

LIMITED PURPOSE LOCAL GOVERNMENT ENTITY

AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Stephen G. Handy

Senate Sponsor: _____

LONG TITLE

General Description:

This bill amends provisions relating to certain limited purpose local government entities.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ extends the time for a local district board to approve or reject a proposed annexation;
- ▶ prohibits the creation of a new basic local district;
- ▶ allows a special service district to preserve and promote the arts;
- ▶ repeals provisions requiring certain limited purpose local government entities to provide district contact information to the local telephone directory publisher; and
- ▶ makes conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

None

Utah Code Sections Affected:

AMENDS:



- 28 17B-1-414, as last amended by Laws of Utah 2011, Chapter 68
- 29 17D-1-102, as last amended by Laws of Utah 2014, Chapter 377
- 30 17D-1-106, as last amended by Laws of Utah 2016, Chapter 233
- 31 17D-1-201, as last amended by Laws of Utah 2016, Chapter 371
- 32 17D-3-105, as last amended by Laws of Utah 2018, Chapter 115

33 ENACTS:

34 17B-1-1403, Utah Code Annotated 1953

35 REPEALS:

36 17B-1-112, as enacted by Laws of Utah 2007, Chapter 329



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

39 Section 1. Section 17B-1-414 is amended to read:

40 **17B-1-414. Resolution approving an annexation -- Filing of notice and plat with**
41 **lieutenant governor -- Recording requirements -- Effective date.**

42 (1) (a) Subject to Subsection (1)(b), the local district board shall adopt a resolution
43 approving the annexation of the area proposed to be annexed or rejecting the proposed
44 annexation within [~~30~~] 90 days after:

45 (i) expiration of the protest period under Subsection 17B-1-412(2), if sufficient protests
46 to require an election are not filed;

47 (ii) for a petition that meets the requirements of Subsection 17B-1-413(1):

48 (A) a public hearing under Section 17B-1-409 is held, if the board chooses or is
49 required to hold a public hearing under Subsection 17B-1-413(2)(a)(ii); or

50 (B) expiration of the time for submitting a request for public hearing under Subsection
51 17B-1-413(2)(a)(ii)(B), if no request is submitted and the board chooses not to hold a public
52 hearing.

53 (b) If the local district has entered into an agreement with the United States that
54 requires the consent of the United States for an annexation of territory to the district, a
55 resolution approving annexation under this part may not be adopted until the written consent of
56 the United States is obtained and filed with the board of trustees.

57 (2) (a) (i) Within the time specified under Subsection (2)(a)(ii), the board shall file with
58 the lieutenant governor:

59 (A) a copy of a notice of an impending boundary action, as defined in Section
60 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3) and, if applicable,
61 Subsection (2)(b); and

62 (B) a copy of an approved final local entity plat, as defined in Section 67-1a-6.5.

63 (ii) The board shall file the documents listed in Subsection (2)(a)(i) with the lieutenant
64 governor:

65 (A) within 30 days after adoption of a resolution under Subsection (1), Subsection
66 17B-1-412(3)(c)(i), or Section 17B-1-415; and

67 (B) as soon as practicable after receiving the notice under Subsection 10-2-425(2) of a
68 municipal annexation that causes an automatic annexation to a local district under Section
69 17B-1-416.

70 (b) For an automatic annexation to a local district under Section 17B-1-416, the notice
71 of an impending boundary action required under Subsection (2)(a) shall state that an area
72 outside the boundaries of the local district is being automatically annexed to the local district
73 under Section 17B-1-416 because of a municipal annexation under Title 10, Chapter 2, Part 4,
74 Annexation.

75 (c) Upon the lieutenant governor's issuance of a certificate of annexation under Section
76 67-1a-6.5, the board shall:

77 (i) if the annexed area is located within the boundary of a single county, submit to the
78 recorder of that county:

79 (A) the original:

80 (I) notice of an impending boundary action;

81 (II) certificate of annexation; and

82 (III) approved final local entity plat; and

83 (B) a certified copy of the annexation resolution; or

84 (ii) if the annexed area is located within the boundaries of more than a single county:

85 (A) submit to the recorder of one of those counties:

86 (I) the original of the documents listed in Subsections (2)(c)(i)(A)(I), (II), and (III); and

87 (II) a certified copy of the annexation resolution; and

88 (B) submit to the recorder of each other county:

89 (I) a certified copy of the documents listed in Subsection (2)(c)(i)(A)(I), (II), and (III);

90 and

91 (II) a certified copy of the annexation resolution.

92 (3) (a) As used in this Subsection (3), "fire district annexation" means an annexation
93 under this part of an area located in a county of the first class to a local district:

94 (i) created to provide fire protection, paramedic, and emergency services; and

95 (ii) in the creation of which an election was not required because of Subsection
96 17B-1-214(3)(d).

97 (b) An annexation under this part is complete and becomes effective:

98 (i) (A) on July 1 for a fire district annexation, if the lieutenant governor issues the
99 certificate of annexation under Section 67-1a-6.5 from January 1 through June 30; or

100 (B) on January 1 for a fire district annexation, if the lieutenant governor issues the
101 certificate of annexation under Section 67-1a-6.5 from July 1 through December 31; or

102 (ii) upon the lieutenant governor's issuance of the certificate of annexation under
103 Section 67-1a-6.5, for any other annexation.

