

## HB0333S01 compared with HB0333

~~{deleted text}~~ shows text that was in HB0333 but was deleted in HB0333S01.

inserted text shows text that was not in HB0333 but was inserted into HB0333S01.

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Representative James A. Dunnigan proposes the following substitute bill:

### LIMITED PURPOSE LOCAL GOVERNMENT ENTITY

#### AMENDMENTS

2020 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Stephen G. Handy**

Senate Sponsor: \_\_\_\_\_

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#### 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;~~

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- ‡ ▶ 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:

**17B-1-414**, as last amended by Laws of Utah 2011, Chapter 68

~~{ **17D-1-102**, as last amended by Laws of Utah 2014, Chapter 377~~

‡ **17D-1-106**, as last amended by Laws of Utah 2016, Chapter 233

~~{ **17D-1-201**, as last amended by Laws of Utah 2016, Chapter 371~~

‡ **17D-3-105**, as last amended by Laws of Utah 2018, Chapter 115

ENACTS:

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

REPEALS:

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

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

(A) the original;

(I) notice of an impending boundary action;

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- (II) certificate of annexation; and
- (III) approved final local entity plat; and
- (B) a certified copy of the annexation resolution; or
- (ii) if the annexed area is located within the boundaries of more than a single county:
  - (A) submit to the recorder of one of those counties:
    - (I) the original of the documents listed in Subsections (2)(c)(i)(A)(I), (II), and (III); and
    - (II) a certified copy of the annexation resolution; and
    - (B) submit to the recorder of each other county:
      - (I) a certified copy of the documents listed in Subsection (2)(c)(i)(A)(I), (II), and (III);

and

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

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

- (i) created to provide fire protection, paramedic, and emergency services; and
- (ii) in the creation of which an election was not required because of Subsection

17B-1-214(3)(d).

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

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

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

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

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

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

- (A) levy or collect a property tax on property within the annexed area;
- (B) levy or collect an assessment on property within the annexed area; or
- (C) charge or collect a fee for service provided to property within the annexed area.

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

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

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

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

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

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

Section 3. Section ~~{17D-1-102}~~ 17D-1-106 is amended to read:

~~{~~ ~~**17D-1-102. Definitions:**~~

~~As used in this chapter:~~

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

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

~~(i) is located within the applicable area;~~

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

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

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

~~(2) "Applicable area" means:~~

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

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

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

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

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

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

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

~~\_\_\_\_\_ (a) means a bond that is directly payable from and secured by ad valorem property taxes that are:~~

~~\_\_\_\_\_ (i) levied:~~

~~\_\_\_\_\_ (A) by the county or municipality that created the special service district that issues the bond; and~~

~~\_\_\_\_\_ (B) on taxable property within the special service district; and~~

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

~~\_\_\_\_\_ (b) does not include:~~

~~\_\_\_\_\_ (i) a short-term bond;~~

~~\_\_\_\_\_ (ii) a tax and revenue anticipation bond; or~~

~~\_\_\_\_\_ (iii) a special assessment bond.~~

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

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

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

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

~~\_\_\_\_\_ (a) issued by a special service district; and~~

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

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- ~~[(7)] (8) "Local district" has the same meaning as defined in Section 17B-1-102.~~
- ~~[(8)] (9) "Revenue bond":~~
- ~~(a) means a bond payable from designated taxes or other revenues other than the ad valorem property taxes of the county or municipality that created the special service district; and~~
- ~~(b) does not include:~~
- ~~(i) an obligation constituting an indebtedness within the meaning of an applicable constitutional or statutory debt limit;~~
- ~~(ii) a tax and revenue anticipation bond; or~~
- ~~(iii) a special assessment bond.~~
- ~~[(9)] (10) "Special assessment" means an assessment levied against property to pay all or a portion of the costs of making improvements that benefit the property.~~
- ~~[(10)] (11) "Special assessment bond" means a bond payable from special assessments.~~
- ~~[(11)] (12) "Special service district" means a limited purpose local government entity, as described in Section 17D-1-103, that:~~
- ~~(a) is created under authority of the Utah Constitution Article XI, Section 7; and~~
- ~~(b) operates under, is subject to, and has the powers set forth in this chapter.~~
- ~~[(12)] (13) "Tax and revenue anticipation bond" means a bond:~~
- ~~(a) issued in anticipation of the collection of taxes or other revenues or a combination of taxes and other revenues; and~~
- ~~(b) that matures within the same fiscal year as the fiscal year in which the bond is issued.~~

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

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

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

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

(ii) Sections 17B-1-305 and 17B-1-306, to the extent that a county legislative body or a municipal legislative body, as applicable, has delegated authority to an administrative control

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board with elected members, under Section 17D-1-301.

(b) Subsections:

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

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

(c) Section 20A-1-512;

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

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

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

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

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

Section ~~{5}~~4. Section ~~{17D-1-201}~~17D-3-105 is amended to read:

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

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

~~(1) water;~~

~~(2) sewerage;~~

~~(3) drainage;~~

~~(4) flood control;~~

~~(5) garbage collection and disposal;~~

~~(6) health care;~~

~~(7) transportation, including the receipt of federal secure rural school funds under Section 51-9-603 for the purposes of constructing, improving, repairing, or maintaining public roads;~~

~~(8) recreation;~~

~~(9) fire protection, including:~~

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

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



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

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

~~—— (11) street lighting;~~

~~—— (12) consolidated 911 and emergency dispatch;~~

~~—— (13) animal shelter and control;~~

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

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

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

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

~~—— (18) cemetery[.]; or~~

~~—— (19) preserving and promoting the arts.~~

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

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

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

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

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

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

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

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

(2) For purposes of applying the provisions listed in Subsection (1) to a conservation

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district, each reference in those provisions to the local district board of trustees means the board of supervisors described in Section 17D-3-301.

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

Section ~~{7}~~5. **Repealer.**

This bill repeals:

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