

INFRASTRUCTURE FINANCING DISTRICTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: James A. Dunnigan

Senate Sponsor: _____

LONG TITLE

Committee Note:

The Political Subdivisions Interim Committee recommended this bill.

Legislative Vote: 13 voting for 2 voting against 1 absent

General Description:

This bill enacts and modifies provisions related to infrastructure financing districts.

Highlighted Provisions:

This bill:

- ▶ authorizes the creation of a type of special district for the purpose of financing infrastructure;
- ▶ provides a process for the creation of an infrastructure financing district;
- ▶ provides for the powers and governance of an infrastructure financing district;
- ▶ authorizes an infrastructure financing district to impose an assessment on property within the district and to issue assessment bonds to finance infrastructure within the district;
- ▶ provides for the district to have bonding authority, with limitations;
- ▶ authorizes the district to levy a property tax;
- ▶ requires a district to provide proof to a county or municipality that an assessment bond has been paid in full on owner-occupied residential property before the county or municipality may issue a certificate of occupancy;
- ▶ provides for the annexation of an area to an infrastructure financing district, the



- 28 withdrawal of an area from a district, and for dissolution of a district;
- 29 ▶ authorizes sponsors of a petition to create an infrastructure financing district to
- 30 create a governing document with provisions that govern the district, including
- 31 providing for board membership and the transition from appointed board positions
- 32 to elected board positions; and
- 33 ▶ makes technical and conforming changes.

34 **Money Appropriated in this Bill:**

35 None

36 **Other Special Clauses:**

37 None

38 **Utah Code Sections Affected:**

39 AMENDS:

- 40 10-9a-509, as last amended by Laws of Utah 2023, Chapter 478
- 41 11-42-102, as last amended by Laws of Utah 2023, Chapter 16
- 42 11-42-106, as last amended by Laws of Utah 2021, Chapters 314, 415
- 43 11-42-201, as last amended by Laws of Utah 2021, Chapter 314
- 44 11-42-202, as last amended by Laws of Utah 2023, Chapter 435
- 45 17-27a-508, as last amended by Laws of Utah 2023, Chapter 478
- 46 17B-1-102, as last amended by Laws of Utah 2023, Chapter 15
- 47 17B-1-103, as last amended by Laws of Utah 2023, Chapter 15
- 48 17B-1-105, as last amended by Laws of Utah 2023, Chapter 15
- 49 17B-1-201, as last amended by Laws of Utah 2023, Chapter 15
- 50 17B-1-202, as last amended by Laws of Utah 2023, Chapter 15
- 51 17B-1-203, as last amended by Laws of Utah 2023, Chapter 15
- 52 17B-1-204, as last amended by Laws of Utah 2023, Chapter 15
- 53 17B-1-205, as last amended by Laws of Utah 2023, Chapters 15, 116
- 54 17B-1-208, as last amended by Laws of Utah 2023, Chapter 15
- 55 17B-1-209, as last amended by Laws of Utah 2023, Chapters 15, 116
- 56 17B-1-210, as last amended by Laws of Utah 2023, Chapter 15
- 57 17B-1-211, as last amended by Laws of Utah 2023, Chapters 15, 435
- 58 17B-1-213, as last amended by Laws of Utah 2023, Chapter 15

- 59 **17B-1-214**, as last amended by Laws of Utah 2023, Chapter 15
- 60 **17B-1-215**, as last amended by Laws of Utah 2023, Chapter 15
- 61 **17B-1-216**, as last amended by Laws of Utah 2023, Chapter 15
- 62 **17B-1-302**, as last amended by Laws of Utah 2023, Chapters 15, 100
- 63 **17B-1-303**, as last amended by Laws of Utah 2023, Chapter 15
- 64 **17B-1-306.5**, as last amended by Laws of Utah 2023, Chapter 15
- 65 **17B-1-403**, as last amended by Laws of Utah 2023, Chapter 15
- 66 **17B-1-404**, as last amended by Laws of Utah 2023, Chapter 15
- 67 **17B-1-405**, as last amended by Laws of Utah 2023, Chapter 15
- 68 **17B-1-414**, as last amended by Laws of Utah 2023, Chapter 15
- 69 **17B-1-504**, as last amended by Laws of Utah 2023, Chapter 15
- 70 **17B-1-506**, as last amended by Laws of Utah 2023, Chapters 15, 116
- 71 **17B-1-511**, as last amended by Laws of Utah 2023, Chapter 15
- 72 **17B-1-1001**, as last amended by Laws of Utah 2023, Chapter 15
- 73 **17B-1-1002**, as last amended by Laws of Utah 2023, Chapter 15
- 74 **17B-1-1302**, as last amended by Laws of Utah 2023, Chapter 15
- 75 **17B-1-1303**, as last amended by Laws of Utah 2023, Chapter 15
- 76 **17B-1-1310**, as last amended by Laws of Utah 2023, Chapter 15
- 77 **17B-1-1402**, as last amended by Laws of Utah 2023, Chapter 15
- 78 **17B-2a-404**, as last amended by Laws of Utah 2018, Chapter 112
- 79 **17B-2a-405**, as last amended by Laws of Utah 2017, Chapter 112
- 80 **17B-2a-407**, as enacted by Laws of Utah 2023, Chapter 15 and further amended by
- 81 Revisor Instructions, Laws of Utah 2023, Chapter 16
- 82 **17B-2a-604**, as last amended by Laws of Utah 2018, Chapter 112
- 83 **17B-2a-704**, as last amended by Laws of Utah 2019, Chapter 40
- 84 **17B-2a-905**, as last amended by Laws of Utah 2019, Chapter 108
- 85 **20A-1-512**, as last amended by Laws of Utah 2023, Chapters 15, 435
- 86 **52-4-207**, as last amended by Laws of Utah 2023, Chapter 100
- 87 ENACTS:
- 88 **17B-1-405.5**, Utah Code Annotated 1953
- 89 **17B-2a-1301**, Utah Code Annotated 1953

- 90 [17B-2a-1302](#), Utah Code Annotated 1953
- 91 [17B-2a-1303](#), Utah Code Annotated 1953
- 92 [17B-2a-1304](#), Utah Code Annotated 1953
- 93 [17B-2a-1305](#), Utah Code Annotated 1953
- 94 [17B-2a-1306](#), Utah Code Annotated 1953

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

97 Section 1. Section **10-9a-509** is amended to read:

98 **10-9a-509. Applicant's entitlement to land use application approval --**
 99 **Municipality's requirements and limitations -- Vesting upon submission of development**
 100 **plan and schedule.**

101 (1) (a) (i) An applicant who has submitted a complete land use application as described
 102 in Subsection (1)(c), including the payment of all application fees, is entitled to substantive
 103 review of the application under the land use regulations:

- 104 (A) in effect on the date that the application is complete; and
- 105 (B) applicable to the application or to the information shown on the application.

106 (ii) An applicant is entitled to approval of a land use application if the application
 107 conforms to the requirements of the applicable land use regulations, land use decisions, and
 108 development standards in effect when the applicant submits a complete application and pays
 109 application fees, unless:

110 (A) the land use authority, on the record, formally finds that a compelling,
 111 countervailing public interest would be jeopardized by approving the application and specifies
 112 the compelling, countervailing public interest in writing; or

113 (B) in the manner provided by local ordinance and before the applicant submits the
 114 application, the municipality formally initiates proceedings to amend the municipality's land
 115 use regulations in a manner that would prohibit approval of the application as submitted.

116 (b) The municipality shall process an application without regard to proceedings the
 117 municipality initiated to amend the municipality's ordinances as described in Subsection

118 (1)(a)(ii)(B) if:

- 119 (i) 180 days have passed since the municipality initiated the proceedings; and
- 120 (ii) (A) the proceedings have not resulted in an enactment that prohibits approval of the

121 application as submitted; or

122 (B) during the 12 months prior to the municipality processing the application, or
123 multiple applications of the same type, are impaired or prohibited under the terms of a
124 temporary land use regulation adopted under Section 10-9a-504.

125 (c) A land use application is considered submitted and complete when the applicant
126 provides the application in a form that complies with the requirements of applicable ordinances
127 and pays all applicable fees.

128 (d) A subsequent incorporation of a municipality or a petition that proposes the
129 incorporation of a municipality does not affect a land use application approved by a county in
130 accordance with Section 17-27a-508.

131 (e) The continuing validity of an approval of a land use application is conditioned upon
132 the applicant proceeding after approval to implement the approval with reasonable diligence.

133 (f) A municipality may not impose on an applicant who has submitted a complete
134 application a requirement that is not expressed in:

135 (i) this chapter;

136 (ii) a municipal ordinance in effect on the date that the applicant submits a complete
137 application, subject to Subsection 10-9a-509(1)(a)(ii); or

138 (iii) a municipal specification for public improvements applicable to a subdivision or
139 development that is in effect on the date that the applicant submits an application.

140 (g) A municipality may not impose on a holder of an issued land use permit or a final,
141 unexpired subdivision plat a requirement that is not expressed:

142 (i) in a land use permit;

143 (ii) on the subdivision plat;

144 (iii) in a document on which the land use permit or subdivision plat is based;

145 (iv) in the written record evidencing approval of the land use permit or subdivision
146 plat;

147 (v) in this chapter;

148 (vi) in a municipal ordinance; or

149 (vii) in a municipal specification for residential roadways in effect at the time a
150 residential subdivision was approved.

151 (h) Except as provided in Subsection (1)(i) or (j), a municipality may not withhold

152 issuance of a certificate of occupancy or acceptance of subdivision improvements because of an
153 applicant's failure to comply with a requirement that is not expressed:

154 (i) in the building permit or subdivision plat, documents on which the building permit
155 or subdivision plat is based, or the written record evidencing approval of the land use permit or
156 subdivision plat; or

157 (ii) in this chapter or the municipality's ordinances.

158 (i) A municipality may not unreasonably withhold issuance of a certificate of
159 occupancy where an applicant has met all requirements essential for the public health, public
160 safety, and general welfare of the occupants, in accordance with this chapter, unless:

161 (i) the applicant and the municipality have agreed in a written document to the
162 withholding of a certificate of occupancy; or

163 (ii) the applicant has not provided a financial assurance for required and uncompleted
164 public landscaping improvements or infrastructure improvements in accordance with an
165 applicable ordinance that the legislative body adopts under this chapter.

166 (j) A municipality may not issue a certificate of occupancy for an owner-occupied
167 residential unit that is within the boundary of an infrastructure financing district, as defined in
168 Section 17B-1-102, until the infrastructure financing district provides adequate proof to the
169 municipality that any lien on the unit arising from the infrastructure financing district's
170 assessment against the unit under Title 11, Chapter 42, Assessment Area Act, has been released
171 after payment in full of the infrastructure financing district's assessment against that unit.

172 (2) A municipality is bound by the terms and standards of applicable land use
173 regulations and shall comply with mandatory provisions of those regulations.

174 (3) A municipality may not, as a condition of land use application approval, require a
175 person filing a land use application to obtain documentation regarding a school district's
176 willingness, capacity, or ability to serve the development proposed in the land use application.

177 (4) Upon a specified public agency's submission of a development plan and schedule as
178 required in Subsection 10-9a-305(8) that complies with the requirements of that subsection, the
179 specified public agency vests in the municipality's applicable land use maps, zoning map,
180 hookup fees, impact fees, other applicable development fees, and land use regulations in effect
181 on the date of submission.

182 (5) (a) If sponsors of a referendum timely challenge a project in accordance with

183 Subsection 20A-7-601(6), the project's affected owner may rescind the project's land use
184 approval by delivering a written notice:

- 185 (i) to the local clerk as defined in Section 20A-7-101; and
186 (ii) no later than seven days after the day on which a petition for a referendum is
187 determined sufficient under Subsection 20A-7-607(5).

188 (b) Upon delivery of a written notice described in Subsection (5)(a) the following are
189 rescinded and are of no further force or effect:

- 190 (i) the relevant land use approval; and
191 (ii) any land use regulation enacted specifically in relation to the land use approval.

192 Section 2. Section 11-42-102 is amended to read:

193 **11-42-102. Definitions.**

194 (1) As used in this chapter:

195 (a) "Adequate protests" means, for all proposed assessment areas except sewer
196 assessment areas, timely filed, written protests under Section 11-42-203 that represent at least
197 40% of the frontage, area, taxable value, fair market value, lots, number of connections, or
198 equivalent residential units of the property proposed to be assessed, according to the same
199 assessment method by which the assessment is proposed to be levied, after eliminating:

200 (i) protests relating to:

201 (A) property that has been deleted from a proposed assessment area; or

202 (B) an improvement that has been deleted from the proposed improvements to be
203 provided to property within the proposed assessment area; and

204 (ii) protests that have been withdrawn under Subsection 11-42-203(3).

205 (b) "Adequate protests" means, for a proposed sewer assessment area, timely filed,
206 written protests under Section 11-42-203 that represent at least 70% of the frontage, area,
207 taxable value, fair market value, lots, number of connections, or equivalent residential units of
208 the property proposed to be assessed, according to the same assessment method by which the
209 assessment is proposed to be levied, after eliminating adequate protests under Subsection
210 (1)(a).

211 (2) "Assessment area" means an area, or, if more than one area is designated, the
212 aggregate of all areas within a local entity's jurisdictional boundaries that is designated by a
213 local entity under Part 2, Designating an Assessment Area, for the purpose of financing the

214 costs of improvements, operation and maintenance, or economic promotion activities that
215 benefit property within the area.

216 (3) "Assessment bonds" means bonds that are:

217 (a) issued under Section 11-42-605; and

218 (b) payable in part or in whole from assessments levied in an assessment area,
219 improvement revenues, and a guaranty fund or reserve fund.

220 (4) "Assessment fund" means a special fund that a local entity establishes under
221 Section 11-42-412.

222 (5) "Assessment lien" means a lien on property within an assessment area that arises
223 from the levy of an assessment, as provided in Section 11-42-501.

224 (6) "Assessment method" means the method:

225 (a) by which an assessment is levied against benefitted property, whether by frontage,
226 area, taxable value, fair market value, lot, parcel, number of connections, equivalent residential
227 unit, any combination of these methods, or any other method; and

228 (b) that, when applied to a benefitted property, accounts for an assessment that meets
229 the requirements of Section 11-42-409.

230 (7) "Assessment ordinance" means an ordinance adopted by a local entity under
231 Section 11-42-404 that levies an assessment on benefitted property within an assessment area.

232 (8) "Assessment resolution" means a resolution adopted by a local entity under Section
233 11-42-404 that levies an assessment on benefitted property within an assessment area.

234 (9) "Benefitted property" means property within an assessment area that directly or
235 indirectly benefits from improvements, operation and maintenance, or economic promotion
236 activities.

237 (10) "Bond anticipation notes" means notes issued under Section 11-42-602 in
238 anticipation of the issuance of assessment bonds.

239 (11) "Bonds" means assessment bonds and refunding assessment bonds.

240 (12) "Commercial area" means an area in which at least 75% of the property is devoted
241 to the interchange of goods or commodities.

242 (13) (a) "Commercial or industrial real property" means real property used directly or
243 indirectly or held for one of the following purposes or activities, regardless of whether the
244 purpose or activity is for profit:

- 245 (i) commercial;
- 246 (ii) mining;
- 247 (iii) industrial;
- 248 (iv) manufacturing;
- 249 (v) governmental;
- 250 (vi) trade;
- 251 (vii) professional;
- 252 (viii) a private or public club;
- 253 (ix) a lodge;
- 254 (x) a business; or
- 255 (xi) a similar purpose.
- 256 (b) "Commercial or industrial real property" includes real property that:
 - 257 (i) is used as or held for dwelling purposes; and
 - 258 (ii) contains more than four rental units.
- 259 (14) "Connection fee" means a fee charged by a local entity to pay for the costs of
- 260 connecting property to a publicly owned sewer, storm drainage, water, gas, communications, or
- 261 electrical system, whether or not improvements are installed on the property.
- 262 (15) "Contract price" means:
 - 263 (a) the cost of acquiring an improvement, if the improvement is acquired; or
 - 264 (b) the amount payable to one or more contractors for the design, engineering,
 - 265 inspection, and construction of an improvement.
- 266 (16) "Designation ordinance" means an ordinance adopted by a local entity under
- 267 Section 11-42-206 designating an assessment area.
- 268 (17) "Designation resolution" means a resolution adopted by a local entity under
- 269 Section 11-42-206 designating an assessment area.
- 270 (18) "Development authority" means:
 - 271 (a) the Utah Inland Port Authority created in Section 11-58-201; or
 - 272 (b) the military installation development authority created in Section 63H-1-201.
- 273 (19) "Economic promotion activities" means activities that promote economic growth
- 274 in a commercial area of a local entity, including:
 - 275 (a) sponsoring festivals and markets;

- 276 (b) promoting business investment or activities;
- 277 (c) helping to coordinate public and private actions; and
- 278 (d) developing and issuing publications designed to improve the economic well-being
- 279 of the commercial area.

280 (20) "Environmental remediation activity" means a surface or subsurface enhancement,

281 effort, cost, initial or ongoing maintenance expense, facility, installation, system, earth

282 movement, or change to grade or elevation that improves the use, function, aesthetics, or

283 environmental condition of publicly owned property.

284 (21) "Equivalent residential unit" means a dwelling, unit, or development that is equal

285 to a single-family residence in terms of the nature of its use or impact on an improvement to be

286 provided in the assessment area.

287 (22) "Governing body" means:

- 288 (a) for a county, city, or town, the legislative body of the county, city, or town;
- 289 (b) for a special district, the board of trustees of the special district;
- 290 (c) for a special service district:
 - 291 (i) the legislative body of the county, city, or town that established the special service
 - 292 district, if no administrative control board has been appointed under Section 17D-1-301; or
 - 293 (ii) the administrative control board of the special service district, if an administrative
 - 294 control board has been appointed under Section 17D-1-301;
- 295 (d) for the military installation development authority created in Section 63H-1-201,
- 296 the board, as defined in Section 63H-1-102;
- 297 (e) for the Utah Inland Port Authority, created in Section 11-58-201, the board, as
- 298 defined in Section 11-58-102; and
- 299 (f) for a public infrastructure district, the board of the public infrastructure district as
- 300 defined in Section 17D-4-102.

301 (23) "Guaranty fund" means the fund established by a local entity under Section

302 11-42-701.

303 (24) "Improved property" means property upon which a residential, commercial, or

304 other building has been built.

305 (25) "Improvement":

- 306 (a) (i) means a publicly owned infrastructure, facility, system, or environmental

307 remediation activity that:

308 (A) a local entity is authorized to provide or finance;

309 (B) the governing body of a local entity determines is necessary or convenient to
310 enable the local entity to provide a service that the local entity is authorized to provide; or

311 (C) a local entity is requested to provide through an interlocal agreement in accordance
312 with Chapter 13, Interlocal Cooperation Act; and

313 (ii) includes facilities in an assessment area, including a private driveway, an irrigation
314 ditch, and a water turnout, that:

315 (A) can be conveniently installed at the same time as an infrastructure, system, or other
316 facility described in Subsection (25)(a)(i); and

317 (B) are requested by a property owner on whose property or for whose benefit the
318 infrastructure, system, or other facility is being installed; or

319 (b) for a special district created to assess groundwater rights in accordance with
320 Section 17B-1-202, means a system or plan to regulate groundwater withdrawals within a
321 specific groundwater basin in accordance with Sections 17B-1-202 and 73-5-15.

322 (26) "Improvement revenues":

323 (a) means charges, fees, impact fees, or other revenues that a local entity receives from
324 improvements; and

325 (b) does not include revenue from assessments.

326 (27) "Incidental refunding costs" means any costs of issuing refunding assessment
327 bonds and calling, retiring, or paying prior bonds, including:

328 (a) legal and accounting fees;

329 (b) charges of financial advisors, escrow agents, certified public accountant verification
330 entities, and trustees;

331 (c) underwriting discount costs, printing costs, the costs of giving notice;

332 (d) any premium necessary in the calling or retiring of prior bonds;

333 (e) fees to be paid to the local entity to issue the refunding assessment bonds and to
334 refund the outstanding prior bonds;

335 (f) any other costs that the governing body determines are necessary and proper to incur
336 in connection with the issuance of refunding assessment bonds; and

337 (g) any interest on the prior bonds that is required to be paid in connection with the

338 issuance of the refunding assessment bonds.

339 (28) "Installment payment date" means the date on which an installment payment of an
340 assessment is payable.

341 (29) "Interim warrant" means a warrant issued by a local entity under Section
342 11-42-601.

343 (30) "Jurisdictional boundaries" means:

344 (a) for a county, the boundaries of the unincorporated area of the county; and

345 (b) for each other local entity, the boundaries of the local entity.

346 (31) "Local entity" means:

347 (a) a county, city, town, special service district, or special district;

348 (b) an interlocal entity as defined in Section 11-13-103;

349 (c) the military installation development authority, created in Section 63H-1-201;

350 (d) a public infrastructure district under Title 17D, Chapter 4, Public Infrastructure
351 District Act, including a public infrastructure district created by a development authority;

352 (e) the Utah Inland Port Authority, created in Section 11-58-201; or

353 (f) any other political subdivision of the state.

354 (32) "Local entity obligations" means assessment bonds, refunding assessment bonds,
355 interim warrants, and bond anticipation notes issued by a local entity.

356 (33) "Mailing address" means:

357 (a) a property owner's last-known address using the name and address appearing on the
358 last completed real property assessment roll of the county in which the property is located; and

359 (b) if the property is improved property:

360 (i) the property's street number; or

361 (ii) the post office box, rural route number, or other mailing address of the property, if
362 a street number has not been assigned.

363 (34) "Net improvement revenues" means all improvement revenues that a local entity
364 has received since the last installment payment date, less all amounts payable by the local entity
365 from those improvement revenues for operation and maintenance costs.

366 (35) "Operation and maintenance costs":

367 (a) means the costs that a local entity incurs in operating and maintaining

368 improvements in an assessment area, whether or not those improvements have been financed

369 under this chapter; and

370 (b) includes service charges, administrative costs, ongoing maintenance charges, and
371 tariffs or other charges for electrical, water, gas, or other utility usage.

372 (36) "Overhead costs" means the actual costs incurred or the estimated costs to be
373 incurred by a local entity in connection with an assessment area for appraisals, legal fees, filing
374 fees, financial advisory charges, underwriting fees, placement fees, escrow, trustee, and paying
375 agent fees, publishing and mailing costs, costs of levying an assessment, recording costs, and
376 all other incidental costs.

377 (37) "Prior assessment ordinance" means the ordinance levying the assessments from
378 which the prior bonds are payable.

379 (38) "Prior assessment resolution" means the resolution levying the assessments from
380 which the prior bonds are payable.

381 (39) "Prior bonds" means the assessment bonds that are refunded in part or in whole by
382 refunding assessment bonds.

383 (40) "Project engineer" means the surveyor or engineer employed by or the private
384 consulting engineer engaged by a local entity to perform the necessary engineering services for
385 and to supervise the construction or installation of the improvements.

386 (41) "Property" includes real property and any interest in real property, including water
387 rights and leasehold rights.

388 (42) "Property price" means the price at which a local entity purchases or acquires by
389 eminent domain property to make improvements in an assessment area.

390 (43) "Provide" or "providing," with reference to an improvement, includes the
391 acquisition, construction, reconstruction, renovation, maintenance, repair, operation, and
392 expansion of an improvement.

393 (44) "Public agency" means:

394 (a) the state or any agency, department, or division of the state; and

395 (b) a political subdivision of the state.

396 (45) "Reduced payment obligation" means the full obligation of an owner of property
397 within an assessment area to pay an assessment levied on the property after the assessment has
398 been reduced because of the issuance of refunding assessment bonds, as provided in Section
399 [11-42-608](#).

400 (46) "Refunding assessment bonds" means assessment bonds that a local entity issues
401 under Section 11-42-607 to refund, in part or in whole, assessment bonds.

402 (47) "Reserve fund" means a fund established by a local entity under Section
403 11-42-702.

404 (48) "Service" means:

405 (a) water, sewer, storm drainage, garbage collection, library, recreation,
406 communications, or electric service;

407 (b) economic promotion activities; or

408 (c) any other service that a local entity is required or authorized to provide.

409 (49) (a) "Sewer assessment area" means an assessment area that has as the assessment
410 area's primary purpose the financing and funding of public improvements to provide sewer
411 service where there is, in the opinion of the local board of health, substantial evidence of septic
412 system failure in the defined area due to inadequate soils, high water table, or other factors
413 proven to cause failure.

414 (b) "Sewer assessment area" does not include property otherwise located within the
415 assessment area:

416 (i) on which an approved conventional or advanced wastewater system has been
417 installed during the previous five calendar years;

418 (ii) for which the local health department has inspected the system described in
419 Subsection (49)(b)(i) to ensure that the system is functioning properly; and

420 (iii) for which the property owner opts out of the proposed assessment area for the
421 earlier of a period of 10 calendar years or until failure of the system described in Subsection
422 (49)(b)(i).

423 (50) "Special district" means a special district under Title 17B, Limited Purpose Local
424 Government Entities - Special Districts.

425 (51) "Special service district" means the same as that term is defined in Section
426 17D-1-102.

427 (52) "Unassessed benefitted government property" means property that a local entity
428 may not assess in accordance with Section 11-42-408 but is benefitted by an improvement,
429 operation and maintenance, or economic promotion activities.

430 (53) "Unimproved property" means property upon which no residential, commercial, or

431 other building has been built.

432 (54) "Voluntary assessment area" means an assessment area that contains only property
433 whose owners have voluntarily consented to an assessment.

434 Section 3. Section **11-42-106** is amended to read:

435 **11-42-106. Action to contest assessment or proceeding -- Requirements --**
436 **Exclusive remedy -- Bonds and assessment incontestable.**

437 (1) A person who contests an assessment or any proceeding to designate an assessment
438 area or levy an assessment may commence a civil action against the local entity to:

439 (a) set aside a proceeding to designate an assessment area; or

440 (b) enjoin the levy or collection of an assessment.

441 (2) (a) Each action under Subsection (1) shall be commenced in the district court with
442 jurisdiction in the county in which the assessment area is located.

443 (b) (i) Except as provided in Subsection (2)(b)(ii), an action under Subsection (1) may
444 not be commenced against and a summons relating to the action may not be served on the local
445 entity more than 60 days after the effective date of the:

446 (A) designation resolution or designation ordinance, if the challenge is to the
447 designation of an assessment area;

448 (B) assessment resolution or ordinance, if the challenge is to an assessment; or

449 (C) amended resolution or ordinance, if the challenge is to an amendment.

