

Representative R. Curt Webb proposes the following substitute bill:

POLITICAL SUBDIVISION LIEN AUTHORITY

2018 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: R. Curt Webb

Senate Sponsor: _____

LONG TITLE

General Description:

This bill addresses provisions related to political subdivision lien authority.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ clarifies certain existing grants of political subdivision lien authority to ensure that each grant provides an identifiable effective date, notice mechanism, and enforcement mechanism;
- ▶ imposes limits on political subdivision liens;
- ▶ provides that certain political subdivision liens are invalid against a subsequent bona fide purchaser if the lien is not recorded before the purchase;
- ▶ prohibits a county treasurer from including an item on the property tax notice unless the item's inclusion is expressly authorized in statute;
- ▶ amends the items that a county treasurer is required to include on a property tax notice;
- ▶ addresses the priority status of a political subdivision lien listed on the property tax notice;
- ▶ allows a tax sale for delinquencies of any item that is statutorily authorized to be



26 included on the property tax notice; and
27 ▶ makes technical and conforming changes.

28 **Money Appropriated in this Bill:**

29 None

30 **Other Special Clauses:**

31 None

32 **Utah Code Sections Affected:**

33 AMENDS:

- 34 10-7-30, Utah Code Annotated 1953
- 35 10-8-17, as last amended by Laws of Utah 2010, Chapter 378
- 36 10-8-19, Utah Code Annotated 1953
- 37 10-11-4, as last amended by Laws of Utah 2017, Chapter 460
- 38 11-42-501, as last amended by Laws of Utah 2015, Chapter 349
- 39 11-42-502, as last amended by Laws of Utah 2016, Chapter 85
- 40 11-42-502.1, as enacted by Laws of Utah 2016, Chapter 85
- 41 11-42a-201, as enacted by Laws of Utah 2017, Chapter 470
- 42 11-42a-301, as enacted by Laws of Utah 2017, Chapter 470
- 43 11-42a-303, as enacted by Laws of Utah 2017, Chapter 470
- 44 17B-1-902, as last amended by Laws of Utah 2017, Chapter 460
- 45 17B-2a-506, as last amended by Laws of Utah 2015, Chapter 349
- 46 17B-2a-1007, as last amended by Laws of Utah 2015, Chapter 258
- 47 59-2-1317, as last amended by Laws of Utah 2016, Chapter 353
- 48 59-2-1331, as last amended by Laws of Utah 2015, Chapter 201
- 49 59-2-1332.5, as last amended by Laws of Utah 2016, Chapter 368
- 50 59-2-1343, as last amended by Laws of Utah 1995, Chapter 181

51 ENACTS:

- 52 11-58-101, Utah Code Annotated 1953
- 53 11-58-102, Utah Code Annotated 1953
- 54 11-58-103, Utah Code Annotated 1953



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

57 Section 1. Section **10-7-30** is amended to read:

58 **10-7-30. Failure to pay for repairs -- Lien on company's property.**

59 (1) In the event of the refusal of any [~~such~~] company to pave, repave, or repair as
60 required [~~herein~~] in this section when so directed, upon the paving or repaving of any street
61 upon which [~~its~~] the company's track is laid, the municipality [~~shall have power to~~] may:

62 (a) pave, repave, or repair the [~~same,~~] street; and

63 (b) collect the cost and expense of [~~such~~] the paving, repaving, or repairing [~~may be~~
64 ~~collected~~] by levy and sale of any property of [~~such~~] the company in the same manner as
65 special taxes are [~~now or may be~~] collected. [~~Special~~]

66 (2) The municipality may levy special taxes, for the purpose [~~of paying the cost of any~~
67 ~~such paving or repaving, macadamizing~~] described in Subsection (1)(b) or repairing of [~~any~~
68 ~~such~~] the railway [~~may be levied,~~] upon:

69 (a) all as one property:

70 (i) the track, including the ties, iron, roadbed, right of way, sidetracks, and
71 appurtenances;~~;~~ and

72 (ii) buildings and real estate belonging to [~~any such~~] the company and used for the
73 purpose of [~~such~~] the railway business [~~all as one property,~~]; or [~~upon such~~]

74 (b) the parts of [~~such~~] the track, appurtenances, and property as may be within the
75 district paved, repaved, macadamized, or repaired~~;~~ and shall be a lien upon the property levied
76 upon from the time of the levy until satisfied. No].

77 (3) (a) The municipality may record the levied special taxes described in Subsection (2)
78 as a political subdivision lien, as that term is defined in Section 11-58-102, upon the levied
79 property, in accordance with Title 11, Chapter 58, Political Subdivision Lien Authority.

80 (b) Any mortgage, conveyance, pledge, transfer, or encumbrance of [~~any such~~] the
81 property or of any rolling stock or personal property of [~~any such~~] the company~~;~~ created or
82 suffered by it after the time when any street or part thereof upon which any railway shall have
83 been laid shall have been ordered paved, repaved, macadamized or repaired shall be made or
84 suffered except] that the company creates or suffers is subject to the lien [~~of such special taxes,~~
85 ~~if such levy is in contemplation~~].

86 Section 2. Section **10-8-17** is amended to read:

87 **10-8-17. City may act as distributing agent -- Collection of operating costs from**

88 users.

89 (1) When the governing body of a city is acting as distributing agent of water, not the
90 property of the corporation, outside of or within its corporate limits, the governing body may
91 annually [~~prior to~~], before the commencement of the irrigation season, determine and fix the
92 sum [~~deemed~~] considered necessary to meet the expense of the current year for the purpose of:

93 (a) controlling, regulating, and distributing [such] the water; and

94 (b) constructing and keeping in repair the necessary means for diverting, conveying,
95 and distributing the [same, and they] water.

96 (2) (a) The governing body may collect [such] the sum described in Subsection (1)
97 from the persons entitled to the use of [such] the water, pro rata according to acreage, whether
98 the acreage is situate within or without the corporate boundary of the city [~~; provided, that the~~
99 ~~funds so derived may not be appropriated or used~~].

100 (b) The governing body may not appropriate or use the derived funds for any other
101 purpose [~~, and in~~] than the purposes described in Subsection (1).

102 (c) In the event that the governing body collects a greater sum [is collected] in any one
103 year than is necessary [for said purpose, the excess thereof shall be carried] under Subsection
104 (1), the governing body shall carry the excess to the account of the year next following and
105 [applied to the purpose for which it was collected. Such sum shall be fixed and collected as
106 provided by ordinance, and until collected the same shall be] apply the excess to the purposes
107 described in Subsection (1).

108 (d) The governing body shall enact an ordinance fixing and providing for the collection
109 of the sum described in Subsection (1).

110 (3) (a) Until the governing body collects the sum described in Subsection (1), the sum
111 is a political subdivision lien, as that term is defined in Section [11-58-102](#), on [such] the
112 subject water rights and the land irrigated [thereby] by the water, in accordance with Title 11,
113 Chapter 58, Political Subdivision Lien Authority.

114 (b) If the lien amount is not paid in full by September 15 of a given year:

115 (i) the governing body shall certify any unpaid amount to the treasurer of the county in
116 which the lien property is located; and

117 (ii) the county treasurer shall include the certified amount on the property tax notice
118 required by Section [59-2-1317](#) for that year.

119 Section 3. Section **10-8-19** is amended to read:

120 **10-8-19. Water supply -- Special tax for increasing supply when city acting as**
121 **distributing agent.**

122 (1) Whenever a city is acting as distributing agent of water, not the property of the
123 corporation, outside of or within the corporate limits of such city, upon written petition of the
124 owners of ~~[such]~~ the water, ~~[it]~~ the city may increase the supply of water ~~[owned by such~~
125 ~~persons]~~ that the petitioners own by any means provided in Section **10-8-18**~~[, and for that~~
126 ~~purpose]~~.

127 (2) (a) To increase the supply of water under Subsection (1), the city may levy and
128 collect from the owners of ~~[such]~~ the water a tax not exceeding ~~[such]~~ the sum per acre of land
129 owned ~~[by such persons as may have been]~~ as agreed upon and designated in ~~[said]~~ the
130 petition~~;~~ said tax when so collected to be appropriated exclusively to said purposes, except
131 such part thereof].

132 (b) The city shall appropriate the tax collected under Subsection (2)(a) exclusively to
133 increase the supply of water under Subsection (1), except as is necessary to pay the expense of
134 levying and collecting the ~~[same. Said tax shall constitute]~~ tax.

