

SERVICE DISTRICT AMENDMENTS

2015 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jerry W. Stevenson

House Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions related to a special service district.

Highlighted Provisions:

This bill:

- ▶ amends provisions related to the creation and appointment of a special service district administrative control board;
- ▶ amends provisions governing the annexation of an area into or addition of a service provided by a special service district; and
- ▶ makes technical and conforming amendments.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:

17D-1-301, as last amended by Laws of Utah 2009, Chapter 356

17D-1-303, as last amended by Laws of Utah 2014, Chapter 377

17D-1-401, as last amended by Laws of Utah 2009, Chapter 92

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



28 Section 1. Section 17D-1-301 is amended to read:

29 **17D-1-301. Governance of a special service district -- Authority to create and**
30 **delegate authority to an administrative control board -- Limitations on authority to**
31 **delegate.**

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

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

- 38 (a) create an administrative control board for the special service district; ~~and~~
- 39 (b) subject to Subsection (3), delegate to the administrative control board the exercise
40 of any right, power, or authority that the legislative body possesses with respect to the
41 governance of the special service district[-]; and

42 (c) specify the members of the initial administrative control board by name or other
43 designation that clearly identifies each member of the initial administrative control board.

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

- 46 (a) annex an area to an existing special service district or add a service within the area
47 of an existing special service district under Part 4, Annexing a New Area and Adding a New
48 Service;
- 49 (b) designate, under Section 17D-1-107, the classes of special service district contracts
50 that are subject to Title 11, Chapter 39, Building Improvements and Public Works Projects;
- 51 (c) levy a tax on the taxable property within the special service district;
- 52 (d) issue special service district bonds payable from taxes;
- 53 (e) call or hold an election for the authorization of a property tax or the issuance of
54 bonds;
- 55 (f) levy an assessment;
- 56 (g) issue interim warrants or bonds payable from an assessment; or
- 57 (h) appoint a board of equalization under Section 11-42-403.

58 (4) (a) A county or municipal legislative body that has delegated a right, power, or

59 authority under this section to an administrative control board may at any time modify, limit, or
60 revoke any right, power, or authority delegated to the administrative control board.

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

64 Section 2. Section **17D-1-303** is amended to read:

65 **17D-1-303. Election or appointment of administrative control board members.**

66 (1) Except as provided in Subsection (5), a county or municipal legislative body that
67 creates an administrative control board may provide for board members to be elected or
68 appointed, or for some members to be elected and some appointed.

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

73 (3) A municipality or improvement district under Title 17B, Chapter 2a, Part 4,
74 Improvement District Act, may appoint one member to represent it on an administrative control
75 board created for a special service district if:

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

77 (b) the municipality or improvement district:

78 (i) provides the same service as the special service district; or

79 (ii) provided the same service as the special service district:

80 (A) prior to the creation of the special service district, if all or part of the municipality
81 or improvement district was then included in the special service district; or

82 (B) prior to all or part of the municipality or improvement district being annexed into
83 the special service district; and

84 (c) subject to Subsection (6):

85 (i) the special service district includes ~~[some]~~ a significant portion or all of the area
86 included within the municipality or improvement district~~[-];~~ or

87 (ii) the municipality constitutes a significant portion of the area of the special service
88 district.

89 (4) An institution of higher education for which a special service district provides

90 commodities, services, or facilities may appoint the number of members of an administrative
91 control board of that special service district that are equal in number to at least 1/3 of the total
92 number of board members.

93 (5) With respect to an administrative control board created for a special service district
94 created by a county of the first class to provide jail service as provided in Subsection
95 17D-1-201(10), the county legislative body shall appoint:

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

97 (b) three members from a list of at least six recommendations from municipalities
98 within the county; and

99 (c) three members from a list of at least six recommendations from the county
100 executive.

101 (6) For purposes of Subsection (3)(c):

102 (a) an area encompassing at least 5% of the taxable value of taxable property within the
103 municipality or improvement district constitutes a significant portion of the municipality or
104 improvement district; and

105 (b) an area encompassing at least 5% of the taxable value of the taxable property
106 within the special service district constitutes a significant portion of the special service district.

107 Section 3. Section 17D-1-401 is amended to read:

108 **17D-1-401. Annexing an area or adding a service to an existing special service**
109 **district.**

110 (1) Except as provided in Subsections (3) and (4), a county or municipal legislative
111 body acting as the governing body of the special service district may, as provided in this part:

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

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

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

118 (2) Except for Section 17D-1-209, the provisions of Part 2, Creating a Special Service
119 District, apply to and govern the process of annexing an area to an existing special service
120 district or adding a service that the special service district is not already authorized to provide,

121 to the same extent as if the annexation or addition were the creation of a special service district.

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

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

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

129 (4) A county or municipal legislative body may not annex an area to an existing special
130 service district or add a service within the area of an existing special service district if the
131 creation of a special service district including that area or providing that service would not be
132 allowed under Part 2, Creating a Special Service District.

133 (5) A county or municipal legislative body may not annex an area to an existing special
134 service district or add a service within the area of an existing special service district if the area
135 is located within a project area described in a project area plan adopted by the military
136 installation development authority under Title 63H, Chapter 1, Military Installation
137 Development Authority Act, unless the county or municipal legislative body has first obtained
138 the authority's approval.

Legislative Review Note
as of 2-2-15 9:21 AM

Office of Legislative Research and General Counsel