450 (ii) The period for commencing an action and serving a summons under Subsection
451 (2)(b)(i) is 30 days if [~~the designation resolution, assessment resolution, or amended resolution~~
452 ~~was~~]:

453 (A) the designation resolution, assessment resolution, or amended resolution was
454 adopted by a development authority [or], an infrastructure financing district under Title 17B,
455 Chapter 2a, Part 13, Infrastructure Financing Districts, or a public infrastructure district created
456 by a development authority under Title 17D, Chapter 4, Public Infrastructure District Act; and

457 (B) all owners of property within the assessment area or proposed assessment area
458 consent in writing to the designation resolution, assessment resolution, or amended resolution.

459 (3) (a) An action under Subsection (1) is the exclusive remedy of a person who:

460 (i) claims an error or irregularity in an assessment or in any proceeding to designate an
461 assessment area or levy an assessment; or

462 (ii) challenges a bondholder's right to repayment.

463 (b) A court may not hear any complaint under Subsection (1) that a person was
464 authorized to make but did not make in a protest under Section 11-42-203 or at a hearing under
465 Section 11-42-204.

466 (c) (i) If a person has not brought a claim for which the person was previously
467 authorized to bring but is otherwise barred from making under Subsection (2)(b), the claim
468 may not be brought later because of an amendment to the resolution or ordinance unless the
469 claim arises from the amendment itself.

470 (ii) In an action brought pursuant to Subsection (1), a person may not contest a
471 previous decision, proceeding, or determination for which the service deadline described in
472 Subsection (2)(b) has expired by challenging a subsequent decision, proceeding, or
473 determination.

474 (4) An assessment or a proceeding to designate an assessment area or to levy an
475 assessment may not be declared invalid or set aside in part or in whole because of an error or
476 irregularity that does not go to the equity or justice of the proceeding or the assessment meeting
477 the requirements of Section 11-42-409.

478 (5) After the expiration of the period referred to in Subsection (2)(b):

479 (a) assessment bonds and refunding assessment bonds issued or to be issued with
480 respect to an assessment area and assessments levied on property in the assessment area
481 become at that time incontestable against all persons who have not commenced an action and
482 served a summons as provided in this section; and

483 (b) a suit to enjoin the issuance or payment of assessment bonds or refunding
484 assessment bonds, the levy, collection, or enforcement of an assessment, or to attack or
485 question in any way the legality of assessment bonds, refunding assessment bonds, or an
486 assessment may not be commenced, and a court may not inquire into those matters.

487 (6) (a) This section may not be interpreted to insulate a local entity from a claim of
488 misuse of assessment funds after the expiration of the period described in Subsection (2)(b).

489 (b) (i) Except as provided in Subsection (6)(b)(ii), an action in the nature of mandamus
490 is the sole form of relief available to a party challenging the misuse of assessment funds.

491 (ii) The limitation in Subsection (6)(b)(i) does not prohibit the filing of criminal
492 charges against or the prosecution of a party for the misuse of assessment funds.

493 Section 4. Section **11-42-201** is amended to read:

494 **11-42-201. Resolution or ordinance designating an assessment area --**
495 **Classifications within an assessment area -- Preconditions to adoption of a resolution or**
496 **ordinance.**

497 (1) (a) Subject to the requirements of this part, a governing body of a local entity
498 intending to levy an assessment on property to pay some or all of the cost of providing or
499 financing improvements benefitting the property, performing operation and maintenance
500 benefitting the property, or conducting economic promotion activities benefitting the property
501 shall adopt a resolution or ordinance designating an assessment area.

502 (b) A designation resolution or designation ordinance described in Subsection (1)(a)
503 may divide the assessment area into multiple classifications to allow the governing body to:

504 (i) levy a different level of assessment; or

505 (ii) use a different assessment method in each classification to reflect more fairly the
506 benefits that property within the different classifications is expected to receive because of the
507 proposed improvement, operation and maintenance, or economic promotion activities.

508 (c) The boundaries of a proposed assessment area:

509 (i) may include property that is not intended to be assessed; and

510 (ii) except for an assessment area within a public infrastructure district created under
511 Title 17D, Chapter 4, Public Infrastructure District Act, or within an infrastructure financing
512 district as defined in Section 17B-1-102, may not be coextensive or substantially coterminous
513 with the boundaries of the local entity.

514 (2) Before adopting a designation resolution or designation ordinance described in
515 Subsection (1)(a), the governing body of the local entity shall:

516 (a) give notice as provided in Section [11-42-202](#);

517 (b) receive and consider all protests filed under Section [11-42-203](#); and

518 (c) hold a public hearing as provided in Section [11-42-204](#).

519 Section 5. Section **11-42-202** is amended to read:

520 **11-42-202. Requirements applicable to a notice of a proposed assessment area**
521 **designation -- Notice.**

522 (1) Each notice required under Subsection [11-42-201\(2\)\(a\)](#) shall:

523 (a) state that the local entity proposes to:

524 (i) designate one or more areas within the local entity's jurisdictional boundaries as an
525 assessment area; and

526 (ii) (A) provide an improvement to property within the proposed assessment area[;]
527 and

528 [~~(iii)~~] finance some or all of the cost of improvements by an assessment on benefitted
529 property within the assessment area; or

530 (B) finance improvements to property within the proposed assessment area through an
531 assessment on benefitted property within the assessment area;

532 (b) describe the proposed assessment area by any reasonable method that allows an
533 owner of property in the proposed assessment area to determine that the owner's property is
534 within the proposed assessment area;

535 (c) describe, in a general and reasonably accurate way, the improvements to be
536 provided to the assessment area, including:

537 (i) the nature of the improvements; and

538 (ii) the location of the improvements, by reference to streets or portions or extensions
539 of streets or by any other means that the governing body chooses that reasonably describes the
540 general location of the improvements;

541 (d) state the estimated cost of the improvements as determined by a project engineer;

542 (e) for the notice mailed under Subsection (4), state the estimated total assessment
543 specific to the benefitted property for which the notice is mailed;

544 (f) state that the local entity proposes to levy an assessment on benefitted property
545 within the assessment area to pay some or all of the cost of the improvements according to the
546 estimated benefits to the property from the improvements;

547 (g) if applicable, state that an unassessed benefitted government property will receive
548 improvements for which the cost will be allocated proportionately to the remaining benefitted
549 properties within the proposed assessment area and that a description of each unassessed
550 benefitted government property is available for public review at the location or website
551 described in Subsection (6);

552 (h) state the assessment method by which the governing body proposes to calculate the
553 proposed assessment, including, if the local entity is a municipality or county, whether the
554 assessment will be collected:

- 555 (i) by directly billing a property owner; or
- 556 (ii) by inclusion on a property tax notice issued in accordance with Section 59-2-1317
- 557 and in compliance with Section 11-42-401;
- 558 (i) state:
- 559 (i) the date described in Section 11-42-203 and the location at which protests against
- 560 designation of the proposed assessment area or of the proposed improvements are required to
- 561 be filed;
- 562 (ii) the method by which the governing body will determine the number of protests
- 563 required to defeat the designation of the proposed assessment area or acquisition or
- 564 construction of the proposed improvements; and
- 565 (iii) in large, boldface, and conspicuous type that a property owner must protest the
- 566 designation of the assessment area in writing if the owner objects to the area designation or
- 567 being assessed for the proposed improvements, operation and maintenance costs, or economic
- 568 promotion activities;
- 569 (j) state the date, time, and place of the public hearing required in Section 11-42-204;
- 570 (k) if the governing body elects to create and fund a reserve fund under Section
- 571 11-42-702, include a description of:
- 572 (i) how the reserve fund will be funded and replenished; and
- 573 (ii) how remaining money in the reserve fund is to be disbursed upon full payment of
- 574 the bonds;
- 575 (l) if the governing body intends to designate a voluntary assessment area, include a
- 576 property owner consent form that:
- 577 (i) estimates the total assessment to be levied against the particular parcel of property;
- 578 (ii) describes any additional benefits that the governing body expects the assessed
- 579 property to receive from the improvements;
- 580 (iii) designates the date and time by which the fully executed consent form is required
- 581 to be submitted to the governing body; and
- 582 (iv) if the governing body intends to enforce an assessment lien on the property in
- 583 accordance with Subsection 11-42-502.1(2)(a)(ii)(C):
- 584 (A) appoints a trustee that satisfies the requirements described in Section 57-1-21;
- 585 (B) gives the trustee the power of sale;

586 (C) is binding on the property owner and all successors; and
587 (D) explains that if an assessment or an installment of an assessment is not paid when
588 due, the local entity may sell the property owner's property to satisfy the amount due plus
589 interest, penalties, and costs, in the manner described in Title 57, Chapter 1, Conveyances;
590 (m) if the local entity intends to levy an assessment to pay operation and maintenance
591 costs or for economic promotion activities, include:
592 (i) a description of the operation and maintenance costs or economic promotion
593 activities to be paid by assessments and the initial estimated annual assessment to be levied;
594 (ii) a description of how the estimated assessment will be determined;
595 (iii) a description of how and when the governing body will adjust the assessment to
596 reflect the costs of:
597 (A) in accordance with Section 11-42-406, current economic promotion activities; or
598 (B) current operation and maintenance costs;
599 (iv) a description of the method of assessment if different from the method of
600 assessment to be used for financing any improvement; and
601 (v) a statement of the maximum number of years over which the assessment will be
602 levied for:
603 (A) operation and maintenance costs; or
604 (B) economic promotion activities;
605 (n) if the governing body intends to divide the proposed assessment area into
606 classifications under Subsection 11-42-201(1)(b), include a description of the proposed
607 classifications;
608 (o) if applicable, state the portion and value of the improvement that will be increased
609 in size or capacity to serve property outside of the assessment area and how the increases will
610 be financed; and
611 (p) state whether the improvements will be financed with a bond and, if so, the
612 currently estimated interest rate and term of financing, subject to Subsection (2), for which the
613 benefitted properties within the assessment area may be obligated.
614 (2) The estimated interest rate and term of financing in Subsection (1)(p) may not be
615 interpreted as a limitation to the actual interest rate incurred or the actual term of financing as
616 subject to the market rate at the time of the issuance of the bond.

617 (3) A notice required under Subsection 11-42-201(2)(a) may contain other information
618 that the governing body considers to be appropriate, including:

619 (a) the amount or proportion of the cost of the improvement to be paid by the local
620 entity or from sources other than an assessment;

621 (b) the estimated total amount of each type of assessment for the various improvements
622 to be financed according to the method of assessment that the governing body chooses; and

623 (c) provisions for any improvements described in Subsection 11-42-102(25)(a)(ii).

624 (4) Each notice required under Subsection 11-42-201(2)(a) shall be published for the
625 governing body's jurisdiction, as a class B notice under Section 63G-30-102, for at least 20
626 days, but not more than 35 days, before the day of the hearing required in Section 11-42-204.

627 (5) (a) The local entity may record the version of the notice that is published or posted
628 in accordance with Subsection (4) with the office of the county recorder, by legal description
629 and tax identification number as identified in county records, against the property proposed to
630 be assessed.

631 (b) The notice recorded under Subsection (5)(a) expires and is no longer valid one year
632 after the day on which the local entity records the notice if the local entity has failed to adopt
633 the designation ordinance or resolution under Section 11-42-201 designating the assessment
634 area for which the notice was recorded.

635 (6) A local entity shall make available on the local entity's website, or, if no website is
636 available, at the local entity's place of business, the address and type of use of each unassessed
637 benefitted government property described in Subsection (1)(g).

638 (7) If a governing body fails to provide actual or constructive notice under this section,
639 the local entity may not assess a levy against a benefitted property omitted from the notice
640 unless:

641 (a) the property owner gives written consent;

642 (b) the property owner received notice under Subsection 11-42-401(2)(a)(iii) and did
643 not object to the levy of the assessment before the final hearing of the board of equalization; or

644 (c) the benefitted property is conveyed to a subsequent purchaser and, before the date
645 of conveyance, the requirements of Subsections 11-42-206(3)(a)(i) and (ii), or, if applicable,
646 Subsection 11-42-207(1)(d)(i) are met.

647 Section 6. Section 17-27a-508 is amended to read:

648 **17-27a-508. Applicant's entitlement to land use application approval --**
649 **Application relating to land in a high priority transportation corridor -- County's**
650 **requirements and limitations -- Vesting upon submission of development plan and**
651 **schedule.**

652 (1) (a) (i) An applicant who has submitted a complete land use application, including
653 the payment of all application fees, is entitled to substantive review of the application under the
654 land use regulations:

655 (A) in effect on the date that the application is complete; and

656 (B) applicable to the application or to the information shown on the submitted
657 application.

658 (ii) An applicant is entitled to approval of a land use application if the application
659 conforms to the requirements of the applicable land use regulations, land use decisions, and
660 development standards in effect when the applicant submits a complete application and pays all
661 application fees, unless:

662 (A) the land use authority, on the record, formally finds that a compelling,
663 countervailing public interest would be jeopardized by approving the application and specifies
664 the compelling, countervailing public interest in writing; or

665 (B) in the manner provided by local ordinance and before the applicant submits the
666 application, the county formally initiates proceedings to amend the county's land use
667 regulations in a manner that would prohibit approval of the application as submitted.

668 (b) The county shall process an application without regard to proceedings the county
669 initiated to amend the county's ordinances as described in Subsection (1)(a)(ii)(B) if:

670 (i) 180 days have passed since the county initiated the proceedings; and

671 (ii) (A) the proceedings have not resulted in an enactment that prohibits approval of the
672 application as submitted; or

673 (B) during the 12 months prior to the county processing the application or multiple
674 applications of the same type, the application is impaired or prohibited under the terms of a
675 temporary land use regulation adopted under Section 17-27a-504.

676 (c) A land use application is considered submitted and complete when the applicant
677 provides the application in a form that complies with the requirements of applicable ordinances
678 and pays all applicable fees.

679 (d) The continuing validity of an approval of a land use application is conditioned upon
680 the applicant proceeding after approval to implement the approval with reasonable diligence.

681 (e) A county may not impose on an applicant who has submitted a complete
682 application a requirement that is not expressed in:

683 (i) this chapter;

684 (ii) a county ordinance in effect on the date that the applicant submits a complete
685 application, subject to Subsection 17-27a-508(1)(a)(ii); or

686 (iii) a county specification for public improvements applicable to a subdivision or
687 development that is in effect on the date that the applicant submits an application.

688 (f) A county may not impose on a holder of an issued land use permit or a final,
689 unexpired subdivision plat a requirement that is not expressed:

690 (i) in a land use permit;

691 (ii) on the subdivision plat;

692 (iii) in a document on which the land use permit or subdivision plat is based;

693 (iv) in the written record evidencing approval of the land use permit or subdivision
694 plat;

695 (v) in this chapter;

696 (vi) in a county ordinance; or

697 (vii) in a county specification for residential roadways in effect at the time a residential
698 subdivision was approved.

699 (g) Except as provided in Subsection (1)(h) or (i), a county may not withhold issuance
700 of a certificate of occupancy or acceptance of subdivision improvements because of an
701 applicant's failure to comply with a requirement that is not expressed:

702 (i) in the building permit or subdivision plat, documents on which the building permit
703 or subdivision plat is based, or the written record evidencing approval of the building permit or
704 subdivision plat; or

705 (ii) in this chapter or the county's ordinances.

706 (h) A county may not unreasonably withhold issuance of a certificate of occupancy
707 where an applicant has met all requirements essential for the public health, public safety, and
708 general welfare of the occupants, in accordance with this chapter, unless:

709 (i) the applicant and the county have agreed in a written document to the withholding

710 of a certificate of occupancy; or

711 (ii) the applicant has not provided a financial assurance for required and uncompleted
712 public landscaping improvements or infrastructure improvements in accordance with an
713 applicable ordinance that the legislative body adopts under this chapter.

714 (i) A county may not issue a certificate of occupancy for an owner-occupied residential
715 unit that is within the boundary of an infrastructure financing district, as defined in Section
716 17B-1-102, until the infrastructure financing district provides adequate proof to the county that
717 any lien on the unit arising from the infrastructure financing district's assessment against the
718 unit under Title 11, Chapter 42, Assessment Area Act, has been released after payment in full
719 of the infrastructure financing district's assessment against that unit.

720 (2) A county is bound by the terms and standards of applicable land use regulations and
721 shall comply with mandatory provisions of those regulations.

722 (3) A county may not, as a condition of land use application approval, require a person
723 filing a land use application to obtain documentation regarding a school district's willingness,
724 capacity, or ability to serve the development proposed in the land use application.

725 (4) Upon a specified public agency's submission of a development plan and schedule as
726 required in Subsection 17-27a-305(8) that complies with the requirements of that subsection,
727 the specified public agency vests in the county's applicable land use maps, zoning map, hookup
728 fees, impact fees, other applicable development fees, and land use regulations in effect on the
729 date of submission.

730 (5) (a) If sponsors of a referendum timely challenge a project in accordance with
731 Subsection 20A-7-601(6), the project's affected owner may rescind the project's land use
732 approval by delivering a written notice:

733 (i) to the local clerk as defined in Section 20A-7-101; and

734 (ii) no later than seven days after the day on which a petition for a referendum is
735 determined sufficient under Subsection 20A-7-607(5).

736 (b) Upon delivery of a written notice described in Subsection(5)(a) the following are
737 rescinded and are of no further force or effect:

738 (i) the relevant land use approval; and

739 (ii) any land use regulation enacted specifically in relation to the land use approval.

740 Section 7. Section 17B-1-102 is amended to read:

741 **17B-1-102. Definitions.**

742 As used in this title:

743 (1) "Appointing authority" means the person or body authorized to make an
744 appointment to the board of trustees.

745 (2) "Basic special district":

746 (a) means a special district that is not a specialized special district; and

747 (b) includes an entity that was, under the law in effect before April 30, 2007, created
748 and operated as a special district, as defined under the law in effect before April 30, 2007.

749 (3) "Bond" means:

750 (a) a written obligation to repay borrowed money, whether denominated a bond, note,
751 warrant, certificate of indebtedness, or otherwise; and

752 (b) a lease agreement, installment purchase agreement, or other agreement that:

753 (i) includes an obligation by the district to pay money; and

754 (ii) the district's board of trustees, in its discretion, treats as a bond for purposes of Title
755 11, Chapter 14, Local Government Bonding Act, or Title 11, Chapter 27, Utah Refunding Bond
756 Act.757 (4) "Cemetery maintenance district" means a special district that operates under and is
758 subject to the provisions of this chapter and Chapter 2a, Part 1, Cemetery Maintenance District
759 Act, including an entity that was created and operated as a cemetery maintenance district under
760 the law in effect before April 30, 2007.761 (5) "Drainage district" means a special district that operates under and is subject to the
762 provisions of this chapter and Chapter 2a, Part 2, Drainage District Act, including an entity that
763 was created and operated as a drainage district under the law in effect before April 30, 2007.764 (6) "Facility" or "facilities" includes any structure, building, system, land, water right,
765 water, or other real or personal property required to provide a service that a special district is
766 authorized to provide, including any related or appurtenant easement or right-of-way,
767 improvement, utility, landscaping, sidewalk, road, curb, gutter, equipment, or furnishing.768 (7) "Fire protection district" means a special district that operates under and is subject
769 to the provisions of this chapter and Chapter 2a, Part 3, Fire Protection District Act, including
770 an entity that was created and operated as a fire protection district under the law in effect before
771 April 30, 2007.

772 (8) "General obligation bond":
773 (a) means a bond that is directly payable from and secured by ad valorem property
774 taxes that are:
775 (i) levied:
776 (A) by the district that issues the bond; and
777 (B) on taxable property within the district; and
778 (ii) in excess of the ad valorem property taxes of the district for the current fiscal year;
779 and
780 (b) does not include:
781 (i) a short-term bond;
782 (ii) a tax and revenue anticipation bond; or
783 (iii) a special assessment bond.
784 (9) "Improvement assurance" means a surety bond, letter of credit, cash, or other
785 security:
786 (a) to guarantee the proper completion of an improvement;
787 (b) that is required before a special district may provide a service requested by a
788 service applicant; and
789 (c) that is offered to a special district to induce the special district before construction
790 of an improvement begins to:
791 (i) provide the requested service; or
792 (ii) commit to provide the requested service.
793 (10) "Improvement assurance warranty" means a promise that the materials and
794 workmanship of an improvement:
795 (a) comply with standards adopted by a special district; and
796 (b) will not fail in any material respect within an agreed warranty period.
797 (11) "Improvement district" means a special district that operates under and is subject
798 to the provisions of this chapter and Chapter 2a, Part 4, Improvement District Act, including an
799 entity that was created and operated as a county improvement district under the law in effect
800 before April 30, 2007.
801 (12) "Infrastructure financing district" means a special district that operates under and
802 is subject to the provisions of this chapter and Chapter 2a, Part 13, Infrastructure Financing

803 Districts.

804 ~~[(12)]~~ (13) "Irrigation district" means a special district that operates under and is
805 subject to the provisions of this chapter and Chapter 2a, Part 5, Irrigation District Act,
806 including an entity that was created and operated as an irrigation district under the law in effect
807 before April 30, 2007.

808 ~~[(13)]~~ (14) "Metropolitan water district" means a special district that operates under
809 and is subject to the provisions of this chapter and Chapter 2a, Part 6, Metropolitan Water
810 District Act, including an entity that was created and operated as a metropolitan water district
811 under the law in effect before April 30, 2007.

812 ~~[(14)]~~ (15) "Mosquito abatement district" means a special district that operates under
813 and is subject to the provisions of this chapter and Chapter 2a, Part 7, Mosquito Abatement
814 District Act, including an entity that was created and operated as a mosquito abatement district
815 under the law in effect before April 30, 2007.

816 ~~[(15)]~~ (16) "Municipal" means of or relating to a municipality.

817 ~~[(16)]~~ (17) "Municipality" means a city, town, or metro township.

818 ~~[(17)]~~ (18) "Municipal services district" means a special district that operates under and
819 is subject to the provisions of this chapter and Chapter 2a, Part 11, Municipal Services District
820 Act.

821 ~~[(18)]~~ (19) "Person" means an individual, corporation, partnership, organization,
822 association, trust, governmental agency, or other legal entity.

823 ~~[(19)]~~ (20) "Political subdivision" means a county, city, town, metro township, special
824 district under this title, special service district under Title 17D, Chapter 1, Special Service
825 District Act, an entity created by interlocal cooperation agreement under Title 11, Chapter 13,
826 Interlocal Cooperation Act, or any other governmental entity designated in statute as a political
827 subdivision of the state.

828 ~~[(20)]~~ (21) "Private," with respect to real property, means not owned by the United
829 States or any agency of the federal government, the state, a county, or a political subdivision.

830 ~~[(21)]~~ (22) "Public entity" means:

831 (a) the United States or an agency of the United States;

832 (b) the state or an agency of the state;

833 (c) a political subdivision of the state or an agency of a political subdivision of the

834 state;

835 (d) another state or an agency of that state; or

836 (e) a political subdivision of another state or an agency of that political subdivision.

837 ~~[(22)]~~ (23) "Public transit district" means a special district that operates under and is
838 subject to the provisions of this chapter and Chapter 2a, Part 8, Public Transit District Act,
839 including an entity that was created and operated as a public transit district under the law in
840 effect before April 30, 2007.

841 ~~[(23)]~~ (24) "Revenue bond":

842 (a) means a bond payable from designated taxes or other revenues other than the
843 special district's ad valorem property taxes; and

844 (b) does not include:

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

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

848 (iii) a special assessment bond.

849 ~~[(24)]~~ (25) "Rules of order and procedure" means a set of rules that govern and
850 prescribe in a public meeting:

851 (a) parliamentary order and procedure;

852 (b) ethical behavior; and

853 (c) civil discourse.

854 ~~[(25)]~~ (26) "Service applicant" means a person who requests that a special district
855 provide a service that the special district is authorized to provide.

856 ~~[(26)]~~ (27) "Service area" means a special district that operates under and is subject to
857 the provisions of this chapter and Chapter 2a, Part 9, Service Area Act, including an entity that
858 was created and operated as a county service area or a regional service area under the law in
859 effect before April 30, 2007.

860 ~~[(27)]~~ (28) "Short-term bond" means a bond that is required to be repaid during the
861 fiscal year in which the bond is issued.

862 ~~[(28)]~~ (29) "Special assessment" means an assessment levied against property to pay all
863 or a portion of the costs of making improvements that benefit the property.

864 ~~[(29)]~~ (30) "Special assessment bond" means a bond payable from special assessments.

865 ~~[(30)]~~ (31) "Special district" means a limited purpose local government entity, as
 866 described in Section 17B-1-103, that operates under, is subject to, and has the powers
 867 described in:

- 868 (a) this chapter; or
- 869 (b) (i) this chapter; and
- 870 (ii) (A) Chapter 2a, Part 1, Cemetery Maintenance District Act;
- 871 (B) Chapter 2a, Part 2, Drainage District Act;
- 872 (C) Chapter 2a, Part 3, Fire Protection District Act;
- 873 (D) Chapter 2a, Part 4, Improvement District Act;
- 874 (E) Chapter 2a, Part 5, Irrigation District Act;
- 875 (F) Chapter 2a, Part 6, Metropolitan Water District Act;
- 876 (G) Chapter 2a, Part 7, Mosquito Abatement District Act;
- 877 (H) Chapter 2a, Part 8, Public Transit District Act;
- 878 (I) Chapter 2a, Part 9, Service Area Act;
- 879 (J) Chapter 2a, Part 10, Water Conservancy District Act; ~~[or]~~
- 880 (K) Chapter 2a, Part 11, Municipal Services District Act~~[-];~~ or
- 881 (L) Chapter 2a, Part 13, Infrastructure Financing Districts.

882 ~~[(31)]~~ (32) "Specialized special district" means a special district that is a cemetery
 883 maintenance district, a drainage district, a fire protection district, an improvement district, an
 884 irrigation district, a metropolitan water district, a mosquito abatement district, a public transit
 885 district, a service area, a water conservancy district, a municipal services district, ~~[or a public~~
 886 ~~infrastructure district]~~ or an infrastructure financing district.

887 ~~[(32)]~~ (33) "Taxable value" means the taxable value of property as computed from the
 888 most recent equalized assessment roll for county purposes.

889 ~~[(33)]~~ (34) "Tax and revenue anticipation bond" means a bond:

- 890 (a) issued in anticipation of the collection of taxes or other revenues or a combination
 891 of taxes and other revenues; and
- 892 (b) that matures within the same fiscal year as the fiscal year in which the bond is
 893 issued.

894 ~~[(34)]~~ (35) "Unincorporated" means not included within a municipality.

