

1 **LOCAL DISTRICT TAXING AUTHORITY**

2 **AMENDMENTS**

3 2010 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Curtis S. Bramble**

6 House Sponsor: John Dougall

8 **LONG TITLE**

9 **General Description:**

10 This bill amends provisions relating to the taxing authority of local districts.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ defines terms;
- 14 ▶ amends provisions relating to services that a local district may provide;
- 15 ▶ prohibits local districts that do not have elected boards from levying and collecting
- 16 a property tax in certain circumstances;
- 17 ▶ amends provisions relating to a metropolitan water district board of trustees;
- 18 ▶ prohibits, with certain exceptions, a metropolitan water district board of trustees
- 19 from collecting a property tax;
- 20 ▶ amends provisions relating to a water conservancy district board of trustees;
- 21 ▶ prohibits, with certain exceptions, a water conservancy district board of trustees
- 22 from collecting a property tax; and
- 23 ▶ makes technical corrections.

24 **Monies Appropriated in this Bill:**

25 None

26 **Other Special Clauses:**

27 None

28 **Utah Code Sections Affected:**

29 AMENDS:

- 30 **17B-1-202**, as last amended by Laws of Utah 2009, Chapter 218
- 31 **17B-1-1001**, as enacted by Laws of Utah 2007, Chapter 329
- 32 **17B-2a-604**, as enacted by Laws of Utah 2007, Chapter 329
- 33 **17B-2a-817**, as enacted by Laws of Utah 2007, Chapter 329
- 34 **17B-2a-905**, as last amended by Laws of Utah 2009, Chapters 103 and 218
- 35 **17B-2a-1005**, as last amended by Laws of Utah 2008, Chapter 360
- 36 **17B-2a-1006**, as enacted by Laws of Utah 2007, Chapter 329

37 ENACTS:

- 38 **17B-2a-608**, Utah Code Annotated 1953
- 39 **17B-2a-1009**, Utah Code Annotated 1953

40 REPEALS:

- 41 **17B-2a-908**, as enacted by Laws of Utah 2009, Chapter 103



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

44 Section 1. Section **17B-1-202** is amended to read:

45 **17B-1-202. Local district may be created -- Services that may be provided --**

46 **Limitations.**

- 47 (1) (a) A local district may be created as provided in this part to provide within its
- 48 boundaries service consisting of:
- 49 (i) the operation of an airport;
- 50 (ii) the operation of a cemetery;
- 51 (iii) fire protection, paramedic, and emergency services;
- 52 (iv) garbage collection and disposal;
- 53 (v) health care, including health department or hospital service;
- 54 (vi) the operation of a library;
- 55 (vii) abatement or control of mosquitos and other insects;
- 56 (viii) the operation of parks or recreation facilities or services;
- 57 (ix) the operation of a sewage system;

- 58 (x) street lighting;
- 59 (xi) the construction and maintenance of a right-of-way, including:
- 60 (A) a curb[;];
- 61 (B) a gutter[~~;~~and];
- 62 (C) a sidewalk;
- 63 (D) a street;
- 64 (E) a road;
- 65 (F) a water line;
- 66 (G) a sewage line;
- 67 (H) a storm drain;
- 68 (I) an electricity line;
- 69 (J) a communications line; or
- 70 (K) a natural gas line;
- 71 (xii) transportation, including public transit and providing streets and roads;
- 72 (xiii) the operation of a system, or one or more components of a system, for the
- 73 collection, storage, retention, control, conservation, treatment, supplying, distribution, or
- 74 reclamation of water, including storm, flood, sewage, irrigation, and culinary water, whether
- 75 the system is operated on a wholesale or retail level or both;
- 76 (xiv) law enforcement service; or
- 77 (xv) subject to Subsection (1)(b), the underground installation of an electric utility line
- 78 or the conversion to underground of an existing electric utility line.
- 79 (b) Each local district that provides the service of the underground installation of an
- 80 electric utility line or the conversion to underground of an existing electric utility line shall, in
- 81 installing or converting the line, provide advance notice to and coordinate with the utility that
- 82 owns the line.
- 83 (2) For purposes of this section:
- 84 (a) "Operation" means all activities involved in providing the indicated service
- 85 including acquisition and ownership of property reasonably necessary to provide the indicated

86 service and acquisition, construction, and maintenance of facilities and equipment reasonably
87 necessary to provide the indicated service.