135 (3) (a) Until the city collects the tax described in Subsection (2), the unpaid tax is a
136 political subdivision lien, as that term is defined in Section **11-58-102**, upon the owner's water
137 rights ~~[of the persons]~~ and the land ~~[irrigated thereby, and shall be levied and collected as~~
138 provided in Section **10-8-17**] that the water irrigates, in accordance with Title 11, Chapter 58,
139 Political Subdivision Lien Authority.

140 (b) If the lien amount is not paid in full by September 15 of a given year:

141 (i) the city shall certify any unpaid amount to the treasurer of the county in which the
142 liened property is located; and

143 (ii) the county treasurer shall include the certified amount on the property tax notice
144 required by Section **59-2-1317** for that year.

145 Section 4. Section **10-11-4** is amended to read:

146 **10-11-4. Costs of removal to be included in tax notice.**

147 (1) A municipality may certify to the treasurer of the county in which a property
148 described in Section **10-11-3** is located, the unpaid costs and expenses that the municipality has
149 incurred under Section **10-11-3** with regard to the property.

150 (2) If the municipality certifies with the treasurer of the county any costs or expenses
151 incurred for a property under Section 10-11-3, the treasurer shall enter the amount of the costs
152 and expenses on the assessment and tax rolls of the county in the column prepared for that
153 purpose.

154 (3) If current tax notices have been mailed, the treasurer of the county may carry the
155 costs and expenses described in Subsection (2) on the assessment and tax rolls to the following
156 year.

157 (4) (a) After entry by the treasurer of the county~~;~~ under Subsection (2):

158 (i) the amount entered~~;~~ (a) shall have the force and effect of a valid judgment of the
159 district court; (b) is a nonrecurring direct charge that constitutes a political subdivision lien, as
160 those terms are defined in Section 11-58-102, upon the property~~;~~ and] in accordance with Title
161 11, Chapter 58, Political Subdivision Lien Authority; and

162 ~~[(c)] (ii) [shall be collected by the] the~~ treasurer of the county in which the property is
163 located shall collect the amount entered at the time of the payment of general taxes.

164 (b) (i) Notwithstanding Subsection (7), the municipality may pursue judicial
165 foreclosure to enforce the lien rather than relying on a tax sale.

166 (ii) If the municipality pursues judicial foreclosure under this Subsection (4)(b):

167 (A) the municipality shall record the lien in the office of the recorder of the county in
168 which the lien property is located; and

169 (B) the priority date of the lien, for the purpose of the judicial foreclosure, is the date
170 on which the municipality records the lien.

171 (5) Upon payment of the costs and expenses that the treasurer of the county enters
172 under Subsection (2):

173 ~~[(a) the judgement is satisfied;]~~

174 ~~[(b)] (a) the lien~~ described in Subsection (4) is released from the property; [and]

175 (b) the municipality shall record a release of the lien in the office of the recorder of the
176 county in which the lien property is located; and

177 ~~[(c)] (c) [receipt shall be acknowledged]~~ the treasurer shall acknowledge receipt upon
178 the general tax receipt [issued by] that the treasurer issues.

179 (6) (a) If a municipality certifies unpaid costs and expenses under this section, the
180 treasurer of the county shall provide a notice, in accordance with this Subsection (6), to the

181 owner of the property for which the municipality has incurred the unpaid costs and expenses.

182 (b) In providing the notice required in Subsection (6)(a), the treasurer of the county
183 shall:

184 (i) include the amount of unpaid costs and expenses that a municipality has certified on
185 or before July 15 of the current year;

186 (ii) provide contact information, including a phone number, for the property owner to
187 contact the municipality to obtain more information regarding the amount described in
188 Subsection (6)(b)(i); and

189 (iii) notify the property owner that:

190 (A) unless the municipality completes a judicial foreclosure under Subsection (4)(b), if
191 the amount described in Subsection (6)(b)(i) is not paid in full by September 15 of the current
192 year, any unpaid amount will be included on the property tax notice required by Section
193 [59-2-1317](#); and

194 (B) the failure to pay the amount described in Subsection (6)(b)(i) has resulted in a lien
195 on the property in accordance with ~~[this section]~~ Subsection (4).

196 (c) The treasurer of the county shall provide the notice required by this Subsection (6)
197 to a property owner on or before August 1.

198 (d) If the municipality pursues judicial foreclosure under Subsection (4)(b) and
199 completes the judicial foreclosure, before any tax sale proceedings on a property described in
200 Subsection (1), the treasurer of the county shall remove from the assessment roll any costs or
201 expenses that the treasurer added to the assessment roll under Subsection (2).

202 (7) If the amount described in Subsection (6)(b)(i) is not paid in full by September 15
203 of a given year, the county treasurer shall include any unpaid amount on the property tax notice
204 required by Section [59-2-1317](#) for that year.

205 ~~[(7)]~~ (8) This section does not apply to any public building, public structure, or public
206 improvement.

207 Section 5. Section **11-42-501** is amended to read:

208 **11-42-501. Assessment constitutes a lien -- Characteristics of an assessment lien.**

209 (1) ~~[Each]~~ If the governing body of the local entity that adopts an assessment resolution
210 or ordinance records the assessment resolution or ordinance and the notice of proposed
211 assessment, in accordance with Section [11-42-206](#), in the office of the recorder of the county in

212 which the assessed property is located, each assessment levied under this chapter, including any
213 installment of an assessment, interest, and any penalties and costs of collection, constitutes a
214 political subdivision lien, as that term is defined in Section 11-58-102, against the property
215 assessed, in accordance with Title 11, Chapter 58, Political Subdivision Lien Authority, as of
216 the effective date of the assessment resolution or ordinance.

217 (2) A lien under this section:

218 (a) is superior to the lien of a trust deed, mortgage, mechanic's or materialman's lien, or
219 other encumbrances;

220 (b) has the same priority as, but is separate and distinct from, a lien for general property
221 taxes;

222 (c) applies without interruption, change in priority, or alteration in any manner to any
223 reduced payment obligations; and

224 (d) continues until the assessments, reduced payment obligations, and any interest,
225 penalties, and costs are paid, despite:

226 (i) a sale of the property for or on account of a delinquent general property tax, special
227 tax, or other assessment; or

228 (ii) the issuance of a tax deed, an assignment of interest by the county, or a sheriff's
229 certificate of sale or deed.

230 Section 6. Section **11-42-502** is amended to read:

231 **11-42-502. Enforcement of an assessment lien -- Pre-May 10, 2016, procedure.**

232 (1) The provisions of this section apply to any property that is:

233 (a) (i) located within the boundaries of an assessment area; and

234 (ii) the subject of a foreclosure procedure initiated before May 10, 2016, for an
235 assessment or an installment of an assessment that is not paid when due; or

236 (b) located within the boundaries of an assessment area for which the local entity
237 issued an assessment bond or a refunding assessment bond:

238 (i) before May 10, 2016;

239 (ii) that has not reached final maturity; and

240 (iii) that is not refinanced on or after May 10, 2016.

241 (2) (a) If an assessment or an installment of an assessment is not paid when due[-];

242 (i) (A) the governing body of the local entity that levies the assessment shall certify any

243 unpaid amount to the treasurer of the county in which the assessed property is located; and

244 (B) the county treasurer shall include the certified amount on the property tax notice
245 required by Section 59-2-1317 for that year; and

246 (ii) the local entity may sell the property on which the assessment has been levied for
247 the amount due plus interest, penalties, and costs, in the manner provided:

248 ~~[(a)]~~ (A) by resolution or ordinance of the local entity;

249 ~~[(b)]~~ (B) in Title 59, Chapter 2, Part 13, Collection of Taxes, for the sale of property
250 for delinquent general property taxes; or

251 ~~[(c)]~~ (C) in Title 57, Chapter 1, Conveyances, as though the property were the subject
252 of a trust deed in favor of the local entity.

253 (b) Nothing in Subsection (2)(a)(i) or in Title 11, Chapter 58, Political Subdivision
254 Lien Authority, prohibits or diminishes a local entity's authority to pursue any remedy in
255 Subsection (2)(a)(ii).

256 (3) Except as otherwise provided in this chapter, each tax sale under Subsection (2)(b)
257 shall be governed by Title 59, Chapter 2, Part 13, Collection of Taxes, to the same extent as if
258 the sale were for the sale of property for delinquent general property taxes.