895 ~~[(35)]~~ (36) "Water conservancy district" means a special district that operates under

896 and is subject to the provisions of this chapter and Chapter 2a, Part 10, Water Conservancy
897 District Act, including an entity that was created and operated as a water conservancy district
898 under the law in effect before April 30, 2007.

899 ~~[(36)]~~ (37) "Works" includes a dam, reservoir, well, canal, conduit, pipeline, drain,
900 tunnel, power plant, and any facility, improvement, or property necessary or convenient for
901 supplying or treating water for any beneficial use, and for otherwise accomplishing the
902 purposes of a special district.

903 Section 8. Section 17B-1-103 is amended to read:

904 **17B-1-103. Special district status and powers -- Registration as a limited purpose**
905 **entity.**

906 (1) A special district:

907 (a) is:

908 (i) a body corporate and politic with perpetual succession;

909 (ii) a quasi-municipal corporation; ~~[and]~~

910 (iii) a political subdivision of the state; and

911 (iv) separate and distinct from and independent of any other political subdivision of the
912 state; and

913 (b) may sue and be sued.

914 (2) A special district may:

915 (a) acquire, by any lawful means, or lease any real property, personal property, or a
916 groundwater right necessary or convenient to the full exercise of the district's powers;

917 (b) acquire, by any lawful means, any interest in real property, personal property, or a
918 groundwater right necessary or convenient to the full exercise of the district's powers;

919 (c) transfer an interest in or dispose of any property or interest described in Subsections
920 (2)(a) and (b);

921 (d) acquire or construct works, facilities, and improvements necessary or convenient to
922 the full exercise of the district's powers, and operate, control, maintain, and use those works,
923 facilities, and improvements;

924 (e) borrow money and incur indebtedness for any lawful district purpose;

925 (f) issue bonds, including refunding bonds:

926 (i) for any lawful district purpose; and

- 927 (ii) as provided in and subject to Part 11, Special District Bonds;
- 928 (g) levy and collect property taxes:
- 929 (i) for any lawful district purpose or expenditure, including to cover a deficit resulting
- 930 from tax delinquencies in a preceding year; and
- 931 (ii) as provided in and subject to Part 10, Special District Property Tax Levy;
- 932 (h) as provided in Title 78B, Chapter 6, Part 5, Eminent Domain, acquire by eminent
- 933 domain property necessary to the exercise of the district's powers;
- 934 (i) invest money as provided in Title 51, Chapter 7, State Money Management Act;
- 935 (j) (i) impose fees or other charges for commodities, services, or facilities provided by
- 936 the district, to pay some or all of the district's costs of providing the commodities, services, and
- 937 facilities, including the costs of:
- 938 (A) maintaining and operating the district;
- 939 (B) acquiring, purchasing, constructing, improving, or enlarging district facilities;
- 940 (C) issuing bonds and paying debt service on district bonds; and
- 941 (D) providing a reserve established by the board of trustees; and
- 942 (ii) take action the board of trustees considers appropriate and adopt regulations to
- 943 assure the collection of all fees and charges that the district imposes;
- 944 (k) if applicable, charge and collect a fee to pay for the cost of connecting a customer's
- 945 property to district facilities in order for the district to provide service to the property;
- 946 (l) enter into a contract that the special district board of trustees considers necessary,
- 947 convenient, or desirable to carry out the district's purposes, including a contract:
- 948 (i) with the United States or any department or agency of the United States;
- 949 (ii) to indemnify and save harmless; or
- 950 (iii) to do any act to exercise district powers;
- 951 (m) purchase supplies, equipment, and materials;
- 952 (n) encumber district property upon terms and conditions that the board of trustees
- 953 considers appropriate;
- 954 (o) exercise other powers and perform other functions that are provided by law;
- 955 (p) construct and maintain works and establish and maintain facilities, including works
- 956 or facilities:
- 957 (i) across or along any public street or highway, subject to Subsection (3) and if the

958 district:

959 (A) promptly restores the street or highway, as much as practicable, to its former state
960 of usefulness; and

961 (B) does not use the street or highway in a manner that completely or unnecessarily
962 impairs the usefulness of it;

963 (ii) in, upon, or over any vacant public lands that are or become the property of the
964 state, including school and institutional trust lands, as defined in Section 53C-1-103, if the
965 director of the School and Institutional Trust Lands Administration, acting under Sections
966 53C-1-102 and 53C-1-303, consents; or

967 (iii) across any stream of water or watercourse, subject to Section 73-3-29;

968 (q) perform any act or exercise any power reasonably necessary for the efficient
969 operation of the special district in carrying out its purposes;

970 (r) (i) except for a special district described in Subsection (2)(r)(ii), designate an
971 assessment area and levy an assessment on land within the assessment area, as provided in
972 Title 11, Chapter 42, Assessment Area Act; or

973 (ii) for a special district created to assess a groundwater right in a critical management
974 area described in Subsection 17B-1-202(1), designate an assessment area and levy an
975 assessment, as provided in Title 11, Chapter 42, Assessment Area Act, on a groundwater right
976 to facilitate a groundwater management plan;

977 (s) contract with another political subdivision of the state to allow the other political
978 subdivision to use the district's surplus water or capacity or have an ownership interest in the
979 district's works or facilities, upon the terms and for the consideration, whether monetary or
980 nonmonetary consideration or no consideration, that the district's board of trustees considers to
981 be in the best interests of the district and the public;

982 (t) upon the terms and for the consideration, whether monetary or nonmonetary
983 consideration or no consideration, that the district's board of trustees considers to be in the best
984 interests of the district and the public, agree:

985 (i) (A) with another political subdivision of the state; or

986 (B) with a public or private owner of property on which the district has a right-of-way
987 or adjacent to which the district owns fee title to property; and

988 (ii) to allow the use of property:

989 (A) owned by the district; or

990 (B) on which the district has a right-of-way; and

991 (u) if the special district receives, as determined by the special district board of
992 trustees, adequate monetary or nonmonetary consideration in return:

993 (i) provide services or nonmonetary assistance to a nonprofit entity;

994 (ii) waive fees required to be paid by a nonprofit entity; or

995 (iii) provide monetary assistance to a nonprofit entity, whether from the special
996 district's own funds or from funds the special district receives from the state or any other
997 source.

998 (3) With respect to a special district's use of a street or highway, as provided in
999 Subsection (2)(p)(i):

1000 (a) the district shall comply with the reasonable rules and regulations of the
1001 governmental entity, whether state, county, or municipal, with jurisdiction over the street or
1002 highway, concerning:

1003 (i) an excavation and the refilling of an excavation;

1004 (ii) the relaying of pavement; and

1005 (iii) the protection of the public during a construction period; and

1006 (b) the governmental entity, whether state, county, or municipal, with jurisdiction over
1007 the street or highway:

1008 (i) may not require the district to pay a license or permit fee or file a bond; and

1009 (ii) may require the district to pay a reasonable inspection fee.

1010 (4) (a) A special district may:

1011 (i) acquire, lease, or construct and operate electrical generation, transmission, and
1012 distribution facilities, if:

1013 (A) the purpose of the facilities is to harness energy that results inherently from the
1014 district's operation of a project or facilities that the district is authorized to operate or from the
1015 district providing a service that the district is authorized to provide;

1016 (B) the generation of electricity from the facilities is incidental to the primary
1017 operations of the district; and

1018 (C) operation of the facilities will not hinder or interfere with the primary operations of
1019 the district;

1020 (ii) (A) use electricity generated by the facilities; or
1021 (B) subject to Subsection (4)(b), sell electricity generated by the facilities to an electric
1022 utility or municipality with an existing system for distributing electricity.

1023 (b) A district may not act as a retail distributor or seller of electricity.

1024 (c) Revenue that a district receives from the sale of electricity from electrical
1025 generation facilities it owns or operates under this section may be used for any lawful district
1026 purpose, including the payment of bonds issued to pay some or all of the cost of acquiring or
1027 constructing the facilities.

1028 (5) A special district may adopt and, after adoption, alter a corporate seal.

1029 (6) (a) Each special district shall register and maintain the special district's registration
1030 as a limited purpose entity, in accordance with Section 67-1a-15.

1031 (b) A special district that fails to comply with Subsection (6)(a) or Section 67-1a-15 is
1032 subject to enforcement by the state auditor, in accordance with Section 67-3-1.

1033 (7) (a) As used in this Subsection (7), "knife" means a cutting instrument that includes
1034 a sharpened or pointed blade.

1035 (b) The authority to regulate a knife is reserved to the state except where the
1036 Legislature specifically delegates responsibility to a special district.

1037 (c) Unless specifically authorized by the Legislature by statute, a special district may
1038 not adopt or enforce a regulation or rule pertaining to a knife.

1039 Section 9. Section 17B-1-105 is amended to read:

1040 **17B-1-105. Name of special district -- Name change.**

1041 (1) (a) The name of each special district created on or after May 1, 2000 shall comply
1042 with Subsection 17-50-103(2)(a).

1043 (b) The board of each special district affected by Subsection 17-50-103(2)(b) shall
1044 ensure that after January 1, 2005 the special district name complies with the requirements of
1045 Subsection 17-50-103(2)(b).

1046 (2) The name of a special district created after April 30, 2007 may not include the
1047 name of a county or municipality.

1048 (3) The name of a special district may include words descriptive of the type of service
1049 that the district provides.

1050 (4) The name of an infrastructure financing district shall comply with Subsection

1051 [17B-1-208\(1\)\(b\)\(ii\)](#).

1052 ~~[(4)]~~ (5) (a) A special district board may change the name of that special district as
1053 provided in this Subsection ~~[(4)]~~ (5).

1054 (b) To initiate a name change, the special district board shall:

1055 (i) hold a public hearing on the proposed name change;

1056 (ii) adopt a resolution approving the name change; and

1057 (iii) file with the lieutenant governor a notice of an impending name change, as defined
1058 in Section [67-1a-6.7](#), that meets the requirements of Subsection [67-1a-6.7\(3\)](#).

1059 (c) Upon the lieutenant governor's issuance of a certificate of name change under
1060 Section [67-1a-6.7](#), the special district board shall:

1061 (i) if the special district is located within the boundary of a single county, submit to the
1062 recorder of that county:

1063 (A) the original:

1064 (I) notice of an impending name change; and

1065 (II) certificate of name change; and

1066 (B) a certified copy of the resolution approving the name change; or

1067 (ii) if the special district is located within the boundaries of more than a single county:

1068 (A) submit to the recorder of one of those counties:

1069 (I) the original of the documents listed in Subsections ~~[(4)(c)(i)(A)(I)]~~ [\(5\)\(c\)\(i\)\(A\)\(I\)](#)
1070 and (II); and

1071 (II) a certified copy of the resolution approving the name change; and

1072 (B) submit to the recorder of each other county:

1073 (I) a certified copy of the documents listed in Subsections ~~[(4)(c)(i)(A)(I)]~~

1074 [\(5\)\(c\)\(i\)\(A\)\(I\)](#) and (II); and

1075 (II) a certified copy of the resolution approving the name change.

1076 (d) (i) A name change under this Subsection ~~[(4)]~~ (5) becomes effective upon the
1077 lieutenant governor's issuance of a certificate of name change under Section [67-1a-6.7](#).

1078 (ii) Notwithstanding Subsection ~~[(4)(d)(i)]~~ [\(5\)\(d\)\(i\)](#), the special district may not operate
1079 under the new name until the documents listed in Subsection ~~[(4)(c)]~~ [\(5\)\(c\)](#) are recorded in the
1080 office of the recorder of each county in which the special district is located.

1081 Section 10. Section **17B-1-201** is amended to read:

1082 **17B-1-201. Definitions.**

1083 As used in this part:

1084 (1) "Applicable area" means:

1085 (a) for a county, the unincorporated area of the county that is included within the

1086 proposed special district; or

1087 (b) for a municipality, the area of the municipality that is included within the proposed

1088 special district.

1089 (2) "Governing body" means:

1090 (a) for a county or municipality, the legislative body of the county or municipality; and

1091 (b) for a special district, the board of trustees of the special district.

1092 (3) "Groundwater right owner petition" means a petition under Subsection

1093 [17B-1-203\(1\)\(c\)](#).

1094 (4) "Groundwater right owner request" means a request under Section [17B-1-204](#) that
1095 is signed by owners of water rights as provided in Subsection [17B-1-204\(2\)\(b\)\(ii\)](#).

1096 (5) "Initiating special district" means a special district that adopts a resolution

1097 proposing the creation of a special district under Subsection [~~[17B-1-203\(1\)\(c\)](#)~~]

1098 [17B-1-203\(1\)\(f\)](#).

1099 (6) "Petition" means a petition under Subsection [17B-1-203\(1\)\(a\)](#), (b), [~~or~~] (c), or (d).

1100 (7) "Property owner petition" means a petition under Subsection [17B-1-203\(1\)\(a\)](#).

1101 (8) "Property owner request" means a request under Section [17B-1-204](#) that is signed

1102 by owners of real property as provided in Subsection [17B-1-204\(2\)\(b\)\(i\)](#).

1103 (9) "Registered voter request" means a request under Section [17B-1-204](#) that is signed

1104 by registered voters as provided in Subsection [17B-1-204\(2\)\(b\)\(iii\)](#).

1105 (10) "Registered voter petition" means a petition under Subsection [17B-1-203\(1\)\(b\)](#).

1106 (11) "Request" means a request as described in Section [17B-1-204](#).

1107 (12) "Responsible body" means the governing body of:

1108 (a) the municipality in which the proposed special district is located, if the petition or

1109 resolution proposes the creation of a special district located entirely within a single

1110 municipality;

1111 (b) the county in which the proposed special district is located, if the petition or

1112 resolution proposes the creation of a special district located entirely within a single county and

1113 all or part of the proposed special district is located within:

1114 (i) the unincorporated part of the county; or

1115 (ii) more than one municipality within the county;

1116 (c) if the petition or resolution proposes the creation of a special district located within

1117 more than one county, the county whose boundaries include more of the area of the proposed

1118 special district than is included within the boundaries of any other county; or

1119 (d) the initiating special district, if a resolution proposing the creation of a special

1120 district is adopted under Subsection [~~17B-1-203(1)(e)~~] 17B-1-203(1)(f).

1121 (13) "Responsible clerk" means the clerk of the county or the clerk or recorder of the

1122 municipality whose legislative body is the responsible body.

1123 Section 11. Section **17B-1-202** is amended to read:

1124 **17B-1-202. Special district may be created -- Services that may be provided --**

1125 **Limitations.**

1126 (1) (a) A special district may be created as provided in this part to provide within its

1127 boundaries service consisting of:

1128 (i) the operation of an airport;

1129 (ii) the operation of a cemetery;

1130 (iii) fire protection, paramedic, and emergency services, including consolidated 911

1131 and emergency dispatch services;

1132 (iv) garbage collection and disposal;

1133 (v) health care, including health department or hospital service;

1134 (vi) the operation of a library;

1135 (vii) abatement or control of mosquitos and other insects;

1136 (viii) the operation of parks or recreation facilities or services;

1137 (ix) the operation of a sewage system;

1138 (x) the construction and maintenance of a right-of-way, including:

1139 (A) a curb;

1140 (B) a gutter;

1141 (C) a sidewalk;

1142 (D) a street;

1143 (E) a road;

- 1144 (F) a water line;
- 1145 (G) a sewage line;
- 1146 (H) a storm drain;
- 1147 (I) an electricity line;
- 1148 (J) a communications line;
- 1149 (K) a natural gas line; or
- 1150 (L) street lighting;
- 1151 (xi) transportation, including public transit and providing streets and roads;
- 1152 (xii) the operation of a system, or one or more components of a system, for the
- 1153 collection, storage, retention, control, conservation, treatment, supplying, distribution, or
- 1154 reclamation of water, including storm, flood, sewage, irrigation, and culinary water, whether
- 1155 the system is operated on a wholesale or retail level or both;
- 1156 (xiii) in accordance with Subsection (1)(c), the acquisition or assessment of a
- 1157 groundwater right for the development and execution of a groundwater management plan in
- 1158 cooperation with and approved by the state engineer in accordance with Section 73-5-15;
- 1159 (xiv) law enforcement service;
- 1160 (xv) subject to Subsection (1)(b), the underground installation of an electric utility line
- 1161 or the conversion to underground of an existing electric utility line;
- 1162 (xvi) the control or abatement of earth movement or a landslide;
- 1163 (xvii) the operation of animal control services and facilities; [~~or~~]
- 1164 (xviii) an energy efficiency upgrade, a renewable energy system, or electric vehicle
- 1165 charging infrastructure as defined in Section 11-42a-102, in accordance with Title 11, Chapter
- 1166 42a, Commercial Property Assessed Clean Energy Act; or
- 1167 (xix) the financing of infrastructure, as provided in Chapter 2a, Part 13, Infrastructure
- 1168 Financing Districts.
- 1169 (b) Each special district that provides the service of the underground installation of an
- 1170 electric utility line or the conversion to underground of an existing electric utility line shall, in
- 1171 installing or converting the line, provide advance notice to and coordinate with the utility that
- 1172 owns the line.
- 1173 (c) A groundwater management plan described in Subsection (1)(a)(xiii) may include
- 1174 the banking of groundwater rights by a special district in a critical management area as defined

1175 in Section 73-5-15 following the adoption of a groundwater management plan by the state
1176 engineer under Section 73-5-15.

1177 (i) A special district may manage the groundwater rights it acquires under Subsection
1178 17B-1-103(2)(a) or (b) consistent with the provisions of a groundwater management plan
1179 described in this Subsection (1)(c).

1180 (ii) A groundwater right held by a special district to satisfy the provisions of a
1181 groundwater management plan is not subject to the forfeiture provisions of Section 73-1-4.

1182 (iii) (A) A special district may divest itself of a groundwater right subject to a
1183 determination that the groundwater right is not required to facilitate the groundwater
1184 management plan described in this Subsection (1)(c).

1185 (B) The groundwater right described in Subsection (1)(c)(iii)(A) is subject to Section
1186 73-1-4 beginning on the date of divestiture.

1187 (iv) Upon a determination by the state engineer that an area is no longer a critical
1188 management area as defined in Section 73-5-15, a groundwater right held by the special district
1189 is subject to Section 73-1-4.

1190 (v) A special district created in accordance with Subsection (1)(a)(xiii) to develop and
1191 execute a groundwater management plan may hold or acquire a right to surface waters that are
1192 naturally tributary to the groundwater basin subject to the groundwater management plan if the
1193 surface waters are appropriated in accordance with Title 73, Water and Irrigation, and used in
1194 accordance with Title 73, Chapter 3b, Groundwater Recharge and Recovery Act.

1195 (2) As used in this section:

1196 (a) "Operation" means all activities involved in providing the indicated service
1197 including acquisition and ownership of property reasonably necessary to provide the indicated
1198 service and acquisition, construction, and maintenance of facilities and equipment reasonably
1199 necessary to provide the indicated service.

1200 (b) "System" means the aggregate of interrelated components that combine together to
1201 provide the indicated service including, for a sewage system, collection and treatment.

1202 (3) (a) A special district may not be created to provide and may not after its creation
1203 provide more than four of the services listed in Subsection (1).

1204 (b) Subsection (3)(a) may not be construed to prohibit a special district from providing
1205 more than four services if, before April 30, 2007, the special district was authorized to provide

1206 those services.

1207 (4) (a) Except as provided in Subsection (4)(b), a special district may not be created to
1208 provide and may not after its creation provide to an area the same service that may already be
1209 provided to that area by another political subdivision, unless the other political subdivision
1210 gives its written consent.

1211 (b) For purposes of Subsection (4)(a), a special district does not provide the same
1212 service as another political subdivision if it operates a component of a system that is different
1213 from a component operated by another political subdivision but within the same:

- 1214 (i) sewage system; or
- 1215 (ii) water system.

1216 (5) (a) Except for a special district in the creation of which an election is not required
1217 under Subsection 17B-1-214(3)(d), the area of a special district may include all or part of the
1218 unincorporated area of one or more counties and all or part of one or more municipalities.

1219 (b) The area of a special district need not be contiguous.

1220 (6) For a special district created before May 5, 2008, the authority to provide fire
1221 protection service also includes the authority to provide:

- 1222 (a) paramedic service; and
- 1223 (b) emergency service, including hazardous materials response service.

1224 (7) A special district created before May 11, 2010, authorized to provide the
1225 construction and maintenance of curb, gutter, or sidewalk may provide a service described in
1226 Subsection (1)(a)(x) on or after May 11, 2010.

1227 (8) A special district created before May 10, 2011, authorized to provide culinary,
1228 irrigation, sewage, or storm water services may provide a service described in Subsection
1229 (1)(a)(xii) on or after May 10, 2011.

1230 (9) A special district may not be created under this chapter for two years after the date
1231 on which a special district is dissolved as provided in Section 17B-1-217 if the special district
1232 proposed for creation:

- 1233 (a) provides the same or a substantially similar service as the dissolved special district;
1234 and
- 1235 (b) is located in substantially the same area as the dissolved special district.

1236 (10) The inclusion of an area within an infrastructure financing district does not affect

1237 whether the area may be included within another special district.

1238 Section 12. Section **17B-1-203** is amended to read:

1239 **17B-1-203. Process to initiate the creation of a special district -- Petition or**
1240 **resolution.**

1241 (1) The process to create a special district may be initiated by:

1242 (a) unless the proposed special district is a special district to acquire or assess a
1243 groundwater right under Section **17B-1-202**, and subject to Section **17B-1-204**, a petition
1244 signed by the owners of private real property that:

1245 (i) is located within the proposed special district;

1246 (ii) covers at least 33% of the total private land area within the proposed special district
1247 as a whole and within each applicable area;

1248 (iii) is equal in value to at least 25% of the value of all private real property within the
1249 proposed special district as a whole and within each applicable area; and

1250 (iv) complies with the requirements of Subsection **17B-1-205**(1) and Section

1251 **17B-1-208**;

1252 (b) subject to Section **17B-1-204**, a petition that:

1253 (i) is signed by registered voters residing within the proposed special district as a whole
1254 and within each applicable area, equal in number to at least 33% of the number of votes cast in
1255 the proposed special district as a whole and in each applicable area, respectively, for the office
1256 of governor at the last regular general election prior to the filing of the petition; and

1257 (ii) complies with the requirements of Subsection **17B-1-205**(1) and Section

1258 **17B-1-208**;

1259 (c) if the proposed special district is a special district to acquire or assess a

1260 groundwater right under Section **17B-1-202**, and subject to Section **17B-1-204**, a petition

1261 signed by the owners of groundwater rights that:

1262 (i) are diverted within the proposed special district;

1263 (ii) cover at least 33% of the total amount of groundwater diverted in accordance with
1264 groundwater rights within the proposed special district as a whole and within each applicable
1265 area; and

1266 (iii) comply with the requirements of Subsection **17B-1-205**(1) and Section **17B-1-208**;

1267 (d) for the creation of an infrastructure financing district, a petition signed by 100% of

1268 the owners of surface property within the applicable area;

1269 ~~[(d)]~~ (e) a resolution proposing the creation of a special district, adopted by the
1270 legislative body of each county whose unincorporated area, whether in whole or in part,
1271 includes and each municipality whose boundaries include any of the proposed special district;
1272 or

1273 ~~[(e)]~~ (f) a resolution proposing the creation of a special district, adopted by the board of
1274 trustees of an existing special district whose boundaries completely encompass the proposed
1275 special district, if:

1276 (i) the proposed special district is being created to provide one or more components of
1277 the same service that the initiating special district is authorized to provide; and

1278 (ii) the initiating special district is not providing to the area of the proposed special
1279 district any of the components that the proposed special district is being created to provide.

1280 (2) (a) Each resolution under Subsection ~~[(1)(d) or (e)]~~ (1)(e) or (f) shall:

1281 (i) describe the area proposed to be included in the proposed special district;

1282 (ii) be accompanied by a map that shows the boundaries of the proposed special
1283 district;

1284 (iii) describe the service proposed to be provided by the proposed special district;

1285 (iv) if the resolution proposes the creation of a specialized special district, specify the
1286 type of specialized special district proposed to be created;

1287 (v) explain the anticipated method of paying the costs of providing the proposed
1288 service;

1289 (vi) state the estimated average financial impact on a household within the proposed
1290 special district;

1291 (vii) state the number of members that the board of trustees of the proposed special
1292 district will have, consistent with the requirements of Subsection ~~[17B-1-302(4)]~~

1293 17B-1-302(8);

1294 (viii) for a proposed basic special district:

1295 (A) state whether the members of the board of trustees will be elected or appointed or
1296 whether some members will be elected and some appointed, as provided in Section
1297 17B-1-1402;

1298 (B) if one or more members will be elected, state the basis upon which each elected

1299 member will be elected; and

1300 (C) if applicable, explain how the election or appointment of board members will
1301 transition from one method to another based on stated milestones or events, as provided in
1302 Section 17B-1-1402;

1303 (ix) for a proposed improvement district whose remaining area members or county
1304 members, as those terms are defined in Section 17B-2a-404, are to be elected, state that those
1305 members will be elected; and

1306 (x) for a proposed service area that is entirely within the unincorporated area of a single
1307 county, state whether the initial board of trustees will be:

1308 (A) the county legislative body;

1309 (B) appointed as provided in Section 17B-1-304; or

1310 (C) elected as provided in Section 17B-1-306.

1311 (b) Each county or municipal legislative body adopting a resolution under Subsection
1312 ~~[(1)(d)]~~ (1)(e) shall, on or before the first public hearing under Section 17B-1-210, mail or
1313 deliver a copy of the resolution to the responsible body if the county or municipal legislative
1314 body's resolution is one of multiple resolutions adopted by multiple county or municipal
1315 legislative bodies proposing the creation of the same special district.

1316 Section 13. Section 17B-1-204 is amended to read:

1317 **17B-1-204. Request for service required before filing of petition -- Request**
1318 **requirements.**

1319 (1) ~~[A]~~ Except for a petition for the creation of an infrastructure financing district, a
1320 petition may not be filed until after:

1321 (a) a request has been filed with:

1322 (i) the clerk of each county in whose unincorporated area any part of the proposed
1323 special district is located; and

1324 (ii) the clerk or recorder of each municipality in which any part of the proposed special
1325 district is located; and

1326 (b) each county and municipality with which a request under Subsection (1)(a) is filed:

1327 (i) has adopted a resolution under Subsection 17B-1-212(1) indicating whether it will
1328 provide the requested service; or

1329 (ii) is considered to have declined to provide the requested service under Subsection

1330 17B-1-212(2) or (3).