88 (b) "System" means the aggregate of interrelated components that combine together to
89 provide the indicated service including, for a sewage system, collection and treatment.

90 (3) (a) A local district may not be created to provide and may not after its creation
91 provide more than four of the services listed in Subsection (1).

92 (b) Subsection (3)(a) may not be construed to prohibit a local district from providing
93 more than four services if, before April 30, 2007, the local district was authorized to provide
94 those services.

95 (4) (a) Except as provided in Subsection (4)(b), a local district may not be created to
96 provide and may not after its creation provide to an area the same service already being
97 provided to that area by another political subdivision, unless the other political subdivision
98 gives its written consent.

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

102 (i) sewage system; or

103 (ii) water system.

104 (5) (a) Except for a local district in the creation of which an election is not required
105 under Subsection 17B-1-214(3)(c), the area of a local district may include all or part of the
106 unincorporated area of one or more counties and all or part of one or more municipalities.

107 (b) The area of a local district need not be contiguous.

108 (6) For a local district created before May 5, 2008, the authority to provide fire
109 protection service also includes the authority to provide:

110 (a) paramedic service; and

111 (b) emergency service, including hazardous materials response service.

112 (7) A local district created before May 11, 2010, authorized to provide the
113 construction and maintenance of curb, gutter, or sidewalk may provide a service described in

114 Subsection (1)(a)(xi) on or after May 11, 2010.

115 Section 2. Section **17B-1-1001** is amended to read:

116 **17B-1-1001. Provisions applicable to property tax levy.**

117 (1) Each local district that levies and collects property taxes shall levy and collect
118 them according to the provisions of Title 59, Chapter 2, Property Tax Act.

119 (2) As used in this section, "elected official" means a local district board of trustees
120 member who:

121 (a) is elected to the board of trustees by local district voters at an election held for that
122 purpose, including a member elected under Subsection (4);

123 (b) holds, at the time of appointment to the board of trustees, an elected position with
124 a municipality, county, or another local district that is partially or completely included within
125 the boundaries of the local district; or

126 (c) is appointed in accordance with Subsection 17B-1-303(5) or 17B-1-306(4)(f) or
127 (g).

128 (3) (a) Except as provided in Subsection (3)(b), a local district may not levy or collect
129 property tax revenue that exceeds the certified tax rate during a taxable year that begins on or
130 after January 1, 2011.

131 (b) Notwithstanding Subsection (3)(a), a local district may levy or collect property tax
132 revenue that exceeds the certified tax rate during a taxable year that begins on or after January
133 1, 2011, if:

134 (i) and to the extent that the revenue from the property tax was pledged before January
135 1, 2011, to pay for bonds or other obligations of the local district;

136 (ii) the members of the board of trustees are all elected officials;

137 (iii) the majority of the board of trustees are elected officials; or

138 (iv) the proposed tax or increase in the property tax rate has been approved by:

139 (A) a majority of the registered voters within the local district at an election held for
140 that purpose;