104 (c) (i) The effective date of a local district annexation for purposes of assessing
105 property within the annexed area is governed by Section 59-2-305.5.

106 (ii) Until the documents listed in Subsection (2)(c) are recorded in the office of the
107 recorder of each county in which the property is located, a local district may not:

108 (A) levy or collect a property tax on property within the annexed area;

109 (B) levy or collect an assessment on property within the annexed area; or

110 (C) charge or collect a fee for service provided to property within the annexed area.

111 (iii) Subsection (3)(c)(ii)(C):

112 (A) may not be construed to limit a local district's ability before annexation to charge
113 and collect a fee for service provided to property that is outside the local district's boundary;
114 and

115 (B) does not apply until 60 days after the effective date, under Subsection (3)(b), of the
116 local district's annexation, with respect to a fee that the local district was charging for service
117 provided to property within the annexed area immediately before the area was annexed to the
118 local district.

119 Section 2. Section 17B-1-1403 is enacted to read:

120 **17B-1-1403. Prohibition against creating new basic local districts.**

121 A person may not create a basic local district on or after May 12, 2020.

122 Section 3. Section **17D-1-102** is amended to read:

123 **17D-1-102. Definitions.**

124 As used in this chapter:

125 (1) "Adequate protests" means written protests timely filed by:

126 (a) the owners of private real property that:

127 (i) is located within the applicable area;

128 (ii) covers at least 25% of the total private land area within the applicable area; and

129 (iii) is equal in value to at least 15% of the value of all private real property within the
130 applicable area; or

131 (b) registered voters residing within the applicable area equal in number to at least 25%
132 of the number of votes cast in the applicable area for the office of president of the United States
133 at the most recent election prior to the adoption of the resolution or filing of the petition.

134 (2) "Applicable area" means:

135 (a) for a proposal to create a special service district, the area included within the
136 proposed special service district;

137 (b) for a proposal to annex an area to an existing special service district, the area
138 proposed to be annexed;

139 (c) for a proposal to add a service to the service or services provided by a special
140 service district, the area included within the special service district; and

141 (d) for a proposal to consolidate special service districts, the area included within each
142 special service district proposed to be consolidated.

143 (3) "Arts" means the various branches of creative human activity, including visual arts,
144 film, performing arts, sculpture, literature, music, theater, dance, digital arts, video-game arts,
145 and cultural vitality.

146 [~~(3)~~] (4) "Facility" or "facilities" includes any structure, building, system, land, water
147 right, water, or other real or personal property required to provide a service that a special
148 service district is authorized to provide, including any related or appurtenant easement or
149 right-of-way, improvement, utility, landscaping, sidewalk, road, curb, gutter, equipment, or
150 furnishing.

151 [~~(4)~~] (5) "General obligation bond":

152 (a) means a bond that is directly payable from and secured by ad valorem property
153 taxes that are:

154 (i) levied:

155 (A) by the county or municipality that created the special service district that issues the
156 bond; and

157 (B) on taxable property within the special service district; and

158 (ii) in excess of the ad valorem property taxes for the current fiscal year; and

159 (b) does not include:

160 (i) a short-term bond;

161 (ii) a tax and revenue anticipation bond; or

162 (iii) a special assessment bond.

163 [~~5~~] (6) "Governing body" means:

164 (a) the legislative body of the county or municipality that creates the special service
165 district, to the extent that the county or municipal legislative body has not delegated authority
166 to an administrative control board created under Section 17D-1-301; or

167 (b) the administrative control board of the special service district, to the extent that the
168 county or municipal legislative body has delegated authority to an administrative control board
169 created under Section 17D-1-301.

170 [~~6~~] (7) "Guaranteed bonds" means bonds:

171 (a) issued by a special service district; and

172 (b) the debt service of which is guaranteed by one or more taxpayers owning property
173 within the special service district.

174 [~~7~~] (8) "Local district" has the same meaning as defined in Section 17B-1-102.

175 [~~8~~] (9) "Revenue bond":

176 (a) means a bond payable from designated taxes or other revenues other than the ad
177 valorem property taxes of the county or municipality that created the special service district;
178 and

179 (b) does not include:

180 (i) an obligation constituting an indebtedness within the meaning of an applicable
181 constitutional or statutory debt limit;

182 (ii) a tax and revenue anticipation bond; or

183 (iii) a special assessment bond.

184 [~~(9)~~] (10) "Special assessment" means an assessment levied against property to pay all
185 or a portion of the costs of making improvements that benefit the property.

186 [~~(10)~~] (11) "Special assessment bond" means a bond payable from special assessments.

187 [~~(11)~~] (12) "Special service district" means a limited purpose local government entity,
188 as described in Section 17D-1-103, that:

189 (a) is created under authority of the Utah Constitution Article XI, Section 7; and

190 (b) operates under, is subject to, and has the powers set forth in this chapter.

