

UNINCORPORATED AREAS AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jordan D. Teuscher

Senate Sponsor: Kirk A. Cullimore

LONG TITLE

General Description:

This bill modifies provisions relating to unincorporated areas of a county of the first class.

Highlighted Provisions:

This bill:

- ▶ provides for unincorporated islands within a county of the first class to be automatically annexed to an adjoining municipality;
- ▶ allows a community council area within a county of the first class to incorporate as a municipality;
- ▶ modifies provisions relating to a feasibility study for a proposed incorporation; and
- ▶ makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

10-2-403, as last amended by Laws of Utah 2023, Chapters 16, 34 and 478

10-2-425 (Superseded 07/01/24), as last amended by Laws of Utah 2023, Chapters 16,

327



28 **10-2-425 (Effective 07/01/24)**, as last amended by Laws of Utah 2023, Chapters 16,
 29 310 and 327
 30 **10-2a-102**, as last amended by Laws of Utah 2023, Chapter 224
 31 **10-2a-103**, as last amended by Laws of Utah 2023, Chapter 224
 32 **10-2a-201.5**, as last amended by Laws of Utah 2023, Chapter 224
 33 **10-2a-202**, as last amended by Laws of Utah 2023, Chapter 224
 34 **10-2a-204.5**, as renumbered and amended by Laws of Utah 2023, Chapter 224
 35 **10-2a-205**, as last amended by Laws of Utah 2023, Chapters 16, 224
 36 **10-2a-210**, as last amended by Laws of Utah 2023, Chapters 16, 224 and 435
 37 **17B-1-414**, as last amended by Laws of Utah 2023, Chapter 15
 38 **17B-1-512**, as last amended by Laws of Utah 2023, Chapter 15

39 ENACTS:

40 **10-2-429**, Utah Code Annotated 1953



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

43 Section 1. Section **10-2-403** is amended to read:

44 **10-2-403. Annexation petition -- Requirements -- Notice required before filing.**

45 (1) Except as provided in Section **10-2-418** and except for an automatic annexation
 46 under Section **10-2-429**, the process to annex an unincorporated area to a municipality is
 47 initiated by a petition as provided in this section.

48 (2) (a) (i) Before filing a petition under Subsection (1), the person or persons intending
 49 to file a petition shall:

50 (A) file with the city recorder or town clerk of the proposed annexing municipality a
 51 notice of intent to file a petition; and

52 (B) send a copy of the notice of intent to each affected entity.

53 (ii) Each notice of intent under Subsection (2)(a)(i) shall include an accurate map of the
 54 area that is proposed to be annexed.

55 (b) (i) Subject to Subsection (2)(b)(ii), the county in which the area proposed to be
 56 annexed is located shall:

57 (A) mail the notice described in Subsection (2)(b)(iii) to:

58 (I) each owner of real property located within the area proposed to be annexed; and

59 (II) each owner of real property located within 300 feet of the area proposed to be
60 annexed; and

61 (B) send to the proposed annexing municipality a copy of the notice and a certificate
62 indicating that the notice has been mailed as required under Subsection (2)(b)(i)(A).

63 (ii) The county shall mail the notice required under Subsection (2)(b)(i)(A) within 20
64 days after receiving from the person or persons who filed the notice of intent:

65 (A) a written request to mail the required notice; and

66 (B) payment of an amount equal to the county's expected actual cost of mailing the
67 notice.

68 (iii) Each notice required under Subsection (2)(b)(i)(A) shall:

69 (A) be in writing;

70 (B) state, in bold and conspicuous terms, substantially the following:

71 "Attention: Your property may be affected by a proposed annexation.

72 Records show that you own property within an area that is intended to be included in a
73 proposed annexation to (state the name of the proposed annexing municipality) or that is within
74 300 feet of that area. If your property is within the area proposed for annexation, you may be
75 asked to sign a petition supporting the annexation. You may choose whether to sign the
76 petition. By signing the petition, you indicate your support of the proposed annexation. If you
77 sign the petition but later change your mind about supporting the annexation, you may
78 withdraw your signature by submitting a signed, written withdrawal with the recorder or clerk
79 of (state the name of the proposed annexing municipality) within 30 days after (state the name
80 of the proposed annexing municipality) receives notice that the petition has been certified.

81 There will be no public election on the proposed annexation because Utah law does not
82 provide for an annexation to be approved by voters at a public election. Signing or not signing
83 the annexation petition is the method under Utah law for the owners of property within the area
84 proposed for annexation to demonstrate their support of or opposition to the proposed
85 annexation.

86 You may obtain more information on the proposed annexation by contacting (state the
87 name, mailing address, telephone number, and email address of the official or employee of the
88 proposed annexing municipality designated to respond to questions about the proposed
89 annexation), (state the name, mailing address, telephone number, and email address of the

90 county official or employee designated to respond to questions about the proposed annexation),
91 or (state the name, mailing address, telephone number, and email address of the person who
92 filed the notice of intent under Subsection (2)(a)(i)(A), or, if more than one person filed the
93 notice of intent, one of those persons). Once filed, the annexation petition will be available for
94 inspection and copying at the office of (state the name of the proposed annexing municipality)
95 located at (state the address of the municipal offices of the proposed annexing municipality).";
96 and

97 (C) be accompanied by an accurate map identifying the area proposed for annexation.

98 (iv) A county may not mail with the notice required under Subsection (2)(b)(i)(A) any
99 other information or materials related or unrelated to the proposed annexation.

100 (c) (i) After receiving the certificate from the county as provided in Subsection
101 (2)(b)(i)(B), the proposed annexing municipality shall, upon request from the person or persons
102 who filed the notice of intent under Subsection (2)(a)(i)(A), provide an annexation petition for
103 the annexation proposed in the notice of intent.

104 (ii) An annexation petition provided by the proposed annexing municipality may be
105 duplicated for circulation for signatures.

106 (3) Each petition under Subsection (1) shall:

107 (a) be filed with the applicable city recorder or town clerk of the proposed annexing
108 municipality;

109 (b) contain the signatures of, if all the real property within the area proposed for
110 annexation is owned by a public entity other than the federal government, the owners of all the
111 publicly owned real property, or the owners of private real property that:

112 (i) is located within the area proposed for annexation;

113 (ii) (A) subject to Subsection (3)(b)(ii)(C), covers a majority of the private land area
114 within the area proposed for annexation;

115 (B) covers 100% of all of the rural real property within the area proposed for
116 annexation; and

117 (C) covers 100% of all of the private land area within the area proposed for annexation
118 or a migratory bird production area created under Title 23A, Chapter 13, Migratory Bird
119 Production Area; and

120 (iii) is equal in value to at least 1/3 of the value of all private real property within the

121 area proposed for annexation;

122 (c) be accompanied by:

123 (i) an accurate and recordable map, prepared by a licensed surveyor in accordance with

124 Section 17-23-20, of the area proposed for annexation; and

125 (ii) a copy of the notice sent to affected entities as required under Subsection

126 (2)(a)(i)(B) and a list of the affected entities to which notice was sent;

127 (d) contain on each signature page a notice in bold and conspicuous terms that states

128 substantially the following:

129 "Notice:

130 • There will be no public election on the annexation proposed by this petition because

131 Utah law does not provide for an annexation to be approved by voters at a public election.

132 • If you sign this petition and later decide that you do not support the petition, you may

133 withdraw your signature by submitting a signed, written withdrawal with the recorder or clerk

134 of (state the name of the proposed annexing municipality). If you choose to withdraw your

135 signature, you shall do so no later than 30 days after (state the name of the proposed annexing

136 municipality) receives notice that the petition has been certified.";

137 (e) if the petition proposes a cross-county annexation, as defined in Section 10-2-402.5,

138 be accompanied by a copy of the resolution described in Subsection 10-2-402.5(4)(a)(iii)(A);

139 and

140 (f) designate up to five of the signers of the petition as sponsors, one of whom shall be

141 designated as the contact sponsor, and indicate the mailing address of each sponsor.