141 (B) the legislative body of the appointing authority; or

142 (C) the legislative body of:
143 (I) a majority of the municipalities partially or completely included within the
144 boundary of the specified local district; or
145 (II) the county in which the specified local district is located, if the county has some or
146 all of its unincorporated area included within the boundary of the specified local district.
147 (4) (a) Notwithstanding provisions to the contrary in Title 17B, Chapter 2a, Provisions
148 Applicable to Different Types of Local Districts, and for purposes of Subsection (3)(b),
149 members of the board of trustees of a local district shall be elected, if, subject to Subsection
150 (4)(b):
151 (i) two-thirds of all members of the board of trustees of the local district vote in favor
152 of changing to an elected board; and
153 (ii) the legislative body of each municipality or county that appoints a member to the
154 board of trustees adopts a resolution approving the change to an elected board.
155 (b) A change to an elected board of trustees under Subsection (4)(a) may not shorten
156 the term of any member of the board of trustees serving at the time of the change.
157 (5) Subsections (2), (3), and (4) do not apply to:
158 (a) Title 17B, Chapter 2a, Part 6, Metropolitan Water District Act;
159 (b) Title 17B, Chapter 2a, Part 10, Water Conservancy District Act; or
160 (c) a local district in which:
161 (i) the board of trustees consists solely of:
162 (A) land owners or the land owners' agents; or
163 (B) as described in Subsection 17B-1-302(1)(c), land owners or the land owners'
164 agents or officers; and
165 (ii) there are no residents within the local district at the time a property tax is levied.
166 Section 3. Section **17B-2a-604** is amended to read:
167 **17B-2a-604. Metropolitan water district board of trustees.**
168 (1) Members of the board of trustees of a metropolitan water district shall be
169 [~~appointed as provided in this section.~~];

170 (a) elected in accordance with:
171 (i) the petition or resolution that initiated the process of creating the metropolitan
172 water district; and
173 (ii) Section 17B-1-306;
174 (b) appointed in accordance with Subsection (2); or
175 (c) elected under Subsection (3)(a).
176 (2) (a) This Subsection (2) shall apply to an appointed board of trustees of a
177 metropolitan water district.
178 ~~[(2)]~~ (b) If a district contains the area of a single municipality:
179 ~~[(a)]~~ (i) the legislative body of that municipality shall appoint each member of the
180 board of trustees; and
181 ~~[(b)]~~ (ii) one member shall be the officer with responsibility over the municipality's
182 water supply and distribution system, if the system is municipally owned.
183 ~~[(3)]~~ (c) If a district contains some or all of the retail water service area of more than
184 one municipality:
185 ~~[(a)]~~ (i) the legislative body of each municipality shall appoint the number of members
186 for that municipality as determined under Subsection ~~[(3)(b)]~~ (2)(c)(ii);
187 ~~[(b)]~~ (ii) subject to Subsection ~~[(3)(c)]~~ (2)(c)(iii), the number of members appointed
188 by each municipality shall be determined:
189 ~~[(i)]~~ (A) by agreement between the metropolitan water district and the municipalities,
190 subject to the maximum stated in Subsection 17B-1-302(2); or
191 ~~[(ii)]~~ (B) as provided in Chapter 1, Part 3, Board of Trustees; and
192 ~~[(c)]~~ (iii) at least one member shall be appointed by each municipality.
193 ~~[(4) Each member of the board of trustees of a metropolitan water district shall be:]~~
194 ~~[(a) a registered voter;]~~
195 ~~[(b) a property taxpayer; and]~~
196 ~~[(c) a resident of:]~~
197 ~~[(i) the metropolitan water district; and]~~

198 ~~[(ii) the retail water service area of the municipality whose legislative body appoints~~
199 ~~the member.]~~

200 ~~[(5)]~~ (d) Each trustee shall be appointed without regard to partisan political affiliations
201 from among citizens of the highest integrity, attainment, competence, and standing in the
202 community.

203 (3) (a) Members of the board of trustees of a metropolitan water district shall be
204 elected in accordance with Section 17B-1-306, if, subject to Subsection (3)(b):

205 (i) three-fourths of all members of the board of trustees of the metropolitan water
206 district vote in favor of changing to an elected board; and

207 (ii) the legislative body of each municipality that appoints a member to the board of
208 trustees adopts a resolution approving the change to an elected board.

209 (b) A change to an elected board of trustees under Subsection (3)(a) may not shorten
210 the term of any member of the board of trustees serving at the time of the change.

211 (4) A member of the board of trustees of a metropolitan water district shall be:

212 (a) a registered voter;

213 (b) a property taxpayer; and

214 (c) a resident of:

215 (i) the metropolitan water district; and

216 (ii) the retail water service area of the municipality that:

217 (A) elects the member; or

218 (B) the member is appointed to represent.