259 (4) (a) In a foreclosure under Subsection (2)(c):

260 (i) the local entity may bid at the sale;

261 (ii) the local entity's governing body shall designate a trustee satisfying the
262 requirements of Section 57-1-21;

263 (iii) each trustee designated under Subsection (4)(a)(ii) has a power of sale with respect
264 to the property that is the subject of the delinquent assessment lien;

265 (iv) the property that is the subject of the delinquent assessment lien is considered to
266 have been conveyed to the trustee, in trust, for the sole purpose of permitting the trustee to
267 exercise the trustee's power of sale under Subsection (4)(a)(iii);

268 (v) if no one bids at the sale and pays the local entity the amount due on the
269 assessment, plus interest and costs, the property is considered sold to the local entity for those
270 amounts; and

271 (vi) the local entity's chief financial officer may substitute and appoint one or more
272 successor trustees, as provided in Section 57-1-22.

273 (b) The designation of a trustee under Subsection (4)(a)(ii) shall be disclosed in the

274 notice of default that the trustee gives to commence the foreclosure, and need not be stated in a
275 separate instrument.

276 (5) (a) The redemption of property that is the subject of a tax sale under Subsection
277 (2)(b) is governed by Title 59, Chapter 2, Part 13, Collection of Taxes.

278 (b) The redemption of property that is the subject of a foreclosure proceeding under
279 Subsection (2)(c) is governed by Title 57, Chapter 1, Conveyances.

280 (6) (a) The remedies described in this part for the collection of an assessment and the
281 enforcement of an assessment lien are cumulative.

282 (b) The use of one or more of the remedies described in this part does not deprive the
283 local entity of any other available remedy or means of collecting the assessment or enforcing
284 the assessment lien.

285 Section 7. Section **11-42-502.1** is amended to read:

286 **11-42-502.1. Enforcement of an assessment lien -- Post-May 10, 2016, procedure.**

287 (1) (a) Except as provided in Subsection (1)(b), the provisions of this section apply to
288 any property that is:

289 (i) located within the boundaries of an assessment area; and

290 (ii) the subject of a foreclosure procedure initiated on or after May 10, 2016, for an
291 assessment or an installment of an assessment that is not paid when due.

292 (b) The provisions of this chapter do not apply to property described in Subsection
293 **11-42-502(1)(b)**.

294 (2) (a) If an assessment or an installment of an assessment is not paid when due[;]:

295 (i) (A) the governing body of the local entity that levies the assessment shall certify any
296 unpaid amount to the treasurer of the county in which the assessed property is located; and

297 (B) the county treasurer shall include the certified amount on the property tax notice
298 required by Section 59-2-1317 for that year; and

299 (ii) the local entity may sell the property on which the assessment has been levied for
300 the amount due plus interest, penalties, and costs:

301 [~~(a)~~] (A) in the manner provided in Title 59, Chapter 2, Part 13, Collection of Taxes,
302 for the sale of property for delinquent general property taxes;

303 [~~(b)~~] (B) by judicial foreclosure; or

304 [~~(c)~~] (C) in the manner described in Title 57, Chapter 1, Conveyances, if[~~-(i)~~] the

305 property is in a voluntary assessment area[;] and [(f)] the owner of record of the property at the
 306 time the local entity initiates the process to sell the property in accordance with Title 57,
 307 Chapter 1, Conveyances, executed a property owner's consent form described in Subsection
 308 11-42-202(1)(l) that includes a provision described in Subsection 11-42-202(1)(l)(iv).

309 (b) Nothing in Subsection (2)(a)(i) or in Title 11, Chapter 58, Political Subdivision
 310 Lien Authority, prohibits or diminishes a local entity's authority to pursue any remedy in
 311 Subsection (2)(a)(ii).

312 (3) Except as otherwise provided in this chapter, each tax sale under Subsection (2)(a)
 313 shall be governed by Title 59, Chapter 2, Part 13, Collection of Taxes, to the same extent as if
 314 the sale were for the sale of property for delinquent general property taxes.

315 (4) (a) The redemption of property that is the subject of a tax sale under Subsection
 316 (2)(a) is governed by Title 59, Chapter 2, Part 13, Collection of Taxes.

317 (b) The redemption of property that is the subject of a judicial foreclosure proceeding
 318 under Subsection (2)(b) is governed by Title 78B, Chapter 6, Part 9, Mortgage Foreclosure.

319 (c) The redemption of property that is the subject of a foreclosure proceeding under
 320 Subsection (2)(c) is governed by Title 57, Chapter 1, Conveyances.

321 (5) (a) The remedies described in this part for the collection of an assessment and the
 322 enforcement of an assessment lien are cumulative.

323 (b) The use of one or more of the remedies described in this part does not deprive the
 324 local entity of any other available remedy or means of collecting the assessment or enforcing
 325 the assessment lien.

326 Section 8. Section 11-42a-201 is amended to read:

327 **11-42a-201. Resolution or ordinance designating an energy assessment area,**
 328 **levying an assessment, and issuing an energy assessment bond.**

329 (1) (a) Except as otherwise provided in this chapter, and subject to the requirements of
 330 this part, at the request of a property owner on whose property or for whose benefit an
 331 improvement is being installed or being reimbursed, a governing body of a local entity may
 332 adopt an energy assessment resolution or an energy assessment ordinance that:

333 (i) designates an energy assessment area;

334 (ii) levies an assessment within the energy assessment area; and

335 (iii) if applicable, authorizes the issuance of an energy assessment bond.

336 (b) The boundaries of a proposed energy assessment area may:
337 (i) include property that is not intended to be assessed; and
338 (ii) overlap, be coextensive with, or be substantially coterminous with the boundaries
339 of any other energy assessment area or an assessment area created under Title 11, Chapter 42,
340 Assessment Area Act.

341 (c) The energy assessment resolution or ordinance described in Subsection (1)(a) is
342 adequate for purposes of identifying the property to be assessed within the energy assessment
343 area if the resolution or ordinance describes the property to be assessed by legal description and
344 tax identification number.

345 (2) (a) A local entity that adopts an energy assessment resolution or ordinance under
346 Subsection (1)(a) shall give notice of the adoption by:

347 (i) publishing a copy or a summary of the resolution or ordinance once in a newspaper
348 of general circulation where the energy assessment area is located; or

349 (ii) if there is no newspaper of general circulation where the energy assessment area is
350 located, posting a copy of the resolution or ordinance in at least three public places within the
351 local entity's jurisdictional boundaries for at least 21 days.

352 (b) Except as provided in Subsection (2)(a), a local entity is not required to make any
353 other publication or posting of the resolution or ordinance.

354 (3) Notwithstanding any other statutory provision regarding the effective date of a
355 resolution or ordinance, each energy assessment resolution or ordinance takes effect:

356 (a) on the date of publication or posting of the notice under Subsection (2); or

357 (b) at a later date as provided in the resolution or ordinance.

358 (4) (a) The governing body of each local entity that has adopted an energy assessment
359 resolution or ordinance under Subsection (1) shall, within five days after the effective date of
360 the resolution or ordinance, file a notice of assessment interest with the recorder of the county
361 in which the property to be assessed is located.

362 (b) Each notice of assessment interest under Subsection (4)(a) shall:

363 (i) state that the local entity has an assessment interest in the property to be assessed;

364 and

365 (ii) describe the property to be assessed by legal description and tax identification
366 number.

367 (c) ~~[A local entity's failure]~~ If a local entity fails to file a notice of assessment interest
 368 under this Subsection (4) [has no effect on the validity of an assessment levied under an energy
 369 assessment resolution or ordinance adopted under Subsection (1)].;

370 (i) the failure does not invalidate the designation of an energy assessment area; and

371 (ii) the local entity may not assess a levy against a subsequent purchaser of a benefitted
 372 property that lacked recorded notice unless:

373 (A) the subsequent purchaser gives written consent;

374 (B) the subsequent purchaser has actual notice of the assessment levy; or

375 (C) the subsequent purchaser purchased the property after a corrected notice was filed
 376 under Subsection (4)(d).

377 (d) The local entity may file a corrected notice if the entity fails to comply with the date
 378 or other requirements for filing a notice of assessment interest.

379 (e) If a governing body has filed a corrected notice under Subsection (4)(d), the local
 380 entity may not retroactively collect or adjust the amount of the levy to recapture lost funds for a
 381 levy that the local entity was prohibited from collecting, if applicable, under Subsection (4)(c).

382 Section 9. Section **11-42a-301** is amended to read:

383 **11-42a-301. Assessment constitutes a lien -- Characteristics of an energy**
 384 **assessment lien.**

385 (1) ~~[Each]~~ If a local entity that adopts an assessment resolution or ordinance records
 386 the assessment resolution or ordinance and the notice of proposed assessment, in accordance
 387 with Section [11-42a-201](#), in the office of the recorder of the county in which the assessed
 388 property is located, each assessment levied under this chapter, including any installment of an
 389 assessment, interest, and any penalties and costs of collection, constitutes a political
 390 subdivision lien, as that term is defined in Section [11-58-102](#), against the assessed property, in
 391 accordance with Title 11, Chapter 58, Political Subdivision Lien Authority, beginning on the
 392 effective date of the energy assessment resolution or ordinance that the local entity adopts
 393 under Subsection [11-42a-201](#)(1)(a).