142 (4) A petition under Subsection (1) may not propose the annexation of all or part of an

143 area proposed for annexation to a municipality in a previously filed petition that has not been

144 denied, rejected, or granted.

145 (5) If practicable and feasible, the boundaries of an area proposed for annexation shall

146 be drawn:

147 (a) along the boundaries of existing special districts and special service districts for

148 sewer, water, and other services, along the boundaries of school districts whose boundaries

149 follow city boundaries or school districts adjacent to school districts whose boundaries follow

150 city boundaries, and along the boundaries of other taxing entities;

151 (b) to eliminate islands and peninsulas of territory that is not receiving municipal-type

152 services;

153 (c) to facilitate the consolidation of overlapping functions of local government;

154 (d) to promote the efficient delivery of services; and

155 (e) to encourage the equitable distribution of community resources and obligations.

156 (6) On the date of filing, the petition sponsors shall deliver or mail a copy of the
157 petition to the clerk of the county in which the area proposed for annexation is located.

158 (7) A property owner who signs an annexation petition may withdraw the owner's
159 signature by filing a written withdrawal, signed by the property owner, with the city recorder or
160 town clerk no later than 30 days after the municipal legislative body's receipt of the notice of
161 certification under Subsection 10-2-405(2)(c)(i).

162 Section 2. Section 10-2-425 (Superseded 07/01/24) is amended to read:

163 **10-2-425 (Superseded 07/01/24). Filing of notice and plat -- Recording and notice**
164 **requirements -- Effective date of annexation or boundary adjustment.**

165 (1) [The] As used in this section:

166 (a) "Annexation action" means:

167 (i) the enactment of an ordinance annexing an unincorporated area;

168 (ii) an election approving an annexation under Section 10-2a-404;

169 (iii) the enactment of an ordinance approving a boundary adjustment by each of the
170 municipalities involved in the boundary adjustment; or

171 (iv) an automatic annexation under Section 10-2-429.

172 (b) "Applicable legislative body" means:

173 (i) the legislative body of each municipality that enacts an ordinance under this part
174 approving the annexation of an unincorporated area or the adjustment of a boundary[; or];

175 (ii) the legislative body of an eligible city, as defined in Section 10-2a-403, that
176 annexes an unincorporated island upon the results of an election held in accordance with
177 Section 10-2a-404[;]; or

178 (iii) the legislative body of a municipality to which an unincorporated island is
179 automatically annexed under Section 10-2-429.

180 (2) An applicable legislative body shall:

181 (a) within 60 days after [enacting the ordinance or the day of the election or, in the case
182 of a boundary adjustment, within 60 days after each of the municipalities involved in the

183 ~~boundary adjustment has enacted an ordinance]~~ an annexation action, file with the lieutenant
184 governor:

185 (i) a notice of an impending boundary action, as defined in Section 67-1a-6.5, that
186 meets the requirements of Subsection 67-1a-6.5(3); and

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

188 (b) upon the lieutenant governor's issuance of a certificate of annexation or boundary
189 adjustment, as the case may be, under Section 67-1a-6.5:

190 (i) if the annexed area or area subject to the boundary adjustment is located within the
191 boundary of a single county, submit to the recorder of that county the original notice of an
192 impending boundary action, the original certificate of annexation or boundary adjustment, the
193 original approved final local entity plat, and a certified copy of the ordinance approving the
194 annexation or boundary adjustment; or

195 (ii) if the annexed area or area subject to the boundary adjustment is located within the
196 boundaries of more than a single county:

197 (A) submit to the recorder of one of those counties the original notice of impending
198 boundary action, the original certificate of annexation or boundary adjustment, and the original
199 approved final local entity plat;

200 (B) submit to the recorder of each other county a certified copy of the documents listed
201 in Subsection (1)(b)(ii)(A); and

202 (C) submit a certified copy of the ordinance approving the annexation or boundary
203 adjustment to each county described in Subsections (1)(b)(ii)(A) and (B); and

204 (c) concurrently with Subsection (1)(b):

205 (i) send notice of the annexation or boundary adjustment to each affected entity; and

206 (ii) in accordance with Section 26B-4-168, file with the Department of Health and
207 Human Services:

208 (A) a certified copy of the ordinance approving the annexation of an unincorporated
209 area or the adjustment of a boundary, if applicable; and

210 (B) a copy of the approved final local entity plat.

211 [(2)] (3) If an annexation or boundary adjustment under this part or Chapter 2a, Part 4,
212 Incorporation of Metro Townships and Unincorporated Islands in a County of the First Class
213 on and after May 12, 2015, also causes an automatic annexation to a special district under

214 Section 17B-1-416 or an automatic withdrawal from a special district under Subsection
215 17B-1-502(2), the municipal legislative body shall, as soon as practicable after the lieutenant
216 governor issues a certificate of annexation or boundary adjustment under Section 67-1a-6.5,
217 send notice of the annexation or boundary adjustment to the special district to which the
218 annexed area is automatically annexed or from which the annexed area is automatically
219 withdrawn.

220 ~~[(3)]~~ (4) Each notice required under Subsection (1) relating to an annexation or
221 boundary adjustment shall state the effective date of the annexation or boundary adjustment, as
222 determined under Subsection ~~[(4)]~~ (5).

223 ~~[(4)]~~ (5) An annexation or boundary adjustment under this part is completed and takes
224 effect:

225 (a) for the annexation of or boundary adjustment affecting an area located in a county
226 of the first class, except for an annexation under Section 10-2-418:

227 (i) July 1 following the lieutenant governor's issuance under Section 67-1a-6.5 of a
228 certificate of annexation or boundary adjustment if:

229 (A) the certificate is issued during the preceding November 1 through April 30; and

230 (B) the requirements of Subsection (1) are met before that July 1; or

231 (ii) January 1 following the lieutenant governor's issuance under Section 67-1a-6.5 of a
232 certificate of annexation or boundary adjustment if:

233 (A) the certificate is issued during the preceding May 1 through October 31; and

234 (B) the requirements of Subsection (1) are met before that January 1; and

235 (b) subject to Subsection ~~[(5)]~~ (6), for all other annexations and boundary adjustments,
236 the date of the lieutenant governor's issuance, under Section 67-1a-6.5, of a certificate of
237 annexation or boundary adjustment.