219 ~~[(6)]~~ (5) (a) Except as provided in Subsection ~~[(8)]~~ (7), a member shall immediately
220 forfeit the member's seat on the board of trustees if [a] the member becomes elected or
221 appointed to office in or becomes an employee of the municipality whose legislative body
222 appointed the member[, the member shall immediately forfeit the office, and the member's
223 position on the board] under Subsection (2).

224 (b) The position of the member described in Subsection (5)(a) is vacant until filled as
225 provided in Section 17B-1-304.

226 ~~[(7)]~~ (6) Except as provided in Subsection ~~[(8)]~~ (7), the term of office of each member
227 of the board of trustees is as provided in Section 17B-1-303.

228 ~~[(8)]~~ (7) Subsections (4), ~~[(6), and (7)]~~ (5)(a), and (6) do not apply to a member who is
229 a member under Subsection (2)(b)(ii).

230 Section 4. Section **17B-2a-608** is enacted to read:

231 **17B-2a-608. Limit on property tax authority -- Exceptions.**

232 (1) As used in this section, "elected official" means a metropolitan water district board
233 of trustee member who is elected to the board of trustees by metropolitan water district voters
234 at an election held for that purpose.

235 (2) The board of trustees of a metropolitan water district may not collect property tax
236 revenue in a tax year beginning on or after January 1, 2015, that would exceed the certified tax
237 rate under Section 59-2-924 unless:

238 (a) the members of the board of trustees are all elected officials; or

239 (b) the proposed tax levy has previously been approved by:

240 (i) a majority of the metropolitan water district voters at an election held for that
241 purpose; or

242 (ii) the legislative body of each municipality that appoints a member to the board of
243 trustees under Section 17B-2a-204.

244 Section 5. Section **17B-2a-817** is amended to read:

245 **17B-2a-817. Voter approval required for property tax levy.**

246 ~~[In]~~ Notwithstanding the provisions of Section 17B-1-1001 and in addition to a
247 property tax under Section 17B-1-1103 to pay general obligation bonds of the district, a public
248 transit district may levy a property tax, as provided in and subject to Chapter 1, Part 10, Local
249 District Property Tax Levy, if:

250 (1) the district first submits the proposal to levy the property tax to voters within the
251 district; and

252 (2) a majority of voters within the district voting on the proposal vote in favor of the
253 tax at an election held for that purpose.

254 Section 6. Section **17B-2a-905** is amended to read:

255 **17B-2a-905. Service area board of trustees.**

256 (1) (a) Except as provided in Subsection (2):

257 (i) the initial board of trustees of a service area located entirely within the
258 unincorporated area of a single county may, as stated in the petition or resolution that initiated
259 the process of creating the service area:

260 (A) consist of the county legislative body;

261 (B) be appointed, as provided in Section 17B-1-304; or

262 (C) be elected, as provided in Section 17B-1-306;

263 (ii) if the board of trustees of a service area consists of the county legislative body, the
264 board may adopt a resolution providing for future board members to be appointed, as provided
265 in Section 17B-1-304, or elected, as provided in Section 17B-1-306; and

266 (iii) members of the board of trustees of a service area shall be elected, as provided in
267 Section 17B-1-306, if:

268 (A) the service area is not entirely within the unincorporated area of a single county;

269 (B) a petition is filed with the board of trustees requesting that board members be
270 elected, and the petition is signed by registered voters within the service area equal in number
271 to at least 10% of the number of registered voters within the service area who voted at the last
272 gubernatorial election; or

273 (C) an election is held to authorize the service area's issuance of bonds[; ~~or~~].

274 [~~(D) (i) two-thirds of all members of the board of trustees of the service area vote in~~
275 ~~favor of changing to an elected board; and]~~

276 [~~(H) the legislative body of each county and municipality that appoints a member to~~
277 ~~the board of trustees adopts a resolution approving the change to an elected board.]~~

278 (b) If members of the board of trustees of a service area are required to be elected
279 under Subsection (1)(a)(iii)(C) because of a bond election:

280 (i) board members shall be elected in conjunction with the bond election;

281 (ii) the board of trustees shall:

282 (A) establish a process to enable potential candidates to file a declaration of candidacy
283 sufficiently in advance of the election; and

284 (B) provide a ballot for the election of board members separate from the bond ballot;
285 and

286 (iii) except as provided in this Subsection (1)(b), the election shall be held as provided
287 in Section 17B-1-306.