394 (2) An energy assessment lien under this section:

395 (a) is superior to the lien of a trust deed, mortgage, mechanic's or materialman's lien, or
 396 other encumbrances;

397 (b) has the same priority as, but is separate and distinct from:

- 398 (i) a lien for general property taxes; or
399 (ii) any other energy assessment lien levied under this chapter;
400 (c) applies to any reduced payment obligations without interruption, change in priority,
401 or alteration in any manner; and
402 (d) continues until the assessment and any related reduced payment obligations,
403 interest, penalties, and costs are paid, regardless of:
404 (i) a sale of the property for or on account of a delinquent general property tax, special
405 tax, or other assessment; or
406 (ii) the issuance of a tax deed, an assignment of interest by the county, or a sheriff's
407 certificate of sale or deed.

408 Section 10. Section **11-42a-303** is amended to read:

409 **11-42a-303. Enforcement of an energy assessment lien.**

410 (1) (a) If an assessment or an installment of an assessment is not paid when due[;]:

411 (i) (A) the governing body of the local entity that levies the assessment shall certify any
412 unpaid amount to the treasurer of the county in which the assessed property is located; and

413 (B) the county treasurer shall include the certified amount on the property tax notice
414 required by Section 59-2-1317 for that year; and

415 (ii) the local entity may sell the property on which the assessment has been levied for
416 the amount due plus interest, penalties, and costs:

417 ~~[(a)]~~ (A) in the manner provided in Title 59, Chapter 2, Part 13, Collection of Taxes,
418 for the sale of property for delinquent general property taxes;

419 ~~[(b)]~~ (B) by judicial foreclosure; or

420 ~~[(c)]~~ (C) in the manner provided in Title 57, Chapter 1, Conveyances, as though the
421 property were the subject of a trust deed in favor of the local entity if the owner of record of the
422 property at the time the local entity initiates the process to sell the property in accordance with
423 Title 57, Chapter 1, Conveyances, has executed a property owner's consent form ~~[that:]~~ in
424 accordance with Subsection (1)(b).

425 (b) The local entity shall ensure that the consent form described in Subsection
426 (1)(a)(ii)(C):

427 (i) estimates the total assessment to be levied against the particular parcel of property;

428 (ii) describes any additional benefits that the local entity expects the assessed property

429 to receive from the improvements;

430 (iii) designates the date and time by which the fully executed consent form is required
431 to be submitted to the local entity; and

432 (iv) (A) appoints a trustee that satisfies the requirements described in Section 57-1-21;

433 (B) gives the trustee the power of sale; and

434 (C) explains that if an assessment or an installment of an assessment is not paid when
435 due, the local entity may sell the property owner's property to satisfy the amount due plus
436 interest, penalties, and costs, in the manner described in Title 57, Chapter 1, Conveyances.

437 (c) Nothing in Subsection (1)(a)(i) or in Title 11, Chapter 58, Political Subdivision
438 Lien Authority, prohibits or diminishes a local entity's authority to pursue any remedy in
439 Subsection (1)(a)(ii).

440 (2) If the local entity has assigned the local entity's rights to a third-party lender under
441 Section 11-42a-302, the local entity shall provide written instructions to the third-party lender
442 as to which method of enforcement the third-party lender shall pursue.

443 (3) Except as otherwise provided in this chapter, each tax sale under Subsection (1)(b)
444 is governed by Title 59, Chapter 2, Part 13, Collection of Taxes, to the same extent as if the
445 sale were for the sale of property for delinquent general property taxes.

446 (4) (a) In a foreclosure under Subsection (1)(c):

447 (i) the local entity may bid at the sale;

448 (ii) if no one bids at the sale and pays the local entity the amount due on the
449 assessment, plus interest and costs, the property is considered sold to the local entity for those
450 amounts; and

451 (iii) the local entity's chief financial officer may substitute and appoint one or more
452 successor trustees, as provided in Section 57-1-22.

453 (b) (i) The local entity shall disclose the designation of a trustee under Subsection
454 (4)(a)(ii) in the notice of default that the trustee gives to commence the foreclosure.

455 (ii) The local entity is not required to disclose the designation of a trustee under
456 Subsection (4)(a)(ii) in an instrument separate from the notice described in Subsection
457 (4)(b)(i).

458 (5) (a) The redemption of property that is the subject of a tax sale under Subsection
459 (1)(b) is governed by Title 59, Chapter 2, Part 13, Collection of Taxes.

460 (b) The redemption of property that is the subject of a foreclosure proceeding under
461 Subsection (1)(c) is governed by Title 57, Chapter 1, Conveyances.

462 (6) The remedies described in this part for the collection of an assessment and the
463 enforcement of an energy assessment lien are cumulative, and the use of one or more of those
464 remedies does not deprive the local entity of any other available remedy, means of collecting
465 the assessment, or means of enforcing the energy assessment lien.

466 Section 11. Section **11-58-101** is enacted to read:

467 **CHAPTER 58. POLITICAL SUBDIVISION LIEN AUTHORITY**

468 **11-58-101. Title.**

469 This chapter is known as "Political Subdivision Lien Authority."

470 Section 12. Section **11-58-102** is enacted to read:

471 **11-58-102. Definitions.**

472 As used in this chapter:

473 (1) "Direct charge" means a charge, fee, assessment, or amount, other than a property
474 tax, that a political subdivision charges to a property owner.

475 (2) "Notice of lien" means a notice that:

476 (a) a political subdivision records in the office of the recorder of the county in which a
477 property that is the subject of a nonrecurring direct charge is located; and

478 (b) describes the nature and amount of the nonrecurring direct charge and whether the
479 political subdivision intends to certify the charge to the county treasurer under statutory
480 authority that allows the treasurer to place the charge on the property tax notice described in
481 Section [59-2-1317](#).

482 (3) "Nonrecurring direct charge" means a direct charge that a political subdivision
483 assesses or imposes on a one-time or case-by-case basis rather than a regular assessment over
484 multiple calendar years.

485 (4) "Political subdivision" means:

486 (a) a county, as that term is defined in Section [17-50-101](#);

487 (b) a municipality, as that term is defined in Section [10-1-104](#);

488 (c) a local district, as that term is defined in Section [17B-1-102](#);

489 (d) a special service district, as that term is defined in Section [17D-1-102](#);

490 (e) an interlocal entity, as that term is defined in Section [11-13-103](#);

491 (f) a community reinvestment agency created under Title 17C, Limited Purpose Local
492 Government Entities - Community Reinvestment Agency Act;

493 (g) a local building authority, as that term is defined in Section 17D-2-102;

494 (h) a conservation district, as that term is defined in Section 17D-3-102; or

495 (i) a local entity, as that term is defined in Sections 11-42-102 and 11-42a-102.

496 (5) "Political subdivision lien" means a lien that a statute expressly authorizes a
497 political subdivision to hold and record, including a direct charge that constitutes, according to
498 an express statutory provision, a lien.

499 (6) "Property tax" means a tax imposed on real property under Title 59, Chapter 2,
500 Property Tax Act, Title 59, Chapter 3, Tax Equivalent Property Act, or Title 59, Chapter 4,
501 Privilege Tax.

502 (7) "Tax sale" means the tax sale described in Title 59, Chapter 2, Part 13, Collection
503 of Taxes.

504 Section 13. Section **11-58-103** is enacted to read:

505 **11-58-103. Political subdivision liens -- Status -- Limitations.**

506 (1) Unless expressly granted in statute, a political subdivision has no lien authority or
507 lien rights when a property owner fails to pay a direct charge for:

508 (a) a service that the political subdivision renders; or

509 (b) a product, an item, or goods that the political subdivision delivers.

510 (2) A political subdivision lien other than a lien described in Subsection (3):

511 (a) (i) is not equivalent to and does not have the same priority as property tax; and

512 (ii) is not subject to the same collection and tax sale procedures as a property tax;

513 (b) is effective as of the date on which the lienholder records the lien in the office of
514 the recorder of the county in which the property is located;

515 (c) is subordinate in priority to all encumbrances on the property existing on the date
516 on which the municipality records the lien; and

517 (d) is invalid and does not attach to the property if:

518 (i) the lienholder does not record the lien; or

519 (ii) a subsequent bona fide purchaser purchases the lien property for value before the
520 lienholder records the lien.

