

Representative Michael S. Kennedy proposes the following substitute bill:

SPECIAL SERVICE DISTRICTS AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Michael S. Kennedy

Senate Sponsor: _____

LONG TITLE

General Description:

This bill enacts language related to an enhanced services special service district.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ requires a municipality that creates an enhanced services special service district to conduct a study; and
- ▶ authorizes a municipal legislative body to impose or increase a fee or tax to offset the enhanced special service district's cost of providing an enhanced level of service only if the cost is demonstrated in the study.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

ENACTS:

17D-1-213, Utah Code Annotated 1953



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

27 Section 1. Section **17D-1-213** is enacted to read:

28 **17D-1-213. Special service district for enhanced services -- Study -- Limitation on**
29 **fee or tax for enhanced service.**

30 (1) As used in this section, "enhanced services special service district" means a special
31 service district:

32 (a) created and governed by a municipality;

33 (b) that in a resolution or petition creating the special service district under Section
34 17D-1-203 is authorized to provide a service already provided by the municipality but at an
35 enhanced level within the special service district; and

36 (c) whose geographic boundaries encompass an area located wholly within the
37 municipality but smaller than the entire geographic area of the municipality.

38 (2) (a) At the time a municipality adopts a resolution or ordinance approving the
39 creation of an enhanced services special service district under Section 17D-1-208, the
40 municipal legislative body shall conduct a study to determine and demonstrate the cost of the
41 enhanced service.

42 (b) The study conducted under Subsection (2)(a) shall:

43 (i) examine and demonstrate whether providing the service already provided by the
44 municipality to customers within the enhanced services special service district is
45 disproportionately more expensive; and

46 (ii) if the cost is disproportionately more expensive, examine and recommend actions
47 the municipality or enhanced services special service district can take to reduce the cost of
48 providing the enhanced level of service.

49 (c) An enhanced services special service district may only impose or increase a fee or
50 tax to offset the enhanced services special service district's cost of providing an enhanced level
51 of service that is demonstrated in accordance with Subsection (2)(b)(i).

52 (3) A tax or fee collected by the enhanced services special service district may not
53 exceed the costs demonstrated in the study commissioned in accordance with Subsection (2) or
54 (4).

55 (4) (a) Except as provided in Subsection (4)(b), the municipal legislative body shall
56 conduct a study described in Subsection (2) five years after the initial study conducted in

57 accordance with Subsection (2) and every five years subsequent until the enhanced services
58 special service district is dissolved.

59 (b) The municipal legislative body may conduct the study sooner than the five-year
60 period described in Subsection (4)(a) if the enhanced services special service district proposes
61 imposing or increasing a fee or tax and the most recent study does not demonstrate the need to
62 impose or increase the fee.