288 ~~[(c) A change to an elected board of trustees under Subsection (1)(a)(iii)(D) may not~~
289 ~~shorten the term of any member of the board of trustees serving at the time of the change.]~~

290 (2) (a) This Subsection (2) applies to a service area created on or after May 5, 2003 if:

291 (i) the service area was created to provide:

292 (A) fire protection, paramedic, and emergency services; or

293 (B) law enforcement service; and

294 (ii) in the creation of the service area, an election was not required under Subsection
295 17B-1-214(3)(c).

296 (b) (i) Each county whose unincorporated area is included within a service area
297 described in Subsection (2)(a), whether in conjunction with the creation of the service area or
298 by later annexation, shall appoint three members to the board of trustees.

299 (ii) Each municipality whose area is included within a service area described in
300 Subsection (2)(a), whether in conjunction with the creation of the service area or by later
301 annexation, shall appoint one member to the board of trustees.

302 (iii) Each member appointed by a county or municipality under Subsection (2)(b)(i) or
303 (ii) shall be an elected official of the appointing county or municipality, respectively.

304 (c) Notwithstanding Subsection 17B-1-302(2), the number of members of a board of
305 trustees of a service area described in Subsection (2)(a) shall be the number resulting from
306 application of Subsection (2)(b).

307 Section 7. Section **17B-2a-1005** is amended to read:

308 **17B-2a-1005. Water conservancy district board of trustees -- Selection of**
309 **members -- Number -- Qualifications -- Terms -- Vacancies -- Surety bonds -- Authority.**

310 (1) Members of the board of trustees for a water conservancy district shall be:
311 (a) elected in accordance with:
312 (i) the petition or resolution that initiated the process of creating the water
313 conservancy district; and
314 (ii) Section 17B-1-306;
315 (b) appointed in accordance with Subsection (2); or
316 (c) elected under Subsection (4)(a).
317 ~~[(1) (a) Within]~~ (2) (a) If the members of the board of trustees are appointed, within
318 45 days after [the creation of] the day on which a water conservancy district is created as
319 provided in Section 17B-1-215, the board of trustees shall be [selected] appointed as provided
320 in this Subsection [(1)] (2).
321 (b) For a district located entirely within the boundaries of a single county, the county
322 legislative body of that county shall appoint each trustee.
323 (c) (i) For a district located in more than a single county, the governor, with the
324 consent of the Senate, shall appoint each trustee from nominees submitted as provided in this
325 Subsection ~~[(1)]~~ (2)(c).
326 (ii) (A) Except as provided in Subsection ~~[(1)]~~ (2)(c)(ii)(B), in a division composed
327 solely of municipalities, the legislative body of each municipality within the division shall
328 submit two nominees per trustee.
329 (B) ~~[Notwithstanding Subsection (1)(c)(ii)(A), the]~~ The legislative body of a
330 municipality may submit fewer than two nominees per trustee if the legislative body certifies
331 in writing to the governor that the legislative body is unable, after reasonably diligent effort, to
332 identify two nominees who are willing and qualified to serve as trustee.
333 (iii) (A) Except as provided in Subsection ~~[(1)]~~ (2)(c)(iii)(B), in all other divisions, the
334 county legislative body of the county in which the division is located shall submit three
335 nominees per trustee.
336 (B) ~~[Notwithstanding Subsection (1)(c)(iii)(A), the]~~ The county legislative body may
337 submit fewer than three nominees per trustee if the county legislative body certifies in writing

338 to the governor that the county legislative body is unable, after reasonably diligent effort, to
339 identify three nominees who are willing and qualified to serve as trustee.