521 (3) (a) A political subdivision lien that is included on the property tax notice in

522 accordance with Section 59-2-1317 or another express statutory provision:

523 (i) under Subsection 59-2-1317(3), has the same priority as tax and is subject to
524 collection in a tax sale in accordance with Title 59, Chapter 2, Part 13, Collection of Taxes, if:

525 (A) in order to hold the lien, statute requires the lienholder to record the lien or a
526 resolution, notice, ordinance, or order, and the lienholder makes the required recording; or

527 (B) statute does not require the lienholder to record the lien or a resolution, notice,
528 ordinance, or order; and

529 (ii) except as provided in Subsection (3)(b):

530 (A) attaches to the property; and

531 (B) is valid against a subsequent bona fide purchaser of the property.

532 (b) Notwithstanding Subsection (3)(a)(ii), regardless of inclusion on the property tax

533 notice in accordance with Section 59-2-1317, if a political subdivision fails to record a lien or a

534 notice of lien for a nonrecurring direct charge in the office of the recorder of the county in

535 which the lien property is located before a subsequent bona fide purchaser purchases the

536 property, the lien:

537 (i) does not attach to the property; and

538 (ii) is invalid against the subsequent bona fide purchaser.

539 (4) If the holder of a political subdivision lien records the lien or a notice of lien, upon
540 payment of the amount that constitutes the lien:

541 (a) the lien is released from the property; and

542 (b) the lienholder shall record a release of the lien or the notice of lien in the same
543 recorder's office in which the lienholder recorded the lien or the notice of the lien.

544 (5) Nothing in this section limits a political subdivision's lien authority or lien rights
545 otherwise provided in statute, a contract, a judgment, or another property interest.

546 Section 14. Section **17B-1-902** is amended to read:

547 **17B-1-902. Lien for past due service fees -- Notice -- Partial payment allocation.**

548 (1) (a) A local district may [~~file~~] hold a lien on a customer's property for past due fees
549 for commodities, services, or facilities that the district has provided to the customer's property
550 by certifying, subject to Subsection (3), to the treasurer of the county in which the customer's
551 property is located the amount of past due fees, including, subject to Section **17B-1-902.1**,
552 applicable interest and administrative costs.

553 (b) (i) Upon certification under Subsection (1)(a), the past due fees, and if applicable,
554 interest and administrative costs, become a nonrecurring direct charge that constitutes a
555 political subdivision lien, as those terms are defined in Section 11-58-102, on the customer's
556 property to which the commodities, services, or facilities were provided in accordance with
557 Title 11, Chapter 58, Political Subdivision Lien Authority.

558 ~~[(c)]~~ (ii) A lien ~~[filed in accordance with this section]~~ described in this Subsection (1)
559 has the same priority as, but is separate and distinct from, a property tax lien.

560 (2) (a) If a local district certifies past due fees under Subsection (1)(a), the treasurer of
561 the county shall provide a notice, in accordance with this Subsection (2), to the owner of the
562 property for which the local district has incurred the past due fees.

563 (b) In providing the notice required in Subsection (2)(a), the treasurer of the county
564 shall:

565 (i) include the amount of past due fees that a local district has certified on or before
566 July 15 of the current year;

567 (ii) provide contact information, including a phone number, for the property owner to
568 contact the local district to obtain more information regarding the amount described in
569 Subsection (2)(b)(i); and

570 (iii) notify the property owner that:

571 (A) if the amount described in Subsection (2)(b)(i) is not paid in full by September 15
572 of the current year, any unpaid amount will be included on the property tax notice required by
573 Section 59-2-1317; and

574 (B) the failure to pay the amount described in Subsection (2)(b)(i) has resulted in a lien
575 on the property in accordance with ~~[this section]~~ Subsection (1)(b).

576 (c) The treasurer of the county shall provide the notice required by this Subsection (2)
577 to a property owner on or before August 1.

578 (3) (a) If a local district certifies ~~[past due fees under]~~ an unpaid amount in accordance
579 with Subsection (1)(a), the county treasurer shall include the unpaid amount on a property tax
580 notice issued in accordance with Section 59-2-1317 ~~[an unpaid fee, administrative cost, or~~
581 ~~interest described in Subsection (1)(a)]~~.

582 (b) If an unpaid fee, administrative cost, or interest is included on a property tax notice
583 in accordance with Subsection (3)(a), the county treasurer shall on the property tax notice:

584 (i) clearly state that the unpaid fee, administrative cost, or interest is for a service
585 provided by the local district; and

586 (ii) itemize the unpaid fee, administrative cost, or interest separate from any other tax,
587 fee, interest, or penalty that is included on the property tax notice in accordance with Section
588 59-2-1317.

589 (4) A lien under Subsection (1) is not valid if the local district makes certification
590 under Subsection [~~(1) is made~~] (1)(a) after the filing for record of a document conveying title of
591 the customer's property to a new owner.

592 (5) Nothing in this section may be construed to:

593 (a) waive or release the customer's obligation to pay fees that the district has imposed;

594 (b) preclude the certification of a lien under Subsection (1) with respect to past due
595 fees for commodities, services, or facilities provided after the date that title to the property is
596 transferred to a new owner; or

597 (c) nullify or terminate a valid lien.

598 (6) After all amounts owing under a lien established as provided in this section have
599 been paid, the local district shall file for record in the county recorder's office a release of the
600 lien.

601 Section 15. Section **17B-2a-506** is amended to read:

602 **17B-2a-506. Different use charges for different units -- Use charges based on the**
603 **size of the land served -- Use charge may not be based on property value.**

604 (1) An irrigation district may:

605 (a) divide the district into units and apply different use charges to the different units;
606 and

607 (b) base use charges upon the amount of water or electricity the district provides, the
608 area of the land served, or any other reasonable basis, as determined by the board of trustees.

609 (2) If an irrigation district imposes a use charge based on the size of the land served or
610 the amount of water allotted to the land:

611 (a) the assessor of the county in which the land is located shall assist the irrigation
612 district in ascertaining the identity of a parcel served by the district;

613 (b) the district shall notify the treasurer of the county in which the land is located of the
614 charge to be imposed for each parcel of land served by the district; and

615 (c) the treasurer of the county in which the land is located:

616 (i) shall:

617 (A) provide each landowner a notice of use charges as part of the annual tax notice
618 required in Section 59-2-1317 as an additional charge separate from ad valorem taxes;

619 (B) collect, receive, and provide an accounting for all money belonging to the district
620 from use charges; ~~and~~

621 (C) remit to the irrigation district, by the tenth day of each month, the funds previously
622 collected by the county as use charges on the district's behalf; and

623 (D) collect any unpaid use charges in accordance with Title 59, Chapter 2, Part 13,
624 Collection of Taxes; and

625 (ii) may receive and account for use charges separately from taxes upon real estate for
626 county purposes.

627 (3) (a) A use charge described in Subsection (2)(b) ~~[shall become a lien]~~ is a political
628 subdivision lien, as that term is defined in Section 11-58-102, on the land served, as provided
629 in ~~[Section 17B-1-902]~~ Subsection 17B-1-902(1), except that the certification described in
630 Subsection 17B-1-902(1)(a) is not required if the district makes the notification to the county
631 treasurer required in Subsection (2)(b).

632 (b) A lien described in Subsection (3)(a) shall remain in force until the use charge is
633 paid.

634 (c) The county treasurer shall release a lien described in Subsection (3)(a) upon receipt
635 of full payment of the use charge.

636 (4) A use charge may not be calculated on the basis of property value and does not
637 constitute an ad valorem property tax or other tax.

638 Section 16. Section **17B-2a-1007** is amended to read:

639 **17B-2a-1007. Contract assessments.**

640 (1) As used in this section:

641 (a) "Assessed land" means:

642 (i) for a contract assessment under a water contract with a private water user, the land
643 owned by the private water user that receives the beneficial use of water under the water
644 contract; or

645 (ii) for a contract assessment under a water contract with a public water user, the land

646 within the boundaries of the public water user that is within the boundaries of the water
647 conservancy district and that receives the beneficial use of water under the water contract.

648 (b) "Contract assessment" means an assessment levied as provided in this section by a
649 water conservancy district on assessed land.

650 (c) "Governing body" means:

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

652 (ii) for a local district, the board of trustees of the local district;

653 (iii) for a special service district:

654 (A) the legislative body of the county, city, or town that established the special service
655 district, if no administrative control board has been appointed under Section 17D-1-301; or

656 (B) the administrative control board of the special service district, if an administrative
657 control board has been appointed under Section 17D-1-301; and

658 (iv) for any other political subdivision of the state, the person or body with authority to
659 govern the affairs of the political subdivision.

