

**Representative R. Curt Webb** proposes the following substitute bill:

**POLITICAL SUBDIVISION AMENDMENTS**

2013 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: R. Curt Webb**

Senate Sponsor: Peter C. Knudson

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**LONG TITLE**

**General Description:**

This bill amends provisions related to an assessment area, a local district, and a special service district.

**Highlighted Provisions:**

This bill:

- ▶ amends the definition of "adequate protest" for an assessment area;
- ▶ amends notice requirements for an assessment area;
- ▶ specifies a deadline for filing a protest to an assessment area;
- ▶ requires a governing body to consider a timely filed protest at a public meeting;
- ▶ authorizes a local entity that is a municipality or county to collect an assessment fee in the same manner as a property tax;
- ▶ amends notice requirements for a local district;
- ▶ amends the definition of "adequate protest" for a special service district;
- ▶ amends notice requirements for a special service district;
- ▶ amends the filing deadline for a protest to a special service district; and
- ▶ makes technical corrections.

**Money Appropriated in this Bill:**

None



26 **Other Special Clauses:**

27 None

28 **Utah Code Sections Affected:**

29 AMENDS:

30 **11-42-102**, as last amended by Laws of Utah 2011, Chapters 68 and 388

31 **11-42-202**, as last amended by Laws of Utah 2011, Chapter 68

32 **11-42-203**, as last amended by Laws of Utah 2009, Chapter 246

33 **11-42-204**, as enacted by Laws of Utah 2007, Chapter 329

34 **11-42-206**, as enacted by Laws of Utah 2007, Chapter 329

35 **11-42-401**, as last amended by Laws of Utah 2010, Chapter 238

36 **17B-1-211**, as last amended by Laws of Utah 2011, Chapter 68

37 **17B-1-213**, as last amended by Laws of Utah 2011, Chapter 68

38 **17B-1-214**, as last amended by Laws of Utah 2012, Chapter 97

39 **17B-1-215**, as last amended by Laws of Utah 2011, Chapter 68

40 **17D-1-102**, as enacted by Laws of Utah 2008, Chapter 360

41 **17D-1-205**, as last amended by Laws of Utah 2009, Chapter 388

42 **17D-1-206**, as enacted by Laws of Utah 2008, Chapter 360

43 **59-2-1317**, as last amended by Laws of Utah 1997, Second Special Session, Chapter 2



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

46 Section 1. Section **11-42-102** is amended to read:

47 **11-42-102. Definitions.**

48 (1) (a) "Adequate protests" means [~~timely filed;~~] written protests [~~under Section~~  
49 ~~11-42-203 that represent at least 50% of the frontage, area, taxable value, fair market value,~~  
50 ~~lots, number of connections, or equivalent residential units of the property proposed to be~~  
51 ~~assessed, according to the same assessment method by which the assessment is proposed to be~~  
52 ~~levied, after eliminating]~~;

53 (i) filed in accordance with Section 11-42-203; and

54 (ii) signed by the owners of private real property that:

55 (A) is located within the proposed assessment area;

56 (B) covers at least 25% of the total private land area within the proposed assessment

57 area; and

58 (C) is equal in value to at least 15% of the value of all private real property within the  
59 proposed assessment area.

60 [~~(a)~~] (b) "Adequate protests" does not include written protests relating to:

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

62 [~~(ii)~~] (B) an improvement that has been deleted from the proposed improvements to be  
63 provided to property within the proposed assessment area; and

64 [~~(b)~~] (ii) protests that have been withdrawn under Subsection 11-42-203(3).

65 (2) "Assessment area" means an area, or, if more than one area is designated, the  
66 aggregate of all areas within a local entity's jurisdictional boundaries that is designated by a  
67 local entity under Part 2, Designating an Assessment Area, for the purpose of financing the  
68 costs of improvements, operation and maintenance, or economic promotion activities that  
69 benefit property within the area.

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

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

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

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

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

78 (6) "Assessment method" means the method by which an assessment is levied against  
79 property, whether by frontage, area, taxable value, fair market value, lot, parcel, number of  
80 connections, equivalent residential unit, any combination of these methods, or any other  
81 method that equitably reflects the benefit received from the improvement.

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

84 (8) "Assessment resolution" means a resolution adopted by a local entity under Section  
85 11-42-404 that levies an assessment on benefitted property within an assessment area.

86 (9) "Benefitted property" means property within an assessment area that directly or  
87 indirectly benefits from improvements, operation and maintenance, or economic promotion

88 activities.

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

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

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

94 (13) "Connection fee" means a fee charged by a local entity to pay for the costs of  
95 connecting property to a publicly owned sewer, storm drainage, water, gas, communications, or  
96 electrical system, whether or not improvements are installed on the property.

97 (14) "Contract price" means:

98 (a) the cost of acquiring an improvement, if the improvement is acquired; or

99 (b) the amount payable to one or more contractors for the design, engineering,  
100 inspection, and construction of an improvement.

101 (15) "Designation ordinance" means an ordinance adopted by a local entity under  
102 Section 11-42-206 designating an assessment area.

103 (16) "Designation resolution" means a resolution adopted by a local entity under  
104 Section 11-42-206 designating an assessment area.

105 (17) "Economic promotion activities" means activities that promote economic growth  
106 in a commercial area of a local entity, including:

107 (a) sponsoring festivals and markets;

108 (b) promoting business investment or activities;

109 (c) helping to coordinate public and private actions; and

110 (d) developing and issuing publications designed to improve the economic well-being  
111 of the commercial area.