340 (iv) If a trustee represents a division located in more than one county, the county
341 legislative bodies of those counties shall collectively compile the list of three nominees.

342 (v) For purposes of this Subsection ~~[(1)]~~ (2)(c), a municipality that is located in more
343 than one county shall be considered to be located in only the county in which more of the
344 municipal area is located than in any other county.

345 (d) In districts where substantial water is allocated for irrigated agriculture, one trustee
346 appointed in that district shall be a person who owns irrigation rights and uses those rights as
347 part of that person's livelihood.

348 ~~[(2)(a) The board of trustees of a water conservancy district shall consist of:]~~

349 ~~[(i) except as provided in Subsection (2)(a)(ii), not more than 11 persons who are~~
350 ~~residents of the district; or]~~

351 ~~[(ii) if the district consists of five or more counties, not more than 21 persons who are~~
352 ~~residents of the district.]~~

353 ~~[(b)]~~ (3) (a) At least 90 days before expiration of [a] an appointed trustee's term, the
354 board shall give written notice of the upcoming vacancy and the date when the trustee's term
355 expires to the county legislative body in single county districts and to the nominating entities
356 and the governor in all other districts.

357 ~~[(c)]~~ (b) (i) Upon receipt of the notice of the expiration of [a] an appointed trustee's
358 term or notice of a vacancy in the office of an appointed trustee, the county or municipal
359 legislative body, as the case may be, shall nominate candidates to fill the unexpired term of
360 office pursuant to Subsection ~~[(1)]~~ (2).

361 (ii) If a trustee is to be appointed by the governor and the entity charged with
362 nominating candidates has not submitted the list of nominees within 90 days after service of
363 the notice, the governor shall make the appointment from qualified candidates without
364 consultation with the county or municipal legislative body.

365 (iii) If the governor fails to appoint, the incumbent shall continue to serve until a

366 successor is appointed and qualified.

367 (iv) Appointment by the governor vests in the appointee, upon qualification, the
368 authority to discharge the duties of trustee, subject only to the consent of the Senate.

369 ~~[(c)]~~ (c) Each trustee shall hold office during the term for which appointed and until a
370 successor is duly appointed and has qualified.

371 (4) (a) Members of the board of trustees of a water conservancy district shall be
372 elected, if, subject to Subsection (4)(b):

373 (i) two-thirds of all members of the board of trustees of the water conservancy district
374 vote in favor of changing to an elected board; and

375 (ii) the legislative body of each municipality or county that appoints a member to the
376 board of trustees adopts a resolution approving the change to an elected board.

377 (b) A change to an elected board of trustees under Subsection (4)(a) may not shorten
378 the term of any member of the board of trustees serving at the time of the change.

379 (5) The board of trustees of a water conservancy district shall consist of:

380 (a) except as provided in Subsection (5)(b), not more than 11 persons who are
381 residents of the district; or

382 (b) if the district consists of five or more counties, not more than 21 persons who are
383 residents of the district.

384 (6) If an elected trustee's office is vacated, the vacated office shall be filled in
385 accordance with Section 17B-1-303.

386 ~~[(3)]~~ (7) Each trustee shall furnish a corporate surety bond at the expense of the
387 district, conditioned for the faithful performance of duties as a trustee.

388 ~~[(4)]~~ (8) (a) The board of trustees of a water conservancy district may:

389 (i) make and enforce all reasonable rules and regulations for the management, control,
390 delivery, use, and distribution of water;

391 (ii) withhold the delivery of water with respect to which there is a default or
392 delinquency of payment;

393 (iii) provide for and declare a forfeiture of the right to the use of water upon the

394 default or failure to comply with an order, contract, or agreement for the purchase, lease, or
395 use of water, and resell, lease, or otherwise dispose of water with respect to which a forfeiture
396 has been declared;

397 (iv) allocate and reallocate the use of water to lands within the district;

398 (v) provide for and grant the right, upon terms, to transfer water from lands to which
399 water has been allocated to other lands within the district;

400 (vi) create a lien, as provided in this part, upon land to which the use of water is
401 transferred;

402 (vii) discharge a lien from land to which a lien has attached; and

403 (viii) subject to Subsection [~~(4)~~] (8)(b), enter into a written contract for the sale, lease,
404 or other disposition of the use of water.