660 (d) "Petitioner" means a private petitioner or a public petitioner.

661 (e) "Private petitioner" means an owner of land within a water conservancy district
662 who submits a petition to a water conservancy district under Subsection (3) to enter into a
663 water contract with the district.

664 (f) "Private water user" means an owner of land within a water conservancy district
665 who enters into a water contract with the district.

666 (g) "Public petitioner" means a political subdivision of the state:

667 (i) whose territory is partly or entirely within the boundaries of a water conservancy
668 district; and

669 (ii) that submits a petition to a water conservancy district under Subsection (3) to enter
670 into a water contract with the district.

671 (h) "Public water user" means a political subdivision of the state:

672 (i) whose territory is partly or entirely within the boundaries of a water conservancy
673 district; and

674 (ii) that enters into a water contract with the district.

675 (i) "Water contract" means a contract between a water conservancy district and a
676 private water user or a public water user under which the water user purchases, leases, or

677 otherwise acquires the beneficial use of water from the water conservancy district for the
678 benefit of:

- 679 (i) land owned by the private water user; or
- 680 (ii) land within the public water user's boundaries that is also within the boundaries of
681 the water conservancy district.
- 682 (j) "Water user" means a private water user or a public water user.

683 (2) A water conservancy district may levy a contract assessment as provided in this
684 section.

685 (3) (a) The governing body of a public petitioner may authorize its chief executive
686 officer to submit a written petition on behalf of the public petitioner to a water conservancy
687 district requesting to enter into a water contract.

688 (b) A private petitioner may submit a written petition to a water conservancy district
689 requesting to enter into a water contract.

690 (c) Each petition under this Subsection (3) shall include:

- 691 (i) the petitioner's name;
- 692 (ii) the quantity of water the petitioner desires to purchase or otherwise acquire;
- 693 (iii) a description of the land upon which the water will be used;
- 694 (iv) the price to be paid for the water;
- 695 (v) the amount of any service, turnout, connection, distribution system, or other charge
696 to be paid;
- 697 (vi) whether payment will be made in cash or annual installments;
- 698 (vii) a provision requiring the contract assessment to become a lien on the land for
699 which the water is petitioned and is to be allotted; and
- 700 (viii) an agreement that the petitioner is bound by the provisions of this part and the
701 rules and regulations of the water conservancy district board of trustees.

702 (4) (a) If the board of a water conservancy district desires to consider a petition
703 submitted by a petitioner under Subsection (3), the board shall:

- 704 (i) publish notice of the petition and of the hearing required under Subsection (4)(a)(ii)
705 at least once a week in two successive weeks in a newspaper of general circulation within the
706 county in which the political subdivision or private petitioner's land, as the case may be, is
707 located; and

- 708 (ii) hold a public hearing on the petition.
- 709 (b) Each notice under Subsection (4)(a)(i) shall:
- 710 (i) state that a petition has been filed and that the district is considering levying a
- 711 contract assessment; and
- 712 (ii) give the date, time, and place of the hearing required under Subsection (4)(a)(ii).
- 713 (c) (i) At each hearing required under Subsection (4)(a)(ii), the board of trustees of the
- 714 water conservancy district shall:
- 715 (A) allow any interested person to appear and explain why the petition should not be
- 716 granted; and
- 717 (B) consider each written objection to the granting of the petition that the board
- 718 receives before or at the hearing.
- 719 (ii) The board of trustees may adjourn and reconvene the hearing as the board
- 720 considers appropriate.
- 721 (d) (i) Any interested person may file with the board of the water conservancy district,
- 722 at or before the hearing under Subsection (4)(a)(ii), a written objection to the district's granting
- 723 a petition.
- 724 (ii) Each person who fails to submit a written objection within the time provided under
- 725 Subsection (4)(d)(i) is considered to have consented to the district's granting the petition and
- 726 levying a contract assessment.
- 727 (5) After holding a public hearing as required under Subsection (4)(a)(ii), the board of
- 728 trustees of a water conservancy district may:
- 729 (a) deny the petition; or
- 730 (b) grant the petition, if the board considers granting the petition to be in the best
- 731 interests of the district.
- 732 (6) The board of a water conservancy district that grants a petition under this section
- 733 may:
- 734 (a) make an allotment of water for the benefit of assessed land;
- 735 (b) authorize any necessary construction to provide for the use of water upon the terms
- 736 and conditions stated in the water contract;
- 737 (c) divide the district into units and fix a different rate for water purchased or otherwise
- 738 acquired and for other charges within each unit, if the rates and charges are equitable, although

739 not equal and uniform, for similar classes of services throughout the district; and

740 (d) levy a contract assessment on assessed land.

741 (7) (a) The board of trustees of each water conservancy district that levies a contract
742 assessment under this section shall:

743 (i) cause a certified copy of the resolution, ordinance, or order levying the assessment
744 to be recorded in the office of the recorder of each county in which assessed land is located;
745 and

746 (ii) on or before July 1 of each year after levying the contract assessment, certify to the
747 auditor of each county in which assessed land is located the amount of the contract assessment.

748 (b) Upon the recording of the resolution [~~or ordinance under~~], ordinance, or order, in
749 accordance with Subsection (7)(a)(i)[~~;~~]:

750 (i) the contract assessment associated with allotting water to the assessed land under
751 the water contract becomes a [~~perpetual lien~~] political subdivision lien, as that term is defined
752 in Section 11-58-102, on the assessed land[~~;~~], in accordance with Title 11, Chapter 58, Political
753 Subdivision Lien Authority, as of the effective date of the resolution, ordinance, or order; and

754 (ii) (A) the board of trustees of the water conservancy district shall certify the amount
755 of the assessment to the county treasurer; and

756 (B) the county treasurer shall include the certified amount on the property tax notice
757 required by Section 59-2-1317 for that year.

758 (c) (i) Each county in which assessed land is located shall collect the contract
759 assessment in the same manner as taxes levied by the county.

760 (ii) If the amount of a contract assessment levied under this section is not paid in full
761 by September 15 of a given year:

762 (A) the governing body of the water conservancy district that levies the contract
763 assessment shall certify any unpaid amount to the treasurer of the county in which the property
764 is located; and

765 (B) the county treasurer shall include the certified amount on the property tax notice
766 required by Section 59-2-1317 for that year.

767 (8) (a) The board of trustees of each water conservancy district that levies a contract
768 assessment under this section shall:

769 (i) hold a public hearing, before August 8 of each year in which a contract assessment

770 is levied, to hear and consider objections filed under Subsection (8)(b); and
771 (ii) twice publish a notice, at least a week apart:
772 (A) (I) in a newspaper of general circulation in each county with assessed land included
773 within the district boundaries; or
774 (II) if there is no newspaper of general circulation within the county, in a newspaper of
775 general circulation in an adjoining county;
776 (B) that contains:
777 (I) a general description of the assessed land;
778 (II) the amount of the contract assessment; and
779 (III) the time and place of the public hearing under Subsection (8)(a)(i).
780 (b) An owner of assessed land within the water conservancy district who believes that
781 the contract assessment on the owner's land is excessive, erroneous, or illegal may, before the
782 hearing under Subsection (8)(a)(i), file with the board of trustees a verified, written objection to
783 the assessment, stating the grounds for the objection.
784 (c) (i) At each hearing under Subsection (8)(a)(i), the board of trustees shall hear and
785 consider the evidence and arguments supporting each objection.
786 (ii) After hearing and considering the evidence and arguments supporting an objection,
787 the board of trustees:
788 (A) shall enter a written order, stating its decision; and
789 (B) may modify the assessment.
790 (d) (i) An owner of assessed land may file a petition in district court seeking review of
791 a board of trustees' order under Subsection (8)(c)(ii)(A).
792 (ii) Each petition under Subsection (8)(d)(i) shall:
793 (A) be filed within 30 days after the board enters its written order;
794 (B) state specifically the part of the board's order for which review is sought; and
795 (C) be accompanied by a bond with good and sufficient security in an amount not
796 exceeding \$200, as determined by the court clerk.
797 (iii) If more than one owner of assessed land seeks review, the court may, upon a
798 showing that the reviews may be consolidated without injury to anyone's interests, consolidate
799 the reviews and hear them together.
800 (iv) The court shall act as quickly as possible after a petition is filed.

801 (v) A court may not disturb a board of trustees' order unless the court finds that the
802 contract assessment on the petitioner's assessed land is manifestly disproportionate to
803 assessments imposed upon other land in the district.