112 (18) "Equivalent residential unit" means a dwelling, unit, or development that is equal  
113 to a single-family residence in terms of the nature of its use or impact on an improvement to be  
114 provided in the assessment area.

115 (19) "Governing body" means:

116 (a) for a county, city, or town, the legislative body of the county, city, or town;

117 (b) for a local district, the board of trustees of the local district;

118 (c) for a special service district:

119 (i) the legislative body of the county, city, or town that established the special service  
120 district, if no administrative control board has been appointed under Section 17D-1-301; or

121 (ii) the administrative control board of the special service district, if an administrative  
122 control board has been appointed under Section 17D-1-301; and

123 (d) for the military installation development authority created in Section 63H-1-201,  
124 the authority board, as defined in Section 63H-1-102.

125 (20) "Guaranty fund" means the fund established by a local entity under Section  
126 11-42-701.

127 (21) "Improved property" means property proposed to be assessed within an  
128 assessment area upon which a residential, commercial, or other building has been built.

129 (22) "Improvement":

130 (a) (i) means any publicly owned infrastructure, system, or other facility that:

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

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

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

136 (A) can be conveniently installed at the same time as an infrastructure, system, or other  
137 facility described in Subsection (22)(a)(i); and

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

140 (b) for a local district created to assess groundwater rights in accordance with Section  
141 17B-1-202, means a system or plan to regulate groundwater withdrawals within a specific  
142 groundwater basin in accordance with Sections 17B-1-202 and 73-5-15.

143 (23) "Improvement revenues":

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

146 (b) does not include revenue from assessments.

147 (24) "Incidental refunding costs" means any costs of issuing refunding assessment  
148 bonds and calling, retiring, or paying prior bonds, including:

149 (a) legal and accounting fees;

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

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

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

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

156 (f) any other costs that the governing body determines are necessary or desirable to  
157 incur in connection with the issuance of refunding assessment bonds; and

158 (g) any interest on the prior bonds that is required to be paid in connection with the  
159 issuance of the refunding assessment bonds.

160 (25) "Installment payment date" means the date on which an installment payment of an  
161 assessment is payable.

162 (26) "Interim warrant" means a warrant issued by a local entity under Section  
163 11-42-601.

164 (27) "Jurisdictional boundaries" means:

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

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

167 (28) "Local district" means a local district under Title 17B, Limited Purpose Local  
168 Government Entities - Local Districts.

169 (29) "Local entity" means a county, city, town, special service district, local district,  
170 military installation development authority created in Section 63H-1-201, or other political  
171 subdivision of the state.

172 (30) "Local entity obligations" means assessment bonds, refunding assessment bonds,  
173 interim warrants, and bond anticipation notes issued by a local entity.

174 (31) "Mailing address" means:

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

177 (b) if the property is improved property:

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

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

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

184 (33) "Operation and maintenance costs":

185 (a) means the costs that a local entity incurs in operating and maintaining  
186 improvements in an assessment area, whether or not those improvements have been financed  
187 under this chapter; and

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

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

195 (35) "Prior bonds" means the assessment bonds that are refunded in part or in whole by  
196 refunding assessment bonds.

197 (36) "Prior assessment ordinance" means the ordinance levying the assessments from  
198 which the prior bonds are payable.

199 (37) "Prior assessment resolution" means the resolution levying the assessments from  
200 which the prior bonds are payable.

201 (38) "Project engineer" means the surveyor or engineer employed by or private  
202 consulting engineer engaged by a local entity to perform the necessary engineering services for  
203 and to supervise the construction or installation of the improvements.

204 (39) "Property" includes real property and any interest in real property, including water  
205 rights and leasehold rights.

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

208 (41) "Provide" or "providing," with reference to an improvement, includes the  
209 acquisition, construction, reconstruction, renovation, maintenance, repair, operation, and  
210 expansion of an improvement.

211 (42) "Public agency" means:

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

213 (b) a political subdivision of the state.

214 (43) "Reduced payment obligation" means the full obligation of an owner of property  
215 within an assessment area to pay an assessment levied on the property after the assessment has  
216 been reduced because of the issuance of refunding assessment bonds, as provided in Section  
217 11-42-608.

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

220 (45) "Reserve fund" means a fund established by a local entity under Section  
221 11-42-702.

222 (46) "Service" means:

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

225 (b) economic promotion activities; or

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

227 (47) "Special service district" has the same meaning as defined in Section 17D-1-102.

228 (48) "Unimproved property" means property upon which no residential, commercial, or  
229 other building has been built.

230 (49) "Voluntary assessment area" means an assessment area that contains only property  
231 whose owners have voluntarily consented to an assessment.

