue a certificate of entity boundary change;

2182 (b) send a copy of the certificate issued under Subsection (7)(a) and a copy of the  
2183 notice of entity boundary change, including the accompanying map or legal description, to the  
2184 State Tax Commission, AGRC, county recorder, county surveyor, county auditor, and county  
2185 attorney; and

2186 (c) send to the initiating body or bodies, and each entity whose boundary is changed, if  
2187 different than the initiating body, a copy of the certificate issued under Subsection (7)(a) and a  
2188 statement indicating completion of Subsection (7)(b).

2189 (8) (a) The lieutenant governor shall keep, index, maintain, and make available to the  
2190 public certificates, notices, maps, and other documents necessary in performing the duties of  
2191 Subsections (2) through (7).

2192 (b) The lieutenant governor shall furnish a certified copy of documents to any person  
2193 who requests a certified copy.

2194 (c) The lieutenant governor may charge a reasonable fee for copies of documents or  
2195 certified copies of documents.

2196 **Section 76. Repealer.**

2197 This bill repeals:

- 2198           Section **17A-2-1301, Short title.**
- 2199           Section **17A-2-1302, Definitions.**
- 2200           Section **17A-2-1303, Purpose.**
- 2201           Section **17A-2-1304, Establishing special service districts -- Improvement districts**
- 2202 **within special service districts.**
- 2203           Section **17A-2-1305, Establishment of district by resolution based on motion or**
- 2204 **petition.**
- 2205           Section **17A-2-1306, Resolution proposing district to include part of another**
- 2206 **subdivision or district -- Action by governing body of other entity -- Jurisdiction on**
- 2207 **approval.**
- 2208           Section **17A-2-1307, Notice of intention to establish district -- Hearing.**
- 2209           Section **17A-2-1308, Publication of notice.**
- 2210           Section **17A-2-1309, Protests -- Procedures -- Effect.**
- 2211           Section **17A-2-1310, Petition or protest -- Corporation or property held by more**
- 2212 **than one person.**
- 2213           Section **17A-2-1311, Adoption of resolution -- Notice to lieutenant governor --**
- 2214 **Judicial review.**
- 2215           Section **17A-2-1312, General obligation bonds authorized by petition of property**
- 2216 **owners -- Contest.**
- 2217           Section **17A-2-1313, Service district as separate body politic -- Supervision and**
- 2218 **control by governing authority.**
- 2219           Section **17A-2-1314, Rights, powers, and authority of special service district.**
- 2220           Section **17A-2-1315, Designation of assessment area by special service district.**
- 2221           Section **17A-2-1316, Borrowing power -- Issuance of bonds and notes -- Use of**
- 2222 **proceeds.**
- 2223           Section **17A-2-1317, Bonds payable from taxes -- Limitations.**
- 2224           Section **17A-2-1318, Guaranteed bonds.**
- 2225           Section **17A-2-1319, Service district indebtedness not enforceable against state,**
- 2226 **county, municipality, school district, other public corporations.**
- 2227           Section **17A-2-1320, Fees or charges -- Penalties for delinquencies.**
- 2228           Section **17A-2-1321, Delinquent fees and charges.**



- 2229 Section 17A-2-1322, Tax levy and bonds -- Approval by majority of electors voting  
2230 in election -- Procedure for election.
- 2231 Section 17A-2-1323, Intent of Legislature regarding bond elections -- Validation of  
2232 elections.
- 2233 Section 17A-2-1324, Effect of voter approval.
- 2234 Section 17A-2-1325, Exceptions to election requirements.
- 2235 Section 17A-2-1326, Administrative control board -- Powers -- Compensation.
- 2236 Section 17A-2-1327, Adding additional services -- Annexing additional area --  
2237 Notice to lieutenant governor.
- 2238 Section 17A-2-1328, Discontinuance of service.
- 2239 Section 17A-2-1329, Dissolution of district -- Withdrawal of area from district --  
2240 Notice to lieutenant governor.
- 2241 Section 17A-2-1330, Other districts not affected -- Election by other districts to  
2242 become service districts.
- 2243 Section 17A-2-1331, Part controlling in conflict of laws.
- 2244 Section 17A-2-1332, Validation of creation and prior actions of districts.
- 2245 Section 17A-3-401, Short title.
- 2246 Section 17A-3-402, Purpose.
- 2247 Section 17A-3-403, Definitions.
- 2248 Section 17A-3-404, Establishment of improvement district -- Tax levy -- Parking  
2249 and business improvement fund.
- 2250 Section 17A-3-405, Resolution -- Petition.
- 2251 Section 17A-3-406, Notice of intention to establish district -- Contents.
- 2252 Section 17A-3-407, Publication or posting of notice.
- 2253 Section 17A-3-408, Protests -- Hearing -- Abandonment.
- 2254 Section 17A-3-409, Signature of petition or protest on behalf of business.
- 2255 Section 17A-3-410, Resolution -- Contents -- Judicial review.
- 2256 Section 17A-3-411, Funds of district -- Budget -- Collection -- Investment --  
2257 Expenditures.
- 2258 Section 17A-3-412, Control of district by governing authority -- Administrative  
2259 board of directors -- Powers.

- 2260           Section **17A-3-413, Disestablishment of districts -- Hearing -- Resolution.**
- 2261           Section **17A-3-414, Disestablishment of districts -- Disposition of assets and**
- 2262 **liabilities.**
- 2263           Section **17A-3-801, Organization -- Petition.**
- 2264           Section **17A-3-802, Hearing -- Factors considered -- Action on petition -- Denial.**
- 2265           Section **17A-3-803, Consolidation, division, or termination of district -- Action on**
- 2266 **petition.**
- 2267           Section **17A-3-804, Governing body of districts -- Candidates' qualifications --**
- 2268 **Procedures -- Termination of office upon consolidation, division, or termination -- New**
- 2269 **elections.**
- 2270           Section **17A-3-805, District a political subdivision -- Functions, powers, and duties.**
- 2271           Section **17A-3-806, Land use recommendations authorized.**
- 2272           Section **17A-3-807, District courts have jurisdiction.**
- 2273           Section **17A-3-1201, Districts for road improvements.**
- 2274           Section **17A-3-1202, Abutting property to bear cost -- Taxation.**
- 2275           Section **17A-3-1203, Notice of proposed tax -- Objections.**
- 2276           Section **17A-3-1204, Hearings.**
- 2277           Section **17A-3-1205, Tax becomes a lien.**
- 2278           Section **17A-3-1206, Manner of collecting -- Delinquencies.**
- 2279           Section **17A-3-1301, Short title.**
- 2280           Section **17A-3-1302, Declaration of legislative intent.**
- 2281           Section **17A-3-1303, Expenditure of public funds.**
- 2282           Section **17A-3-1304, Power of counties, cities, and towns.**
- 2283           Section **17A-3-1305, Existing powers to acquire private property not limited.**
- 2284           Section **17A-3-1306, Existing powers with respect to historic areas not limited.**

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**Legislative Review Note**  
**as of 12-12-07 1:01 PM**

**Office of Legislative Research and General Counsel**

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**S.B. 47 - Limited Purpose Local Government Entities Revisions**

**Fiscal Note**

2008 General Session

State of Utah

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**State Impact**

Enactment of this bill will not require additional appropriations.

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**Individual, Business and/or Local Impact**

Enactment of this bill likely will not result in direct, measurable costs and/or benefits for individuals, businesses, or local governments.

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