191 [~~(12)~~] (13) "Tax and revenue anticipation bond" means a bond:

192 (a) issued in anticipation of the collection of taxes or other revenues or a combination
193 of taxes and other revenues; and

194 (b) that matures within the same fiscal year as the fiscal year in which the bond is
195 issued.

196 Section 4. Section 17D-1-106 is amended to read:

197 **17D-1-106. Special service districts subject to other provisions.**

198 (1) A special service district is, to the same extent as if it were a local district, subject
199 to and governed by:

200 (a) (i) Sections 17B-1-105, 17B-1-107, 17B-1-108, 17B-1-110, 17B-1-111,
201 [~~17B-1-112~~], 17B-1-113, 17B-1-116, 17B-1-118, 17B-1-119, 17B-1-120, 17B-1-121,
202 17B-1-304, 17B-1-307, 17B-1-310, 17B-1-311, 17B-1-312, 17B-1-313, and 17B-1-314; and

203 (ii) Sections 17B-1-305 and 17B-1-306, to the extent that a county legislative body or a
204 municipal legislative body, as applicable, has delegated authority to an administrative control
205 board with elected members, under Section 17D-1-301.

206 (b) Subsections:

207 (i) 17B-1-301(3) and (4); and

208 (ii) 17B-1-303(1), (2)(a) and (b), (3), (4), (5), (6), (7), and (9);

209 (c) Section 20A-1-512;

210 (d) Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts;

211 (e) Title 17B, Chapter 1, Part 7, Local District Budgets and Audit Reports;

212 (f) Title 17B, Chapter 1, Part 8, Local District Personnel Management; and

213 (g) Title 17B, Chapter 1, Part 9, Collection of Service Fees and Charges.

214 (2) For purposes of applying the provisions listed in Subsection (1) to a special service
215 district, each reference in those provisions to the local district board of trustees means the
216 governing body.

217 Section 5. Section **17D-1-201** is amended to read:

218 **17D-1-201. Services that a special service district may be created to provide.**

219 As provided in this part, a county or municipality may create a special service district to
220 provide any combination of the following services:

221 (1) water;

222 (2) sewerage;

223 (3) drainage;

224 (4) flood control;

225 (5) garbage collection and disposal;

226 (6) health care;

227 (7) transportation, including the receipt of federal secure rural school funds under

228 Section [51-9-603](#) for the purposes of constructing, improving, repairing, or maintaining public
229 roads;

230 (8) recreation;

231 (9) fire protection, including:

232 (a) emergency medical services, ambulance services, and search and rescue services, if
233 fire protection service is also provided;

234 (b) Firewise Communities programs and the development of community wildfire
235 protection plans; and

236 (c) the receipt of federal secure rural school funds as provided under Section [51-9-603](#)
237 for the purposes of carrying out Firewise Communities programs, developing community
238 wildfire protection plans, and performing emergency services, including firefighting on federal
239 land and other services authorized under this Subsection (9);

240 (10) providing, operating, and maintaining correctional and rehabilitative facilities and
241 programs for municipal, state, and other detainees and prisoners;

242 (11) street lighting;

243 (12) consolidated 911 and emergency dispatch;

244 (13) animal shelter and control;

245 (14) receiving federal mineral lease funds under Title 59, Chapter 21, Mineral Lease
246 Funds, and expending those funds to provide construction and maintenance of public facilities,
247 traditional governmental services, and planning, as a means for mitigating impacts from
248 extractive mineral industries;

249 (15) in a county of the first class, extended police protection;

250 (16) control or abatement of earth movement or a landslide;

251 (17) an energy efficiency upgrade, a renewable energy system, or electric vehicle
252 charging infrastructure as defined in Section 11-42-102, in accordance with Title 11, Chapter
253 42, Assessment Area Act; [or]

254 (18) cemetery[-]; or

255 (19) preserving and promoting the arts.

256 Section 6. Section 17D-3-105 is amended to read:

257 **17D-3-105. Conservation districts subject to other provisions.**

258 (1) Subject to Subsection (3), a conservation district is, to the same extent as if it were
259 a local district, subject to and governed by:

260 (a) Sections 17B-1-105, 17B-1-107, 17B-1-108, 17B-1-110, [~~17B-1-112~~], 17B-1-113,
261 17B-1-116, 17B-1-121, 17B-1-307, 17B-1-311, 17B-1-313, and 17B-1-314;

262 (b) Title 17B, Chapter 1, Part 6, Fiscal Procedures for Local Districts;

263 (c) Title 17B, Chapter 1, Part 7, Local District Budgets and Audit Reports;

264 (d) Title 17B, Chapter 1, Part 8, Local District Personnel Management; and

265 (e) Title 17B, Chapter 1, Part 9, Collection of Service Fees and Charges.

266 (2) For purposes of applying the provisions listed in Subsection (1) to a conservation
267 district, each reference in those provisions to the local district board of trustees means the
268 board of supervisors described in Section 17D-3-301.

269 (3) A conservation district may not exercise taxing authority.

270 **Section 7. Repealer.**

271 This bill repeals:

272 Section 17B-1-112, **Publishing district information in telephone directory.**