

**Senator Jerry W. Stevenson** proposes the following substitute bill:

**SERVICE DISTRICT AMENDMENTS**

2015 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Jerry W. Stevenson**

House Sponsor: Stephen G. Handy

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**LONG TITLE**

**General Description:**

This bill amends provisions related to a special service district.

**Highlighted Provisions:**

This bill:

- ▶ amends provisions related to the creation 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-1-401**, as last amended by Laws of Utah 2009, Chapter 92

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

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

28 **17D-1-301. Governance of a special service district -- Authority to create and**  
29 **delegate authority to an administrative control board -- Limitations on authority to**  
30 **delegate.**

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

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

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

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

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

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

45 (a) annex an area to an existing special service district or add a service within the area  
46 of an existing special service district under Part 4, Annexing a New Area and Adding a New  
47 Service;

48 (b) designate, under Section 17D-1-107, the classes of special service district contracts  
49 that are subject to Title 11, Chapter 39, Building Improvements and Public Works Projects;

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

51 (d) issue special service district bonds payable from taxes;

52 (e) call or hold an election for the authorization of a property tax or the issuance of  
53 bonds;

54 (f) levy an assessment;

55 (g) issue interim warrants or bonds payable from an assessment; or

56 (h) appoint a board of equalization under Section 11-42-403.

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

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

63 Section 2. Section **17D-1-401** is amended to read:

64 **17D-1-401. Annexing an area or adding a service to an existing special service**  
65 **district.**

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

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

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

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

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

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

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

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

85 (4) A county or municipal legislative body may not annex an area to an existing special  
86 service district or add a service within the area of an existing special service district if the  
87 creation of a special service district including that area or providing that service would not be

88 allowed under Part 2, Creating a Special Service District.

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