238 ~~[(5)]~~ (6) If an annexation of an unincorporated island is based upon the results of an
239 election held in accordance with Section 10-2a-404:

240 (a) the county and the annexing municipality may agree to a date on which the
241 annexation is complete and takes effect; and

242 (b) the lieutenant governor shall issue, under Section 67-1a-6.5, a certification of
243 annexation on the date agreed to under Subsection ~~[(5)(a)]~~ (6)(a).

244 ~~[(6)]~~ (7) (a) As used in this Subsection ~~[(6)]~~ (7):

245 (i) "Affected area" means:

246 (A) in the case of an annexation, the annexed area; and

247 (B) in the case of a boundary adjustment, any area that, as a result of the boundary
248 adjustment, is moved from within the boundary of one municipality to within the boundary of
249 another municipality.

250 (ii) "Annexing municipality" means:

251 (A) in the case of an annexation, the municipality that annexes an unincorporated area
252 or the municipality to which an unincorporated island is automatically annexed under Section
253 10-2-429; and

254 (B) in the case of a boundary adjustment, a municipality whose boundary includes an
255 affected area as a result of a boundary adjustment.

256 (b) The effective date of an annexation or boundary adjustment for purposes of
257 assessing property within an affected area is governed by Section 59-2-305.5.

258 (c) Until the documents listed in Subsection [~~(1)(b)(i)~~] (2)(b)(i) are recorded in the
259 office of the recorder of each county in which the property is located, a municipality may not:

260 (i) levy or collect a property tax on property within an affected area;

261 (ii) levy or collect an assessment on property within an affected area; or

262 (iii) charge or collect a fee for service provided to property within an affected area,
263 unless the municipality was charging and collecting the fee within that area immediately before
264 annexation.

265 Section 3. Section **10-2-425 (Effective 07/01/24)** is amended to read:

266 **10-2-425 (Effective 07/01/24). Filing of notice and plat -- Recording and notice**
267 **requirements -- Effective date of annexation or boundary adjustment.**

268 (1) ~~[The]~~ As used in this section:

269 (a) "Annexation action" means:

270 (i) the enactment of an ordinance annexing an unincorporated area;

271 (ii) an election approving an annexation under Section 10-2a-404;

272 (iii) the enactment of an ordinance approving a boundary adjustment by each of the
273 municipalities involved in the boundary adjustment; or

274 (iv) an automatic annexation under Section 10-2-429.

275 (b) "Applicable legislative body" means:

276 (i) the legislative body of each municipality that enacts an ordinance under this part
277 approving the annexation of an unincorporated area or the adjustment of a boundary~~[, or];~~

278 (ii) the legislative body of an eligible city, as defined in Section 10-2a-403, that
279 annexes an unincorporated island upon the results of an election held in accordance with
280 Section 10-2a-404~~[;]; or~~

281 (iii) the legislative body of a municipality to which an unincorporated island is
282 automatically annexed under Section 10-2-429.

283 (2) An applicable legislative body shall:

284 (a) ~~within 60 days after [enacting the ordinance or the day of the election or, in the case~~
285 ~~of a boundary adjustment, within 60 days after each of the municipalities involved in the~~
286 ~~boundary adjustment has enacted an ordinance]~~ an annexation action, file with the lieutenant
287 governor:

288 (i) a notice of an impending boundary action, as defined in Section 67-1a-6.5, that
289 meets the requirements of Subsection 67-1a-6.5(3); and

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

291 (b) upon the lieutenant governor's issuance of a certificate of annexation or boundary
292 adjustment, as the case may be, under Section 67-1a-6.5:

293 (i) if the annexed area or area subject to the boundary adjustment is located within the
294 boundary of a single county, submit to the recorder of that county the original notice of an
295 impending boundary action, the original certificate of annexation or boundary adjustment, the
296 original approved final local entity plat, and a certified copy of the ordinance approving the
297 annexation or boundary adjustment; or

298 (ii) if the annexed area or area subject to the boundary adjustment is located within the
299 boundaries of more than a single county:

300 (A) submit to the recorder of one of those counties the original notice of impending
301 boundary action, the original certificate of annexation or boundary adjustment, and the original
302 approved final local entity plat;

303 (B) submit to the recorder of each other county a certified copy of the documents listed
304 in Subsection (1)(b)(ii)(A); and

305 (C) submit a certified copy of the ordinance approving the annexation or boundary
306 adjustment to each county described in Subsections (1)(b)(ii)(A) and (B); and

307 (c) concurrently with Subsection (1)(b):
 308 (i) send notice of the annexation or boundary adjustment to each affected entity; and
 309 (ii) in accordance with Section 53-2d-514, file with the Bureau of Emergency Medical
 310 Services:

311 (A) a certified copy of the ordinance approving the annexation of an unincorporated
 312 area or the adjustment of a boundary, if applicable; and

313 (B) a copy of the approved final local entity plat.

314 ~~[(2)]~~ (3) If an annexation or boundary adjustment under this part or Chapter 2a, Part 4,
 315 Incorporation of Metro Townships and Unincorporated Islands in a County of the First Class
 316 on and after May 12, 2015, also causes an automatic annexation to a special district under
 317 Section 17B-1-416 or an automatic withdrawal from a special district under Subsection
 318 17B-1-502(2), the municipal legislative body shall, as soon as practicable after the lieutenant
 319 governor issues a certificate of annexation or boundary adjustment under Section 67-1a-6.5,
 320 send notice of the annexation or boundary adjustment to the special district to which the
 321 annexed area is automatically annexed or from which the annexed area is automatically
 322 withdrawn.

323 ~~[(3)]~~ (4) Each notice required under Subsection (1) relating to an annexation or
 324 boundary adjustment shall state the effective date of the annexation or boundary adjustment, as
 325 determined under Subsection ~~[(4)]~~ (5).

326 ~~[(4)]~~ (5) An annexation or boundary adjustment under this part is completed and takes
 327 effect:

328 (a) for the annexation of or boundary adjustment affecting an area located in a county
 329 of the first class, except for an annexation under Section 10-2-418:

330 (i) July 1 following the lieutenant governor's issuance under Section 67-1a-6.5 of a
 331 certificate of annexation or boundary adjustment if:

332 (A) the certificate is issued during the preceding November 1 through April 30; and

333 (B) the requirements of Subsection (1) are met before that July 1; or

334 (ii) January 1 following the lieutenant governor's issuance under Section 67-1a-6.5 of a
 335 certificate of annexation or boundary adjustment if:

336 (A) the certificate is issued during the preceding May 1 through October 31; and

337 (B) the requirements of Subsection (1) are met before that January 1; and

338 (b) subject to Subsection [~~(5)~~] (6), for all other annexations and boundary adjustments,
339 the date of the lieutenant governor's issuance, under Section 67-1a-6.5, of a certificate of
340 annexation or boundary adjustment.

341 [~~(5)~~] (6) If an annexation of an unincorporated island is based upon the results of an
342 election held in accordance with Section 10-2a-404:

343 (a) the county and the annexing municipality may agree to a date on which the
344 annexation is complete and takes effect; and

345 (b) the lieutenant governor shall issue, under Section 67-1a-6.5, a certification of
346 annexation on the date agreed to under Subsection [~~(5)(a)~~] (6)(a).