1331 (2) Each request under Subsection (1)(a) shall:

1332 (a) ask the county or municipality to provide the service proposed to be provided by the
1333 proposed special district within the applicable area; and

1334 (b) be signed by:

1335 (i) unless the request is a request to create a special district to acquire or assess a
1336 groundwater right under Section 17B-1-202, the owners of private real property that:

1337 (A) is located within the proposed special district;

1338 (B) covers at least 10% of the total private land area within the applicable area; and

1339 (C) is equal in value to at least 7% of the value of all private real property within the
1340 applicable area;

1341 (ii) if the request is a request to create a special district to acquire or assess a
1342 groundwater right under Section 17B-1-202, the owners of groundwater rights that:

1343 (A) are diverted within the proposed special district; and

1344 (B) cover at least 10% of the amount of groundwater diverted in accordance with
1345 groundwater rights within the applicable area; or

1346 (iii) registered voters residing within the applicable area equal in number to at least
1347 10% of the number of votes cast in the applicable area for the office of governor at the last
1348 general election prior to the filing of the request.

1349 (3) For purposes of Subsections (1) and (2), an area proposed to be annexed to a
1350 municipality in a petition under Section 10-2-403 filed before and still pending at the time of
1351 filing of a petition shall be considered to be part of that municipality.

1352 Section 14. Section 17B-1-205 is amended to read:

1353 **17B-1-205. Petition and request requirements -- Withdrawal of signature.**

1354 (1) Each petition and request shall:

1355 (a) indicate the typed or printed name and current residence address of each property
1356 owner, groundwater right owner, or registered voter signing the petition;

1357 (b) (i) if it is a property owner request or petition, indicate the address of the property
1358 as to which the owner is signing the request or petition; or

1359 (ii) if it is a groundwater right owner request or petition, indicate the location of the
1360 diversion of the groundwater as to which the owner is signing the groundwater right owner

- 1361 request or petition;
- 1362 (c) describe the entire area of the proposed special district;
- 1363 (d) be accompanied by a map showing the boundaries of the entire proposed special
1364 district;
- 1365 (e) specify the service proposed to be provided by the proposed special district;
- 1366 (f) if the petition or request proposes the creation of a specialized special district,
1367 specify the type of specialized special district proposed to be created;
- 1368 (g) for a proposed basic special district:
- 1369 (i) state whether the members of the board of trustees will be elected or appointed or
1370 whether some members will be elected and some appointed, as provided in Section
1371 [17B-1-1402](#);
- 1372 (ii) if one or more members will be elected, state the basis upon which each elected
1373 member will be elected; and
- 1374 (iii) if applicable, explain how the election or appointment of board members will
1375 transition from one method to another based on stated milestones or events, as provided in
1376 Section [17B-1-1402](#);
- 1377 (h) for a proposed improvement district whose remaining area members or county
1378 members, as those terms are defined in Section [17B-2a-404](#), are to be elected, state that those
1379 members will be elected; [~~and~~]
- 1380 (i) for a proposed service area that is entirely within the unincorporated area of a single
1381 county, state whether the initial board of trustees will be:
- 1382 (i) the county legislative body;
- 1383 (ii) appointed as provided in Section [17B-1-304](#); or
- 1384 (iii) elected as provided in Section [17B-1-306](#);
- 1385 (j) designate up to five signers of the petition or request as sponsors, one of whom shall
1386 be designated as the contact sponsor, with the mailing address and telephone number of each;
- 1387 (k) if the petition or request is a groundwater right owner petition or request proposing
1388 the creation of a special district to acquire a groundwater right under Section [17B-1-202](#),
1389 explain the anticipated method:
- 1390 (i) of paying for the groundwater right acquisition; and
- 1391 (ii) of addressing blowing dust created by the reduced use of water; [~~and~~]

1392 (l) if the petition or request is a groundwater right owner petition or request proposing
1393 the creation of a special district to assess a groundwater right under Section 17B-1-202, explain
1394 the anticipated method:

1395 (i) of assessing the groundwater right and securing payment of the assessment; and

1396 (ii) of addressing blowing dust created by the reduced use of water[-]; and

1397 (m) for a proposed infrastructure financing district:

1398 (i) state whether the members of the board of trustees will be elected or appointed or
1399 whether some members will be elected and some appointed;

1400 (ii) if one or more members will be elected, state the basis upon which each elected
1401 member will be elected;

1402 (iii) if applicable, explain how the election or appointment of board members will
1403 transition from one method to another based on stated milestones or events, as provided in
1404 Section 17B-2a-1303;

1405 (iv) state whether divisions will be established within the boundary of the
1406 infrastructure financing district so that some or all board members represent a division rather
1407 than the district at large and, if so, describe the boundary of each division; and

1408 (v) if applicable, be accompanied by the governing document prepared according to
1409 Section 17B-2-1303.

1410 (2) (a) [~~A~~] Subject to Subsection (2)(b), a signer of a request or petition may withdraw
1411 or, once withdrawn, reinstate the signer's signature at any time before the filing of the request
1412 or petition by filing a written withdrawal or reinstatement with:

1413 [~~(a)~~] (i) in the case of a request:

1414 [(i)] (A) the clerk of the county or the clerk or recorder of the municipality in whose
1415 applicable area the signer's property is located, if the request is a property owner request;

1416 [(ii)] (B) the clerk of the county or the clerk or recorder of the municipality in whose
1417 applicable area the signer's groundwater diversion point is located, if the request is a
1418 groundwater right owner request; or

1419 [(iii)] (C) the clerk of the county or the clerk or recorder of the municipality in whose
1420 applicable area the signer resides, if the request is a registered voter request; or

1421 [~~(b)~~] (ii) in the case of a petition, the responsible clerk.

1422 (b) The time for a signer of a petition for the creation of an infrastructure financing

1423 district to withdraw or reinstate the signer's signature is any time before the petition is certified
1424 under Section 17B-1-209.

1425 (3) (a) A clerk of the county who receives a timely, valid written withdrawal or
1426 reinstatement from a signer of a registered voter request or registered voter petition shall use
1427 the procedures described in Subsection 20A-1-1003(3) to determine whether to remove or
1428 reinstate the individual's signature.

1429 (b) If a municipal clerk or recorder receives a timely, valid written withdrawal or
1430 reinstatement from a signer of a registered voter request or registered voter petition, the clerk of
1431 the municipality's county shall assist the municipal clerk or recorder with determining whether
1432 to remove or reinstate the individual's signature using the procedures described in Subsection
1433 20A-1-1003(3).

1434 Section 15. Section 17B-1-208 is amended to read:

1435 **17B-1-208. Additional petition requirements and limitations.**

1436 (1) (a) Each petition shall:

1437 ~~[(a)]~~ (i) be filed with the responsible clerk;

1438 ~~[(b)]~~ (ii) separately group signatures by county and municipality, so that all signatures
1439 of the owners of real property located within or of registered voters residing within each county
1440 whose unincorporated area includes and each municipality whose boundaries include part of
1441 the proposed special district are grouped separately; and

1442 ~~[(c)]~~ (iii) (A) state the number of members that the board of trustees of the proposed
1443 special district will have, consistent with the requirements of Subsection ~~[17B-1-302(4)]~~
1444 17B-1-302(8); and

1445 (B) for a petition proposing the creation of an infrastructure financing district, include
1446 the name and address of each of the proposed board members.

1447 (b) (i) A petition for the creation of an infrastructure financing district shall state the
1448 name of the proposed infrastructure financing district.

1449 (ii) The name of an infrastructure financing district shall include the phrase
1450 "infrastructure financing district."

1451 (2) (a) A petition may not propose the creation of a special district that includes an area
1452 located within the unincorporated part of a county or within a municipality if the legislative
1453 body of that county or municipality has adopted a resolution under Subsection 17B-1-212(1)

1454 indicating that the county or municipality will provide to that area the service proposed to be
1455 provided by the proposed special district.

1456 (b) Subsection (2)(a) does not apply if the county or municipal legislative body is
1457 considered to have declined to provide the requested service under Subsection 17B-1-212(3).

1458 (c) Subsection (2)(a) may not be construed to prevent the filing of a petition that
1459 proposes the creation of a special district whose area excludes that part of the unincorporated
1460 area of a county or that part of a municipality to which the county or municipality has
1461 indicated, in a resolution adopted under Section 17B-1-212, it will provide the requested
1462 service.

1463 (3) A petition may not propose the creation of a special district whose area includes:

1464 (a) some or all of an area described in a previously filed petition that, subject to
1465 Subsection 17B-1-202(4)(b):

1466 (i) proposes the creation of a special district to provide the same service as proposed by
1467 the later filed petition; and

1468 (ii) is still pending at the time the later petition is filed; or

1469 (b) some or all of an area within a political subdivision that provides in that area the
1470 same service proposed to be provided by the proposed special district.

1471 (4) A petition may not be filed more than 12 months after a county or municipal
1472 legislative body declines to provide the requested service under Subsection 17B-1-212(1) or is
1473 considered to have declined to provide the requested service under Subsection 17B-1-212(2) or
1474 (3).

1475 Section 16. Section 17B-1-209 is amended to read:

1476 **17B-1-209. Petition certification -- Amended petition.**

1477 (1) No later than five days after the day on which a petition is filed, the responsible
1478 clerk shall mail a copy of the petition to the clerk of each other county and the clerk or recorder
1479 of each municipality in which any part of the proposed special district is located.

1480 (2) (a) No later than 35 days after the day on which a petition is filed, the clerk of each
1481 county whose unincorporated area includes and the clerk or recorder of each municipality
1482 whose boundaries include part of the proposed special district shall:

1483 (i) with the assistance of other county or municipal officers from whom the county
1484 clerk or municipal clerk or recorder requests assistance, determine, for the clerk or recorder's

1485 respective county or municipality, whether the petition complies with the requirements of
 1486 Subsection 17B-1-203(1)(a), (b), ~~[or]~~ (c), or (d), as the case may be, and Subsections
 1487 17B-1-208(2), (3), and (4); and

1488 (ii) notify the responsible clerk in writing of the clerk or recorder's determination under
 1489 Subsection (2)(a)(i).

1490 (b) The responsible clerk may rely on the determinations of other county clerks or
 1491 municipal clerks or recorders under Subsection (2)(a) in making the responsible clerk's
 1492 determinations and certification or rejection under Subsection (3).

1493 (3) (a) Within 45 days after the filing of a petition, the responsible clerk shall~~[-]~~
 1494 ~~[(i)]~~ determine whether the petition complies with Subsection 17B-1-203(1)(a), (b),
 1495 ~~[or]~~ (c), or (d), as the case may be, Subsection 17B-1-205(1), and Section 17B-1-208~~[-; and]~~.

1496 ~~[(i)-(A) if]~~ (b) If the responsible clerk determines that the petition complies with the
 1497 applicable requirements, the responsible clerk shall:

1498 ~~[(i)-(A)]~~ (i) (A) certify the petition ~~[and]~~ as complying with all applicable
 1499 requirements;

1500 (B) deliver the certified petition to the responsible body; and

1501 ~~[(Bb)]~~ (C) mail or deliver written notification of the certification and a copy of the
 1502 certified petition to the contact sponsor; or

1503 ~~[(H)]~~ (ii) for each petition described in Subsection ~~[(3)(b)(i)]~~ (3)(d)(i), deliver a copy of
 1504 the petition to the legislative body of each county whose unincorporated area includes and each
 1505 municipality whose boundaries include any of the proposed basic special district, with a notice
 1506 indicating that the clerk has determined that the petition complies with applicable
 1507 requirements~~[-; or]~~.

1508 ~~[(B) if]~~ (c) If the responsible clerk determines that the petition fails to comply with any
 1509 of the applicable requirements, the responsible clerk shall reject the petition and notify the
 1510 contact sponsor in writing of the rejection and the reasons for the rejection.

1511 ~~[(b)]~~ (d) (i) A petition for which an election is not required under Subsection
 1512 17B-1-214(3) and that proposes the creation of a basic special district that has within its
 1513 boundaries fewer than one residential dwelling unit per 10 acres of land may not be certified
 1514 without the approval, by resolution, of the legislative body of each county whose
 1515 unincorporated area includes and each municipality whose boundaries include any of the

1516 proposed special district.

1517 (ii) Before adopting a resolution giving its approval under Subsection [~~(3)(b)(i)~~]
1518 (3)(d)(i), a county or municipal legislative body may hold one or more public hearings on the
1519 petition.

1520 (iii) If a petition described in Subsection [~~(3)(b)(i)~~] (3)(d)(i) is approved as provided in
1521 that subsection, the responsible clerk shall, within 10 days after its approval:

1522 (A) certify the petition and deliver the certified petition to the responsible body; and

1523 (B) mail or deliver written notification of the certification to the contact sponsor.

1524 (4) Except for a petition described in Subsection [~~(3)(b)(i)~~] (3)(d)(i), if the responsible
1525 clerk fails to certify or reject a petition within 45 days after its filing, the petition shall be
1526 considered to be certified.

1527 (5) The responsible clerk shall certify or reject petitions in the order in which they are
1528 filed.

1529 (6) (a) If the responsible clerk rejects a petition under Subsection [~~(3)(a)(ii)(B)~~] (3)(c),
1530 the petition may be amended to correct the deficiencies for which it was rejected and then
1531 refiled.

1532 (b) A valid signature on a petition that was rejected under Subsection [~~(3)(a)(ii)(B)~~]
1533 (3)(c) may be used toward fulfilling the applicable signature requirement of the petition as
1534 amended under Subsection (6)(a).

1535 (c) If a petition is amended and refiled under Subsection (6)(a) after having been
1536 rejected by the responsible clerk under Subsection [~~(3)(a)(ii)(B)~~] (3)(c), the amended petition
1537 shall be considered as newly filed, and its processing priority shall be determined by the date
1538 on which it is refiled.

1539 (7) The responsible clerk and each county clerk and municipal clerk or recorder shall:

1540 (a) act in good faith in making the determinations under this section; and

1541 (b) with the assistance of the county clerk if necessary, and as applicable, use the
1542 procedures described in Section [20A-1-1002](#) to determine whether a signer is a registered
1543 voter.

1544 Section 17. Section **17B-1-210** is amended to read:

1545 **17B-1-210. Public hearing.**

1546 (1) The legislative body of each county and municipality with which a request is filed

1547 or that adopts a resolution under Subsection [~~17B-1-203(1)(d)~~] 17B-1-203(1)(e) and the board
1548 of trustees of each special district that adopts a resolution under Subsection [~~17B-1-203(1)(e)~~]
1549 17B-1-203(1)(f) shall hold a public hearing or a set of public hearings, sufficient in number and
1550 location to ensure that no substantial group of residents of the proposed special district need
1551 travel an unreasonable distance to attend a public hearing.

1552 (2) Each public hearing under Subsection (1) shall be held:

1553 (a) no later than 45 days after:

1554 (i) for a public hearing on a request, certification of a request under Subsection

1555 17B-1-206(1)(b)(i); or

1556 (ii) for a public hearing on a resolution, adoption of a resolution under Subsection

1557 [~~17B-1-203(1)(d) or (e)~~] 17B-1-203(1)(e) or (f);

1558 (b) within the proposed special district;

1559 (c) except as provided in Subsections (6) and (7), within the applicable area; and

1560 (d) for the purpose of:

1561 (i) for a public hearing on a request, allowing public input on:

1562 (A) whether the requested service is needed in the area of the proposed special district;

1563 (B) whether the service should be provided by the county or municipality or the

1564 proposed special district; and

1565 (C) all other matters relating to the request or the proposed special district; or

1566 (ii) for a public hearing on a resolution, allowing the public to ask questions of and

1567 obtain further information from the governing body holding the hearing regarding the issues

1568 contained in or raised by the resolution.

1569 (3) A quorum of each governing body holding a public hearing under this section shall

1570 be present throughout each hearing held by that governing body.

1571 (4) Each hearing under this section shall be held on a weekday evening other than a

1572 holiday beginning no earlier than 6 p.m.

1573 (5) At the beginning and end of each hearing concerning a resolution, the governing

1574 body shall announce the deadline for filing protests and generally explain the protest procedure

1575 and requirements.

1576 (6) Two or more county or municipal legislative bodies may jointly hold a hearing or

1577 set of hearings required under this section if all the requirements of this section, other than the

1578 requirements of Subsection (2)(c), are met as to each hearing.

1579 (7) Notwithstanding Subsection (2)(c), a governing body may hold a public hearing or
1580 set of public hearings outside the applicable area if:

1581 (a) there is no reasonable place to hold a public hearing within the applicable area; and

1582 (b) the public hearing or set of public hearings is held as close to the applicable area as
1583 reasonably possible.

1584 Section 18. Section 17B-1-211 is amended to read:

1585 **17B-1-211. Notice of public hearings -- Publication of resolution.**

1586 (1) Before holding a public hearing or set of public hearings under Section 17B-1-210,
1587 the legislative body of each county or municipality with which a request is filed or that adopts a
1588 resolution under Subsection [~~17B-1-203(1)(d)~~] 17B-1-203(1)(e) and the board of trustees of
1589 each special district that adopts a resolution under Subsection [~~17B-1-203(1)(e)~~]
1590 17B-1-203(1)(f) shall publish notice for the proposed special district, as a class B notice under
1591 Section 63G-30-102, for at least two weeks before the day of the hearing or the day of the first
1592 of the set of hearings.

1593 (2) Each notice required under Subsection (1) shall:

1594 (a) if the hearing or set of hearings is concerning a resolution:

1595 (i) contain the entire text or an accurate summary of the resolution; and

1596 (ii) state the deadline for filing a protest against the creation of the proposed special
1597 district;

1598 (b) clearly identify each governing body involved in the hearing or set of hearings;

1599 (c) state the date, time, and place for the hearing or set of hearings and the purposes for
1600 the hearing or set of hearings; and

1601 (d) describe or include a map of the entire proposed special district.

1602 (3) County or municipal legislative bodies may jointly provide the notice required
1603 under this section if all the requirements of this section are met as to each notice.

1604 Section 19. Section 17B-1-213 is amended to read:

1605 **17B-1-213. Protest after adoption of resolution -- Adoption of resolution**
1606 **approving creation for certain districts.**

1607 (1) For purposes of this section, "adequate protests" means protests that are:

1608 (a) filed with the county clerk, municipal clerk or recorder, or special district secretary

1609 or clerk, as the case may be, within 60 days after the last public hearing required under Section
1610 [17B-1-210](#); and

1611 (b) signed by:

1612 (i) the owners of private real property that:

1613 (A) is located within the proposed special district;

1614 (B) covers at least 25% of the total private land area within the applicable area; and

1615 (C) is equal in value to at least 15% of the value of all private real property within the
1616 applicable area; or

1617 (ii) registered voters residing within the applicable area equal in number to at least 25%
1618 of the number of votes cast in the applicable area for the office of president of the United States
1619 at the most recent election prior to the adoption of the resolution.

1620 (2) An owner may withdraw a protest at any time before the expiration of the 60-day
1621 period described in Subsection (1)(a).

1622 (3) If adequate protests are filed, the governing body that adopted a resolution under
1623 Subsection [~~[17B-1-203\(1\)\(d\) or \(e\)](#)~~ [17B-1-203\(1\)\(e\) or \(f\)](#):

1624 (a) may not:

1625 (i) hold or participate in an election under Subsection [17B-1-214\(1\)](#) with respect to the
1626 applicable area;

1627 (ii) take any further action under the protested resolution to create a special district or
1628 include the applicable area in a special district; or

1629 (iii) for a period of two years, adopt a resolution under Subsection [~~[17B-1-203\(1\)\(d\) or](#)~~
1630 ~~[\(e\)](#)~~ [17B-1-203\(1\)\(e\) or \(f\)](#) proposing the creation of a special district including substantially
1631 the same area as the applicable area and providing the same service as the proposed special
1632 district in the protested resolution; and

1633 (b) shall, within five days after receiving adequate protests, mail or deliver written
1634 notification of the adequate protests to the responsible body.

1635 (4) Subsection (3)(a) may not be construed to prevent an election from being held for a
1636 proposed special district whose boundaries do not include an applicable area that is the subject
1637 of adequate protests.

1638 (5) (a) If adequate protests are not filed with respect to a resolution proposing the
1639 creation of a special district for which an election is not required under Subsection

1640 17B-1-214(3)(d), (e), (f), or (g), a resolution approving the creation of the special district shall
1641 be adopted by:

1642 (i) (A) the legislative body of a county whose unincorporated area is included within
1643 the proposed special district; and

1644 (B) the legislative body of a municipality whose area is included within the proposed
1645 special district; or

1646 (ii) the board of trustees of the initiating special district.

1647 (b) Each resolution adopted under Subsection (5)(a) shall:

1648 (i) describe the area included in the special district;

1649 (ii) be accompanied by a map that shows the boundaries of the special district;

1650 (iii) describe the service to be provided by the special district;

1651 (iv) state the name of the special district; and

1652 (v) provide a process for the appointment of the members of the initial board of
1653 trustees.

1654 Section 20. Section 17B-1-214 is amended to read:

1655 **17B-1-214. Election -- Exceptions.**

1656 (1) (a) Except as provided in Subsection (3) and in Subsection 17B-1-213(3)(a), an
1657 election on the question of whether the special district should be created shall be held by:

1658 (i) if the proposed special district is located entirely within a single county, the
1659 responsible clerk; or

1660 (ii) except as provided under Subsection (1)(b), if the proposed special district is
1661 located within more than one county, the clerk of each county in which part of the proposed
1662 special district is located, in cooperation with the responsible clerk.

1663 (b) Notwithstanding Subsection (1)(a)(ii), if the proposed special district is located
1664 within more than one county and the only area of a county that is included within the proposed
1665 special district is located within a single municipality, the election for that area shall be held by
1666 the municipal clerk or recorder, in cooperation with the responsible clerk.

1667 (2) Each election under Subsection (1) shall be held at the next special or regular
1668 general election date that is:

1669 (a) for an election pursuant to a property owner or registered voter petition, more than
1670 45 days after certification of the petition under [~~Subsection 17B-1-209(3)(a)~~] Subsections

1671 [17B-1-209](#)(3)(a), (b), and (c); or

1672 (b) for an election pursuant to a resolution, more than 60 days after the latest hearing
1673 required under Section [17B-1-210](#).

1674 (3) The election requirement of Subsection (1) does not apply to:

1675 (a) a petition filed under Subsection [17B-1-203](#)(1)(a) if it contains the signatures of the
1676 owners of private real property that:

1677 (i) is located within the proposed special district;

1678 (ii) covers at least 67% of the total private land area within the proposed special district
1679 as a whole and within each applicable area; and

1680 (iii) is equal in value to at least 50% of the value of all private real property within the
1681 proposed special district as a whole and within each applicable area;

1682 (b) a petition filed under Subsection [17B-1-203](#)(1)(b) if it contains the signatures of
1683 registered voters residing within the proposed special district as a whole and within each
1684 applicable area, equal in number to at least 67% of the number of votes cast in the proposed
1685 special district as a whole and in each applicable area, respectively, for the office of governor at
1686 the last general election prior to the filing of the petition;

1687 (c) a groundwater right owner petition filed under Subsection [17B-1-203](#)(1)(c) if the
1688 petition contains the signatures of the owners of groundwater rights that:

1689 (i) are diverted within the proposed special district; and

1690 (ii) cover at least 67% of the total amount of groundwater diverted in accordance with
1691 groundwater rights within the proposed special district as a whole and within each applicable
1692 area;

1693 (d) a resolution adopted under Subsection [~~[17B-1-203](#)(1)(d)~~] [17B-1-203](#)(1)(e) on or
1694 after May 5, 2003, that proposes the creation of a special district to provide fire protection,
1695 paramedic, and emergency services or law enforcement service, if the proposed special district:

1696 (i) includes the unincorporated area, whether in whole or in part, of one or more
1697 counties; or

1698 (ii) consists of an area that:

1699 (A) has a boundary that is the same as the boundary of the municipality whose
1700 legislative body adopts the resolution proposing the creation of the special district;

1701 (B) previously received fire protection, paramedic, and emergency services or law

1702 enforcement service from another special district; and

1703 (C) may be withdrawn from the other special district under Section [17B-1-505](#) without
 1704 an election because the withdrawal is pursuant to an agreement under Subsection
 1705 [17B-1-505\(5\)\(a\)\(ii\)\(A\)](#) or (5)(b);

1706 (e) a resolution adopted under Subsection [~~[17B-1-203\(1\)\(d\)](#)~~ or ~~(e)~~] [17B-1-203\(1\)\(e\)](#) or
 1707 [\(f\)](#) if the resolution proposes the creation of a special district that has no registered voters
 1708 within its boundaries;

1709 (f) a resolution adopted under Subsection [~~[17B-1-203\(1\)\(d\)](#)~~] [17B-1-203\(1\)\(e\)](#) on or
 1710 after May 11, 2010, that proposes the creation of a special district described in Subsection
 1711 [17B-1-202\(1\)\(a\)\(xiii\)](#); [~~or~~]

1712 (g) a resolution adopted under Section [17B-2a-1105](#) to create a municipal services
 1713 district; or

1714 (h) a petition for the creation of an infrastructure financing district.

1715 (4) (a) If the proposed special district is located in more than one county, the
 1716 responsible clerk shall coordinate with the clerk of each other county and the clerk or recorder
 1717 of each municipality involved in an election under Subsection (1) so that the election is held on
 1718 the same date and in a consistent manner in each jurisdiction.

1719 (b) The clerk of each county and the clerk or recorder of each municipality involved in
 1720 an election under Subsection (1) shall cooperate with the responsible clerk in holding the
 1721 election.

1722 (c) Except as otherwise provided in this part, each election under Subsection (1) shall
 1723 be governed by Title 20A, Election Code.