232 Section 2. Section **11-42-202** is amended to read:

233 **11-42-202. Requirements applicable to a notice of a proposed assessment area**  
234 **designation.**

235 (1) Each notice required under Subsection 11-42-201(2)(a) shall:

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

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

239 (ii) provide an improvement to property within the proposed assessment area; and

240 (iii) finance some or all of the cost of improvements by an assessment on benefitted  
241 property within the assessment area;

242 (b) describe the proposed assessment area by any reasonable method that allows an



243 owner of property in the proposed assessment area to determine that the owner's property is  
244 within the proposed assessment area;

245 (c) describe, in a general way, the improvements to be provided to the assessment area,  
246 including:

247 (i) the general nature of the improvements; and

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

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

252 (e) state that the local entity proposes to levy an assessment on benefitted property  
253 within the assessment area to pay some or all of the cost of the improvements according to the  
254 estimated direct and indirect benefits to the property from the improvements;

255 (f) state the assessment method by which the governing body proposes to levy the  
256 assessment[;], including, if the local entity is a municipality or county, whether the assessment  
257 will be collected:

258 (i) by directly billing a property owner; or

259 (ii) in the same manner as a property tax and included on a property tax notice issued  
260 in accordance with Section 59-2-1317;

261 (g) state:

262 (i) [~~the time within which~~] the date described in Section 11-42-203 and the location at  
263 which protests against designation of the proposed assessment area or of the proposed  
264 improvements are required to be filed; and

265 (ii) the method by which the governing body will determine the number of protests  
266 required to defeat the designation of the proposed assessment area or acquisition or  
267 construction of the proposed improvements;

268 (h) state the date, time, and place of the public hearing required in Section 11-42-204;

269 (i) if the governing body elects to create and fund a reserve fund under Section  
270 11-42-702, include a description of:

271 (i) how the reserve fund will be funded and replenished; and

272 (ii) how remaining money in the reserve fund is to be disbursed upon full payment of  
273 the bonds;

- 274 (j) if the governing body intends to designate a voluntary assessment area, include a  
275 property owner consent form that:
- 276 (i) estimates the total assessment to be levied against the particular parcel of property;
  - 277 (ii) describes any additional benefits that the governing body expects the assessed  
278 property to receive from the improvements; and
  - 279 (iii) designates the date and time by which the fully executed consent form is required  
280 to be submitted to the governing body;
- 281 (k) if the local entity intends to levy an assessment to pay operation and maintenance  
282 costs or for economic promotion activities, include:
- 283 (i) a description of the operation and maintenance costs or economic promotion  
284 activities to be paid by assessments and the initial estimated annual assessment to be levied;
  - 285 (ii) a description of how the estimated assessment will be determined;
  - 286 (iii) a description of how and when the governing body will adjust the assessment to  
287 reflect the costs of:
    - 288 (A) in accordance with Section 11-42-406, current economic promotion activities; or
    - 289 (B) current operation and maintenance costs;
  - 290 (iv) a description of the method of assessment if different from the method of  
291 assessment to be used for financing any improvement; and
  - 292 (v) a statement of the maximum number of years over which the assessment will be  
293 levied for:
    - 294 (A) operation and maintenance costs; or
    - 295 (B) economic promotion activities; and
- 296 (l) if the governing body intends to divide the proposed assessment area into zones  
297 under Subsection 11-42-201(1)(b), include a description of the proposed zones.
- 298 (2) A notice required under Subsection 11-42-201(2)(a) may contain other information  
299 that the governing body considers to be appropriate, including:
- 300 (a) the amount or proportion of the cost of the improvement to be paid by the local  
301 entity or from sources other than an assessment;
  - 302 (b) the estimated amount of each type of assessment for the various improvements to  
303 be financed according to the method of assessment that the governing body chooses; and
  - 304 (c) provisions for any improvements described in Subsection 11-42-102(22)(a)(ii).

305 (3) Each notice required under Subsection 11-42-201(2)(a) shall:

306 (a) (i) (A) be published in a newspaper of general circulation within the local entity's  
307 jurisdictional boundaries, once a week for four consecutive weeks, with the last publication at  
308 least five but not more than 20 days before the [~~deadline for filing protests specified in the~~  
309 ~~notice under Subsection (1)(g)~~] day of the hearing required in Section 11-42-204; or

310 (B) if there is no newspaper of general circulation within the local entity's jurisdictional  
311 boundaries, be posted in at least three public places within the local entity's jurisdictional  
312 boundaries at least 20 but not more than 35 days before the [~~deadline for filing protests~~  
313 ~~specified in the notice under Subsection (1)(g)~~] day of the hearing required in Section  
314 11-42-204; and

315 (ii) be published on the Utah Public Notice Website described in Section 63F-1-701 for  
316 four weeks before the deadline for filing protests specified in the notice under Subsection  
317 (1)(g); and

318 (b) be mailed, postage prepaid, within 10 days after the first publication or posting of  
319 the notice under Subsection (3)(a) to each owner of property to be assessed within the proposed  
320 assessment area at the property owner's mailing address.

321 Section 3. Section **11-42-203** is amended to read:

322 **11-42-203. Protests.**

323 (1) An owner of property that is proposed to be assessed within an assessment area  
324 may, within [~~the time specified in the notice under Section 11-42-202~~] 60 days after the day of  
325 the hearing described in Section 11-42-204, or, if there are multiple hearings, the final hearing,  
326 file a written protest against:

- 327 (a) the designation of the assessment area;
- 328 (b) the inclusion of the owner's property in the proposed assessment area;
- 329 (c) the proposed improvements to be acquired or constructed; or
- 330 (d) any other aspect of the proposed designation of an assessment area.

331 (2) Each protest under Subsection (1)(a) shall describe or otherwise identify the  
332 property owned by the person filing the protest.

333 (3) An owner may withdraw a protest at any time before the [~~conclusion of the hearing~~  
334 ~~under Section 11-42-204~~] expiration of the 60-day period described in Subsection (1) by filing  
335 a written withdrawal with the governing body.