804 (e) If no petition under Subsection (8)(d) is timely filed, the contract assessment is
805 conclusively considered to have been made in proportion to the benefits conferred on the land
806 in the district.

807 (9) Each resolution, ordinance, or order under which a water conservancy district
808 levied a Class B, Class C, or Class D assessment before April 30, 2007, under the law in effect
809 at the time of the levy is validated, ratified, and confirmed, and a water conservancy district
810 may continue to levy the assessment according to the terms of the resolution, ordinance, or
811 order.

812 (10) A contract assessment is not a levy of an ad valorem property tax and is not
813 subject to the limits stated in Section [17B-2a-1006](#).

814 Section 17. Section **59-2-1317** is amended to read:

815 **59-2-1317. Tax notice -- Contents of notice -- Procedures and requirements for**
816 **providing notice.**

817 (1) As used in this section, "political subdivision lien" means the same as that term is
818 defined in Section [11-58-102](#).

819 ~~(1)~~ (2) Subject to the other provisions of this section, the county treasurer shall:

820 (a) collect the taxes; and

821 (b) provide a notice to each taxpayer that contains the following:

822 (i) the kind and value of property assessed to the taxpayer;

823 (ii) the street address of the property, if available to the county;

824 (iii) that the property may be subject to a detailed review in the next year under Section
825 [59-2-303.1](#);

826 (iv) the amount of taxes levied;

827 (v) a separate statement of the taxes levied only on a certain kind or class of property
828 for a special purpose;

829 (vi) property tax information pertaining to taxpayer relief, options for payment of
830 taxes, and collection procedures;

831 (vii) if applicable, a political subdivision lien for municipal water distribution, as

832 described in Section 10-8-17, or a political subdivision lien for an increase in supply from a
833 municipal water distribution, as described in Section 10-8-19;

834 (viii) if applicable, a political subdivision lien for unpaid abatement fees as described
835 in Section 10-11-4;

836 ~~[(vii)]~~ (ix) if applicable, a political subdivision lien for the amount of an assessment
837 assessed in accordance with Section 11-42-401 or 11-42a-203;

838 ~~[(viii)]~~ (x) if applicable, for a local district in accordance with Section 17B-1-902, a
839 political subdivision lien for an unpaid fee, administrative cost, or interest ~~[for a local district in~~
840 ~~accordance with Section 17B-1-902];~~

841 (xi) if applicable, a political subdivision lien for an unpaid irrigation district use charge
842 as described in Section 17B-2a-506;

843 (xii) if applicable, a political subdivision lien for a contract assessment under a water
844 contract, as described in Section 17B-2a-1007;

845 ~~[(ix)]~~ (xiii) the date the taxes are due;

846 ~~[(x)]~~ (xiv) the street address at which the taxes may be paid;

847 ~~[(xi)]~~ (xv) the date on which the taxes are delinquent;

848 ~~[(xii)]~~ (xvi) the penalty imposed on delinquent taxes;

849 ~~[(xiii)]~~ (xvii) a statement that explains the taxpayer's right to direct allocation of a
850 partial payment in accordance with Subsection ~~[(7)]~~ (9);

851 ~~[(xiv)]~~ (xviii) other information specifically authorized to be included on the notice
852 under this chapter; and

853 ~~[(xv)]~~ (xix) other property tax information approved by the commission.

854 (3) (a) Unless expressly allowed under this section or another statutory provision, the
855 treasurer may not add an amount to be collected to the property tax notice.

856 (b) If the county treasurer adds an amount to be collected to the property tax notice
857 under this section or another statutory provision that expressly authorizes the item's inclusion
858 on the property tax notice:

859 (i) the amount has the same priority as property tax; and

860 (ii) a delinquency of the amount triggers a tax sale, in accordance with Section
861 59-2-1343.

862 ~~[(2)]~~ (4) For any property for which property taxes are delinquent, the notice described

863 in Subsection [~~(1)~~] (2) shall state, "Prior taxes are delinquent on this parcel."

864 [~~(3)~~] (5) Except as provided in Subsection [~~(4)~~] (6), the county treasurer shall:

865 (a) mail the notice required by this section, postage prepaid; or

866 (b) leave the notice required by this section at the taxpayer's residence or usual place of
867 business, if known.

868 [~~(4)~~] (6) (a) Subject to the other provisions of this Subsection [~~(4)~~] (6), a county
869 treasurer may, at the county treasurer's discretion, provide the notice required by this section by
870 electronic mail if a taxpayer makes an election, according to procedures determined by the
871 county treasurer, to receive the notice by electronic mail.

872 (b) A taxpayer may revoke an election to receive the notice required by this section by
873 electronic mail if the taxpayer provides written notice to the treasurer on or before October 1.

874 (c) A revocation of an election under this section does not relieve a taxpayer of the
875 duty to pay a tax due under this chapter on or before the due date for paying the tax.

876 (d) A county treasurer shall provide the notice required by this section using a method
877 described in Subsection [~~(3)~~] (5), until a taxpayer makes a new election in accordance with this
878 Subsection [~~(4)~~] (6), if:

879 (i) the taxpayer revokes an election in accordance with Subsection [~~(4)~~] (6)(b) to
880 receive the notice required by this section by electronic mail; or

881 (ii) the county treasurer finds that the taxpayer's electronic mail address is invalid.

882 (e) A person is considered to be a taxpayer for purposes of this Subsection [~~(4)~~] (6)
883 regardless of whether the property that is the subject of the notice required by this section is
884 exempt from taxation.

885 [~~(5)~~] (7) (a) The county treasurer shall provide the notice required by this section to a
886 taxpayer on or before November 1.

887 (b) The county treasurer shall keep on file in the county treasurer's office the
888 information set forth in the notice.

889 (c) The county treasurer is not required to mail a tax receipt acknowledging payment.

890 [~~(6)~~] (8) This section does not apply to property taxed under Section 59-2-1302 or
891 59-2-1307.

892 [~~(7)~~] (9) (a) A taxpayer who pays less than the full amount due on the taxpayer's
893 property tax notice may, on a form provided by the county treasurer, direct how the county

894 treasurer allocates the partial payment between:

- 895 (i) the total amount due for property tax;
896 (ii) the amount due for assessments;
897 (iii) the amount due for past due local district fees; and
898 (iv) any other amounts due on the property tax notice.

899 (b) The county treasurer shall comply with a direction submitted to the county treasurer
900 in accordance with Subsection [~~(7)~~] (9)(a).

901 (c) The provisions of this Subsection [~~(7)~~] (9) do not:

- 902 (i) affect the right or ability of a local entity to pursue any available remedy for
903 non-payment of any item listed on a taxpayer's property tax notice; or
904 (ii) toll or otherwise change any time period related to a remedy described in
905 Subsection [~~(7)~~] (9)(c)(i).

906 Section 18. Section **59-2-1331** is amended to read:

907 **59-2-1331. Property tax due date -- Date tax is delinquent -- Penalty -- Interest --**
908 **Payments -- Refund of prepayment.**

909 (1) (a) Except as provided in Subsection (1)(b) and subject to Subsections (1)(c) and
910 (d), all property taxes, unless otherwise specifically provided for under Section **59-2-1332**, or
911 other law, and any other charge listed on the property tax notice in accordance with Section
912 **59-2-1317** or another statutory authorization allowing the item's inclusion on the property tax
913 notice, are due on November 30 of each year following the date of levy.

914 (b) If November 30 falls on a Saturday, Sunday, or holiday:

- 915 (i) the date of the next following day that is not a Saturday, Sunday, or holiday shall be
916 substituted in Subsection (1)(a) and Subsection **59-2-1332**(1) for November 30; and
917 (ii) the date of the day occurring 30 days after the date under Subsection (1)(b)(i) shall
918 be substituted in Subsection **59-2-1332**(1) for December 30.

919 (c) If a property tax is paid or postmarked after the due date described in this
920 Subsection (1) the property tax is delinquent.

921 (d) A county treasurer or other public official, public entity, or public employee may
922 not require the payment of a property tax before the due date described in this Subsection (1).

923 (2) (a) Except as provided in Subsection (2)(e), for each parcel, all delinquent taxes
924 and items described in Subsection (1)(a) on each separately assessed parcel are subject to a

925 penalty of 2.5% of the amount of the delinquent taxes and items described in Subsection (1)(a)
926 or \$10, whichever is greater.

927 (b) Unless the delinquent taxes and items described in Subsection (1)(a), together with
928 the penalty, are paid on or before January 31, the amount of taxes and items described in
929 Subsection (1)(a) and penalty shall bear interest on a per annum basis from the January 1
930 immediately following the delinquency date.