1724 Section 21. Section [17B-1-215](#) is amended to read:

1725 **[17B-1-215. Notice and plat to lieutenant governor -- Recording requirements --](#)**
 1726 **[Certificate of incorporation -- Special district incorporated as specialized special district](#)**
 1727 **[or basic special district -- Effective date.](#)**

1728 (1) (a) Within the time specified in Subsection (1)(b), the responsible body shall file
 1729 with the lieutenant governor:

1730 (i) if applicable, a copy of the petition certified, under Section [17B-1-209](#), as
 1731 complying with all applicable requirements;

1732 [~~(i)~~] (ii) a copy of a notice of an impending boundary action, as defined in Section

- 1733 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and
- 1734 ~~[(ii)]~~ (iii) a copy of an approved final local entity plat, as defined in Section 67-1a-6.5.
- 1735 (b) The responsible body shall file the documents listed in Subsection (1)(a) with the
- 1736 lieutenant governor within 10 days after:
- 1737 (i) the canvass of an election under Section 17B-1-214, if a majority of those voting at
- 1738 the election within the proposed special district as a whole vote in favor of the creation of a
- 1739 special district;
- 1740 (ii) certification of a petition as to which the election requirement of Subsection
- 1741 17B-1-214(1) does not apply because of Subsection 17B-1-214(3)(a), (b), ~~[or]~~ (c), or (h); or
- 1742 (iii) adoption of a resolution, under Subsection 17B-1-213(5) approving the creation of
- 1743 a special district for which an election was not required under Subsection 17B-1-214(3)(d), (e),
- 1744 (f), or (g) by the legislative body of each county whose unincorporated area is included within
- 1745 and the legislative body of each municipality whose area is included within the proposed
- 1746 special district, or by the board of trustees of the initiating special district.
- 1747 (2) Upon the lieutenant governor's issuance of a certificate of incorporation under
- 1748 Section 67-1a-6.5, the responsible body shall:
- 1749 (a) if the special district is located within the boundary of a single county, submit to the
- 1750 recorder of that county:
- 1751 (i) the original:
- 1752 (A) notice of an impending boundary action;
- 1753 (B) certificate of incorporation; and
- 1754 (C) approved final local entity plat; and
- 1755 (ii) if applicable, a certified copy of each resolution adopted under Subsection
- 1756 17B-1-213(5); or
- 1757 (b) if the special district is located within the boundaries of more than a single county:
- 1758 (i) submit to the recorder of one of those counties:
- 1759 (A) the original of the documents listed in Subsections (2)(a)(i)(A), (B), and (C); and
- 1760 (B) if applicable, a certified copy of each resolution adopted under Subsection
- 1761 17B-1-213(5); and
- 1762 (ii) submit to the recorder of each other county:
- 1763 (A) a certified copy of the documents listed in Subsection (2)(a)(i)(A), (B), and (C);

1764 and

1765 (B) if applicable, a certified copy of each resolution adopted under Subsection
1766 17B-1-213(5).

1767 (3) The area of each special district consists of:

1768 (a) if an election was held under Section 17B-1-214, the area of the new special district
1769 as approved at the election;

1770 (b) if an election was not required because of Subsection 17B-1-214(3)(a), (b), [or] (c),
1771 or (h), the area of the proposed special district as described in the petition; or

1772 (c) if an election was not required because of Subsection 17B-1-214(3)(d), (e), (f), or
1773 (g), the area of the new special district as described in the resolution adopted under Subsection
1774 17B-1-213(5).

1775 (4) (a) Upon the lieutenant governor's issuance of the certificate of incorporation under
1776 Section 67-1a-6.5, the special district is created and incorporated as:

1777 (i) the type of specialized special district that was specified in the petition under
1778 Subsection 17B-1-203(1)(a), (b), [or] (c), or (d) or resolution under Subsection
1779 [~~17B-1-203(1)(d) or (e)~~] 17B-1-203(1)(e) or (f), if the petition or resolution proposed the
1780 creation of a specialized special district; or

1781 (ii) a basic special district, if the petition or resolution did not propose the creation of a
1782 specialized special district.

1783 (b) (i) The effective date of a special district's incorporation for purposes of assessing
1784 property within the special district is governed by Section 59-2-305.5.

1785 (ii) Until the documents listed in Subsection (2) are recorded in the office of the
1786 recorder of each county in which the property is located, a newly incorporated special district
1787 may not:

1788 (A) levy or collect a property tax on property within the special district;

1789 (B) levy or collect an assessment on property within the special district; [or]

1790 (C) charge or collect a fee for service provided to property within the special district[-];

1791 or

1792 (D) issue bonds.

1793 Section 22. Section 17B-1-216 is amended to read:

1794 **17B-1-216. Costs and expenses of creating a special district.**

1795 (1) (a) Except as provided in Subsection (2) and subject to Subsection (1)(b), each
 1796 county whose unincorporated area includes and each municipality whose boundaries include
 1797 some or all of the proposed special district shall bear their respective costs and expenses
 1798 associated with the procedure under this part for creating a special district.

1799 ~~[(2)]~~ (b) Within a year after its creation, each special district shall reimburse the costs
 1800 and expenses associated with the preparation, certification, and recording of the approved final
 1801 local entity plat of the special district and accompanying documents under Section [17B-1-215](#).

1802 (2) (a) Subject to Subsection (2)(b), the sponsors of a petition for the creation of an
 1803 infrastructure financing district shall bear the costs and expenses associated with the procedure
 1804 under this part for creating the infrastructure financing district.

1805 (b) An infrastructure financing district may reimburse petition sponsors the costs and
 1806 expenses the petition sponsors paid under Subsection (2)(a).

1807 Section 23. Section **17B-1-302** is amended to read:

1808 **17B-1-302. Board member qualifications -- Number of board members.**

1809 (1) Except as provided in Section [17B-2a-905](#), each member of a special district board
 1810 of trustees shall be:

1811 (a) a registered voter at the location of the member's residence; and

1812 (b) except as otherwise provided in Subsection (2) ~~[or]~~, (3), or (4), a resident within:

1813 (i) the boundaries of the special district; and

1814 (ii) if applicable, the boundaries of the division of the special district from which the
 1815 member is elected or appointed.

1816 (2) (a) As used in this Subsection (2):

1817 (i) "Proportional number" means the number of members of a board of trustees that
 1818 bears, as close as mathematically possible, the same proportion to all members of the board that
 1819 the number of seasonally occupied homes bears to all residences within the district that receive
 1820 service from the district.

1821 (ii) "Seasonally occupied home" means a single-family residence:

1822 (A) that is located within the special district;

1823 (B) that receives service from the special district; and

1824 (C) whose owner occupies the residence on a temporary or seasonal basis, rather than
 1825 as the principal place of residence as defined in Section [20A-2-105](#).

1826 (b) If over 50% of the residences within a special district that receive service from the
1827 special district are seasonally occupied homes, the requirement under Subsection (1)(b) is
1828 replaced, for a proportional number of members of the board of trustees, with the requirement
1829 that the member be an owner of land, or an agent or officer of the owner of land:

1830 (i) that receives, or intends to receive, service from the district; and

1831 (ii) that is located within the special district and, if applicable, the division from which
1832 the member is elected.

1833 (3) (a) ~~[For]~~ Subsection (3)(b) applies to a board of trustees member in:

1834 (i) a basic special district~~[-or in];~~

1835 (ii) any other type of special district that is located solely within a county of the fourth,
1836 fifth, or sixth class, that has within the district's boundaries fewer than one residential dwelling
1837 unit per 10 acres of land~~[-]; or~~

1838 (iii) an infrastructure financing district.

1839 (b) For a board of trustees member in a special district listed in Subsection (3)(a), the
1840 board of trustees may replace the requirement under Subsection (1)(b) ~~[may be replaced by]~~
1841 with the requirement that the member be:

1842 (i) a resident within the boundaries of the special district; or

1843 (ii) an owner of land, or an agent or officer of the owner of land, that:

1844 (A) is located within the special district ~~[that]; and~~

1845 (B) receives, or ~~[intends]~~ is expected to receive, service from the district.

1846 (4) A board member of an infrastructure financing district is not required to be a
1847 resident within the boundary of the infrastructure financing district if:

1848 (a) all owners of surface property within the district waive the residency requirement;

1849 (b) the district boundary does not include any residents; or

1850 (c) (i) in the case of an appointed board position, no qualified individual timely files to
1851 be considered for appointment to the board; or

1852 (ii) in the case of an elected board position, no qualified individual files a declaration
1853 of candidacy for the board position under Subsection [17B-1-306\(5\)](#).

1854 ~~[(b)]~~ (5) A member of the board of trustees of a service area described in Subsection
1855 [17B-2a-905\(2\)\(a\)](#) or (3)(a), who is an elected official of the county appointing the individual, is
1856 not subject to the requirements described in Subsection (1)(b) if the elected official was elected

1857 at large by the voters of the county.

1858 ~~[(e)]~~ (6) Notwithstanding Subsection (1)(b) and except as provided in Subsection
1859 ~~[(3)]~~~~(d)]~~ (7), the county legislative body may appoint to the special district board one of the
1860 county legislative body's own members, regardless of whether the member resides within the
1861 boundaries described in Subsection (1)(b), if:

1862 ~~[(i)]~~ (a) the county legislative body satisfies the procedures to fill a vacancy described
1863 in:

1864 ~~[(A)]~~ (i) for the appointment of a new board member, Subsections 17B-1-304(2) and
1865 (3); or

1866 ~~[(B)]~~ (ii) for an appointment to fill a midterm vacancy, Subsection 20A-1-512(1)(a)(ii)
1867 or Subsection 20A-1-512(2);

1868 ~~[(ii)]~~ (b) fewer qualified candidates timely file to be considered for appointment to the
1869 special district board than are necessary to fill the board;

1870 ~~[(iii)]~~ (c) the county legislative body appoints each of the qualified candidates who
1871 timely filed to be considered for appointment to the board; and

1872 ~~[(iv)]~~ (d) the county legislative body appoints a member of the body to the special
1873 district board, in accordance with Subsection 17B-1-304(6) or Subsection 20A-1-512(1)(c),
1874 who was:

1875 ~~[(A)]~~ (i) elected at large by the voters of the county;

1876 ~~[(B)]~~ (ii) elected from a division of the county that includes more than 50% of the
1877 geographic area of the special district; or

1878 ~~[(C)]~~ (iii) if the special district is divided into divisions under Section 17B-1-306.5,
1879 elected from a division of the county that includes more than 50% of the geographic area of the
1880 division of the special district in which there is a board vacancy.

1881 ~~[(d)]~~ (7) If it is necessary to reconstitute the board of trustees of a special district
1882 located solely within a county of the fourth, fifth, or sixth class because the term of a majority
1883 of the members of the board has expired without new trustees having been elected or appointed
1884 as required by law, even if sufficient qualified candidates timely file to be considered for a
1885 vacancy on the board, the county legislative body may appoint to the special district board no
1886 more than one of the county legislative body's own members who does not satisfy the
1887 requirements of Subsection (1).

1888 ~~[(4)]~~ (8) (a) Except as otherwise provided by statute, the number of members of each
1889 board of trustees of a special district that has nine or fewer members shall have an odd number
1890 of members that is no fewer than three.

1891 (b) If a board of trustees of a special district has more than nine members, the number
1892 of members may be odd or even.

1893 ~~[(5)]~~ (9) For a newly created special district, the number of members of the initial
1894 board of trustees shall be the number specified:

1895 (a) for a special district whose creation was initiated by a petition under Subsection
1896 [17B-1-203](#)(1)(a), (b), ~~[or]~~ (c), or (d), in the petition; or

1897 (b) for a special district whose creation was initiated by a resolution under Subsection
1898 ~~[17B-1-203(1)(d) or (e)]~~ [17B-1-203](#)(1)(e) or (f), in the resolution.

1899 ~~[(6)]~~ (10) (a) For an existing special district, the number of members of the board of
1900 trustees may be changed by a two-thirds vote of the board of trustees.

1901 (b) No change in the number of members of a board of trustees under Subsection
1902 ~~[(6)(a)]~~ (10)(a) may:

1903 (i) violate Subsection ~~[(4)]~~ (8); or

1904 (ii) serve to shorten the term of any member of the board.

1905 Section 24. Section **17B-1-303** is amended to read:

1906 **17B-1-303. Term of board of trustees members -- Oath of office -- Bond -- Notice**
1907 **of board member contact information.**

1908 (1) (a) Except as provided in Subsections (1)(b), (c), (d), and (e), the term of each
1909 member of a board of trustees begins at noon on the January 1 following the member's election
1910 or appointment.

1911 (b) The term of each member of the initial board of trustees of a newly created special
1912 district begins:

1913 (i) upon appointment, for an appointed member; and

1914 (ii) upon the member taking the oath of office after the canvass of the election at which
1915 the member is elected, for an elected member.

1916 (c) The term of each water conservancy district board member whom the governor
1917 appoints in accordance with Subsection [17B-2a-1005](#)(2)(c):

1918 (i) begins on the later of the following:

- 1919 (A) the date on which the Senate consents to the appointment; or
1920 (B) the expiration date of the prior term; and
1921 (ii) ends on the February 1 that is approximately four years after the date described in
1922 Subsection (1)(c)(i)(A) or (B).
1923 (d) The term of a member of a board of trustees whom an appointing authority appoints
1924 in accordance with Subsection (5)(b) begins upon the member taking the oath of office.
1925 (e) If the member of the board of trustees fails to assume or qualify for office on
1926 January 1 for any reason, the term begins on the date the member assumes or qualifies for
1927 office.
- 1928 (2) (a) (i) Except as provided in Subsection (8), and subject to Subsections (2)(a)(ii)
1929 and (iii), the term of each member of a board of trustees is four years, except that:
1930 (A) approximately half the members of the initial board of trustees of an infrastructure
1931 financing district, as designated in the governing document, shall serve a six-year term so that
1932 the term of approximately half the board members expires every two years; and
1933 (B) for any other special district, approximately half the members of the initial board of
1934 trustees, chosen by lot, shall serve a two-year term so that the term of approximately half the
1935 board members expires every two years.
- 1936 (ii) If the terms of members of the initial board of trustees of a newly created special
1937 district do not begin on January 1 because of application of Subsection (1)(b), the terms of
1938 those members shall be adjusted as necessary, subject to Subsection (2)(a)(iii), to result in the
1939 terms of their successors complying with:
- 1940 (A) the requirement under Subsection (1)(a) for a term to begin on January 1 following
1941 a member's election or appointment; and
1942 (B) the requirement under Subsection (2)(a)(i) that terms be four years.
1943 (iii) If the term of a member of a board of trustees does not begin on January 1 because
1944 of the application of Subsection (1)(e), the term is shortened as necessary to result in the term
1945 complying with the requirement under Subsection (1)(a) that the successor member's term,
1946 regardless of whether the incumbent is the successor, begins at noon on January 1 following the
1947 successor member's election or appointment.
- 1948 (iv) An adjustment under Subsection (2)(a)(ii) may not add more than a year to or
1949 subtract more than a year from a member's term.

1950 (b) Each board of trustees member shall serve until a successor is duly elected or
1951 appointed and qualified, unless the member earlier is removed from office or resigns or
1952 otherwise leaves office.

1953 (c) If a member of a board of trustees no longer meets the qualifications of Subsection
1954 [17B-1-302](#)(1), (2), ~~or~~ (3), (4), (5), (6), or (7), or if the member's term expires without a duly
1955 elected or appointed successor:

1956 (i) the member's position is considered vacant, subject to Subsection (2)(c)(ii); and

1957 (ii) the member may continue to serve until a successor is duly elected or appointed
1958 and qualified.

1959 (3) (a) (i) Before entering upon the duties of office, each member of a board of trustees
1960 shall take the oath of office specified in Utah Constitution, Article IV,
1961 Section 10.

1962 (ii) A judge, county clerk, notary public, or the special district clerk may administer an
1963 oath of office.

1964 (b) The member of the board of trustees taking the oath of office shall file the oath of
1965 office with the clerk of the special district.

1966 (c) The failure of a board of trustees member to take the oath under Subsection (3)(a)
1967 does not invalidate any official act of that member.

1968 (4) A board of trustees member may serve any number of terms.

1969 (5) (a) Except as provided in Subsection (6), each midterm vacancy in a board of
1970 trustees position is filled in accordance with Section [20A-1-512](#).

1971 (b) When the number of members of a board of trustees increases in accordance with
1972 Subsection ~~[[17B-1-302](#)(6)]~~ [17B-1-302](#)(10), the appointing authority may appoint an individual
1973 to fill a new board of trustees position in accordance with Section [17B-1-304](#) or [20A-1-512](#).

1974 (6) (a) As used in this Subsection (6):

1975 (i) "Appointed official" means a person who:

1976 (A) is appointed as a member of a special district board of trustees by a county or
1977 municipality that is entitled to appoint a member to the board; and

1978 (B) holds an elected position with the appointing county or municipality.

1979 (ii) "Appointing entity" means the county or municipality that appointed the appointed
1980 official to the board of trustees.

1981 (b) The board of trustees shall declare a midterm vacancy for the board position held
1982 by an appointed official if:

1983 (i) during the appointed official's term on the board of trustees, the appointed official
1984 ceases to hold the elected position with the appointing entity; and

1985 (ii) the appointing entity submits a written request to the board to declare the vacancy.

1986 (c) Upon the board's declaring a midterm vacancy under Subsection (6)(b), the
1987 appointing entity shall appoint another person to fill the remaining unexpired term on the board
1988 of trustees.

1989 (7) (a) A member of a board of trustees shall obtain a fidelity bond or obtain theft or
1990 crime insurance for the faithful performance of the member's duties, in the amount and with the
1991 sureties or with an insurance company that the board of trustees prescribes.

1992 (b) The special district:

1993 (i) may assist the board of trustees in obtaining a fidelity bond or obtaining theft or
1994 crime insurance as a group or for members individually; and

1995 (ii) shall pay the cost of each fidelity bond or insurance coverage required under this
1996 Subsection (7).

1997 (8) (a) The lieutenant governor may extend the term of an elected district board
1998 member by one year in order to compensate for a change in the election year under Subsection
1999 [17B-1-306](#)(14).

2000 (b) When the number of members of a board of trustees increases in accordance with
2001 Subsection [~~[17B-1-302](#)~~(6)] [17B-1-302](#)(10), to ensure that the term of approximately half of the
2002 board members expires every two years in accordance with Subsection (2)(a):

2003 (i) the board shall set shorter terms for approximately half of the new board members,
2004 chosen by lot; and

2005 (ii) the initial term of a new board member position may be less than two or four years.

2006 (9) (a) A special district shall:

2007 (i) post on the Utah Public Notice Website created in Section [63A-16-601](#) the name,
2008 phone number, and email address of each member of the special district's board of trustees;

2009 (ii) update the information described in Subsection (9)(a)(i) when:

2010 (A) the membership of the board of trustees changes; or

2011 (B) a member of the board of trustees' phone number or email address changes; and

2012 (iii) post any update required under Subsection (9)(a)(ii) within 30 days after the date
2013 on which the change requiring the update occurs.

2014 (b) This Subsection (9) applies regardless of whether the county or municipal
2015 legislative body also serves as the board of trustees of the special district.

2016 Section 25. Section **17B-1-306.5** is amended to read:

2017 **17B-1-306.5. Dividing a special district into divisions.**

2018 (1) Subject to Subsection (3), the board of trustees of a special district that has elected
2019 board members may, upon a vote of two-thirds of the members of the board, divide the special
2020 district, or the portion of the special district represented by elected board of trustees members,
2021 into divisions so that some or all of the elected members of the board of trustees may be elected
2022 by division rather than at large.

2023 (2) Subject to Subsection (3), the appointing authority of a special district that has
2024 appointed board members may, upon a vote of two-thirds of the members of the appointing
2025 authority, divide the special district, or the portion of the special district represented by
2026 appointed board members, into divisions so that some or all of the appointed members of the
2027 board of trustees may be appointed by division rather than at large.

2028 (3) Before dividing a special district into divisions or before changing the boundaries
2029 of divisions already established, the board of trustees under Subsection (1), or the appointing
2030 authority, under Subsection (2), shall:

2031 (a) prepare a proposal that describes the boundaries of the proposed divisions; and

2032 (b) hold a public hearing at which any interested person may appear and speak for or
2033 against the proposal.

2034 (4) (a) The board of trustees or the appointing authority shall review the division
2035 boundaries at least every 10 years.

2036 (b) Except for changes in the divisions necessitated by annexations to or withdrawals
2037 from the special district, the boundaries of divisions established under Subsection (1) or (2)
2038 may not be changed more often than every five years.

2039 (c) Changes to the boundaries of divisions already established under Subsection (1) or
2040 (2) are not subject to the two-thirds vote requirement of Subsection (1) or (2).

2041 (5) (a) Notwithstanding Subsections (1) through (4), after the creation of an
2042 infrastructure financing district the board of trustees may divide the infrastructure financing

2043 district into divisions, as provided in the petition to create the infrastructure financing district
 2044 under Subsection 17B-1-205(1)(m), so that some or all board members represent a division
 2045 rather than the district at large.

2046 (b) No more frequently than every four years, the board of an infrastructure financing
 2047 district may modify division boundaries to ensure that each division has as nearly as possible
 2048 the same number of registered voters.

2049 (c) In dividing an infrastructure financing district into divisions or in modifying
 2050 division boundaries, the board shall consider the anticipated future number of registered voters
 2051 within divisions based on proposed development within the divisions.

2052 Section 26. Section 17B-1-403 is amended to read:

2053 **17B-1-403. Initiation of annexation process -- Petition and resolution.**

2054 (1) Except as provided in Sections 17B-1-415, 17B-1-416, and 17B-1-417, the process
 2055 to annex an area to a special district may be initiated by[?] a petition, as provided in Subsection
 2056 (2), or a resolution, as provided in Subsection (3).

2057 [~~(a)(i) for~~] (2) (a) For a district whose board of trustees is elected by electors based on
 2058 the acre-feet of water allotted to the land owned by the elector and subject to Subsection [(2)]
 2059 (4), the process to annex an area to the special district is initiated by a petition signed by the
 2060 owners of all of the acre-feet of water allotted to the land proposed for annexation[; or].

2061 (b) For an infrastructure financing district, the process to annex an area to the
 2062 infrastructure financing district is initiated by a petition signed by 100% of the owners of all
 2063 surface property within the area proposed for annexation that is within the designated
 2064 expansion area, as defined in Section 17B-2a-1301.

2065 [~~(ii) for~~] (c) For all other districts[?], the process to annex an area to the special district
 2066 may be initiated by

2067 [~~(A)~~] a petition signed by:

2068 [~~(1)~~] (i) the owners of private real property that:

2069 [~~(Aa)~~] (A) is located within the area proposed to be annexed;

2070 [~~(Bb)~~] (B) covers at least 10% of the total private land area within the entire area
 2071 proposed to be annexed and within each applicable area; and

2072 [~~(Cc)~~] (C) is equal in assessed value to at least 10% of the assessed value of all private
 2073 real property within the entire area proposed to be annexed and within each applicable area;

2074 [or]

2075 [~~(H)~~] (ii) the owner of all the publicly owned real property, if all the real property
2076 within the area proposed for annexation is owned by a public entity other than the federal
2077 government; or

2078 [~~(B)~~] (iii) [~~a petition signed by~~] registered voters residing within the entire area
2079 proposed to be annexed and within each applicable area equal in number to at least 10% of the
2080 number of votes cast within the entire area proposed to be annexed and within each applicable
2081 area, respectively, for the office of governor at the last regular general election before the filing
2082 of the petition[;].

2083 [~~(b)~~] (3) The process to annex an area to a special district may be initiated by:

2084 (a) a resolution adopted by the legislative body of each county whose unincorporated
2085 area includes and each municipality whose boundaries include any of the area proposed to be
2086 annexed; or

2087 [~~(c)~~] (b) a resolution adopted by the board of trustees of the proposed annexing special
2088 district if, for at least 12 consecutive months immediately preceding adoption of the resolution,
2089 the special district has provided:

2090 (i) retail service to the area; or

2091 (ii) a wholesale service to a provider of the same service that has provided that service
2092 on a retail basis to the area.

2093 [~~(2)~~] (4) If an association representing all acre-feet of water allotted to the land that is
2094 proposed to be annexed to a special district signs a petition under Subsection [~~(1)(a)(i)~~] (2)(a),
2095 pursuant to a proper exercise of authority as provided in the bylaws or other rules governing the
2096 association, the petition shall be considered to have been signed by the owners of all of the
2097 acre-feet of water allotted to the land proposed for annexation, even though less than all of the
2098 owners within the association consented to the association signing the petition.

2099 [~~(3)~~] (5) Each petition under Subsection (2) and resolution under Subsection [~~(1)~~] (3)
2100 shall:

2101 (a) describe the area proposed to be annexed; and

2102 (b) be accompanied by a map of the boundaries of the area proposed to be annexed.

2103 [~~(4)~~] (6) The legislative body of each county and municipality that adopts a resolution
2104 under Subsection [~~(1)(b)~~] (3) shall, within five days after adopting the resolution, mail or

2105 deliver a copy of the resolution to the board of trustees of the proposed annexing special
2106 district.

2107 Section 27. Section **17B-1-404** is amended to read:

2108 **17B-1-404. Petition requirements.**

2109 (1) Each petition under Subsection [~~17B-1-403(1)(a)~~] 17B-1-403(2) shall:

2110 (a) indicate the typed or printed name and current residence address of each person
2111 signing the petition;

2112 (b) separately group signatures by county and municipality, so that all signatures of the
2113 owners of real property located within or of registered voters residing within each county
2114 whose unincorporated area includes and each municipality whose boundaries include part of
2115 the area proposed for annexation are grouped separately;

2116 (c) if it is a petition under Subsection [~~17B-1-403(1)(a)(i) or (ii)(A)~~] 17B-1-403(2)(a)
2117 or (2)(c)(i) or (ii), indicate the address of the property as to which the owner is signing the
2118 petition;

2119 (d) designate up to three signers of the petition as sponsors, one of whom shall be
2120 designated the contact sponsor, with the mailing address and telephone number of each;

2121 (e) be filed with the board of trustees of the proposed annexing special district; and

2122 (f) for a petition under Subsection [~~17B-1-403(1)(a)(i)~~] 17B-1-403(2)(a), state the
2123 proposed method of supplying water to the area proposed to be annexed.

2124 (2) By submitting a written withdrawal or reinstatement with the board of trustees of
2125 the proposed annexing special district, a signer of a petition may withdraw, or once withdrawn,
2126 reinstate the signer's signature at any time:

2127 (a) (i) before the public hearing under Section 17B-1-409 is held; or

2128 [~~(b)~~] (ii) if a hearing is not held because of Subsection 17B-1-413(1) or because no
2129 hearing is requested under Subsection 17B-1-413(2)(a)(ii)(B), until 20 days after the special
2130 district provides notice under Subsection 17B-1-413(2)(a)(i)[:]; or

2131 (b) for an infrastructure financing district, before the board of trustees adopts a
2132 resolution approving the annexation.

2133 Section 28. Section **17B-1-405** is amended to read:

2134 **17B-1-405. Petition certification.**

2135 (1) Within 30 days after the filing of a petition under Subsection [~~17B-1-403(1)(a)(i) or~~

2136 (ii) [17B-1-403\(2\)](#) or within the time that the special district and each petition sponsor
2137 designate by written agreement, the board of trustees of the proposed annexing special district
2138 shall:

2139 (a) with the assistance of officers of the county in which the area proposed to be
2140 annexed is located from whom the board requests assistance, determine whether the petition
2141 meets the requirements of Subsection [~~17B-1-403(1)(a)(i) or (ii)~~] [17B-1-403\(2\)\(a\), \(b\), or \(c\)](#),
2142 as the case may be, Subsection [~~17B-1-403(3)~~] [17B-1-403\(5\)](#), and Subsection [17B-1-404\(1\)](#);
2143 and

2144 (b) (i) if the board determines that the petition complies with the requirements, certify
2145 the petition and mail or deliver written notification of the certification to the contact sponsor;
2146 or

2147 (ii) if the board determines that the petition fails to comply with any of the
2148 requirements, reject the petition and mail or deliver written notification of the rejection and the
2149 reasons for the rejection to the contact sponsor.

