

**LIMITED PURPOSE LOCAL GOVERNMENT ENTITIES**

**AMENDMENTS**

2014 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Brad L. Dee**

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

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**LONG TITLE**

**General Description:**

This bill amends provisions related to a local district and a special service district.

**Highlighted Provisions:**

This bill:

- ▶ amends provisions governing the qualifications of a local district board member;
- ▶ enacts language clarifying that a special service district is a political subdivision of the state similar to a local district; and
- ▶ makes technical corrections.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

AMENDS:

**17B-1-302**, as last amended by Laws of Utah 2011, Chapter 68

**17D-1-103**, as enacted by Laws of Utah 2008, Chapter 360

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

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



28 **17B-1-302. Board member qualifications -- Number of board members.**

29 (1) (a) [~~Each~~] Except for an appointment made in accordance with Subsection

30 17B-1-304(6), each member of a local district board of trustees shall be:

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

32 (ii) except as provided in Subsections (1)(b) and (c), a resident within:

33 (A) the boundaries of the local district; and

34 (B) if applicable, the boundaries of the division of the local district from which the  
35 member is elected.

36 (b) (i) As used in this Subsection (1)(b):

37 (A) "Proportional number" means the number of members of a board of trustees that  
38 bears, as close as mathematically possible, the same proportion to all members of the board that  
39 the number of seasonally occupied homes bears to all residences within the district that receive  
40 service from the district.

41 (B) "Seasonally occupied home" means a single-family residence:

42 (I) that is located within the local district;

43 (II) that receives service from the local district; and

44 (III) whose owner:

45 (Aa) does not reside permanently at the residence; and

46 (Bb) may occupy the residence on a temporary or seasonal basis.

47 (ii) If over 50% of the residences within a local district that receive service from the

48 local district are seasonally occupied homes, the requirement under Subsection (1)(a)(ii) is

49 replaced, for a proportional number of members of the board of trustees, with the requirement

50 that the member be an owner of land, or an agent or officer of the owner of land, that:

51 (A) receives service from the district; and

52 (B) is located within:

53 (I) the local district; and

54 (II) if applicable, the division from which the member is elected.

55 (c) For a board of trustees member in a basic local district that has within its

56 boundaries fewer than one residential dwelling unit per 10 acres of land, the requirement under

57 Subsection (1)(a)(ii) is replaced with the requirement that the member be an owner of land

58 within the local district that receives service from the district, or an agent or officer of the

59 owner.

60 (2) Except as otherwise provided by statute, the number of members of each board of  
61 trustees of a local district shall be an odd number that is no less than three.

62 (3) For a newly created local district, the number of members of the initial board of  
63 trustees shall be the number specified:

64 (a) for a local district whose creation was initiated by a petition under Subsection  
65 17B-1-203(1)(a), (b), or (c), in the petition; or

66 (b) for a local district whose creation was initiated by a resolution under Subsection  
67 17B-1-203(1)(d) or (e), in the resolution.

68 (4) (a) For an existing local district, the number of members of the board of trustees  
69 may be changed by a two-thirds vote of the board of trustees.

70 (b) No change in the number of members of a board of trustees under Subsection (4)(a)  
71 may:

72 (i) violate Subsection (2); or

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

74 Section 2. Section 17D-1-103 is amended to read:

75 **17D-1-103. Special service district status, powers, and duties -- Limitation on**  
76 **districts providing jail service.**

77 (1) A special service district:

78 (a) is:

79 (i) a body corporate and politic with perpetual succession, separate and distinct from  
80 the county or municipality that creates it;

81 [~~(b) is~~] (ii) a quasi-municipal corporation; and

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

83 [~~(c)~~] (b) may sue and be sued.