347 [~~(6)~~] (7) (a) As used in this Subsection [~~(6)~~] (7):

348 (i) "Affected area" means:

349 (A) in the case of an annexation, the annexed area; and

350 (B) in the case of a boundary adjustment, any area that, as a result of the boundary
351 adjustment, is moved from within the boundary of one municipality to within the boundary of
352 another municipality.

353 (ii) "Annexing municipality" means:

354 (A) in the case of an annexation, the municipality that annexes an unincorporated area
355 or the municipality to which an unincorporated island is automatically annexed under Section
356 10-2-429; and

357 (B) in the case of a boundary adjustment, a municipality whose boundary includes an
358 affected area as a result of a boundary adjustment.

359 (b) The effective date of an annexation or boundary adjustment for purposes of
360 assessing property within an affected area is governed by Section 59-2-305.5.

361 (c) Until the documents listed in Subsection [~~(1)(b)(i)~~] (2)(b)(i) are recorded in the
362 office of the recorder of each county in which the property is located, a municipality may not:

363 (i) levy or collect a property tax on property within an affected area;

364 (ii) levy or collect an assessment on property within an affected area; or

365 (iii) charge or collect a fee for service provided to property within an affected area,

366 unless the municipality was charging and collecting the fee within that area immediately before
367 annexation.

368 Section 4. Section 10-2-429 is enacted to read:

369 **10-2-429. Automatic annexations in county of the first class.**

370 (1) As used in this section:

371 (a) "Most populous bordering municipality" means the municipality with the highest
372 population of any municipality that shares a common border with an unincorporated island.

373 (b) "Unincorporated island" means an area that is:

374 (i) within a county of the first class;

375 (ii) not within a municipality; and

376 (iii) completely surrounded by municipalities within the county of the first class.

377 (2) (a) Notwithstanding any other provision of this part, on July 1, 2027 an
378 unincorporated island is automatically annexed to the most populous bordering municipality.

379 (b) The effective date of an annexation under Subsection (2)(a) is governed by Section
380 10-2-425.

381 Section 5. Section **10-2a-102** is amended to read:

382 **10-2a-102. Definitions.**

383 (1) As used in this [~~part and Part 2, Incorporation of a Municipality~~] chapter:

384 (a) "Community council area" means the cumulative areas within the geographic
385 boundary of a community council that is formally recognized by a county of the first class
386 pursuant to county ordinance.

387 [~~(a)~~] (b) "Contact sponsor" means the person designated in the feasibility request as the
388 contact sponsor under Subsection 10-2a-202(2)(d).

389 [~~(b)~~] (c) (i) "Contiguous" means, except as provided in Subsection (1)(b)(ii), the same
390 as that term is defined in Section 10-1-104.

391 (ii) "Contiguous" does not include a circumstance where:

392 (A) two areas of land are only connected by a strip of land between geographically
393 separate areas; and

394 (B) the distance between the geographically separate areas described in Subsection
395 [~~(1)(b)(ii)(A)~~] (1)(c)(ii)(A) is greater than the average width of the strip of land connecting the
396 geographically separate areas.

397 [~~(c)~~] (d) "Feasibility consultant" means a person or firm:

398 (i) with expertise in the processes and economics of local government; and

399 (ii) who is independent of and not affiliated with a county or sponsor of a petition to

400 incorporate.

401 ~~[(d)]~~ (e) "Feasibility request" means a request, described in Section 10-2a-202, for a
402 feasibility study for the proposed incorporation of a municipality.

403 ~~[(e)]~~ (f) (i) "Municipal service" means any of the following that are publicly provided:

404 (A) culinary water;

405 (B) secondary water;

406 (C) sewer service;

407 (D) storm drainage or flood control;

408 (E) recreational facilities or parks;

409 (F) electrical power generation or distribution;

410 (G) construction or maintenance of local streets and roads;

411 (H) street lighting;

412 (I) curb, gutter, and sidewalk maintenance;

413 (J) law or code enforcement service;

414 (K) fire protection service;

415 (L) animal services;

416 (M) planning and zoning;

417 (N) building permits and inspections;

418 (O) refuse collection; or

419 (P) weed control.

420 (ii) "Municipal service" includes the physical facilities required to provide a service
421 described in Subsection ~~[(1)(e)(i)]~~ (1)(f)(i).

422 ~~[(f)]~~ (g) "Private," with respect to real property, means taxable property.

423 (2) For purposes of this part:

424 (a) the owner of real property shall be the record title owner according to the records of
425 the county recorder on the date of the filing of the feasibility request or petition for
426 incorporation; and

427 (b) the assessed fair market value of private real property shall be determined
428 according to the last assessment roll for county taxes before the filing of the feasibility request
429 or petition for incorporation.

430 (3) For purposes of each provision of this part that requires the owners of private real

431 property covering a percentage or fraction of the total private land area within an area to sign a
432 feasibility request or a petition for incorporation:

433 (a) a parcel of real property may not be included in the calculation of the required
434 percentage or fraction unless the feasibility request or petition for incorporation is signed by:

435 (i) except as provided in Subsection (3)(a)(ii), owners representing a majority
436 ownership interest in that parcel; or

437 (ii) if the parcel is owned by joint tenants or tenants by the entirety, 50% of the number
438 of owners of that parcel;

439 (b) the signature of a person signing a feasibility request or a petition for incorporation
440 in a representative capacity on behalf of an owner is invalid unless:

441 (i) the person's representative capacity and the name of the owner the person represents
442 are indicated on the feasibility request or petition for incorporation with the person's signature;
443 and

444 (ii) the person provides documentation accompanying the feasibility request or petition
445 for incorporation that substantiates the person's representative capacity; and

446 (c) subject to Subsection (3)(b), a duly appointed personal representative may sign a
447 feasibility request or a petition for incorporation on behalf of a deceased owner.

448 Section 6. Section **10-2a-103** is amended to read:

449 **10-2a-103. Incorporation of a contiguous area -- Incorporation involving more**
450 **than one county.**

451 (1) (a) [~~A~~] An unincorporated contiguous area of a county not within a municipality
452 may incorporate as a municipality as provided in this chapter.

453 (b) Two or more noncontiguous unincorporated areas within a county of the first class
454 may incorporate as a municipality, as provided in this chapter, if those areas constitute a
455 community council area.

456 (2) If a proposed incorporation relates to an area in more than one county:

457 (a) the individual who files the feasibility request shall file the request with each
458 county containing a portion of the area proposed for incorporation; and

459 (b) the counties shall work together, in accordance with direction given by the
460 lieutenant governor, to complete the actions required by this chapter.

461 Section 7. Section **10-2a-201.5** is amended to read:

462 **10-2a-201.5. Qualifications for incorporation.**

463 (1) (a) An area may incorporate as a town in accordance with this part if the area:

464 (i) (A) is contiguous; or

465 (B) is a community council area;

466 (ii) has a population of at least 100 people, but fewer than 1,000 people; and

467 (iii) is not already part of a municipality.

468 (b) An area may incorporate as a city in accordance with this part if the area:

469 (i) (A) is contiguous; or

470 (B) is a community council area;

471 (ii) has a population of 1,000 people or more; and

472 (iii) is not already part of a municipality.

473 (2) (a) An area may not incorporate under this part if:

474 (i) the area has a population of fewer than 100 people; or

475 (ii) except as provided in Subsection (2)(b), the area has an average population density
476 of fewer than seven people per square mile.