2150 (2) (a) If the board rejects a petition under Subsection (1)(b)(ii), the petition may be
2151 amended to correct the deficiencies for which it was rejected and then refiled.

2152 (b) A valid signature on a petition that was rejected under Subsection (1)(b)(ii) may be
2153 used toward fulfilling the applicable signature requirement of the petition as amended under
2154 Subsection (2)(a).

2155 (3) The board shall process an amended petition filed under Subsection (2)(a) in the
2156 same manner as an original petition under Subsection (1).

2157 Section 29. Section **17B-1-405.5** is enacted to read:

2158 **17B-1-405.5. Provisions not applicable to infrastructure financing district**
2159 **annexation.**

2160 Sections [17B-1-406](#), [17B-1-407](#), [17B-1-408](#), [17B-1-409](#), [17B-1-410](#), [17B-1-411](#),
2161 [17B-1-412](#), and [17B-1-413](#) do not apply to a proposed annexation to an infrastructure financing
2162 district.

2163 Section 30. Section **17B-1-414** is amended to read:

2164 **17B-1-414. Resolution approving an annexation -- Filing of notice and plat with**
2165 **lieutenant governor -- Recording requirements -- Effective date.**

2166 (1) (a) Subject to Subsection (1)(b), the special district board shall adopt a resolution

2167 approving the annexation of the area proposed to be annexed or rejecting the proposed
2168 annexation within 90 days after:

2169 (i) expiration of the protest period under Subsection 17B-1-412(2), if sufficient protests
2170 to require an election are not filed;

2171 (ii) for a petition that meets the requirements of Subsection 17B-1-413(1):

2172 (A) a public hearing under Section 17B-1-409 is held, if the board chooses or is
2173 required to hold a public hearing under Subsection 17B-1-413(2)(a)(ii); or

2174 (B) expiration of the time for submitting a request for public hearing under Subsection
2175 17B-1-413(2)(a)(ii)(B), if no request is submitted and the board chooses not to hold a public
2176 hearing[-]; or

2177 (iii) for a proposed annexation to an infrastructure financing district, the board's
2178 certification of the annexation petition under Section 17B-1-405.

2179 (b) If the special district has entered into an agreement with the United States that
2180 requires the consent of the United States for an annexation of territory to the district, a
2181 resolution approving annexation under this part may not be adopted until the written consent of
2182 the United States is obtained and filed with the board of trustees.

2183 (2) (a) (i) Within the time specified under Subsection (2)(a)(ii), the board shall file with
2184 the lieutenant governor:

2185 (A) a copy of a notice of an impending boundary action, as defined in Section
2186 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3) and, if applicable,
2187 Subsection (2)(b); and

2188 (B) a copy of an approved final local entity plat, as defined in Section 67-1a-6.5.

2189 (ii) The board shall file the documents listed in Subsection (2)(a)(i) with the lieutenant
2190 governor:

2191 (A) within 30 days after adoption of a resolution under Subsection (1), Subsection
2192 17B-1-412(3)(c)(i), or Section 17B-1-415; and

2193 (B) as soon as practicable after receiving the notice under Subsection 10-2-425(2) of a
2194 municipal annexation that causes an automatic annexation to a special district under Section
2195 17B-1-416.

2196 (b) For an automatic annexation to a special district under Section 17B-1-416, the
2197 notice of an impending boundary action required under Subsection (2)(a) shall state that an area

2198 outside the boundaries of the special district is being automatically annexed to the special
2199 district under Section 17B-1-416 because of a municipal annexation under Title 10, Chapter 2,
2200 Part 4, Annexation.

2201 (c) Upon the lieutenant governor's issuance of a certificate of annexation under Section
2202 67-1a-6.5, the board shall:

2203 (i) if the annexed area is located within the boundary of a single county, submit to the
2204 recorder of that county:

2205 (A) the original:

2206 (I) notice of an impending boundary action;

2207 (II) certificate of annexation; and

2208 (III) approved final local entity plat; and

2209 (B) a certified copy of the annexation resolution; or

2210 (ii) if the annexed area is located within the boundaries of more than a single county:

2211 (A) submit to the recorder of one of those counties:

2212 (I) the original of the documents listed in Subsections (2)(c)(i)(A)(I), (II), and (III); and

2213 (II) a certified copy of the annexation resolution; and

2214 (B) submit to the recorder of each other county:

2215 (I) a certified copy of the documents listed in Subsection (2)(c)(i)(A)(I), (II), and (III);

2216 and

2217 (II) a certified copy of the annexation resolution.

2218 (3) (a) As used in this Subsection (3), "fire district annexation" means an annexation
2219 under this part of an area located in a county of the first class to a special district:

2220 (i) created to provide fire protection, paramedic, and emergency services; and

2221 (ii) in the creation of which an election was not required because of Subsection
2222 17B-1-214(3)(d).

2223 (b) An annexation under this part is complete and becomes effective:

2224 (i) (A) on July 1 for a fire district annexation, if the lieutenant governor issues the
2225 certificate of annexation under Section 67-1a-6.5 from January 1 through June 30; or

2226 (B) on January 1 for a fire district annexation, if the lieutenant governor issues the
2227 certificate of annexation under Section 67-1a-6.5 from July 1 through December 31; or

2228 (ii) upon the lieutenant governor's issuance of the certificate of annexation under

2229 Section 67-1a-6.5, for any other annexation.

2230 (c) (i) The effective date of a special district annexation for purposes of assessing
2231 property within the annexed area is governed by Section 59-2-305.5.

2232 (ii) Until the documents listed in Subsection (2)(c) are recorded in the office of the
2233 recorder of each county in which the property is located, a special district may not:

2234 (A) levy or collect a property tax on property within the annexed area;

2235 (B) levy or collect an assessment on property within the annexed area; or

2236 (C) charge or collect a fee for service provided to property within the annexed area.

2237 (iii) Subsection (3)(c)(ii)(C):

2238 (A) may not be construed to limit a special district's ability before annexation to charge
2239 and collect a fee for service provided to property that is outside the special district's boundary;
2240 and

2241 (B) does not apply until 60 days after the effective date, under Subsection (3)(b), of the
2242 special district's annexation, with respect to a fee that the special district was charging for
2243 service provided to property within the annexed area immediately before the area was annexed
2244 to the special district.

2245 Section 31. Section 17B-1-504 is amended to read:

2246 **17B-1-504. Initiation of withdrawal process -- Notice of petition.**

2247 (1) Except as provided in Section 17B-1-505, the process to withdraw an area from a
2248 special district may be initiated:

2249 (a) for a special district funded predominantly by revenues from property taxes or
2250 service charges other than those based upon acre-feet of water:

2251 (i) by a petition signed by the owners of private real property that:

2252 (A) is located within the area proposed to be withdrawn;

2253 (B) covers at least 51% of the total private land within the area proposed to be
2254 withdrawn; and

2255 (C) is equal in taxable value to at least 51% of the taxable value of all private real
2256 property within the area proposed to be withdrawn;

2257 (ii) by a petition signed by registered voters residing within the area proposed to be
2258 withdrawn equal in number to at least 67% of the number of votes cast in the same area for the
2259 office of governor at the last regular general election before the filing of the petition;

2260 (iii) by a resolution adopted by the board of trustees of the special district in which the
2261 area proposed to be withdrawn is located, which:

2262 (A) states the reasons for withdrawal; and

2263 (B) is accompanied by a general description of the area proposed to be withdrawn; or

2264 (iv) by a resolution to file a petition with the special district to withdraw from the
2265 special district all or a specified portion of the area within a municipality or county, adopted by
2266 the governing body of a municipality that has within its boundaries an area located within the
2267 boundaries of a special district, or by the governing body of a county that has within its
2268 boundaries an area located within the boundaries of a special district that is located in more
2269 than one county, which petition of the governing body shall be filed with the board of trustees
2270 only if a written request to petition the board of trustees to withdraw an area from the special
2271 district has been filed with the governing body of the municipality, or county, and the request
2272 has been signed by registered voters residing within the boundaries of the area proposed for
2273 withdrawal equal in number to at least 51% of the number of votes cast in the same area for the
2274 office of governor at the last regular general election before the filing of the petition;

2275 (b) for a special district whose board of trustees is elected by electors based on the
2276 acre-feet of water allotted to the land owned by the elector:

2277 (i) in the same manner as provided in Subsection (1)(a)(iii) or Subsection (1)(a)(iv); or

2278 (ii) by a petition signed by the owners of at least 67% of the acre-feet of water allotted
2279 to the land proposed to be withdrawn; [~~or~~]

2280 (c) for a special district funded predominantly by revenues other than property taxes,
2281 service charges, or assessments based upon an allotment of acre-feet of water:

2282 (i) in the same manner as provided in Subsection (1)(a)(iii) or Subsection (1)(a)(iv); or

2283 (ii) by a petition signed by the registered voters residing within the entire area proposed
2284 to be withdrawn, which area shall be comprised of an entire unincorporated area within the
2285 special district or an entire municipality within a special district, or a combination thereof,
2286 equal in number to at least 67% of the number of votes cast within the entire area proposed to
2287 be withdrawn for the office of governor at the last regular general election before the filing of
2288 the petition[~~;~~]; or

2289 (d) for an infrastructure financing district, by a petition signed by 100% of the owners
2290 of all surface property within the area proposed to be withdrawn.

2291 (2) (a) Prior to soliciting any signatures on a petition under Subsection (1), the
2292 sponsors of the petition shall:

2293 ~~[(a)]~~ (i) notify the special district board with which the petition is intended to be filed
2294 that the sponsors will be soliciting signatures for a petition; and

2295 ~~[(b)]~~ (ii) mail a copy of the petition to the special district board.

2296 (b) Subsection (2)(a) does not apply to a petition to withdraw an area from an
2297 infrastructure financing district.

2298 Section 32. Section **17B-1-506** is amended to read:

2299 **17B-1-506. Withdrawal petition requirements.**

2300 (1) Each petition under Section **17B-1-504** shall:

2301 (a) indicate the typed or printed name and current address of each owner of acre-feet of
2302 water, property owner, registered voter, or authorized representative of the governing body
2303 signing the petition;

2304 (b) separately group signatures by municipality and, in the case of unincorporated
2305 areas, by county;

2306 (c) if it is a petition signed by the owners of land, the assessment of which is based on
2307 acre-feet of water, indicate the address of the property and the property tax identification parcel
2308 number of the property as to which the owner is signing the request;

2309 (d) designate up to three signers of the petition as sponsors, or in the case of a petition
2310 filed under Subsection **17B-1-504(1)(a)(iv)**, designate a governmental representative as a
2311 sponsor, and in each case, designate one sponsor as the contact sponsor with the mailing
2312 address and telephone number of each;

2313 (e) state the reasons for withdrawal; and

2314 (f) when the petition is filed with the special district board of trustees, be accompanied
2315 by a map generally depicting the boundaries of the area proposed to be withdrawn and a legal
2316 description of the area proposed to be withdrawn.

2317 (2) (a) The special district may prepare an itemized list of expenses, other than attorney
2318 expenses, that will necessarily be incurred by the special district in the withdrawal proceeding.
2319 The itemized list of expenses may be submitted to the contact sponsor. If the list of expenses is
2320 submitted to the contact sponsor within 21 days after receipt of the petition, the contact sponsor
2321 on behalf of the petitioners shall be required to pay the expenses to the special district within

2322 90 days of receipt. Until funds to cover the expenses are delivered to the special district, the
2323 district will have no obligation to proceed with the withdrawal and the time limits on the
2324 district stated in this part will be tolled. If the expenses are not paid within the 90 days, or
2325 within 90 days from the conclusion of any arbitration under Subsection (2)(b), the petition
2326 requesting the withdrawal shall be considered to have been withdrawn.

2327 (b) If there is no agreement between the board of trustees of the special district and the
2328 contact sponsor on the amount of expenses that will necessarily be incurred by the special
2329 district in the withdrawal proceeding, either the board of trustees or the contact sponsor may
2330 submit the matter to binding arbitration in accordance with Title 78B, Chapter 6, Part 2,
2331 Alternative Dispute Resolution Act; provided that, if the parties cannot agree upon an arbitrator
2332 and the rules and procedures that will control the arbitration, either party may pursue
2333 arbitration under Title 78B, Chapter 11, Utah Uniform Arbitration Act.

2334 (3) (a) A signer of a petition may withdraw or, once withdrawn, reinstate the signer's
2335 signature at any time before the public hearing under Section [17B-1-508](#) by submitting a
2336 written statement requesting withdrawal or reinstatement with the board of trustees of the
2337 special district in which the area proposed to be withdrawn is located.

2338 (b) A statement described in Subsection (3)(a) shall comply with the requirements
2339 described in Subsection [20A-1-1003\(2\)](#).

2340 (c) As applicable and using the procedures described in Subsection [20A-1-1003\(3\)](#), the
2341 county clerk shall assist the board of trustees to determine whether to remove or reinstate a
2342 registered voter's signature after the voter submits a timely, valid statement described in
2343 Subsection (3)(a).

2344 (4) If it reasonably appears that, if the withdrawal which is the subject of a petition
2345 filed under Subsection [17B-1-504\(1\)\(a\)\(i\)](#) or (ii) is granted, it will be necessary for a
2346 municipality to provide to the withdrawn area the service previously supplied by the special
2347 district, the board of trustees of the special district may, within 21 days after receiving the
2348 petition, notify the contact sponsor in writing that, before it will be considered by the board of
2349 trustees, the petition shall be presented to and approved by the governing body of the
2350 municipality as provided in Subsection [17B-1-504\(1\)\(a\)\(iv\)](#) before it will be considered by the
2351 special district board of trustees. If the notice is timely given to the contact sponsor, the
2352 petition shall be considered to have been withdrawn until the municipality files a petition with

2353 the special district under Subsection 17B-1-504(1)(a)(iv).

2354 (5) (a) After receiving the notice required by Subsection 17B-1-504(2), unless
2355 specifically allowed by law, a public entity may not make expenditures from public funds to
2356 support or oppose the gathering of signatures on a petition for withdrawal.

2357 (b) Nothing in this section prohibits a public entity from providing factual information
2358 and analysis regarding a withdrawal petition to the public, so long as the information grants
2359 equal access to both the opponents and proponents of the petition for withdrawal.

2360 (c) Nothing in this section prohibits a public official from speaking, campaigning,
2361 contributing personal money, or otherwise exercising the public official's constitutional rights.

2362 (6) Subsections (2), (3), (4), and (5) do not apply to a petition seeking the withdrawal
2363 of an area from an infrastructure financing district.

2364 Section 33. Section 17B-1-511 is amended to read:

2365 **17B-1-511. Continuation of tax levy or assessment after withdrawal to pay for**
2366 **proportionate share of district bonds.**

2367 (1) Other than as provided in Subsection (2), and unless an escrow trust fund is
2368 established and funded pursuant to Subsection 17B-1-510(5)(j), property within the withdrawn
2369 area shall continue after withdrawal to be taxable by the special district:

2370 (a) for the purpose of paying the withdrawn area's just proportion of the special
2371 district's general obligation bonds or lease obligations payable from property taxes with respect
2372 to lease revenue bonds issued by a local building authority on behalf of the special district,
2373 other than those bonds treated as revenue bonds under Subsection 17B-1-510(5)(i), until the
2374 bonded indebtedness has been satisfied; and

2375 (b) to the extent and for the years necessary to generate sufficient revenue that, when
2376 combined with the revenues from the district remaining after withdrawal, is sufficient to
2377 provide for the payment of principal and interest on the district's general obligation bonds that
2378 are treated as revenue bonds under Subsection 17B-1-510(5)(i).

2379 (2) For a special district funded predominately by revenues other than property taxes,
2380 service charges, or assessments based upon an allotment of acre-feet of water, property within
2381 the withdrawn area shall continue to be taxable by the special district for purposes of paying
2382 the withdrawn area's proportionate share of bonded indebtedness or judgments against the
2383 special district incurred prior to the date the petition was filed.

2384 (3) An area withdrawn from an infrastructure financing district remains subject to any
2385 taxes, fees, and assessments imposed by the infrastructure financing district until obligations
2386 allocable to the withdrawn area are paid.

2387 [~~3~~] (4) Except as provided in Subsections (1) [~~and~~], (2), and (3), upon withdrawal, the
2388 withdrawing area is relieved of all other taxes, assessments, and charges levied by the district,
2389 including taxes and charges for the payment of revenue bonds and maintenance and operation
2390 cost of the special district.

2391 Section 34. Section **17B-1-1001** is amended to read:

2392 **17B-1-1001. Provisions applicable to property tax levy.**

2393 (1) Each special district that levies and collects property taxes shall levy and collect
2394 them according to the provisions of Title 59, Chapter 2, Property Tax Act.

2395 (2) As used in this section:

2396 (a) "Appointed board of trustees" means a board of trustees of a special district that
2397 includes a member who is appointed to the board of trustees in accordance with Section
2398 [17B-1-304](#), Subsection [17B-1-303\(5\)](#), Subsection [17B-1-306\(5\)\(h\)](#), or any of the applicable
2399 provisions in Title 17B, Chapter 2a, Provisions Applicable to Different Types of Special
2400 Districts.

2401 (b) "Elected board of trustees" means a board of trustees of a special district that
2402 consists entirely of members who are elected to the board of trustees in accordance with
2403 Subsection (4), Section [17B-1-306](#), or any of the applicable provisions in Title 17B, Chapter
2404 2a, Provisions Applicable to Different Types of Special Districts.

2405 (3) (a) For a taxable year beginning on or after January 1, 2018, a special district may
2406 not levy or collect property tax revenue that exceeds the certified tax rate unless:

2407 (i) to the extent that the revenue from the property tax was pledged before January 1,
2408 2018, the special district pledges the property tax revenue to pay for bonds or other obligations
2409 of the special district; or

2410 (ii) the proposed tax or increase in the property tax rate has been approved by:

2411 (A) an elected board of trustees;

2412 (B) subject to Subsection (3)(b), an appointed board of trustees;

2413 (C) a majority of the registered voters within the special district who vote in an election
2414 held for that purpose on a date specified in Section [20A-1-204](#);

2415 (D) the legislative body of the appointing authority; or

2416 (E) the legislative body of:

2417 (I) a majority of the municipalities partially or completely included within the
2418 boundary of the specified special district; or

2419 (II) the county in which the specified special district is located, if the county has some
2420 or all of its unincorporated area included within the boundary of the specified special district.

2421 (b) For a special district with an appointed board of trustees, each appointed member of
2422 the board of trustees shall comply with the trustee reporting requirements described in Section
2423 [17B-1-1003](#) before the special district may impose a property tax levy that exceeds the certified
2424 tax rate.

2425 (4) (a) Notwithstanding provisions to the contrary in Title 17B, Chapter 2a, Provisions
2426 Applicable to Different Types of Special Districts, and subject to Subsection (4)(b), members
2427 of the board of trustees of a special district shall be elected, if:

2428 (i) two-thirds of all members of the board of trustees of the special district vote in favor
2429 of changing to an elected board of trustees; and

2430 (ii) the legislative body of each municipality or county that appoints a member to the
2431 board of trustees adopts a resolution approving the change to an elected board of trustees.

2432 (b) A change to an elected board of trustees under Subsection (4)(a) may not shorten
2433 the term of any member of the board of trustees serving at the time of the change.

2434 (5) Subsections (2), (3), and (4) do not apply to:

2435 (a) Title 17B, Chapter 2a, Part 6, Metropolitan Water District Act;

2436 (b) Title 17B, Chapter 2a, Part 10, Water Conservancy District Act; or

2437 (c) a special district in which:

2438 (i) the board of trustees consists solely of:

2439 (A) land owners or the land owners' agents; or

2440 (B) as described in Subsection [~~17B-1-302(3)~~] [17B-1-302\(3\), \(5\), \(6\), or \(7\)](#), land
2441 owners or the land owners' agents or officers; and

2442 (ii) there are no residents within the special district at the time a property tax is levied.

2443 (6) An infrastructure financing district may not pledge or otherwise use any property
2444 tax revenue for the payment of bonds.

2445 Section 35. Section **17B-1-1002** is amended to read:

2446 **17B-1-1002. Limit on special district property tax levy -- Exclusions.**

2447 (1) The rate at which a special district levies a property tax for district operation and
2448 maintenance expenses on the taxable value of taxable property within the district may not
2449 exceed:

2450 (a) .0008, for a basic special district;

2451 (b) .0004, for a cemetery maintenance district;

2452 (c) .0004, for a drainage district;

2453 (d) .0008, for a fire protection district;

2454 (e) .0008, for an improvement district;

2455 (f) .0005, for a metropolitan water district;

2456 (g) .0004, for a mosquito abatement district;

2457 (h) .0004, for a public transit district;

2458 (i) (i) .0023, for a service area that:

2459 (A) is located in a county of the first or second class; and

2460 (B) (I) provides fire protection, paramedic, and emergency services; or

2461 (II) subject to Subsection (3), provides law enforcement services; or

2462 (ii) .0014, for each other service area;

2463 (j) the rates provided in Section 17B-2a-1006, for a water conservancy district; ~~or~~

2464 (k) .0008 for a municipal services district~~[-];~~ or

2465 (l) .0004 for an infrastructure financing district.

2466 (2) Property taxes levied by a special district are excluded from the limit applicable to
2467 that district under Subsection (1) if the taxes are:

2468 (a) levied under Section 17B-1-1103 by a special district, other than a water
2469 conservancy district, to pay principal of and interest on general obligation bonds issued by the
2470 district;

2471 (b) levied to pay debt and interest owed to the United States; or

2472 (c) levied to pay assessments or other amounts due to a water users association or other
2473 public cooperative or private entity from which the district procures water.

2474 (3) A service area described in Subsection (1)(i)(i)(B)(II) may not collect a tax
2475 described in Subsection (1)(i)(i) if a municipality or a county having a right to appoint a
2476 member to the board of trustees of the service area under Subsection 17B-2a-905(2) assesses

2477 on or after November 30 in the year in which the tax is first collected and each subsequent year
2478 that the tax is collected:

2479 (a) a generally assessed fee imposed under Section 17B-1-643 for law enforcement
2480 services; or

2481 (b) any other generally assessed fee for law enforcement services.

2482 Section 36. Section 17B-1-1302 is amended to read:

2483 **17B-1-1302. Special district dissolution.**

2484 (1) A special district may be dissolved as provided in this part.

2485 (2) No later than 180 days after the payment of all debt of an infrastructure financing
2486 district, the board of trustees of the infrastructure financing district shall adopt a resolution to
2487 dissolve the infrastructure financing district.

2488 Section 37. Section 17B-1-1303 is amended to read:

2489 **17B-1-1303. Initiation of dissolution process.**

2490 The process to dissolve a special district may be initiated by:

2491 (1) for an inactive special district:

2492 (a) (i) for a special district whose board of trustees is elected by electors based on the
2493 acre-feet of water allotted to the land owned by the elector, a petition signed by the owners of
2494 25% of the acre-feet of water allotted to the land within the special district; or

2495 (ii) for all other districts:

2496 (A) a petition signed by the owners of private real property that:

2497 (I) is located within the special district proposed to be dissolved;

2498 (II) covers at least 25% of the private land area within the special district; and

2499 (III) is equal in assessed value to at least 25% of the assessed value of all private real
2500 property within the special district; or

2501 (B) a petition signed by registered voters residing within the special district proposed
2502 to be dissolved equal in number to at least 25% of the number of votes cast in the district for
2503 the office of governor at the last regular general election before the filing of the petition; or

2504 (b) a resolution adopted by the administrative body; [~~and~~]

2505 (2) for an active special district, a petition signed by:

2506 (a) for a special district whose board of trustees is elected by electors based on the

2507 acre-feet of water allotted to the land owned by the elector, the owners of 33% of the acre-feet

2508 of water allotted to the land within the special district;

2509 (b) for a special district created to acquire or assess a groundwater right for the
2510 development and execution of a groundwater management plan in coordination with the state
2511 engineer in accordance with Section 73-5-15, the owners of groundwater rights that:

2512 (i) are diverted within the district; and

2513 (ii) cover at least 33% of the total amount of groundwater diverted in accordance with
2514 the groundwater rights within the district as a whole; or

2515 (c) for all other districts:

2516 (i) the owners of private real property that:

2517 (A) is located within the special district proposed to be dissolved;

2518 (B) covers at least 33% of the private land area within the special district; and

2519 (C) is equal in assessed value to at least 25% of the assessed value of all private real
2520 property within the special district; or

2521 (ii) 33% of registered voters residing within the special district proposed to be
2522 dissolved[-]; or

2523 (3) for an infrastructure financing district, a resolution adopted by the board of trustees.

2524 Section 38. Section 17B-1-1310 is amended to read:

2525 **17B-1-1310. Notice to lieutenant governor -- Recording requirements --**

2526 **Distribution of remaining assets.**

2527 (1) (a) ~~[The]~~ Within the time specified in Subsection (1)(b), an administrative body[-]
2528 shall file with the lieutenant governor a copy of a notice of an impending boundary action, as
2529 defined in Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3)[-].

2530 ~~[(a)]~~ (b) The administrative body shall file a notice of an impending boundary action
2531 under Subsection (1)(a) within 30 days after the day on which, as applicable:

2532 (i) the administrative body adopts a resolution approving the dissolution of an inactive
2533 special district; [or]

2534 ~~[(b)] [within 30 days after the day on which]~~ (ii) a majority of the voters within an
2535 active special district approve the dissolution of the special district in an election described in
2536 Subsection 17B-1-1309(2)[-]; or

2537 (iii) for an infrastructure financing district, the administrative body adopts a resolution
2538 to dissolve the infrastructure financing district.

2539 (2) Upon the lieutenant governor's issuance of a certificate of dissolution under Section
2540 67-1a-6.5, the administrative body shall:

2541 (a) if the special district was located within the boundary of a single county, submit to
2542 the recorder of that county:

2543 (i) the original:

2544 (A) notice of an impending boundary action; and

2545 (B) certificate of dissolution; and

2546 (ii) a certified copy of the resolution that the administrative body adopts under

2547 Subsection 17B-1-1308(1); or

2548 (b) if the special district was located within the boundaries of more than a single
2549 county:

2550 (i) submit to the recorder of one of those counties:

2551 (A) the original notice of an impending boundary action and certificate of dissolution;

2552 and

2553 (B) if applicable, a certified copy of the resolution that the administrative body adopts
2554 under Subsection 17B-1-1308(1); and

2555 (ii) submit to the recorder of each other county:

2556 (A) a certified copy of the notice of an impending boundary action and certificate of
2557 dissolution; and

2558 (B) if applicable, a certified copy of the resolution that the administrative body adopts
2559 under Subsection 17B-1-1308(1).