336 (4) If the governing body intends to assess property within the proposed assessment  
337 area by type of improvement or by zone, the governing body shall, in determining whether  
338 adequate protests have been filed, aggregate the protests by the type of improvement or by  
339 zone.

340 (5) The failure of an owner of property within the proposed assessment area to file a  
341 timely written protest constitutes a waiver of any objection to:

- 342 (a) the designation of the assessment area;
- 343 (b) any improvement to be provided to property within the assessment area; and
- 344 (c) the inclusion of the owner's property within the assessment area.

345 Section 4. Section **11-42-204** is amended to read:

346 **11-42-204. Hearing.**

347 (1) On the date and at the time and place specified in the notice under Section  
348 11-42-202, the governing body shall hold a public hearing.

349 (2) The governing body may continue the public hearing from time to time to a fixed  
350 future date and time.

351 (3) At the public hearing, the governing body shall:

352 (a) hear all objections to the designation of the proposed assessment area or the  
353 improvements proposed to be provided in the assessment area; and

354 (b) hear all persons desiring to be heard[; ~~and~~].

355 [~~(c) consider all protests filed under Section 11-42-203.~~]

356 (4) The governing body may make changes in:

- 357 (a) improvements proposed to be provided to the proposed assessment area; or
- 358 (b) the area or areas proposed to be included within the proposed assessment area.

359 Section 5. Section **11-42-206** is amended to read:

360 **11-42-206. Adoption of a resolution or ordinance regarding a proposed**  
361 **assessment area -- Designation of an assessment area may not occur if adequate protests**  
362 **filed -- Recording of resolution or ordinance and notice of proposed assessment.**

363 (1) (a) After holding a public hearing under Section 11-42-204 and considering protests  
364 filed under Section 11-42-203, and subject to Subsection (3), the governing body shall hold a  
365 public meeting to adopt a resolution or ordinance:

366 [~~(a)~~] (i) abandoning the proposal to designate an assessment area; or

367           ~~[(b)]~~ (ii) designating an assessment area as described in the notice under Section  
368 11-42-202 or with the changes made as authorized under Subsection 11-42-204(4).

369           (b) In accordance with Section 11-42-203, the governing body:

370           (i) may not schedule the public meeting before the expiration of the 60-day protest  
371 period; and

372           (ii) shall consider and report on any timely filed protests.

373           (2) If the notice under Section 11-42-202 indicates that the proposed assessment area is  
374 a voluntary assessment area, the governing body shall:

375           (a) delete from the proposed assessment area all property whose owners have not  
376 submitted an executed consent form consenting to inclusion of the owner's property in the  
377 proposed assessment area; and

378           (b) determine whether to designate a voluntary assessment area, after considering:

379           (i) the amount of the proposed assessment to be levied on the property within the  
380 voluntary assessment area; and

381           (ii) the benefits that property within the voluntary assessment area will receive from  
382 improvements proposed to be financed by assessments on the property.

383           (3) If adequate protests have been filed, the governing body may not designate an  
384 assessment area as described in the notice under Section 11-42-202.

385           (4) (a) If the governing body adopts a designation resolution or ordinance designating  
386 an assessment area, the governing body shall, within 15 days after adopting the designation  
387 resolution or ordinance:

388           (i) record the original or certified copy of the designation resolution or ordinance in the  
389 office of the recorder of the county in which property within the assessment area is located; and

390           (ii) file with the recorder of the county in which property within the assessment area is  
391 located a notice of proposed assessment that:

392           (A) states that the local entity has designated an assessment area; and

393           (B) lists, by legal description and tax identification number, the property proposed to  
394 be assessed.

395           (b) A governing body's failure to comply with the requirements of Subsection (4)(a)  
396 does not invalidate the designation of an assessment area.

397           (5) After the adoption of a designation resolution or ordinance under Subsection

398 (1)~~(b)~~(a), the local entity may begin providing the specified improvements.

399 Section 6. Section **11-42-401** is amended to read:

400 **11-42-401. Levying an assessment -- Prerequisites -- Assessment list.**

401 (1) (a) If a local entity has designated an assessment area in accordance with Part 2,  
402 Designating an Assessment Area, the local entity may levy an assessment against property  
403 within that assessment area as provided in this part.

404 (b) If a local entity that is municipality or county designates an assessment area in  
405 accordance with this chapter, the municipality or county may levy an assessment as a fee and  
406 collect the fee in accordance with Subsection 11-42-202(1)(f)(i) or (ii).

407 (c) A fee collected by a municipality or county in the same manner as a property tax  
408 and included on a property tax notice in accordance with Subsection 11-42-202(1)(f)(ii):

409 (i) is enforced in accordance with, constitutes a lien in accordance with, and is subject  
410 to other penalty provisions in accordance with this chapter; and

411 (ii) is not subject to the enforcement, lien, or penalty provisions applicable to a  
412 property tax as provided in Title 59, Chapter 2, Property Tax Act.

413 (2) Before a governing body may adopt a resolution or ordinance levying an  
414 assessment against property within an assessment area:

415 (a) the governing body shall:

416 (i) subject to Subsection (3), prepare an assessment list designating:

417 (A) each parcel of property proposed to be assessed; and

418 (B) the amount of the assessment to be levied against the property;

419 (ii) appoint a board of equalization as provided in Section 11-42-403; and

420 (iii) give notice as provided in Section 11-42-402; and

421 (b) the board of equalization, appointed under Section 11-42-403, shall hold hearings,  
422 make any corrections it considers appropriate to an assessment, and report its findings to the  
423 governing body as provided in Section 11-42-403.