405 (b) (i) A contract under Subsection [~~(4)~~] (8)(a)(viii) may provide for the use of water
406 perpetually or for a specified term.

407 (ii) (A) If a contract under Subsection [~~(4)~~] (8)(a)(viii) makes water available to the
408 purchasing party without regard to actual taking or use, the board may require that the
409 purchasing party give security for the payment to be made under the contract, unless the
410 contract requires the purchasing party to pay for certain specified annual minimums.

411 (B) The security requirement under Subsection [~~(4)~~] (8)(b)(ii)(A) in a contract with a
412 public entity may be met by including in the contract a provision for the public entity's levy of
413 a special assessment to make annual payments to the district.

414 Section 8. Section **17B-2a-1006** is amended to read:

415 **17B-2a-1006. Limits on water conservancy district property tax levy --**

416 **Additional levy.**

417 (1) Except as provided in Subsection (2), and subject to Subsection (3) and Section
418 17B-2a-1009, the property tax levy of a water conservancy district for all purposes may not
419 exceed:

420 (a) .0001 per dollar of taxable value of taxable property in the district, before the
421 earliest of:

- 422 (i) the planning or design of works;
- 423 (ii) the acquisition of the site or right-of-way on which the works will be constructed;
- 424 or
- 425 (iii) the commencement of construction of the works; and
- 426 (b) .0002 per dollar of taxable value of taxable property in the district, after the earliest
- 427 of the events listed in Subsection (1)(a).

428 (2) [~~Notwithstanding Subsection (1) and subject~~] Subject to Subsection (3) and
 429 Section 17B-2a-1009:

430 (a) in a district that contains land located within the Lower Colorado River Basin, the
 431 levy after the earliest of the events listed in Subsection (1)(a) may be increased to a maximum
 432 of .001 per dollar of taxable value of taxable property in the district; and

433 (b) in a district to be served under a contract, water appropriation, water allotment, or
 434 otherwise by water apportioned by the Colorado River Compact to the Upper Basin, the levy
 435 after the earliest of the events listed in Subsection (1)(a) may be increased to a maximum of
 436 .0004 per dollar of taxable value of taxable property.

437 (3) [~~Notwithstanding the limits on the rate of property tax levies under Subsections (1)~~
 438 ~~and (2), a~~] A water conservancy district may impose an additional property tax levy, not to
 439 exceed .0001 per dollar of taxable value of taxable property in the district, if the additional
 440 levy is necessary to provide adequate funds to pay maturing bonds or other debts of the
 441 district.

442 Section 9. Section **17B-2a-1009** is enacted to read:

443 **17B-2a-1009. Limit on property tax authority -- Exceptions.**

444 (1) As used in this section, "elected official" means a water conservancy district board
 445 of trustee member who:

446 (a) is elected to the board of trustees by water conservancy district voters at an election
 447 held for that purpose;

448 (b) holds, at the time of appointment to the board of trustees, an elected position with
 449 a municipality, county, or local district that is partially or completely included within the

450 boundaries of the water conservancy district; or

451 (c) is appointed in accordance with Subsection 17B-1-303(5) or 17B-1-306(4)(f) or

452 (g).

453 (2) The board of trustees of a water conservancy district may not collect property tax
454 revenue in a tax year beginning on or after January 1, 2015, that would exceed the certified tax
455 rate under Section 59-2-924 unless:

456 (a) the members of the board of trustees are all elected officials;

457 (b) the majority of the board of trustees are elected officials; or

458 (c) the proposed tax levy has previously been approved by:

459 (i) a majority of the water conservancy district voters at an election held for that
460 purpose; or

461 (ii) for a district described in Subsection 17B-2a-1005(2)(b), the appointing authority.

462 **Section 10. Repealer.**

463 This bill repeals:

464 **Section 17B-2a-908, Limit on property tax authority -- Exceptions.**