477 (b) Subsection (2)(a)(ii) does not prohibit incorporation of an area if:

478 (i) noncompliance with Subsection (2)(a)(ii) is necessary to connect separate areas that
479 share a demonstrable community interest; and

480 (ii) the area is contiguous.

481 (3) An area incorporating under this part may not include land owned by the United
482 States federal government unless:

483 (a) the area, including the land owned by the United States federal government, is
484 contiguous; and

485 (b) (i) incorporating the land is necessary to connect separate areas that share a
486 demonstrable community interest; or

487 (ii) excluding the land from the incorporating area would create an unincorporated
488 island within the proposed municipality.

489 (4) (a) Except as provided in Subsection (4)(b), an area incorporating under this part
490 may not include some or all of an area proposed for annexation in an annexation petition under
491 Section 10-2-403 that:

492 (i) was filed before the filing of the request for a feasibility study, described in Section

493 10-2a-202, relating to the incorporating area; and

494 (ii) is still pending on the date the request for the feasibility study described in
495 Subsection (4)(a)(i) is filed.

496 (b) A feasibility request may propose for incorporation an area that includes some or
497 all of an area proposed for annexation in an annexation petition described in Subsection (4)(a)
498 if:

499 (i) the proposed annexation area that is part of the area proposed for incorporation does
500 not exceed 20% of the area proposed for incorporation;

501 (ii) the feasibility request complies with Subsections 10-2a-202(1) through (4) with
502 respect to excluding the proposed annexation area from the area proposed for incorporation;
503 and

504 (iii) excluding the area proposed for annexation from the area proposed for
505 incorporation would not cause the area proposed for incorporation to not be contiguous.

506 (c) Except as provided in Section 10-2a-206, the lieutenant governor shall consider
507 each feasibility request to which Subsection (4)(b) applies as not proposing the incorporation of
508 an area proposed for annexation.

509 (5) (a) An area incorporating under this part may not include part of a parcel of real
510 property and exclude part of that same parcel unless the owner of the parcel gives written
511 consent to exclude part of the parcel.

512 (b) A piece of real property that has more than one parcel number is considered to be a
513 single parcel for purposes of Subsection (5)(a) if owned by the same owner.

514 Section 8. Section 10-2a-202 is amended to read:

515 **10-2a-202. Feasibility request -- Requirements -- Limitations.**

516 (1) The process to incorporate [~~a contiguous area of a county~~] an unincorporated area
517 as a municipality is initiated by an individual filing a feasibility request, with the county clerk
518 of the county where the area proposed to be incorporated is located, that includes:

519 (a) the signatures of the owners of private real property that:

520 (i) is located within the area proposed to be incorporated;

521 (ii) covers at least 10% of the total private land area within the area; and

522 (iii) is, as of January 1 of the current year, equal in assessed fair market value to at least
523 7% of the assessed fair market value of all private real property within the area; and

524 (b) the typed or printed name and current residence address of each owner signing the
525 request.

526 (2) The feasibility request shall include:

527 (a) a description of the [~~contiguous~~] unincorporated area proposed to be incorporated
528 as a municipality;

529 (b) a designation of up to five signers of the request as sponsors, one of whom is
530 designated as the contact sponsor, with the mailing address and telephone number of each;

531 (c) an accurate map or plat, prepared by a licensed surveyor, showing a legal
532 description of the boundaries of the proposed municipality; and

533 (d) a request that the lieutenant governor commission a study to determine the
534 feasibility of incorporating the area as a municipality.

535 (3) The individual described in Subsection (1) shall, on the day on which the individual
536 files the feasibility request with the county clerk, provide to the lieutenant governor:

537 (a) written notice that the individual filed the feasibility request that indicates the day
538 on which the individual filed the feasibility request; and

539 (b) a complete copy of the feasibility request.

540 (4) A feasibility request may not propose for incorporation an area that includes some
541 or all of an area that is the subject of a completed feasibility study or supplemental feasibility
542 study whose results comply with Subsection 10-2a-205(5)(a) unless:

543 (a) the proposed incorporation that is the subject of the completed feasibility study or
544 supplemental feasibility study has been defeated by the voters at an election under Section
545 10-2a-210; or

546 (b) the time described in Subsection 10-2a-208(1) for filing an incorporation petition
547 based on the completed feasibility study or supplemental feasibility study has elapsed without
548 the sponsors filing an incorporation petition under Section 10-2a-208.

549 (5) Sponsors may not file a feasibility request relating to the incorporation of a town if
550 the cumulative private real property that the sponsors own exceeds 40% of the total private
551 land area within the boundaries of the proposed town.

552 Section 9. Section 10-2a-204.5 is amended to read:

553 **10-2a-204.5. Notice to owner of property -- Exclusion or inclusion of property**
554 **from or in proposed municipality.**

555 (1) As used in this section:

556 (a) "Owner" means a person having an interest in real property, including an affiliate,
557 subsidiary, or parent company.

558 (b) "Specified landowner" means a record owner of real property:

559 (i) who owns more than:

560 (A) 1% of the assessed fair market value, as of January 1 of the current year, of all
561 property within the boundaries of a proposed incorporation; or

562 (B) 10% of the total private land area within the boundaries of a proposed
563 incorporation; or

564 (ii) located in a mining protection area as defined in Section 17-41-101.

565 (2) Within 30 calendar days after the day of the first public hearing described in
566 Section 10-2a-204.3:

567 (a) a specified landowner may request that the county clerk exclude all or part of the
568 land owned by the specified landowner from the area proposed for incorporation by filing a
569 request for exclusion with the county clerk that describes the land for which the specified
570 landowner requests exclusion; or

571 (b) any owner of land located within the county where the area proposed for
572 incorporation is located may file a request that all or part of that land be included in the area
573 proposed for incorporation by filing a request for inclusion with the county clerk that describes
574 the land that the landowner desires to include.

575 (3) The county clerk shall exclude the land identified by a specified landowner under
576 Subsection (2)(a) from the proposed incorporation boundaries unless the county clerk finds by
577 clear and convincing evidence that:

578 (a) except for a proposed incorporation of a community council area, the exclusion will
579 leave an unincorporated island within the proposed municipality; and

580 (b) the land receives from the county a majority of currently provided municipal
581 services.

582 (4) The county clerk shall include land identified by a landowner under Subsection
583 (2)(b) in the area proposed for incorporation unless the county clerk finds by clear and
584 convincing evidence that:

585 (a) except for a proposed incorporation of a community council area, the land will not

586 be contiguous with the area of the proposed municipality, taking into account other requests for
587 inclusion or requests for exclusion received before the deadline described in Subsection (2); or

588 (b) the inclusion will cause the area proposed for incorporation to violate a requirement
589 for incorporation described in this part.