424 (3) (a) The governing body of a local entity shall prepare the assessment list described  
425 in Subsection (2)(a)(i) at any time after:

426 (i) the governing body has determined the estimated or actual operation and  
427 maintenance costs, if the assessment is to pay operation and maintenance costs;

428 (ii) the governing body has determined the estimated or actual economic promotion

429 costs described in Section 11-42-206, if the assessment is to pay for economic promotion  
430 activities; or

431 (iii) for any other assessment, the governing body has determined:

432 (A) the estimated or actual acquisition and construction costs of all proposed  
433 improvements within the assessment area, including overhead costs and authorized  
434 contingencies;

435 (B) the estimated or actual property price for all property to be acquired to provide the  
436 proposed improvements; and

437 (C) the reasonable cost of any work to be done by the local entity.

438 (b) In addition to the requirements of Subsection (3)(a), the governing body of a local  
439 entity shall prepare the assessment list described in Subsection (2)(a)(i) before:

440 (i) the light service has commenced, if the assessment is to pay for light service; or

441 (ii) the park maintenance has commenced, if the assessment is to pay for park  
442 maintenance.

443 (4) A local entity may levy an assessment for some or all of the cost of improvements  
444 within an assessment area, including payment of:

445 (a) operation and maintenance costs of improvements constructed within the  
446 assessment area;

447 (b) (i) if an outside entity furnishes utility services or maintains utility improvements,  
448 the actual cost that the local entity pays for utility services or for maintenance of  
449 improvements; or

450 (ii) if the local entity itself furnishes utility service or maintains improvements, for the  
451 reasonable cost of supplying the utility service or maintenance;

452 (c) the reasonable cost of supplying labor, materials, or equipment in connection with  
453 improvements; and

454 (d) (i) the reasonable cost of connection fees; or

455 (ii) the reasonable costs, as determined by the local entity governing body, if the local  
456 entity owns or supplies any sewer, storm drainage, water, gas, electric, or communications  
457 connections.

458 (5) A local entity may not levy an assessment for an amount donated or contributed for  
459 an improvement or part of an improvement.

460 (6) The validity of an otherwise valid assessment is not affected because the actual cost  
461 of improvements exceeds the estimated cost.

462 (7) (a) Subject to Subsection (7)(b), an assessment levied to pay for operation and  
463 maintenance costs may not be levied over a period of time exceeding five years beginning on  
464 the day on which the local entity adopts the assessment ordinance or assessment resolution for  
465 the operation and maintenance costs assessment.

466 (b) A local entity may levy an additional assessment described in Subsection (7)(a) in  
467 the assessment area designated for the assessment described in Subsection (7)(a) if, after the  
468 five-year period expires, the local entity complies with the provisions of this part.

469 Section 7. Section **17B-1-211** is amended to read:

470 **17B-1-211. Notice of public hearings -- Publication of resolution.**

471 (1) Before holding a public hearing or set of public hearings under Section 17B-1-210,  
472 the legislative body of each county or municipality with which a request is filed or that adopts a  
473 resolution under Subsection 17B-1-203(1)(d) and the board of trustees of each local district  
474 that adopts a resolution under Subsection 17B-1-203(1)(e) shall:

475 (a) (i) (A) except as provided in Subsections (1)(a)(i)(B) and (1)(a)(ii), publish notice  
476 in a newspaper or combination of newspapers of general circulation within the applicable area  
477 in accordance with Subsection (2); or

478 (B) if there is no newspaper or combination of newspapers of general circulation  
479 within the applicable area, post notice in accordance with Subsection (2)[~~-(F)~~] at least one  
480 notice per 1,000 population of that area[~~;~~] and [~~(H)~~] at places within the area that are most  
481 likely to provide actual notice to residents of the area; and

482 (ii) publish notice on the Utah Public Notice Website created in Section 63F-1-701, for  
483 two weeks before the hearing or the first of the set of hearings; or

484 (b) mail a notice to each registered voter residing within and each owner of real  
485 property located within the proposed local district.

486 (2) Each published notice under Subsection (1)(a)(i)(A) shall:

487 (a) be no less than 1/4 page in size, use type no smaller than 18 point, and be  
488 surrounded by a 1/4-inch border;

489 (b) if possible, appear in a newspaper that is published at least one day per week;

490 (c) if possible, appear in a newspaper of general interest and readership in the area and



491 not of limited subject matter;

492 (d) be placed in a portion of the newspaper other than where legal notices and  
493 classified advertisements appear; and

494 (e) be ~~[run at least]~~ published once each week for ~~[two successive]~~ four consecutive  
495 weeks, with the final publication being no ~~[less]~~ fewer than ~~[three]~~ five and no more than ~~[10]~~  
496 20 days before the hearing or the first of the set of hearings.

497 (3) Each notice required under Subsection (1) shall:

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

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

500 (ii) state the deadline for filing a protest against the creation of the proposed local  
501 district;

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

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

505 (d) describe or include a map of the entire proposed local district.

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

508 Section 8. Section **17B-1-213** is amended to read:

509 **17B-1-213. Protest after adoption of resolution -- Adoption of resolution**  
510 **approving creation for certain districts.**

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

512 (a) filed with the county clerk, municipal clerk or recorder, or local district secretary or  
513 clerk, as the case may be, within 60 days after the last public hearing required under Section  
514 17B-1-210; and

515 (b) signed by:

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

517 (A) is located within the proposed local district;

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

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

521 (ii) registered voters residing within the applicable area equal in number to at least 25%

522 of the number of votes cast in the applicable area for the office of governor at the last general  
523 election prior to the adoption of the resolution.