931 (c) Except as provided in Subsection (2)(d), for purposes of Subsection (2)(b), the
932 interest rate is equal to the sum of:

933 (i) 6%; and

934 (ii) the federal funds rate target:

935 (A) established by the Federal Open Markets Committee; and

936 (B) that exists on the January 1 immediately following the date of delinquency.

937 (d) The interest rate described in Subsection (2)(c) may not be:

938 (i) less than 7%; or

939 (ii) more than 10%.

940 (e) The penalty described in Subsection (2)(a) is 1% of the amount of the delinquent
941 taxes and items described in Subsection (1)(a) or \$10, whichever is greater, if all delinquent
942 taxes, all items described in Subsection (1)(a), and the penalty are paid on or before the January
943 31 immediately following the delinquency date.

944 (3) (a) If the delinquency exceeds one year, the amount of taxes, items described in
945 Subsection (1)(a), and penalties for that year and all succeeding years shall bear interest until
946 settled in full through redemption or tax sale.

947 (b) The interest rate to be applied shall be calculated for each year as established under
948 Subsection (2) and shall apply on each individual year's delinquency until paid.

949 (4) The county treasurer may accept and credit on account against taxes and items
950 described in Subsection (1)(a) becoming due during the current year, at any time before or after
951 the tax rates are adopted, but not subsequent to the date of delinquency, either:

952 (a) payments in amounts of not less than \$10; or

953 (b) the full amount of the unpaid tax and items described in Subsection (1)(a).

954 (5) (a) At any time before the county treasurer provides the tax notice described in
955 Section [59-2-1317](#), the county treasurer may refund amounts accepted and credited on account

956 against taxes and items described in Subsection (1)(a) becoming due during the current year.

957 (b) Upon recommendation by the county treasurer, the county legislative body shall
958 adopt rules or ordinances to implement the provisions of this Subsection (5).

959 Section 19. Section **59-2-1332.5** is amended to read:

960 **59-2-1332.5. Mailing notice of delinquency or publication of delinquent list --**

961 **Contents -- Notice -- Definitions.**

962 (1) As used in this section, "business entity" means:

963 (a) an association;

964 (b) a corporation;

965 (c) a limited liability company;

966 (d) a partnership;

967 (e) a trust; or

968 (f) a business entity similar to Subsections (1)(a) through (e).

969 ~~[(1)]~~ (2) The county treasurer shall provide notice of delinquency in the payment of
970 property taxes and any other item allowed on the property tax notice under Section [59-2-1317](#)
971 or another express statutory authorization:

972 (a) except as provided in Subsection ~~[(4)]~~ (5), on or before December 31 of each
973 calendar year; and

974 (b) in a manner described in Subsection ~~[(2)]~~ (3).

975 ~~[(2) A]~~ (3) The notice [of delinquency in the payment of property taxes] described in
976 Subsection (2) shall be provided by:

977 (a) (i) mailing a written notice that includes the information described in Subsection
978 ~~[(3)]~~ (4)(a), postage prepaid, to:

979 (A) each delinquent taxpayer; and

980 (B) if the delinquent property taxes or other items described in Subsection (2) are
981 assessed on a base parcel, the record owner of each subdivided lot; and

982 (ii) making available to the public a list of delinquencies in the payment of property
983 taxes:

984 (A) by electronic means; and

985 (B) that includes the information required by Subsection ~~[(3)]~~ (4)(b); or

986 (b) publishing a list of delinquencies in the payment of property taxes and other items

987 described in Subsection (2):

988 (i) in one issue of a newspaper having general circulation in the county;

989 (ii) that lists each delinquency in alphabetical order by:

990 (A) the last name of the delinquent taxpayer; or

991 (B) if the delinquent taxpayer is a business entity, the name of the business entity; and

992 (iii) that includes the information described in Subsection [~~(3)~~] (4)(b).

993 [~~(3)~~] (4) (a) A written notice of delinquency [~~in the payment of property taxes~~]

994 described in Subsection [~~(2)~~] (3)(a)(i) shall include:

995 (i) a statement that delinquent taxes and other items described in Subsection (2) are
996 due;

997 (ii) the amount of delinquent taxes and other items described in Subsection (2) due, not
998 including any penalties imposed in accordance with this chapter;

999 (iii) (A) the name of the delinquent taxpayer; or

1000 (B) if the delinquent taxpayer is a business entity, the name of the business entity;

1001 (iv) (A) a description of the delinquent property; or

1002 (B) the property identification number of the delinquent property;

1003 (v) a statement that a penalty shall be imposed in accordance with this chapter; and

1004 (vi) a statement that interest accrues as of January 1 following the date of the

1005 delinquency unless on or before January 31 the following are paid:

1006 (A) the delinquent taxes and other items described in Subsection (2); and

1007 (B) the penalty.

1008 (b) The list of delinquencies described in Subsection [~~(2)~~] (3)(a)(ii) or [~~(2)~~] (3)(b) shall
1009 include:

1010 (i) the amount of delinquent taxes and other items described in Subsection (2) due, not
1011 including any penalties imposed in accordance with this chapter;

1012 (ii) (A) the name of the delinquent taxpayer; or

1013 (B) if the delinquent taxpayer is a business entity, the name of the business entity;

1014 (iii) (A) a description of the delinquent property; or

1015 (B) the property identification number of the delinquent property;

1016 (iv) a statement that a penalty shall be imposed in accordance with this chapter; and

1017 (v) a statement that interest accrues as of January 1 following the date of the

1018 delinquency unless on or before January 31 the following are paid:

1019 (A) the delinquent taxes and other items described in Subsection (2); and

1020 (B) the penalty.

1021 ~~[(4)]~~ (5) Notwithstanding Subsection ~~[(1)]~~ (2)(a), if the county legislative body extends
1022 the property tax due date under Subsection 59-2-1332(1), the notice of delinquency ~~[in the~~
1023 ~~payment of property taxes]~~ described in Subsection (2) shall be provided on or before January
1024 10.

1025 ~~[(5)]~~ (6) (a) In addition to the notice of delinquency ~~[in the payment of property taxes]~~
1026 required by Subsection ~~[(1)]~~ (2), a county treasurer may in accordance with this Subsection
1027 ~~[(5)]~~ (6) mail a notice that property taxes are delinquent:

1028 (i) to:

1029 (A) a delinquent taxpayer;

1030 (B) an owner of record of the delinquent property;

1031 (C) any other interested party that requests notice; or

1032 (D) a combination of Subsections ~~[(5)]~~ (6)(a)(i)(A) through (C); and

1033 (ii) at any time that the county treasurer considers appropriate.

1034 (b) A notice mailed in accordance with this Subsection ~~[(5)]~~ (6):

1035 (i) shall include the information required by Subsection ~~[(3)]~~ (4)(a); and

1036 (ii) may include any information that the county treasurer finds is useful to the owner
1037 of record of the delinquent property in determining:

1038 (A) the status of taxes and other items described in Subsection (2) owed on the
1039 delinquent property;

1040 (B) any penalty that is owed on the delinquent property;

1041 (C) any interest charged under Section 59-2-1331 on the delinquent property; or

1042 (D) any related matters concerning the delinquent property.

1043 ~~[(6) As used in this section, "business entity" means:]~~

1044 ~~[(a) an association;]~~

1045 ~~[(b) a corporation;]~~

1046 ~~[(c) a limited liability company;]~~

1047 ~~[(d) a partnership;]~~

1048 ~~[(e) a trust; or]~~

1049 [~~(f) a business entity similar to Subsections (6)(a) through (e):]~~

1050 Section 20. Section **59-2-1343** is amended to read:

1051 **59-2-1343. Tax sale listing.**

1052 (1) (a) If any property is not redeemed by March 15 following the lapse of four years
1053 from the date when [~~the property tax~~] any item in Subsection (1)(b) became delinquent, the
1054 county treasurer shall immediately file a listing with the county auditor of all properties whose
1055 redemption period is expiring in the nearest forthcoming tax sale to pay all outstanding charges
1056 statutorily allowed on the property tax notice.

1057 (b) A delinquency of any of the following triggers the tax sale process described in
1058 Subsection (1)(a):

1059 (i) property tax; or

1060 (ii) an item other than property tax that the county treasurer lists on the property tax
1061 notice in accordance with Section 59-2-1317 or another express statutory provision that
1062 authorizes the item's inclusion on the property tax notice.

1063 (2) The listing is known as the "~~[Tax Sale Listing]~~ tax sale listing."