590 (5) The county clerk shall:

591 (a) no earlier than 30 days after, but no later than 44 days after, the day of the first
592 public hearing described in Section [10-2a-204.3](#), make a determination on all timely requests
593 for exclusion or inclusion;

594 (b) forward to the lieutenant governor for review:

595 (i) all timely requests for exclusion or inclusion;

596 (ii) the county clerk's determination on each of the requests described in Subsection
597 (5)(b)(i); and

598 (iii) the reasons, including the supporting data, for each determination described in
599 Subsection (5)(b)(ii); and

600 (c) within five days after the day on which the lieutenant governor makes a final
601 determination on whether to include or exclude land under Subsection (7), the county clerk
602 shall mail or transmit written notice of whether the land is included or excluded from the
603 proposed incorporation boundaries to:

604 (i) for a request for exclusion, the specified landowner that requested the exclusion;

605 (ii) for a request for inclusion, the owner of land that requested the inclusion; and

606 (iii) the contact sponsor.

607 (6) For a request for exclusion or inclusion that is denied, the county clerk shall
608 include, in the written notice described in Subsection (5)(c), a detailed explanation of the
609 reason for the denial and the facts supporting the denial.

610 (7) Within 14 days after the day on which the lieutenant governor receives the
611 information described in Subsection (5)(b) the lieutenant governor shall:

612 (a) review each determination;

613 (b) uphold or reverse each determination; and

614 (c) forward to the county clerk:

615 (i) the lieutenant governor's final determinations; and

616 (ii) if the lieutenant governor reverses a determination of the county clerk, the reason

617 for the reversal and the supporting facts.

618 Section 10. Section **10-2a-205** is amended to read:

619 **10-2a-205. Feasibility study -- Feasibility study consultant -- Qualifications for**
620 **proceeding with incorporation.**

621 (1) Unless the lieutenant governor rescinds the certification under Subsection
622 **10-2a-204(7)(b)**, the lieutenant governor shall, within 90 days after the day on which the
623 lieutenant governor certifies a feasibility request under Subsection **10-2a-204(5)(a)**, in
624 accordance with Subsection (2), engage a feasibility consultant to conduct a feasibility study.

625 (2) The lieutenant governor shall:

626 (a) select a feasibility consultant in accordance with Title 63G, Chapter 6a, Utah
627 Procurement Code;

628 (b) ensure that the feasibility consultant:

629 (i) has expertise in the processes and economics of local government; and

630 (ii) is not affiliated with a sponsor of the feasibility request or the county in which the
631 proposed municipality is located; and

632 (c) require the feasibility consultant to:

633 (i) submit a draft of the feasibility study to each applicable person with whom the
634 feasibility consultant is required to consult under Subsection (3)(c) within 90 days after the day
635 on which the lieutenant governor engages the feasibility consultant to conduct the study;

636 (ii) allow each person to whom the consultant provides a draft under Subsection
637 (2)(c)(i) to review and provide comment on the draft;

638 (iii) submit a completed feasibility study, including a one-page summary of the results,
639 to the following within 120 days after the day on which the lieutenant governor engages the
640 feasibility consultant to conduct the feasibility study:

641 (A) the lieutenant governor;

642 (B) the county legislative body of the county in which the incorporation is proposed;

643 (C) the contact sponsor; and

644 (D) each person to whom the consultant provided a draft under Subsection (2)(c)(i);

645 and

646 (iv) attend the public hearings described in Section **10-2a-207** to present the feasibility
647 study results and respond to questions from the public.

648 (3) (a) The feasibility study shall include:
649 (i) an analysis of the population and population density within the area proposed for
650 incorporation and the surrounding area;
651 (ii) the current and projected five-year demographics and tax base within the
652 boundaries of the proposed municipality and surrounding area, including household size and
653 income, commercial and industrial development, and public facilities;
654 (iii) subject to Subsection (3)(b), the current and five-year projected cost of providing
655 municipal services to the proposed municipality, including administrative costs;
656 (iv) assuming the same tax categories and tax rates as currently imposed by the county
657 and all other current service providers, the present and five-year projected revenue for the
658 proposed municipality;
659 (v) an analysis of the risks and opportunities that might affect the actual costs described
660 in Subsection (3)(a)(iii) or revenues described in Subsection (3)(a)(iv) of the newly
661 incorporated municipality;
662 (vi) an analysis of new revenue sources that may be available to the newly incorporated
663 municipality that are not available before the area incorporates, including an analysis of the
664 amount of revenues the municipality might obtain from those revenue sources;
665 (vii) the projected tax burden per household of any new taxes that may be levied within
666 the proposed municipality within five years after incorporation;
667 (viii) the fiscal impact of the municipality's incorporation on unincorporated areas,
668 other municipalities, special districts, special service districts, and other governmental entities
669 in the county; and
670 (ix) if the county clerk excludes property from, or includes property in, the proposed
671 municipality under Section 10-2a-204.5, an update to the map and legal description described
672 in Subsection 10-2a-202(2)(c).
673 (b) (i) In calculating the projected costs under Subsection (3)(a)(iii), the feasibility
674 consultant shall:
675 (A) with respect to municipal services that the proposed municipality will itself
676 provide, assume that the proposed municipality will provide a level and quality of municipal
677 services that fairly and reasonably approximate the level and quality of municipal services that
678 are provided to the area of the proposed municipality at the time the feasibility consultant

679 conducts the feasibility study[-:];

680 (B) evaluate and detail the expected cost savings and qualitative benefits of a service
681 provider other than the proposed municipality providing some municipal services; and

682 (C) incorporate into the overall cost projection for the proposed municipality the
683 potential for municipal services to be provided by a service provider other than the proposed
684 municipality.

685 (ii) In calculating the current cost of a municipal service under Subsection (3)(a)(iii),
686 the feasibility consultant shall consider:

687 (A) the amount it would cost the proposed municipality to provide the municipal
688 service for the first five years after the municipality's incorporation; and

689 (B) the current municipal service provider's present and five-year projected cost of
690 providing the municipal service.

691 (iii) In calculating costs under Subsection (3)(a)(iii), the feasibility consultant shall
692 account for inflation and anticipated growth.

693 (c) In conducting the feasibility study, the feasibility consultant shall consult with the
694 following before submitting a draft of the feasibility study under Subsection (2)(c)(i):

695 (i) if the proposed municipality will include lands owned by the United States federal
696 government, the entity within the United States federal government that has jurisdiction over
697 the land;

698 (ii) if the proposed municipality will include lands owned by the state, the entity within
699 state government that has jurisdiction over the land;

700 (iii) each entity that provides a municipal service to a portion of the proposed
701 municipality; and

702 (iv) each other special service district that provides services to a portion of the
703 proposed municipality.

704 (4) If the five-year projected revenues calculated under Subsection (3)(a)(iv) exceed the
705 five-year projected costs calculated under Subsection (3)(a)(iii) by more than 5%, the
706 feasibility consultant shall project and report the expected annual revenue surplus to the contact
707 sponsor and the lieutenant governor.

708 (5) (a) Except as provided in Subsection (5)(b), if the results of the feasibility study, or
709 a supplemental feasibility study described in Section [10-2a-206](#), show that the average annual

710 amount of revenue calculated under Subsection (3)(a)(iv) does not exceed the average annual
711 cost calculated under Subsection (3)(a)(iii) by more than 5%, the process to incorporate the
712 area that is the subject of the feasibility study or supplemental feasibility study may not
713 proceed.

714 (b) The process to incorporate an area described in Subsection (5)(a) may proceed if a
715 subsequent supplemental feasibility study conducted under Section 10-2a-206 for the proposed
716 incorporation demonstrates compliance with Subsection (5)(a).

