

**SPECIAL SERVICE DISTRICT STUDY**

2022 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Mike Winder**

Senate Sponsor: Wayne A. Harper

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**LONG TITLE**

**General Description:**

This bill requires a municipality and a special service district to conduct a feasibility study in certain circumstances.

**Highlighted Provisions:**

This bill:

► requires a municipality and a special service district to conduct a feasibility study every ten years if ~~the~~ **two-thirds or more of** the special service district's service area is contained within the municipality's boundaries.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

ENACTS:

**17D-1-605**, Utah Code Annotated 1953

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

Section 1. Section **17D-1-605** is enacted to read:

**17D-1-605. Feasibility study for a special service district.**

(1) If ~~the~~ **two-thirds or more of** the service area of a special service district is contained within the boundaries of

H.B. 466



28 a municipality, the special service district and the municipality shall conduct a feasibility study  
29 to determine if the municipality can provide the services that the special service district offers  
30 at a lower cost than the special service district.

31 (2) The feasibility study shall consider:

32 (a) the municipality's capacity to provide services at a level and quality that fairly and  
33 reasonably approximates the level and quality of services being provided by the special service  
34 district at the time of the feasibility study;

35 (b) the municipality's capacity to increase services to align with projected growth in the  
36 municipality;

37 (c) the costs of transferring the provision of services from the special service district to  
38 the municipality; and

39 (d) the costs for the municipality to provide the service compared to the costs of the  
40 special service district to provide the service.

41 (3) A special service district and a municipality required to conduct a feasibility study  
42 as described in Subsections (1) and (2) shall ~~H→ [hire a feasibility consultant to]~~ ←H conduct an  
42a initial  
43 feasibility study no later than January 1, 2023, and a feasibility study every ten years after  
44 January 1, 2023.

45 (4) The legislative body of the municipality and, if the municipality has created an  
46 administrative control board pursuant to Section 17D-1-301, the administrative control board  
47 of the special service district shall:

48 (a) ~~H→ assign internal staff or~~ ←H select a feasibility consultant ~~H→ to perform the~~  
48a feasibility study ←H ;

49 (b) share the cost of the feasibility study; and

50 (c) require the ~~H→ assigned internal staff or the~~ ←H feasibility consultant to present the  
50a findings of the feasibility study in a  
51 public meeting of the municipality's legislative body and a public meeting of the special service  
52 district's administrative control board.

52a ~~H→ (5) This section does not apply to a municipality and a special service district~~  
52b ~~where the board of the special service district has the same membership as the municipality's~~  
52c ~~legislative body.~~ ←H