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

526 [~~2~~] (3) If adequate protests are filed, the governing body that adopted a resolution  
527 under Subsection 17B-1-203(1)(d) or (e):

528 (a) may not:

529 (i) hold or participate in an election under Subsection 17B-1-214(1) with respect to the  
530 applicable area;

531 (ii) take any further action under the protested resolution to create a local district or  
532 include the applicable area in a local district; or

533 (iii) for a period of two years, adopt a resolution under Subsection 17B-1-203(1)(d) or  
534 (e) proposing the creation of a local district including substantially the same area as the  
535 applicable area and providing the same service as the proposed local district in the protested  
536 resolution; and

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

539 [~~3~~] (4) Subsection [~~2~~] (3)(a) may not be construed to prevent an election from being  
540 held for a proposed local district whose boundaries do not include an applicable area that is the  
541 subject of adequate protests.

542 [~~4~~] (5) (a) If adequate protests are not filed with respect to a resolution proposing the  
543 creation of a local district for which an election is not required under Subsection  
544 17B-1-214(3)(d), (e), or (f), a resolution approving the creation of the local district may be  
545 adopted by:

546 (i) (A) the legislative body of a county whose unincorporated area is included within  
547 the proposed local district; and

548 (B) the legislative body of a municipality whose area is included within the proposed  
549 local district; or

550 (ii) the board of trustees of the initiating local district.

551 (b) Each resolution adopted under Subsection [~~4~~] (5)(a) shall:

552 (i) describe the area included in the local district;

- 553 (ii) be accompanied by a map that shows the boundaries of the local district;
- 554 (iii) describe the service to be provided by the local district;
- 555 (iv) state the name of the local district; and
- 556 (v) provide a process for the appointment of the members of the initial board of
- 557 trustees.

558 Section 9. Section **17B-1-214** is amended to read:

559 **17B-1-214. Election -- Exceptions.**

560 (1) (a) Except as provided in Subsection (3) and in Subsection 17B-1-213[~~(2)~~](3)(a), an

561 election on the question of whether the local district should be created shall be held by:

- 562 (i) if the proposed local district is located entirely within a single county, the
- 563 responsible clerk; or
- 564 (ii) except as provided under Subsection (1)(b), if the proposed local district is located
- 565 within more than one county, the clerk of each county in which part of the proposed local
- 566 district is located, in cooperation with the responsible clerk.

567 (b) Notwithstanding Subsection (1)(a)(ii), if the proposed local district is located

568 within more than one county and the only area of a county that is included within the proposed

569 local district is located within a single municipality, the election for that area shall be held by

570 the municipal clerk or recorder, in cooperation with the responsible clerk.

571 (2) Each election under Subsection (1) shall be held at the next special or regular

572 general election date that is:

- 573 (a) for an election pursuant to a property owner or registered voter petition, more than
- 574 45 days after certification of the petition under Subsection 17B-1-209(3)(a); or
- 575 (b) for an election pursuant to a resolution, more than 60 days after the latest hearing
- 576 required under Section 17B-1-210.

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

- 578 (a) a petition filed under Subsection 17B-1-203(1)(a) if it contains the signatures of the
- 579 owners of private real property that:
  - 580 (i) is located within the proposed local district;
  - 581 (ii) covers at least 67% of the total private land area within the proposed local district
  - 582 as a whole and within each applicable area; and
  - 583 (iii) is equal in value to at least 50% of the value of all private real property within the

584 proposed local district as a whole and within each applicable area;

585 (b) a petition filed under Subsection 17B-1-203(1)(b) if it contains the signatures of  
586 registered voters residing within the proposed local district as a whole and within each  
587 applicable area, equal in number to at least 67% of the number of votes cast in the proposed  
588 local district as a whole and in each applicable area, respectively, for the office of governor at  
589 the last general election prior to the filing of the petition;

590 (c) a groundwater right owner petition filed under Subsection 17B-1-203(1)(c) if the  
591 petition contains the signatures of the owners of groundwater rights that:

592 (i) are diverted within the proposed local district; and

593 (ii) cover at least 67% of the total amount of groundwater diverted in accordance with  
594 groundwater rights within the proposed local district as a whole and within each applicable  
595 area;

596 (d) a resolution adopted under Subsection 17B-1-203(1)(d) on or after May 5, 2003,  
597 that proposes the creation of a local district to provide fire protection, paramedic, and  
598 emergency services or law enforcement service, if the proposed local district includes a  
599 majority of the unincorporated area of one or more counties;

600 (e) a resolution adopted under Subsection 17B-1-203(1)(d) or (e) if the resolution  
601 proposes the creation of a local district that has no registered voters within its boundaries; or

602 (f) a resolution adopted under Subsection 17B-1-203(1)(d) on or after May 11, 2010,  
603 that proposes the creation of a local district described in Subsection 17B-1-202(1)(a)(xiii).