717 (6) If the results of the feasibility study or revised feasibility study do not comply with
718 Subsection (5), and if requested by the sponsors of the request, the feasibility consultant shall,
719 as part of the feasibility study or revised feasibility study, make recommendations regarding
720 how the boundaries of the proposed municipality may be altered to comply with Subsection
721 (5).

722 (7) The lieutenant governor shall post a copy of the feasibility study, and any
723 supplemental feasibility study described in Section 10-2a-206, on the lieutenant governor's
724 website and make a copy available for public review at the lieutenant governor's office.

725 Section 11. Section 10-2a-210 is amended to read:

726 **10-2a-210. Incorporation election -- Notice of election -- Voter information**
727 **pamphlet.**

728 (1) (a) If the county clerk certifies a petition for incorporation under Subsection
729 10-2a-209(1)(b), the lieutenant governor shall schedule an incorporation election for the
730 proposed municipality described in the petition for incorporation to be held on the date of the
731 next regular general election described in Section 20A-1-201, or the next municipal general
732 election described in Section 20A-1-202, that is at least 65 days after the day on which the
733 county clerk certifies the petition for incorporation.

734 (b) (i) The lieutenant governor shall direct the county legislative body of the county in
735 which the proposed municipality is located to hold the election on the date that the lieutenant
736 governor schedules under Subsection (1)(a).

737 (ii) The county legislative body shall hold the election as directed by the lieutenant
738 governor under Subsection (1)(b)(i).

739 (2) The county clerk shall provide notice of the election for the area proposed to be
740 incorporated, as a class B notice under Section 63G-30-102, for at least three weeks before the

741 day of the election.

742 (3) (a) The notice described in Subsection (2) shall include:

743 (i) a statement of the contents of the petition for incorporation;

744 (ii) a description of the area proposed to be incorporated as a municipality;

745 (iii) a statement of the date and time of the election and the location of polling places;

746 and

747 (iv) except as provided in Subsection (3)(b), the feasibility study summary described in

748 Subsection 10-2a-205(2)(c)(iii) and a statement that a full copy of the study is available on the

749 county's website and for inspection at the county offices.

750 (b) Instead of including the feasibility summary under Subsection (3)(a)(iv), the notice

751 may include a statement that specifies the following sources where a registered voter in the area

752 proposed to be incorporated may view or obtain a copy of the feasibility study:

753 (i) the county's website;

754 (ii) the physical address of the county clerk office; and

755 (iii) a mailing address and telephone number.

756 (4) (a) In addition to the notice described in Subsection (2), the county clerk shall

757 publish and distribute, before the incorporation election is held, a voter information pamphlet:

758 (i) in accordance with the procedures and requirements of Section 20A-7-402;

759 (ii) in consultation with the lieutenant governor; and

760 (iii) in a manner that the county clerk determines is adequate, subject to Subsections

761 (4)(a)(i) and (ii).

762 (b) The voter information pamphlet described in Subsection (4)(a):

763 (i) shall inform the public of the proposed incorporation; and

764 (ii) may include written statements, printed in the same font style and point size, from

765 proponents and opponents of the proposed incorporation.

766 (5) An individual may not vote in an incorporation election under this section unless

767 the individual is a registered voter who is a resident, as defined in Section 20A-1-102, within

768 the boundaries of the proposed municipality.

769 (6) (a) [H] Subject to Subsection (6)(b), if a majority of those who vote in an

770 incorporation election held under this section cast votes in favor of incorporation, the area shall

771 incorporate.

772 (b) (i) As used in this Subsection (6)(b):

773 (A) "Approving separate area" means a separate area in which a majority of those
774 voting in an incorporation election for the incorporation of a community council area vote in
775 favor of incorporation.

776 (B) "Separate area" means an area within a community council area that is divided
777 from other areas within the community council area by areas within one or more
778 municipalities.

779 (ii) If a majority of those within a separate area voting in an incorporation election for
780 the incorporation of a community council area vote against incorporation, that separate area is
781 excluded from the incorporation.

782 (iii) Approving separate areas are incorporated as a municipality if the combined total
783 population within all approving separate areas is at least 80% of the population within the
784 community council area.

785 Section 12. Section **17B-1-414** is amended to read:

786 **17B-1-414. Resolution approving an annexation -- Filing of notice and plat with**
787 **lieutenant governor -- Recording requirements -- Effective date.**

788 (1) (a) Subject to Subsection (1)(b), the special district board shall adopt a resolution
789 approving the annexation of the area proposed to be annexed or rejecting the proposed
790 annexation within 90 days after:

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

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

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

796 (B) expiration of the time for submitting a request for public hearing under Subsection
797 **17B-1-413(2)(a)(ii)(B)**, if no request is submitted and the board chooses not to hold a public
798 hearing.

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

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

805 (A) a copy of a notice of an impending boundary action, as defined in Section
806 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3) and, if applicable,
807 Subsection (2)(b); and

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

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

811 (A) within 30 days after adoption of a resolution under Subsection (1), Subsection
812 17B-1-412(3)(c)(i), or Section 17B-1-415; and

813 (B) as soon as practicable after receiving the notice under Subsection [~~10-2-425(2)~~
814 10-2-425(3)] of a municipal annexation that causes an automatic annexation to a special district
815 under Section 17B-1-416.

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

821 (c) Upon the lieutenant governor's issuance of a certificate of annexation under Section
822 67-1a-6.5, the board shall:

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

825 (A) the original:

826 (I) notice of an impending boundary action;

827 (II) certificate of annexation; and

828 (III) approved final local entity plat; and

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

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

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

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

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

834 (B) submit to the recorder of each other county:
835 (I) a certified copy of the documents listed in Subsection (2)(c)(i)(A)(I), (II), and (III);
836 and
837 (II) a certified copy of the annexation resolution.
838 (3) (a) As used in this Subsection (3), "fire district annexation" means an annexation
839 under this part of an area located in a county of the first class to a special district:
840 (i) created to provide fire protection, paramedic, and emergency services; and
841 (ii) in the creation of which an election was not required because of Subsection
842 [17B-1-214\(3\)\(d\)](#).
843 (b) An annexation under this part is complete and becomes effective:
844 (i) (A) on July 1 for a fire district annexation, if the lieutenant governor issues the
845 certificate of annexation under Section [67-1a-6.5](#) from January 1 through June 30; or
846 (B) on January 1 for a fire district annexation, if the lieutenant governor issues the
847 certificate of annexation under Section [67-1a-6.5](#) from July 1 through December 31; or
848 (ii) upon the lieutenant governor's issuance of the certificate of annexation under
849 Section [67-1a-6.5](#), for any other annexation.
850 (c) (i) The effective date of a special district annexation for purposes of assessing
851 property within the annexed area is governed by Section [59-2-305.5](#).
852 (ii) Until the documents listed in Subsection (2)(c) are recorded in the office of the
853 recorder of each county in which the property is located, a special district may not:
854 (A) levy or collect a property tax on property within the annexed area;
855 (B) levy or collect an assessment on property within the annexed area; or
856 (C) charge or collect a fee for service provided to property within the annexed area.
857 (iii) Subsection (3)(c)(ii)(C):
858 (A) may not be construed to limit a special district's ability before annexation to charge
859 and collect a fee for service provided to property that is outside the special district's boundary;
860 and
861 (B) does not apply until 60 days after the effective date, under Subsection (3)(b), of the
862 special district's annexation, with respect to a fee that the special district was charging for
863 service provided to property within the annexed area immediately before the area was annexed
864 to the special district.