2560 (3) Upon the lieutenant governor's issuance of the certificate of dissolution under
2561 Section 67-1a-6.5, the special district is dissolved.

2562 (4) (a) After the dissolution of a special district under this part, the administrative body
2563 shall use any assets of the special district remaining after paying all debts and other obligations
2564 of the special district to pay costs associated with the dissolution process.

2565 (b) If the administrative body is not the board of trustees of the dissolved special
2566 district, the administrative body shall pay any costs of the dissolution process remaining after
2567 exhausting the remaining assets of the special district as described in Subsection (4)(a).

2568 (c) If the administrative body is the board of trustees of the dissolved special district,
2569 each entity that has committed to provide a service that the dissolved special district previously

2570 provided, as described in Subsection 17B-1-1308(2)(b), shall pay, in the same proportion that
2571 the services the entity commits to provide bear to all of the services the special district
2572 provided, any costs of the dissolution process remaining after exhausting the remaining assets
2573 of the dissolved special district described in Subsection (4)(a).

2574 (5) (a) The administrative body shall distribute any assets of the special district that
2575 remain after the payment of debts, obligations, and costs under Subsection (4) in the following
2576 order of priority:

2577 (i) if there is a readily identifiable connection between the remaining assets and a
2578 financial burden borne by the real property owners in the dissolved special district,
2579 proportionately to those real property owners;

2580 (ii) if there is a readily identifiable connection between the remaining assets and a
2581 financial burden borne by the recipients of a service that the dissolved special district provided,
2582 proportionately to those recipients; and

2583 (iii) subject to Subsection (6), to each entity that has committed to provide a service
2584 that the dissolved special district previously provided, as described in Subsection
2585 17B-1-1309(1)(b)(ii), in the same proportion that the services the entity commits to provide
2586 bear to all of the services the special district provided.

2587 (6) An entity that receives cash reserves of the dissolved special district under
2588 Subsection (5)(a)(iii) may not use the cash reserves:

2589 (a) in any way other than for the purpose the special district originally intended; or

2590 (b) in any area other than within the area that the dissolved special district previously
2591 served.

2592 Section 39. Section 17B-1-1402 is amended to read:

2593 **17B-1-1402. Board of trustees of a basic special district.**

2594 (1) As specified in a petition under Subsection 17B-1-203(1)(a) or (b) or a resolution
2595 under Subsection [~~17B-1-203(1)(d) or (e)~~] 17B-1-203(1)(e) or (f), and except as provided in
2596 Subsection (2), the members of a board of trustees of a basic special district may be:

2597 (a) (i) elected by registered voters; or

2598 (ii) appointed by the responsible body, as defined in Section 17B-1-201; or

2599 (b) if the area of the special district contains less than one residential dwelling unit per
2600 50 acres of land at the time the resolution is adopted or the petition is filed, elected by the

2601 owners of real property within the special district based on:

- 2602 (i) the amount of acreage owned by property owners;
- 2603 (ii) the assessed value of property owned by property owners; or
- 2604 (iii) water rights:
- 2605 (A) relating to the real property within the special district;
- 2606 (B) that the real property owner:
- 2607 (I) owns; or
- 2608 (II) has transferred to the special district.

2609 (2) As specified in a groundwater right owner petition under Subsection

2610 17B-1-203(1)(c) or a resolution under Subsection [~~17B-1-203(1)(d) or (e)~~] 17B-1-203(1)(e) or

2611 (f), the members of a board of trustees of a basic special district created to manage groundwater

2612 rights the district acquires or assesses under Section 17B-1-202 shall be:

- 2613 (a) subject to Section 17B-1-104.5, elected by the owners of groundwater rights that
- 2614 are diverted within the special district;
- 2615 (b) appointed by the responsible body, as defined in Section 17B-1-201; or
- 2616 (c) elected or appointed as provided in Subsection (3).

2617 (3) A petition under Subsection 17B-1-203(1)(a) or (b) and a resolution under

2618 Subsection [~~17B-1-203(1)(d) or (e)~~] 17B-1-203(1)(e) or (f) may provide for a transition from

2619 one or more methods of election or appointment under Subsection (1) or (2) to one or more

2620 other methods of election or appointment based upon milestones or events that the petition or

2621 resolution identifies.

2622 Section 40. Section **17B-2a-404** is amended to read:

2623 **17B-2a-404. Improvement district board of trustees.**

2624 (1) As used in this section:

- 2625 (a) "County district" means an improvement district that does not include within its
- 2626 boundaries any territory of a municipality.
- 2627 (b) "County member" means a member of a board of trustees of a county district.
- 2628 (c) "Electric district" means an improvement district that was created for the purpose of
- 2629 providing electric service.
- 2630 (d) "Included municipality" means a municipality whose boundaries are entirely
- 2631 contained within but do not coincide with the boundaries of an improvement district.

2632 (e) "Municipal district" means an improvement district whose boundaries coincide
2633 with the boundaries of a single municipality.

2634 (f) "Regular district" means an improvement district that is not a county district,
2635 electric district, or municipal district.

2636 (g) "Remaining area" means the area of a regular district that:

2637 (i) is outside the boundaries of an included municipality; and

2638 (ii) includes the area of an included municipality whose legislative body elects, under
2639 Subsection (5)(a)(ii), not to appoint a member to the board of trustees of the regular district.

2640 (h) "Remaining area member" means a member of a board of trustees of a regular
2641 district who is appointed, or, if applicable, elected to represent the remaining area of the
2642 district.

2643 (2) The legislative body of the municipality included within a municipal district may:

2644 (a) elect, at the time of the creation of the district, to be the board of trustees of the
2645 district; and

2646 (b) adopt at any time a resolution providing for:

2647 (i) the election of board of trustees members, as provided in Section 17B-1-306; or

2648 (ii) the appointment of board of trustees members, as provided in Section 17B-1-304.

2649 (3) (a) The legislative body of a county whose unincorporated area is partly or
2650 completely within a county district may:

2651 (i) elect, at the time of the creation of the district, to be the board of trustees of the
2652 district, even though a member of the legislative body of the county may not meet the
2653 requirements of Subsection 17B-1-302(1);

2654 (ii) adopt at any time a resolution providing for:

2655 (A) the election of board of trustees members, as provided in Section 17B-1-306; or

2656 (B) except as provided in Subsection (4), the appointment of board of trustees
2657 members, as provided in Section 17B-1-304; and

2658 (iii) if the conditions of Subsection (3)(b) are met, appoint a member of the legislative
2659 body of the county to the board of trustees, except that the legislative body of the county may
2660 not appoint more than three members of the legislative body of the county to the board of
2661 trustees.

2662 (b) A legislative body of a county whose unincorporated area is partly or completely

2663 within a county district may take an action under Subsection (3)(a)(iii) if:

2664 (i) more than 35% of the residences within a county district that receive service from
2665 the district are seasonally occupied homes, as defined in Subsection 17B-1-302(2)(a)(ii);

2666 (ii) the board of trustees are appointed by the legislative body of the county; and

2667 (iii) there are at least two appointed board members who meet the requirements of
2668 Subsections 17B-1-302(1), (2), [~~and~~] (3), (5), (6), and (7), except that a member of the
2669 legislative body of the county need not satisfy the requirements of Subsections 17B-1-302(1),
2670 (2), and (3).

2671 (4) Subject to Subsection (6)(d), the legislative body of a county may not adopt a
2672 resolution providing for the appointment of board of trustees members as provided in
2673 Subsection (3)(a)(ii)(B) at any time after the county district is governed by an elected board of
2674 trustees unless:

2675 (a) the elected board has ceased to function;

2676 (b) the terms of all of the elected board members have expired without the board
2677 having called an election; or

2678 (c) the elected board of trustees unanimously adopts a resolution approving the change
2679 from an elected to an appointed board.

2680 (5) (a) (i) Except as provided in Subsection (5)(a)(ii), the legislative body of each
2681 included municipality shall each appoint one member to the board of trustees of a regular
2682 district.

2683 (ii) The legislative body of an included municipality may elect not to appoint a member
2684 to the board under Subsection (5)(a)(i).

2685 (b) Except as provided in Subsection (6), the legislative body of each county whose
2686 boundaries include a remaining area shall appoint all other members to the board of trustees of
2687 a regular district.

2688 (6) Notwithstanding Subsection (3), each remaining area member of a regular district
2689 and each county member of a county district shall be elected, as provided in Section
2690 17B-1-306, if:

2691 (a) the petition or resolution initiating the creation of the district provides for remaining
2692 area or county members to be elected;

2693 (b) the district holds an election to approve the district's issuance of bonds;

2694 (c) for a regular district, an included municipality elects, under Subsection (5)(a)(ii),
2695 not to appoint a member to the board of trustees; or

2696 (d) (i) at least 90 days before the municipal general election or regular general election,
2697 as applicable, a petition is filed with the district's board of trustees requesting remaining area
2698 members or county members, as the case may be, to be elected; and

2699 (ii) the petition is signed by registered voters within the remaining area or county
2700 district, as the case may be, equal in number to at least 10% of the number of registered voters
2701 within the remaining area or county district, respectively, who voted in the last gubernatorial
2702 election.

2703 (7) Subject to Section 17B-1-302, the number of members of a board of trustees of a
2704 regular district shall be:

2705 (a) the number of included municipalities within the district, if:

2706 (i) the number of included municipalities is greater than nine or is an odd number that
2707 is not greater than nine; and

2708 (ii) the district does not include a remaining area;

2709 (b) the number of included municipalities plus one, if the number of included
2710 municipalities within the district is an even number that is less than nine; and

2711 (c) the number of included municipalities plus two, if:

2712 (i) the number of included municipalities is an odd number that is less than nine; and

2713 (ii) the district includes a remaining area.

2714 (8) (a) Except as provided in Subsection (8)(b), each remaining area member of the
2715 board of trustees of a regular district shall reside within the remaining area.

2716 (b) Notwithstanding Subsection (8)(a) and subject to Subsection (8)(c), each remaining
2717 area member shall be chosen from the district at large if:

2718 (i) the population of the remaining area is less than 5% of the total district population;
2719 or

2720 (ii) (A) the population of the remaining area is less than 50% of the total district
2721 population; and

2722 (B) the majority of the members of the board of trustees are remaining area members.

2723 (c) Application of Subsection (8)(b) may not prematurely shorten the term of any
2724 remaining area member serving the remaining area member's elected or appointed term on May

2725 11, 2010.

2726 (9) If the election of remaining area or county members of the board of trustees is
2727 required because of a bond election, as provided in Subsection (6)(b):

2728 (a) a person may file a declaration of candidacy if:

2729 (i) the person resides within:

2730 (A) the remaining area, for a regular district; or

2731 (B) the county district, for a county district; and

2732 (ii) otherwise qualifies as a candidate;

2733 (b) the board of trustees shall, if required, provide a ballot separate from the bond
2734 election ballot, containing the names of candidates and blanks in which a voter may write
2735 additional names; and

2736 (c) the election shall otherwise be governed by Title 20A, Election Code.

2737 (10) (a) (i) This Subsection (10) applies to the board of trustees members of an electric
2738 district.

2739 (ii) Subsections (2) through (9) do not apply to an electric district.

2740 (b) The legislative body of the county in which an electric district is located may
2741 appoint the initial board of trustees of the electric district as provided in Section [17B-1-304](#).

2742 (c) After the initial board of trustees is appointed as provided in Subsection (10)(b),
2743 each member of the board of trustees of an electric district shall be elected by persons using
2744 electricity from and within the district.

2745 (d) Each member of the board of trustees of an electric district shall be a user of
2746 electricity from the district and, if applicable, the division of the district from which elected.

2747 (e) The board of trustees of an electric district may be elected from geographic
2748 divisions within the district.

2749 (f) A municipality within an electric district is not entitled to automatic representation
2750 on the board of trustees.

2751 Section 41. Section **17B-2a-405** is amended to read:

2752 **17B-2a-405. Board of trustees of certain sewer improvement districts.**

2753 (1) As used in this section:

2754 (a) "Jurisdictional boundaries" means:

2755 (i) for a qualified county, the boundaries that include:

2756 (A) the area of the unincorporated part of the county that is included within a sewer
2757 improvement district; and

2758 (B) the area of each nonappointing municipality that is included within the sewer
2759 improvement district; and

2760 (ii) for a qualified municipality, the boundaries that include the area of the municipality
2761 that is included within a sewer improvement district.

2762 (b) "Nonappointing municipality" means a municipality that:

2763 (i) is partly included within a sewer improvement district; and
2764 (ii) is not a qualified municipality.

2765 (c) "Qualified county" means a county:

2766 (i) some or all of whose unincorporated area is included within a sewer improvement
2767 district; or

2768 (ii) which includes within its boundaries a nonappointing municipality.

2769 (d) "Qualified county member" means a member of a board of trustees of a sewer
2770 improvement district appointed under Subsection (3)(a)(ii).

2771 (e) "Qualified municipality" means a municipality that is partly or entirely included
2772 within a sewer improvement district that includes:

2773 (i) all of the municipality that is capable of receiving sewage treatment service from the
2774 sewer improvement district; and

2775 (ii) more than half of:

2776 (A) the municipality's land area; or
2777 (B) the assessed value of all private real property within the municipality.

2778 (f) "Qualified municipality member" means a member of a board of trustees of a sewer
2779 improvement district appointed under Subsection (3)(a)(i).

2780 (g) "Sewer improvement district" means an improvement district that:

2781 (i) provides sewage collection, treatment, and disposal service; and
2782 (ii) made an election before 1954 under Laws of Utah 1953, Chapter 29, to enable it to
2783 continue to appoint its board of trustees members as provided in this section.

2784 (2) (a) Notwithstanding Section [17B-2a-404](#), the board of trustees members of a sewer
2785 improvement district shall be appointed as provided in this section.

2786 (b) The board of trustees of a sewer improvement district may revoke the election

2787 under Subsection (1)(d) and become subject to the provisions of Section [17B-2a-404](#) only by
2788 the unanimous vote of all members of the sewer improvement district's board of trustees at a
2789 time when there is no vacancy on the board.

2790 (3) (a) The board of trustees of each sewer improvement district shall consist of:

2791 (i) at least one person but not more than three persons appointed by the mayor of each
2792 qualified municipality, with the consent of the legislative body of that municipality; and

2793 (ii) at least one person but not more than three persons appointed by:

2794 (A) the county executive, with the consent of the county legislative body, for a
2795 qualified county operating under a county executive-council form of county government; or

2796 (B) the county legislative body, for each other qualified county.

2797 (b) Each qualified county member appointed under Subsection (3)(a)(ii) shall represent
2798 the area within the jurisdictional boundaries of the qualified county.

2799 (4) Notwithstanding Subsection [~~17B-1-302(4)~~] [17B-1-302\(8\)](#), the number of board of
2800 trustees members of a sewer improvement district shall be the number that results from
2801 application of Subsection (3)(a).

2802 (5) Except as provided in this section, an appointment to the board of trustees of a
2803 sewer improvement district is governed by Section [17B-1-304](#).

2804 (6) A quorum of a board of trustees of a sewer improvement district consists of
2805 members representing more than 50% of the total number of qualified county and qualified
2806 municipality votes under Subsection (7).

2807 (7) (a) Subject to Subsection (7)(b), each qualified county and each qualified
2808 municipality is entitled to one vote on the board of trustees of a sewer improvement district for
2809 each \$10,000,000, or fractional part larger than 1/2 of that amount, of assessed valuation of
2810 private real property taxable for district purposes within the respective jurisdictional
2811 boundaries, as shown by the assessment records of the county and evidenced by a certificate of
2812 the county auditor.

2813 (b) Notwithstanding Subsection (7)(a), each qualified county and each qualified
2814 municipality shall have at least one vote.

2815 (8) If a qualified county or qualified municipality appoints more than one board
2816 member, all the votes to which the qualified county or qualified municipality is entitled under
2817 Subsection (7) for an item of board business shall collectively be cast by a majority of the

2818 qualified county members or qualified municipal members, respectively, present at a meeting
2819 of the board of trustees.

2820 Section 42. Section ~~17B-2a-407~~ is amended to read:

2821 **17B-2a-407. Nonfunctioning improvement district -- Replacing board of trustees.**

2822 (1) As used in this section:

2823 (a) "Applicable certificate" means the same as that term is defined in Subsection
2824 ~~67-1a-6.5~~(1)(a).

2825 (b) (i) "Non-functioning improvement district" means an improvement district:

2826 (A) for which the lieutenant governor issues an applicable certificate on or after July 1,
2827 2022, but before October 15, 2023;

2828 (B) for which the legislative body of a county elected to be the board of trustees of the
2829 district under Subsection ~~17B-2a-404~~(3)(a); and

2830 (C) (I) for which the responsible body has not, within 100 days after the day on which
2831 the lieutenant governor issued the applicable certificate, complied with the recording
2832 requirements described in Subsection ~~17B-1-215~~(2); or

2833 (II) whose board of trustees has not, within 100 days after the day on which the
2834 lieutenant governor issued the applicable certificate, held a meeting as the board of trustees of
2835 the improvement district, that was noticed and held in accordance with the requirements of
2836 Title 52, Chapter 4, Open and Public Meetings Act.

2837 (ii) "Non-functioning improvement district" does not include an improvement district
2838 that has emerged from non-functioning status under Subsection (6)(c)(ii).

2839 (2) (a) The board of trustees of a non-functioning improvement district may not, after
2840 the 100-day period described in Subsection (1)(b)(i)(C)(I), take any action as the board of
2841 trustees or on behalf of the non-functioning improvement district.

2842 (b) Any action taken in violation of Subsection (2)(a) is void.

2843 (3) (a) An owner of land located within the boundaries of a non-functioning
2844 improvement district may file with the lieutenant governor a request to replace the board of
2845 trustees with a new board of trustees.

2846 (b) A new board of trustees described in Subsection (3)(a) shall comprise three
2847 individuals who are:

2848 (i) owners of land located within the boundaries of the improvement district; or

- 2849 (ii) agents of owners of land located within the boundaries of the improvement district.
- 2850 (4) A request described in Subsection (3) shall include:
- 2851 (a) the name and mailing address of the land owner who files the request;
- 2852 (b) the name of the improvement district;
- 2853 (c) a copy of the applicable certificate for the improvement district;
- 2854 (d) written consent to the request from each owner of land located within the
- 2855 boundaries of the improvement district; and
- 2856 (e) the names and mailing addresses of three individuals who will serve as the board of
- 2857 trustees of the improvement district until a new board of trustees is organized under Subsection
- 2858 (9).
- 2859 (5) Within 14 days after the day on which the lieutenant governor receives a request
- 2860 described in Subsections (3) and (4), the lieutenant governor shall:
- 2861 (a) determine whether:
- 2862 (i) the district is a non-functioning improvement district;
- 2863 (ii) the request complies with Subsection (4); and
- 2864 (b) if the lieutenant governor determines that the requirements described in Subsection
- 2865 (5)(a) are met, grant the request by issuing a certificate of replacement described in Subsection
- 2866 (6).
- 2867 (6) A certificate of replacement shall:
- 2868 (a) state the name of the improvement district;
- 2869 (b) reference the applicable certificate for the improvement district;
- 2870 (c) declare that, upon issuance of the certificate:
- 2871 (i) the existing board of trustees for the improvement district is dissolved and replaced
- 2872 by an interim board of trustees consisting of the three individuals described in Subsection
- 2873 (4)(e); and
- 2874 (ii) the improvement district is removed from nonfunctioning status and is, beginning
- 2875 at that point in time, a functioning improvement district.
- 2876 (7) The interim board of trustees described in Subsection (6)(c)(i) shall record, in the
- 2877 recorder's office for a county in which all or a portion of the improvement district exists:
- 2878 (a) the original of the certificate of replacement; and
- 2879 (b) the original or a copy of:

2880 (i) the items described in Subsections [17B-1-215](#)(2)(a)(i)(A), (B), and (C); and
2881 (ii) if applicable, a copy of each resolution adopted under Subsection [17B-1-213](#)(5).

2882 (8) Until a new board of trustees is organized under Subsection (9):

2883 (a) the interim board of trustees has the full authority of a board of trustees of an
2884 improvement district; and

2885 (b) a majority of the owners of land in the improvement district:

2886 (i) may appoint an individual described in Subsection (3)(b) to fill a vacancy on the
2887 interim board of trustees; and

2888 (ii) shall file written notification of the appointment of an individual described in
2889 Subsection (8)(b)(i) with the lieutenant governor.

2890 (9) Within 90 days after the day on which at least 20 persons own land within the
2891 improvement district, the interim board of trustees described in Subsection (6)(c)(i) shall
2892 dissolve and be replaced by a board of trustees described in Subsections [17B-1-302](#)(1) through
2893 ~~(3)(a)~~ (3), except that:

2894 (a) the board of trustees shall comprise three members, appointed by the lieutenant
2895 governor, who are owners of property in the district, agents of an owner of property in the
2896 district, or residents of the district;

2897 (b) Subsections [~~[17B-1-302](#)(3)(c) through (6)] [17B-1-302](#)(6) through (10) and Section
2898 [17B-2a-404](#) do not apply to the improvement district; and~~

2899 (c) a member of the legislative body of the county may not serve as a member of the
2900 board of trustees.

2901 Section 43. Section [17B-2a-604](#) is amended to read:

2902 **[17B-2a-604. Metropolitan water district board of trustees.](#)**

2903 (1) Members of the board of trustees of a metropolitan water district shall be:

2904 (a) elected in accordance with:

2905 (i) the petition or resolution that initiated the process of creating the metropolitan water
2906 district; and

2907 (ii) Section [17B-1-306](#);

2908 (b) appointed in accordance with Subsection (2); or

2909 (c) elected under Subsection (3)(a).

2910 (2) (a) This Subsection (2) shall apply to an appointed board of trustees of a

- 2911 metropolitan water district.
- 2912 (b) If a district contains the area of a single municipality:
- 2913 (i) the legislative body of that municipality shall appoint each member of the board of
- 2914 trustees; and
- 2915 (ii) one member shall be the officer with responsibility over the municipality's water
- 2916 supply and distribution system, if the system is municipally owned.
- 2917 (c) If a district contains some or all of the retail water service area of more than one
- 2918 municipality:
- 2919 (i) the legislative body of each municipality shall appoint the number of members for
- 2920 that municipality as determined under Subsection (2)(c)(ii);
- 2921 (ii) subject to Subsection (2)(c)(iii), the number of members appointed by each
- 2922 municipality shall be determined:
- 2923 (A) by agreement between the metropolitan water district and the municipalities,
- 2924 subject to Subsection [~~17B-1-302(4)~~ 17B-1-302(8)]; or
- 2925 (B) as provided in Chapter 1, Part 3, Board of Trustees; and
- 2926 (iii) at least one member shall be appointed by each municipality.
- 2927 (d) Each trustee shall be appointed without regard to partisan political affiliations from
- 2928 among citizens of the highest integrity, attainment, competence, and standing in the
- 2929 community.
- 2930 (3) (a) Members of the board of trustees of a metropolitan water district shall be
- 2931 elected in accordance with Section 17B-1-306, if, subject to Subsection (3)(b):
- 2932 (i) three-fourths of all members of the board of trustees of the metropolitan water
- 2933 district vote in favor of changing to an elected board; and
- 2934 (ii) the legislative body of each municipality that appoints a member to the board of
- 2935 trustees adopts a resolution approving the change to an elected board.
- 2936 (b) A change to an elected board of trustees under Subsection (3)(a) may not shorten
- 2937 the term of any member of the board of trustees serving at the time of the change.
- 2938 (4) A member of the board of trustees of a metropolitan water district shall be:
- 2939 (a) a registered voter;
- 2940 (b) a property taxpayer; and
- 2941 (c) a resident of:

2942 (i) the metropolitan water district; and
2943 (ii) the retail water service area of the municipality that:
2944 (A) elects the member; or
2945 (B) the member is appointed to represent.
2946 (5) (a) Except as provided in Subsection (7), a member shall immediately forfeit the
2947 member's seat on the board of trustees if the member becomes elected or appointed to office in
2948 or becomes an employee of the municipality whose legislative body appointed the member
2949 under Subsection (2).

2950 (b) The position of the member described in Subsection (5)(a) is vacant until filled as
2951 provided in Section [17B-1-304](#).

2952 (6) Except as provided in Subsection (7), the term of office of each member of the
2953 board of trustees is as provided in Section [17B-1-303](#).

2954 (7) Subsections (4), (5)(a), and (6) do not apply to a member who is a member under
2955 Subsection (2)(b)(ii).

2956 Section 44. Section **17B-2a-704** is amended to read:

2957 **17B-2a-704. Mosquito abatement district board of trustees.**

2958 (1) (a) Notwithstanding Subsection [~~17B-1-302(4)~~] [17B-1-302\(8\)](#):

2959 (i) the board of trustees of a mosquito abatement district consists of no less than five
2960 members appointed in accordance with this section; and

2961 (ii) subject to Subsection (1)(b), the legislative body of each municipality that is
2962 entirely or partly included within a mosquito abatement district shall appoint one member to
2963 the board of trustees.

2964 (b) If 75% or more of the area of a mosquito abatement district is within the boundaries
2965 of a single municipality:

2966 (i) the board of trustees consists of five members; and

2967 (ii) the legislative body of that municipality shall appoint all five members of the
2968 board.