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

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

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

613 Section 10. Section **17B-1-215** is amended to read:

614 **17B-1-215. Notice and plat to lieutenant governor -- Recording requirements --**

615 **Certificate of incorporation -- Local district incorporated as specialized local district or**  
616 **basic local district -- Effective date.**

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

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

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

622 (b) The responsible body shall file the documents listed in Subsection (1)(a) with the  
623 lieutenant governor within 10 days after:

624 (i) the canvass of an election under Section 17B-1-214, if a majority of those voting at  
625 the election within the proposed local district as a whole vote in favor of the creation of a local  
626 district;

627 (ii) certification of a petition as to which the election requirement of Subsection  
628 17B-1-214(1) does not apply because of Subsection 17B-1-214(3)(a), (b), or (c); or

629 (iii) adoption of a resolution, under Subsection 17B-1-213[~~(4)~~](5) approving the  
630 creation of a local district for which an election was not required under Subsection  
631 17B-1-214(3)(d), (e), or (f), by the legislative body of each county whose unincorporated area  
632 is included within and the legislative body of each municipality whose area is included within  
633 the proposed local district, or by the board of trustees of the initiating local district.

634 (2) Upon the lieutenant governor's issuance of a certificate of incorporation under  
635 Section 67-1a-6.5, the responsible body shall:

636 (a) if the local district is located within the boundary of a single county, submit to the  
637 recorder of that county:

638 (i) the original:

639 (A) notice of an impending boundary action;

640 (B) certificate of incorporation; and

641 (C) approved final local entity plat; and

642 (ii) if applicable, a certified copy of each resolution adopted under Subsection  
643 17B-1-213[~~(4)~~](5); or

644 (b) if the local district is located within the boundaries of more than a single county:

645 (i) submit to the recorder of one of those counties:

646 (A) the original of the documents listed in Subsections (2)(a)(i)(A), (B), and (C); and

647 (B) if applicable, a certified copy of each resolution adopted under Subsection

648 17B-1-213[~~(4)~~](5); and

649 (ii) submit to the recorder of each other county:

650 (A) a certified copy of the documents listed in Subsection (2)(a)(i)(A), (B), and (C);

651 and

652 (B) if applicable, a certified copy of each resolution adopted under Subsection

653 17B-1-213[~~(4)~~](5).

654 (3) The area of each local district consists of:

655 (a) if an election was held under Section 17B-1-214, the area of the new local district

656 as approved at the election;

657 (b) if an election was not required because of Subsection 17B-1-214(3)(a), (b), or (c),

658 the area of the proposed local district as described in the petition; or

659 (c) if an election was not required because of Subsection 17B-1-214(3)(d), (e), or (f),

660 the area of the new local district as described in the resolution adopted under Subsection

661 17B-1-213[~~(4)~~](5).

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

664 (i) the type of specialized local district that was specified in the petition under  
665 Subsection 17B-1-203(1)(a), (b), or (c) or resolution under Subsection 17B-1-203(1)(d) or (e),

666 if the petition or resolution proposed the creation of a specialized local district; or

667 (ii) a basic local district, if the petition or resolution did not propose the creation of a  
668 specialized local district.

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

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

674 (A) levy or collect a property tax on property within the local district;

675 (B) levy or collect an assessment on property within the local district; or

676 (C) charge or collect a fee for service provided to property within the local district.

677 Section 11. Section **17D-1-102** is amended to read:

678 **17D-1-102. Definitions.**

679 As used in this chapter:

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

681 ~~[(a) owners of property within the applicable area representing more than 33% of the~~  
682 ~~taxable value of all taxable property within the applicable area; or]~~

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

684 (i) is located within the applicable area;

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

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

688 (b) [more than 33% of all] registered voters residing within the applicable area equal in  
689 number to at least 25% of the number of votes cast in the applicable area for the office of  
690 governor at the last general election prior to the adoption of the resolution or filing of the  
691 petition.

692 (2) "Applicable area" means:

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

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

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

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

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

705 (4) "General obligation bond":

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

- 708 (i) levied:
- 709 (A) by the county or municipality that created the special service district that issues the
- 710 bond; and
- 711 (B) on taxable property within the special service district; and
- 712 (ii) in excess of the ad valorem property taxes for the current fiscal year; and
- 713 (b) does not include:
- 714 (i) a short-term bond;
- 715 (ii) a tax and revenue anticipation bond; or
- 716 (iii) a special assessment bond.
- 717 (5) "Governing body" means:
- 718 (a) the legislative body of the county or municipality that creates the special service
- 719 district, to the extent that the county or municipal legislative body has not delegated authority
- 720 to an administrative control board appointed under Section 17D-1-301; or
- 721 (b) the administrative control board of the special service district, to the extent that the
- 722 county or municipal legislative body has delegated authority to an administrative control board
- 723 appointed under Section 17D-1-301.
- 724 (6) "Guaranteed bonds" means bonds:
- 725 (a) issued by a special service district; and
- 726 (b) the debt service of which is guaranteed by one or more taxpayers owning property
- 727 within the special service district.
- 728 (7) "Local district" has the same meaning as defined in Section 17B-1-102.
- 729 (8) "Revenue bond":
- 730 (a) means a bond payable from designated taxes or other revenues other than the ad
- 731 valorem property taxes of the county or municipality that created the special service district;
- 732 and
- 733 (b) does not include:
- 734 (i) an obligation constituting an indebtedness within the meaning of an applicable
- 735 constitutional or statutory debt limit;
- 736 (ii) a tax and revenue anticipation bond; or
- 737 (iii) a special assessment bond.
- 738 (9) "Special assessment" means an assessment levied against property to pay all or a



739 portion of the costs of making improvements that benefit the property.