865 Section 13. Section **17B-1-512** is amended to read:

866 **17B-1-512. Filing of notice and plat -- Recording requirements -- Contest period**
867 **-- Judicial review.**

868 (1) (a) Within the time specified in Subsection (1)(b), the board of trustees shall file
869 with the lieutenant governor:

870 (i) a copy of a notice of an impending boundary action, as defined in Section [67-1a-6.5](#),
871 that meets the requirements of Subsection [67-1a-6.5\(3\)](#); and

872 (ii) a copy of an approved final local entity plat, as defined in Section [67-1a-6.5](#).

873 (b) The board of trustees shall file the documents listed in Subsection (1)(a):

874 (i) within 10 days after adopting a resolution approving a withdrawal under Section
875 [17B-1-510](#);

876 (ii) on or before January 31 of the year following the board of trustees' receipt of a
877 notice or copy described in Subsection (1)(c), if the board of trustees receives the notice or
878 copy between July 1 and December 31; or

879 (iii) on or before the July 31 following the board of trustees' receipt of a notice or copy
880 described in Subsection (1)(c), if the board of trustees receives the notice or copy between
881 January 1 and June 30.

882 (c) The board of trustees shall comply with the requirements described in Subsection
883 (1)(b)(ii) or (iii) after:

884 (i) receiving:

885 (A) a notice under Subsection [~~10-2-425(2)~~] [10-2-425\(3\)](#) of an automatic withdrawal
886 under Subsection [17B-1-502\(2\)](#);

887 (B) a copy of the municipal legislative body's resolution approving an automatic
888 withdrawal under Subsection [17B-1-502\(3\)\(a\)](#); or

889 (C) notice of a withdrawal of a municipality from a special district under Section
890 [17B-1-502](#); or

891 (ii) entering into an agreement with a municipality under Subsection
892 [17B-1-505\(5\)\(a\)\(ii\)\(A\)](#) or (5)(b).

893 (d) Upon the lieutenant governor's issuance of a certificate of withdrawal under Section
894 [67-1a-6.5](#), the board shall:

895 (i) if the withdrawn area is located within the boundary of a single county, submit to

896 the recorder of that county:

897 (A) the original:

898 (I) notice of an impending boundary action;

899 (II) certificate of withdrawal; and

900 (III) approved final local entity plat; and

901 (B) if applicable, a certified copy of the resolution or notice referred to in Subsection
902 (1)(b); or

903 (ii) if the withdrawn area is located within the boundaries of more than a single county,
904 submit:

905 (A) the original of the documents listed in Subsections (1)(d)(i)(A)(I), (II), and (III)
906 and, if applicable, a certified copy of the resolution or notice referred to in Subsection (1)(b) to
907 one of those counties; and

908 (B) a certified copy of the documents listed in Subsections (1)(d)(i)(A)(I), (II), and (III)
909 and a certified copy of the resolution or notice referred to in Subsection (1)(b) to each other
910 county.

911 (2) (a) Upon the lieutenant governor's issuance of the certificate of withdrawal under
912 Section 67-1a-6.5 for a withdrawal under Section 17B-1-510, for an automatic withdrawal
913 under Subsection 17B-1-502(3), or for the withdrawal of a municipality from a special district
914 under Section 17B-1-505, the withdrawal shall be effective, subject to the conditions of the
915 withdrawal resolution, if applicable.

916 (b) An automatic withdrawal under Subsection 17B-1-502(3) shall be effective upon
917 the lieutenant governor's issuance of a certificate of withdrawal under Section 67-1a-6.5.

918 (3) (a) The special district may provide for the publication of any resolution approving
919 or denying the withdrawal of an area:

920 (i) in a newspaper of general circulation in the area proposed for withdrawal; and

921 (ii) as required in Section 45-1-101.

922 (b) In lieu of publishing the entire resolution, the special district may publish a notice
923 of withdrawal or denial of withdrawal, containing:

924 (i) the name of the special district;

925 (ii) a description of the area proposed for withdrawal;

926 (iii) a brief explanation of the grounds on which the board of trustees determined to

927 approve or deny the withdrawal; and

928 (iv) the times and place where a copy of the resolution may be examined, which shall
929 be at the place of business of the special district, identified in the notice, during regular
930 business hours of the special district as described in the notice and for a period of at least 30
931 days after the publication of the notice.

932 (4) Any sponsor of the petition or receiving entity may contest the board's decision to
933 deny a withdrawal of an area from the special district by submitting a request, within 60 days
934 after the resolution is adopted under Section 17B-1-510, to the board of trustees, suggesting
935 terms or conditions to mitigate or eliminate the conditions upon which the board of trustees
936 based its decision to deny the withdrawal.

937 (5) Within 60 days after the request under Subsection (4) is submitted to the board of
938 trustees, the board may consider the suggestions for mitigation and adopt a resolution
939 approving or denying the request in the same manner as provided in Section 17B-1-510 with
940 respect to the original resolution denying the withdrawal and file a notice of the action as
941 provided in Subsection (1).

942 (6) (a) Any person in interest may seek judicial review of:

943 (i) the board of trustees' decision to withdraw an area from the special district;

944 (ii) the terms and conditions of a withdrawal; or

945 (iii) the board's decision to deny a withdrawal.

946 (b) Judicial review under this Subsection (6) shall be initiated by filing an action in the
947 district court in the county in which a majority of the area proposed to be withdrawn is located:

948 (i) if the resolution approving or denying the withdrawal is published under Subsection
949 (3), within 60 days after the publication or after the board of trustees' denial of the request
950 under Subsection (5);

951 (ii) if the resolution is not published pursuant to Subsection (3), within 60 days after
952 the resolution approving or denying the withdrawal is adopted; or

953 (iii) if a request is submitted to the board of trustees of a special district under
954 Subsection (4), and the board adopts a resolution under Subsection (5), within 60 days after the
955 board adopts a resolution under Subsection (5) unless the resolution is published under
956 Subsection (3), in which event the action shall be filed within 60 days after the publication.

957 (c) A court in which an action is filed under this Subsection (6) may not overturn, in

958 whole or in part, the board of trustees' decision to approve or reject the withdrawal unless:

959 (i) the court finds the board of trustees' decision to be arbitrary or capricious; or

960 (ii) the court finds that the board materially failed to follow the procedures set forth in
961 this part.

962 (d) A court may award costs and expenses of an action under this section, including
963 reasonable attorney fees, to the prevailing party.

964 (7) After the applicable contest period under Subsection (4) or (6), no person may
965 contest the board of trustees' approval or denial of withdrawal for any cause.

966 Section 14. **Effective date.**

967 (1) Except as provided in Subsection (2), this bill takes effect on May 1, 2024.

968 (2) The actions affecting Section [10-2-425](#) (Effective 07/01/24) take effect on July 1,
969 2024.