2969 (2) Except as provided in Subsection (1), the legislative body of each county in which a
2970 mosquito abatement district is located shall appoint at least one member but no more than three
2971 members to the district's board of trustees as follows:

2972 (a) the county may appoint one member if:

- 2973 (i) (A) some or all of the county's unincorporated area is included within the
2974 boundaries of the mosquito abatement district; and
- 2975 (B) Subsection (2)(b) does not apply; or
- 2976 (ii) (A) the number of municipalities that are entirely or partly included within the
2977 district is an even number less than nine; and
- 2978 (B) Subsection (1)(b) does not apply; or
- 2979 (b) subject to Subsection (3), the county may appoint up to and including three
2980 members if:
- 2981 (i) more than 25% of the population of the mosquito abatement district resides outside
2982 the boundaries of all municipalities that may appoint members to the board of trustees; and
- 2983 (ii) a municipality appoints at least four members of the board of trustees.
- 2984 (3) A county may not appoint a member in accordance with Subsection (2)(b) who
2985 resides within a municipality that may appoint a member to the board of trustees.
- 2986 (4) If the number of board members appointed by application of Subsections (1) and
2987 (2)(a) is an even number less than nine, the legislative body of the county in which the district
2988 is located shall appoint an additional member.
- 2989 (5) Notwithstanding Subsection (2), and subject to Subsection (1)(b):
- 2990 (a) if the mosquito abatement district is located entirely within one county and, in
2991 accordance with this section, only one municipality may appoint a member of the board of
2992 trustees, the county legislative body shall appoint at least four members to the district's board
2993 of trustees; and
- 2994 (b) if the mosquito abatement district is located entirely within one county and no
2995 municipality may appoint a member of the board of trustees, the county legislative body shall
2996 appoint all of the members of the board.
- 2997 (6) Each board of trustees member is appointed in accordance with Section [17B-1-304](#).
- 2998 (7) The applicable appointing authority shall fill each vacancy on a mosquito
2999 abatement district board of trustees in accordance with Section [17B-1-304](#), or if the vacancy is
3000 a midterm vacancy, in accordance with Section [20A-1-512](#).
- 3001 Section 45. Section **17B-2a-905** is amended to read:
- 3002 **17B-2a-905. Service area board of trustees.**
- 3003 (1) (a) Except as provided in Subsection (2), (3), or (4):

3004 (i) the initial board of trustees of a service area located entirely within the
3005 unincorporated area of a single county may, as stated in the petition or resolution that initiated
3006 the process of creating the service area:

- 3007 (A) consist of the county legislative body;
- 3008 (B) be appointed, as provided in Section 17B-1-304; or
- 3009 (C) be elected, as provided in Section 17B-1-306;

3010 (ii) if the board of trustees of a service area consists of the county legislative body, the
3011 board may adopt a resolution providing for future board members to be appointed, as provided
3012 in Section 17B-1-304, or elected, as provided in Section 17B-1-306; and

3013 (iii) members of the board of trustees of a service area shall be elected, as provided in
3014 Section 17B-1-306, if:

3015 (A) the service area is not entirely within the unincorporated area of a single county;

3016 (B) a petition is filed with the board of trustees requesting that board members be
3017 elected, and the petition is signed by registered voters within the service area equal in number
3018 to at least 10% of the number of registered voters within the service area who voted at the last
3019 gubernatorial election; or

3020 (C) an election is held to authorize the service area's issuance of bonds.

3021 (b) If members of the board of trustees of a service area are required to be elected
3022 under Subsection (1)(a)(iii)(C) because of a bond election:

3023 (i) board members shall be elected in conjunction with the bond election;

3024 (ii) the board of trustees shall:

3025 (A) establish a process to enable potential candidates to file a declaration of candidacy
3026 sufficiently in advance of the election; and

3027 (B) provide a ballot for the election of board members separate from the bond ballot;

3028 and

3029 (iii) except as provided in this Subsection (1)(b), the election shall be held as provided
3030 in Section 17B-1-306.

3031 (2) (a) This Subsection (2) applies to a service area created on or after May 5, 2003, if:

3032 (i) the service area was created to provide:

3033 (A) fire protection, paramedic, and emergency services; or

3034 (B) law enforcement service;

3035 (ii) in the creation of the service area, an election was not required under Subsection
3036 [17B-1-214\(3\)\(d\)](#); and

3037 (iii) the service area is not a service area described in Subsection (3).

3038 (b) (i) Each county with unincorporated area that is included within a service area
3039 described in Subsection (2)(a), whether in conjunction with the creation of the service area or
3040 by later annexation, shall appoint up to three members to the board of trustees.

3041 (ii) Each municipality with an area that is included within a service area described in
3042 Subsection (2)(a), whether in conjunction with the creation of the service area or by later
3043 service area annexation or municipal incorporation or annexation, shall appoint one member to
3044 the board of trustees, unless the area of the municipality is withdrawn from the service area.

3045 (iii) Each member that a county or municipality appoints under Subsection (2)(b)(i) or
3046 (ii) shall be an elected official of the appointing county or municipality, respectively.

3047 (c) Notwithstanding Subsection [~~17B-1-302(4)~~] [17B-1-302\(8\)](#), the number of members
3048 of a board of trustees of a service area described in Subsection (2)(a) shall be the number
3049 resulting from application of Subsection (2)(b).

3050 (3) (a) This Subsection (3) applies to a service area created on or after May 14, 2013,
3051 if:

3052 (i) the service area was created to provide fire protection, paramedic, and emergency
3053 services;

3054 (ii) in the creation of the service area, an election was not required under Subsection
3055 [17B-1-214\(3\)\(d\)](#); and

3056 (iii) each municipality with an area that is included within the service area or county
3057 with unincorporated area, whether in whole or in part, that is included within a service area is a
3058 party to an agreement:

3059 (A) entered into in accordance with Title 11, Chapter 13, Interlocal Cooperation Act,
3060 with all the other municipalities or counties with an area that is included in the service area;

3061 (B) to provide the services described in Subsection (3)(a)(i); and

3062 (C) at the time a resolution proposing the creation of the service area is adopted by
3063 each applicable municipal or county legislative body in accordance with Subsection
3064 [~~17B-1-203(1)(d)~~] [17B-1-203\(1\)\(e\)](#).

3065 (b) (i) Each county with unincorporated area, whether in whole or in part, that is

3066 included within a service area described in Subsection (3)(a), whether in conjunction with the
3067 creation of the service area or by later annexation, shall appoint one member to the board of
3068 trustees.

3069 (ii) Each municipality with an area that is included within a service area described in
3070 Subsection (3)(a), whether in conjunction with the creation of the service area or by later
3071 annexation, shall appoint one member to the board of trustees.

3072 (iii) Each member that a county or municipality appoints under Subsection (3)(b)(i) or
3073 (ii) shall be an elected official of the appointing county or municipality, respectively.

3074 (iv) A vote by a member of the board of trustees may be weighted or proportional.

3075 (c) Notwithstanding Subsection [~~17B-1-302(4)~~] 17B-1-302(8), the number of members
3076 of a board of trustees of a service area described in Subsection (3)(a) is the number resulting
3077 from the application of Subsection (3)(b).

3078 (4) (a) This Subsection (4) applies to a service area if:

3079 (i) the service area provides a service to a municipality in accordance with an
3080 agreement between the service area and the municipality in accordance with Title 11, Chapter
3081 13, Interlocal Cooperation Act;

3082 (ii) the municipality is not included within the service area's boundary;

3083 (iii) the governing body of the municipality petitions the service area to request
3084 authority to appoint one member of the board of trustees of the service area; and

3085 (iv) the service area board of trustees approves the petition.

3086 (b) The governing body of a municipality described in Subsection (4)(a) may appoint a
3087 member of a service area board of trustees as follows:

3088 (i) the governing body shall make the appointment in accordance with:

3089 (A) Section 17B-1-304; or

3090 (B) to fill a mid-term vacancy, Subsection 20A-1-512(1);

3091 (ii) the governing body may not appoint an individual who is not a registered voter
3092 residing within the municipality;

3093 (iii) the district boundary requirement in Subsection 17B-1-302(1) does not apply to
3094 the governing body's appointee;

3095 (iv) the governing body and the service area board of trustees may not shorten the term
3096 of office of any member of the board due to the governing body's appointment;

3097 (v) notwithstanding Subsection [~~17B-1-302(4)~~] 17B-1-302(8), the number of members
 3098 of the board of trustees of a service area described in Subsection (4)(a) may be odd or even;
 3099 and

3100 (vi) if the number of members of a service area board of trustees is odd before the
 3101 governing body's appointment, the member that the governing body appoints may replace a
 3102 member whose term is expiring or who otherwise leaves a vacancy on the board or, if no
 3103 expiring term or vacancy exists:

3104 (A) the number of board members may temporarily be even, including the member that
 3105 the governing body appoints, until an expiring term or vacancy exists that restores the board
 3106 membership to an odd number; and

3107 (B) no appointing authority may fill the expiring term or vacancy that restores the
 3108 board membership to an odd number.

3109 (c) (i) The service area board of trustees may rescind the approval described in
 3110 Subsection (4)(a) at any time.

3111 (ii) If the service area board of trustees rescinds the approval described in Subsection
 3112 (4)(a) during the term of a board member that the governing body appointed, the appointee
 3113 shall remain on the board for the remainder of the appointee's term.

3114 Section 46. Section **17B-2a-1301** is enacted to read:

3115 **Part 13. Infrastructure Financing District**

3116 **17B-2a-1301. Definitions.**

3117 As used in this part:

3118 (1) "Assessment bond" means the same as that term is defined in Section [11-42-102](#).

3119 (2) "Board" means the board of trustees of an infrastructure financing district.

3120 (3) "Designated expansion area" means an area that is:

3121 (a) outside and contiguous to the original district boundary; and

3122 (b) designated and described in a governing document as an area that may be subject to
 3123 future annexation to the infrastructure financing district.

3124 (4) "Governing document" means a document described in Section [17B-2a-1303](#).

3125 (5) "Original district boundary" means the boundary of an infrastructure financing
 3126 district as described in the approved final local entity plat, as defined in Section [67-1a-6.5](#).

3127 (6) "Residential district" means an infrastructure financing district that contains or is

3128 projected to contain owner-occupied residential units within the boundary of the infrastructure
3129 financing district.

3130 Section 47. Section **17B-2a-1302** is enacted to read:

3131 **17B-2a-1302. Provisions applicable to infrastructure financing district --**

3132 **Exceptions -- Conflicting provisions -- Contract for administrative services.**

3133 (1) (a) An infrastructure financing district is governed by and has the powers stated in:

3134 (i) this part; and

3135 (ii) Chapter 1, Provisions Applicable to All Special Districts, except as provided in

3136 Subsection (1)(b).

3137 (b) (i) (A) Notwithstanding Subsection 17B-1-103(2)(f), an infrastructure financing
3138 district may issue bonds only as provided in Title 11, Chapter 42, Assessment Area Act,
3139 subject to Subsection (1)(b)(i)(B), and Title 11, Chapter 42a, Commercial Property Assessed
3140 Clean Energy Act.

3141 (B) To the extent that the provisions of Title 11, Chapter 42, Assessment Area Act,
3142 apply to the use of funds from an assessment or an assessment bond for infrastructure operation
3143 and maintenance costs or for the cost of conducting economic promotion activities, those
3144 provisions do not apply to an infrastructure financing district.

3145 (C) Before a county or municipality's issuance of a certificate of occupancy to an
3146 owner-occupied residential unit that is subject to an assessment levied by an infrastructure
3147 financing district under Title 11, Chapter 42, Assessment Area Act, the infrastructure financing
3148 district shall ensure that the assessment allocable to that unit is paid in full and that any
3149 assessment lien on that unit is satisfied and released.

3150 (ii) Notwithstanding Subsection 17B-1-103(2)(h), an infrastructure financing district
3151 may not exercise the power of eminent domain.

3152 (2) This part applies only to an infrastructure financing district.

3153 (3) If there is a conflict between a provision in Chapter 1, Provisions Applicable to All
3154 Special Districts, and a provision in this part, the provision in this part governs.

3155 (4) An infrastructure financing district may contract with another governmental entity
3156 for the other governmental entity to provide administrative services to the infrastructure
3157 financing district.

3158 Section 48. Section **17B-2a-1303** is enacted to read:

3159 **17B-2a-1303. Governing document.**

3160 (1) The sponsors of a petition filed under Subsection 17B-1-203(1)(d) to create an
3161 infrastructure financing district may include with the petition a governing document.

3162 (2) A governing document may contain provisions for the governance of the
3163 infrastructure financing district, consistent with this part, including:

3164 (a) for a residential district:

3165 (i) a provision for a transition from an appointed board position, whether at large or for
3166 a division, to an elected board position, based upon milestones or events that the governing
3167 document identifies;

3168 (ii) milestones or events that will guide the board in considering modifications to
3169 division boundaries to ensure that each division has as nearly as possible the same number of
3170 registered voters;

3171 (b) a provision allowing a property owner within the infrastructure financing district to
3172 make recommendations, in proportion to the amount of the owner's property in relation to all
3173 property within the infrastructure financing district, for individuals to serve as appointed board
3174 members; and

3175 (c) any other provisions or information that petition sponsors or the board considers
3176 necessary or advisable for the governance of the infrastructure financing district.

3177 (3) A governing document shall:

3178 (a) include a description of infrastructure that the infrastructure financing district will
3179 provide funding for;

3180 (b) if applicable, include a copy of a development agreement that has been executed
3181 relating to infrastructure to be developed within the boundary of the infrastructure financing
3182 district and for which the infrastructure financing district anticipates providing funding; and

3183 (c) if applicable, describe a designated expansion area.

3184 (4) (a) An area may not be designated as a designated expansion area unless the area is
3185 contiguous to the original district boundary.

3186 (b) An area may not be annexed to an infrastructure financing district unless the area is
3187 within the designated expansion area that is described in a governing document that is included
3188 and submitted with the petition to create the infrastructure financing district.

3189 Section 49. Section **17B-2a-1304** is enacted to read:

3190 **17B-2a-1304. Board of trustees -- Conflict of interest -- Compensation.**

3191 (1) A board member with a personal investment described in Section 67-16-9 is not in
3192 violation of Section 67-16-9 if:

3193 (a) before beginning service as a board member, the board member complies with the
3194 disclosure requirements of Section 67-16-7, as though that section applied to the board
3195 member's ownership of a personal investment described in Section 67-16-9; and

3196 (b) during the board member's service, the board member complies with:

3197 (i) the disclosure requirements of Section 67-16-7, as provided in Subsection (1)(a),
3198 upon any significant change in the board member's personal investment; and

3199 (ii) applicable requirements of this part and the governing document.

3200 (2) An infrastructure financing district may not compensate a board member for the
3201 member's service on the board unless the board member is a resident within the boundary of
3202 the infrastructure financing district.

3203 Section 50. Section **17B-2a-1305** is enacted to read:

3204 **17B-2a-1305. Relationship with other local entities.**

3205 (1) The applicability of local land use regulations under Title 10, Chapter 9a,
3206 Municipal Land Use, Development, and Management Act, or Title 17, Chapter 27a, County
3207 Land Use, Development, and Management Act, is not affected by:

3208 (a) the creation or operation of an infrastructure financing district; or

3209 (b) the infrastructure financing district's provision of funding for the development of
3210 infrastructure within the infrastructure financing district boundary.

3211 (2) The boundary of an infrastructure financing district is not affected by:

3212 (a) a municipality's annexation of an unincorporated area of a county; or

3213 (b) the adjustment of a boundary shared by more than one municipality.

3214 (3) A debt, obligation, or other financial burden of an infrastructure financing district,
3215 including any liability of or claim or judgment against an infrastructure financing district:

3216 (a) is borne solely by the infrastructure financing district; and

3217 (b) is not the debt, obligation, or other financial burden of any other political
3218 subdivision of the state or of the state.

3219 (4) (a) Nothing in this part affects the requirement for infrastructure for which an
3220 infrastructure financing district provides funding to comply with all applicable standards and

3221 design, inspection, and other requirements of the county or municipality with jurisdiction over
3222 the infrastructure.

3223 (b) Upon the completion of infrastructure for which an infrastructure financing district
3224 has provided funding, the infrastructure shall be conveyed to the county or municipality with
3225 jurisdiction over the infrastructure, at no cost to the county or municipality.

3226 Section 51. Section **17B-2a-1306** is enacted to read:

3227 **17B-2a-1306. Contesting an infrastructure financing district action.**

3228 (1) As used in this section:

3229 (a) "Contestable action" means:

3230 (i) the creation of an infrastructure financing district or any part of the process to create
3231 an infrastructure financing district;

3232 (ii) a property tax levied by an infrastructure financing district or any part of the
3233 process to levy the tax; or

3234 (iii) a fee imposed by an infrastructure financing district or any part of the process to
3235 impose the fee.

3236 (b) "Effective date" means:

3237 (i) with respect to the creation of an infrastructure financing district, the date of the
3238 lieutenant governor's issuance of a certificate of creation under Section [67-1a-6.5](#);

3239 (ii) with respect to a property tax levied by an infrastructure financing district, the date
3240 of the board's adoption of a resolution levying the tax; and

3241 (iii) for a fee imposed by an infrastructure financing district, the date of the board's
3242 adoption of a resolution imposing the fee.

3243 (2) (a) A person may file a court action to contest the legality or validity of a
3244 contestable action.

3245 (b) A court action under Subsection (2)(a) is the exclusive remedy for a person to
3246 contest the legality or validity of a contestable action.

3247 (3) A person may not bring an action under Subsection (2) or serve a summons relating
3248 to the action more than 30 days after the effective date of the contestable action.

3249 (4) After the expiration of the 30-day period stated in Subsection (3):

3250 (a) a contestable action becomes incontestable against any person who has not brought
3251 an action and served a summons within the time specified in Subsection (3); and

3252 (b) a person may not bring an action to:
3253 (i) enjoin an infrastructure financing district from levying and collecting a property tax
3254 or imposing and collecting a fee that the infrastructure financing district levies or imposes; or
3255 (ii) attack or question in any way the legality or validity of a contestable action.
3256 (5) (a) This section does not affect a claim for a misuse of funds against the
3257 infrastructure financing district or an officer or employee of the infrastructure financing district.
3258 (b) A person may not seek relief for a claimed misuse of funds described in Subsection
3259 (5)(a) except for injunctive relief.
3260 (c) The limitation under Subsection (5)(b) does not affect the filing or prosecution of
3261 criminal charges for the misuse of infrastructure financing district funds.
3262 Section 52. Section **20A-1-512** is amended to read:
3263 **20A-1-512. Midterm vacancies on local district boards -- Notice.**
3264 (1) (a) When a vacancy occurs on any special district board for any reason, the
3265 following shall appoint a replacement to serve out the unexpired term in accordance with this
3266 section:
3267 (i) the special district board, if the person vacating the position was elected; or
3268 (ii) the appointing authority, as that term is defined in Section **17B-1-102**, if the
3269 appointing authority appointed the person vacating the position.
3270 (b) Except as provided in Subsection (1)(c) or (d), before acting to fill the vacancy, the
3271 special district board or appointing authority shall:
3272 (i) give public notice of the vacancy for at least two weeks before the special district
3273 board or appointing authority meets to fill the vacancy by publishing the notice, as a class A
3274 notice under Section **63G-30-102**, for the special district; and
3275 (ii) identify, in the notice:
3276 (A) the date, time, and place of the meeting where the vacancy will be filled;
3277 (B) the individual to whom an individual who is interested in an appointment to fill the
3278 vacancy may submit the individual's name for consideration; and
3279 (C) any submission deadline.
3280 (c) An appointing authority is not subject to Subsection (1)(b) if:
3281 (i) (A) the appointing authority appoints one of the appointing authority's own
3282 members; and

3283 ~~[(it)]~~ (B) that member meets all applicable statutory board member qualifications~~[-]; or~~
3284 (ii) the vacancy is on the board of trustees of an infrastructure financing district with no
3285 residents within the district's boundary.

3286 (d) When a vacancy occurs on the board of a water conservancy district located in
3287 more than one county:

3288 (i) the board shall give notice of the vacancy to the county legislative bodies that
3289 nominated the vacating trustee as provided in Section 17B-2a-1005;

3290 (ii) the county legislative bodies described in Subsection (1)(d)(i) shall collectively
3291 compile a list of three nominees to fill the vacancy; and

3292 (iii) the governor shall, with the advice and consent of the Senate, appoint an
3293 individual to fill the vacancy from nominees submitted as provided in Subsection
3294 17B-2a-1005(2)(c).

3295 (2) If, 90 days after a vacancy occurs, the special district board ~~[fails]~~ has failed to
3296 appoint an individual to complete an elected board member's term ~~[within 90 days, the~~
3297 ~~legislative body of the county or municipality that created the special district shall fill]~~, the
3298 vacancy shall be filled:

3299 (a) in accordance with the procedure for a special district described in Subsection
3300 (1)(b)~~[-]; and~~

3301 (b) by, as applicable:

3302 (i) the legislative body of the county or municipality that created the special district; or

3303 (ii) for a vacancy on a board of trustees of an infrastructure financing district, the
3304 legislative body of the county whose unincorporated area contains or the municipality whose
3305 boundary contains more of the area within the infrastructure financing district than is contained
3306 within the unincorporated area of any other county or within the boundary of any other
3307 municipality.

3308 Section 53. Section **52-4-207** is amended to read:

3309 **52-4-207. Electronic meetings -- Authorization -- Requirements.**

3310 (1) Except as otherwise provided for a charter school in Section 52-4-209, a public
3311 body may convene and conduct an electronic meeting in accordance with this section.

3312 (2) (a) A public body may not hold an electronic meeting unless the public body has
3313 adopted a resolution, rule, or ordinance governing the use of electronic meetings.

3314 (b) A resolution, rule, or ordinance described in Subsection (2)(a) that governs an
3315 electronic meeting shall establish the conditions under which a remote member is included in
3316 calculating a quorum.

3317 (c) A resolution, rule, or ordinance described in Subsection (2)(a) may:

3318 (i) prohibit or limit electronic meetings based on budget, public policy, or logistical
3319 considerations;

3320 (ii) require a quorum of the public body to:

3321 (A) be present at a single anchor location for the meeting; and

3322 (B) vote to approve establishment of an electronic meeting in order to include other
3323 members of the public body through an electronic connection;

3324 (iii) require a request for an electronic meeting to be made by a member of a public
3325 body up to three days prior to the meeting to allow for arrangements to be made for the
3326 electronic meeting;

3327 (iv) restrict the number of separate connections for members of the public body that are
3328 allowed for an electronic meeting based on available equipment capability;

3329 (v) if the public body is statutorily authorized to allow a member of the public body to
3330 act by proxy, establish the conditions under which a member may vote or take other action by
3331 proxy; or

3332 (vi) establish other procedures, limitations, or conditions governing electronic meetings
3333 not in conflict with this section.

3334 (3) A public body that convenes and conducts an electronic meeting shall:

3335 (a) give public notice of the electronic meeting in accordance with Section [52-4-202](#);

3336 (b) except for an electronic meeting described in Subsection (5), post written notice of
3337 the electronic meeting at the anchor location; and

3338 (c) except as otherwise provided in a rule of the Legislature applicable to the public
3339 body, at least 24 hours before the electronic meeting is scheduled to begin, provide each
3340 member of the public body a description of how to electronically connect to the meeting.

3341 (4) (a) Except as provided in Subsection (5), a public body that convenes and conducts
3342 an electronic meeting shall provide space and facilities at an anchor location for members of
3343 the public to attend the open portions of the meeting.

3344 (b) A public body that convenes and conducts an electronic meeting may provide

3345 means by which members of the public may attend the meeting remotely by electronic means.

3346 (5) Subsection (4)(a) does not apply to an electronic meeting if:

3347 (a) (i) the chair of the public body determines that:

3348 (A) conducting the meeting as provided in Subsection (4)(a) presents a substantial risk
3349 to the health or safety of those present or who would otherwise be present at the anchor
3350 location; or

3351 (B) the location where the public body would normally meet has been ordered closed
3352 to the public for health or safety reasons; and

3353 (ii) the public notice for the meeting includes:

3354 (A) a statement describing the chair's determination under Subsection (5)(a)(i);

3355 (B) a summary of the facts upon which the chair's determination is based; and

3356 (C) information on how a member of the public may attend the meeting remotely by
3357 electronic means;

3358 (b) (i) during the course of the electronic meeting, the chair:

3359 (A) determines that continuing to conduct the electronic meeting as provided in
3360 Subsection (4)(a) presents a substantial risk to the health or safety of those present at the
3361 anchor location; and

3362 (B) announces during the electronic meeting the chair's determination under Subsection
3363 (5)(b)(i)(A) and states a summary of the facts upon which the determination is made; and

3364 (ii) in convening the electronic meeting, the public body has provided means by which
3365 members of the public who are not physically present at the anchor location may attend the
3366 electronic meeting remotely by electronic means;

3367 (c) (i) the public body is a special district board of trustees established under Title 17B,
3368 Chapter 1, Part 3, Board of Trustees;

3369 (ii) the board of trustees' membership consists of:

3370 (A) at least two members who are elected or appointed to the board as owners of land,
3371 or as an agent or officer of the owners of land, under the criteria described in Subsection
3372 [17B-1-302\(2\)\(b\)](#); or

3373 (B) at least one member who is elected or appointed to the board as an owner of land,
3374 or as an agent or officer of the owner of land, under the criteria described in Subsection

3375 [~~[17B-1-302\(3\)\(a\)\(ii\)](#)~~] [17B-1-302\(3\)\(b\)\(ii\)](#);

3376 (iii) the public notice required under Subsection 52-4-202(3)(a)(i)(B) for the electronic
3377 meeting includes information on how a member of the public may attend the meeting remotely
3378 by electronic means; and

3379 (iv) the board of trustees allows members of the public attending the meeting by
3380 remote electronic means to participate in the meeting; or

3381 (d) (i) the public body is a special service district administrative control board
3382 established under Title 17D, Chapter 1, Part 3, Administrative Control Board;

3383 (ii) the administrative control board's membership consists of:

3384 (A) at least one member who is elected or appointed to the board as an owner of land,
3385 or as an agent or officer of the owner of land, under the criteria described in Subsection
3386 17D-1-304(1)(a)(iii)(A) or (B), as applicable; or

3387 (B) members that qualify for election or appointment to the board because the owners
3388 of real property in the special service district meet or exceed the threshold percentage described
3389 in Subsection 17D-1-304(1)(b)(i);

3390 (iii) the public notice required under Subsection 52-4-202(3)(a)(i)(B) for the electronic
3391 meeting includes information on how a member of the public may attend the meeting remotely
3392 by electronic means; and

3393 (iv) the administrative control board allows members of the public attending the
3394 meeting by remote electronic means to participate in the meeting.

3395 (6) A determination under Subsection (5)(a)(i) expires 30 days after the day on which
3396 the chair of the public body makes the determination.

3397 (7) Compliance with the provisions of this section by a public body constitutes full and
3398 complete compliance by the public body with the corresponding provisions of Sections
3399 52-4-201 and 52-4-202.

3400 (8) Unless a public body adopts a resolution, rule, or ordinance described in Subsection
3401 (2)(c)(v), a public body that is conducting an electronic meeting may not allow a member to
3402 vote or otherwise act by proxy.

3403 (9) Except for a unanimous vote, a public body that is conducting an electronic
3404 meeting shall take all votes by roll call.

3405 Section 54. **Effective date.**

3406 This bill takes effect on May 1, 2024.