740 (10) "Special assessment bond" means a bond payable from special assessments.

741 (11) "Special service district" means a limited purpose local government entity, as  
742 described in Section 17D-1-103, that:

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

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

745 (12) "Tax and revenue anticipation bond" means a bond:

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

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

750 Section 12. Section **17D-1-205** is amended to read:

751 **17D-1-205. Notice.**

752 (1) Each notice required under Subsection 17D-1-204(1) shall:

753 (a) state that:

754 (i) the legislative body has adopted a resolution stating its intent to create a special  
755 service district; or

756 (ii) a petition has been filed proposing the creation of a special service district;

757 (b) describe the boundary of the proposed special service district;

758 (c) generally describe each service that the special service district is proposed to  
759 provide;

760 (d) state that taxes may be levied annually upon all taxable property within the  
761 proposed special service district;

762 (e) state that fees or charges may be imposed to pay for some or all of the services that  
763 the special service district is proposed to provide;

764 (f) explain the process, requirements, and timetable for filing a protest against the  
765 creation of the special service district or against a service that the special service district is  
766 proposed to provide;

767 (g) designate a date, time, and place for a public hearing on the proposed creation of  
768 the special service district; and

769 (h) except as provided in Subsection (2), be published:

- 770 (i) (A) [~~at least~~] once a week [~~during three~~] for four consecutive weeks;
- 771 (B) not [~~less~~] fewer than [~~21~~] five days [~~or~~] and no more than [~~35~~] 20 days before the
- 772 date of the public hearing required under Subsection 17D-1-204(2); and
- 773 (C) in a newspaper of general circulation in the county or municipality by which the
- 774 special service district is proposed to be created; and
- 775 (ii) in accordance with Section 45-1-101 for 35 days before the date of the public
- 776 hearing required under Subsection 17D-1-204(2).

777 (2) Notwithstanding Subsection (1)(h)(i), if the proposed special service district is

778 located entirely within a city of the third, fourth, or fifth class or a town that has no newspaper

779 of general circulation in the city or town, the legislative body of the city or town may provide

780 that the notice required under Subsection 17D-1-204(1) be given by posting the notice in at

781 least five public places in the city or town at least 21 days before the public hearing required

782 under Subsection 17D-1-204(2).

783 (3) The legislative body of the county or municipality by which the special service

784 district is proposed to be created may include in a notice under this section any other

785 information that the legislative body considers necessary or appropriate.

786 Section 13. Section **17D-1-206** is amended to read:

787 **17D-1-206. Protests.**

- 788 (1) An interested person may protest:
- 789 (a) the creation of a special service district; or
- 790 (b) a service that the special service district is proposed to provide.
- 791 (2) Each protest under Subsection (1) shall:
- 792 (a) be in writing;
- 793 (b) be submitted:
- 794 (i) to the legislative body of the county or municipality by which the special service
- 795 district is proposed to be created; and
- 796 (ii) no later than [~~15~~] 60 days after the public hearing required under Subsection
- 797 17D-1-204(2); and
- 798 (c) explain why the person is protesting.
- 799 (3) A person who submitted a written protest against the creation of a special service
- 800 district may withdraw the protest or, having withdrawn a protest, cancel the withdrawal, [~~until~~]

801 30] no later than 60 days after the public hearing required under Subsection 17D-1-204(2).

802 (4) The legislative body of a county or municipality may not adopt a resolution or  
803 ordinance creating a special service district if adequate protests are filed with respect to the  
804 creation of the special service district.

805 (5) The legislative body of a county or municipality may not adopt a resolution or  
806 ordinance authorizing a special service district to provide a service if adequate protests are filed  
807 with respect to that service.

808 Section 14. Section **59-2-1317** is amended to read:

809 **59-2-1317. Index of property owners -- Tax notice -- Contents of notice.**

810 (1) The treasurer shall:

811 (a) collect the taxes; and

812 (b) furnish to each taxpayer, except those taxpayers under Sections 59-2-1302 and  
813 59-2-1307, by mail, postage prepaid, or leave at the taxpayer's residence or usual place of  
814 business, if known, a notice stating:

815 (i) the kind and value of property assessed to the taxpayer;

816 (ii) the street address of the property, if available to the county;

817 (iii) that the property may be subject to a detailed review in the next year under Section  
818 59-2-303.1;

819 (iv) the amount of taxes levied;

820 (v) property tax information pertaining to taxpayer relief, options for payment of taxes,  
821 and collection procedures;

822 (vi) if applicable, the amount of a fee assessed in accordance with Section 11-42-401;

823 [~~(vi)~~] (vii) other information specifically authorized to be included on the notice under  
824 Title 59, Chapter 2, Property Tax Act; and

825 [~~(vii)~~] (viii) other property tax information approved by the commission.

826 (2) For any property for which property taxes are delinquent, the treasurer shall stamp  
827 on the notice "Prior taxes are delinquent on this parcel."

828 (3) The notice shall:

829 (a) separately state all taxes levied only on a certain kind or class of property for a  
830 special purpose;

831 (b) have printed or stamped on it when and where the taxes are payable;

832 (c) state the date on which the taxes will be delinquent; and

833 (d) state the penalty provided by law.

834 (4) (a) The notice shall be mailed by November 1.

835 (b) The treasurer shall keep on file in the treasurer's office the information set forth in

836 the notice.

837 (c) The county treasurer is not required to mail out a tax receipt acknowledging

838 payment.