84 (2) A special service district may:

85 (a) exercise the power of eminent domain possessed by the county or municipality that  
86 creates the special service district;

87 (b) enter into a contract that the governing authority considers desirable to carry out  
88 special service district functions, including a contract:

89 (i) with the United States or an agency of the United States, the state, an institution of

90 higher education, a county, a municipality, a school district, a local district, another special  
91 service district, or any other political subdivision of the state; or

92 (ii) that includes provisions concerning the use, operation, and maintenance of special  
93 service district facilities and the collection of fees or charges with respect to commodities,  
94 services, or facilities that the district provides;

95 (c) acquire or construct facilities;

96 (d) acquire real or personal property, or an interest in real or personal property,  
97 including water and water rights, whether by purchase, lease, gift, devise, bequest, or  
98 otherwise, and whether the property is located inside or outside the special service district, and  
99 own, hold, improve, use, finance, or otherwise deal in and with the property or property right;

100 (e) sell, convey, lease, exchange, transfer, or otherwise dispose of all or any part of the  
101 special service district's property or assets, including water and water rights;

102 (f) mortgage, pledge, or otherwise encumber all or any part of the special service  
103 district's property or assets, including water and water rights;

104 (g) enter into a contract with respect to the use, operation, or maintenance of all or any  
105 part of the special service district's property or assets, including water and water rights;

106 (h) accept a government grant or loan and comply with the conditions of the grant or  
107 loan;

108 (i) use an officer, employee, property, equipment, office, or facility of the county or  
109 municipality that created the special service district, subject to reimbursement as provided in  
110 Subsection (3);

111 (j) employ one or more officers, employees, or agents, including one or more  
112 engineers, accountants, attorneys, or financial consultants, and establish their compensation;

113 (k) designate an assessment area and levy an assessment as provided in Title 11,  
114 Chapter 42, Assessment Area Act;

115 (l) contract with a franchised, certificated public utility for the construction and  
116 operation of an electrical service distribution system within the special service district;

117 (m) borrow money and incur indebtedness;

118 (n) as provided in Part 5, Special Service District Bonds, issue bonds for the purpose of  
119 acquiring, constructing, and equipping any of the facilities required for the services the special  
120 service district is authorized to provide, including:

121 (i) bonds payable in whole or in part from taxes levied on the taxable property in the  
122 special service district;

123 (ii) bonds payable from revenues derived from the operation of revenue-producing  
124 facilities of the special service district;

125 (iii) bonds payable from both taxes and revenues;

126 (iv) guaranteed bonds, payable in whole or in part from taxes levied on the taxable  
127 property in the special service district;

128 (v) tax anticipation notes;

129 (vi) bond anticipation notes;

130 (vii) refunding bonds;

131 (viii) special assessment bonds; and

132 (ix) bonds payable in whole or in part from mineral lease payments as provided in  
133 Section 11-14-308;

134 (o) except as provided in Subsection (4), impose fees or charges or both for  
135 commodities, services, or facilities that the special service district provides;

136 (p) provide to an area outside the special service district's boundary, whether inside or  
137 outside the state, a service that the special service district is authorized to provide within its  
138 boundary, if the governing body makes a finding that there is a public benefit to providing the  
139 service to the area outside the special service district's boundary;

140 (q) provide other services that the governing body determines will more effectively  
141 carry out the purposes of the special service district; and

142 (r) adopt an official seal for the special service district.

143 (3) Each special service district that uses an officer, employee, property, equipment,  
144 office, or facility of the county or municipality that created the special service district shall  
145 reimburse the county or municipality a reasonable amount for what the special service district  
146 uses.

147 (4) (a) A special service district that provides jail service as provided in Subsection  
148 17D-1-201(10) may not impose a fee or charge for the service it provides.

149 (b) Subsection (4)(a) may not be construed to limit a special service district that  
150 provides jail service from:

151 (i) entering into a contract with the federal government, the state, or a political

152 subdivision of the state to provide jail service for compensation; or  
153 (ii) receiving compensation for jail service it provides under a contract described in  
154 Subsection (4)(b)(i).

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**Legislative Review Note**  
**as of 2-20-14 11:48 AM**

**Office of Legislative Research and General Counsel**