

Representative James A. Dunnigan proposes the following substitute bill:

MUNICIPAL INCORPORATION AMENDMENTS

2024 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Curtis S. Bramble

House Sponsor: James A. Dunnigan

LONG TITLE

General Description:

This bill amends the Utah Municipal Code to provide for a pilot program for the incorporation of a preliminary municipality.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ establishes a process for landowners to incorporate a preliminary municipality for the purpose of developing land for eventual incorporation into a town;
- ▶ describes requirements and procedures for applying to incorporate an area as a preliminary municipality;
- ▶ describes the responsibilities of the lieutenant governor and a county clerk in relation to the processes described in this bill;
- ▶ establishes the procedure for incorporating an area as a preliminary municipality, including a feasibility study, a public hearing, and the posting of a bond;
- ▶ describes development requirements;
- ▶ provides for appointment of a board and a board chair for a preliminary municipality;
- ▶ addresses the powers of, and limitations on, a preliminary municipality;



- 26 ▶ requires for the transition of a preliminary municipality to a town when the
- 27 population of the preliminary municipality reaches a certain level;
- 28 ▶ describes the requirements and procedures for transitioning a preliminary
- 29 municipality into a town;
- 30 ▶ provides for the election of officers for the future town;
- 31 ▶ provides a sunset date for the provisions of this bill; and
- 32 ▶ makes technical and conforming changes.

33 **Money Appropriated in this Bill:**

34 None

35 **Other Special Clauses:**

36 None

37 **Utah Code Sections Affected:**

38 AMENDS:

- 39 **10-1-104**, as last amended by Laws of Utah 2015, Chapter 352
- 40 **10-2a-201.5**, as last amended by Laws of Utah 2023, Chapter 224
- 41 **10-2a-202**, as last amended by Laws of Utah 2023, Chapter 224
- 42 **63I-1-210**, as last amended by Laws of Utah 2022, Chapter 274

43 ENACTS:

- 44 **10-2a-501**, Utah Code Annotated 1953
- 45 **10-2a-502**, Utah Code Annotated 1953
- 46 **10-2a-503**, Utah Code Annotated 1953
- 47 **10-2a-504**, Utah Code Annotated 1953
- 48 **10-2a-505**, Utah Code Annotated 1953
- 49 **10-2a-506**, Utah Code Annotated 1953
- 50 **10-2a-507**, Utah Code Annotated 1953
- 51 **10-2a-508**, Utah Code Annotated 1953
- 52 **10-2a-509**, Utah Code Annotated 1953
- 53 **10-2a-510**, Utah Code Annotated 1953

54

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

56 Section 1. Section **10-1-104** is amended to read:

57 **10-1-104. Definitions.**

58 As used in this title:

59 (1) "City" means a municipality that is classified by population as a city of the first
60 class, a city of the second class, a city of the third class, a city of the fourth class, or a city of
61 the fifth class, under Section [10-2-301](#).

62 (2) "Contiguous" means:

63 (a) if used to described an area, continuous, uninterrupted, and without an island of
64 territory not included as part of the area; and

65 (b) if used to describe an area's relationship to another area, sharing a common
66 boundary.

67 (3) "Governing body" means collectively the legislative body and the executive of any
68 municipality. Unless otherwise provided:

69 (a) in a city of the first or second class, the governing body is the city commission;

70 (b) in a city of the third, fourth, or fifth class, the governing body is the city council;

71 (c) in a town, the governing body is the town council; and

72 (d) in a metro township, the governing body is the metro township council.

73 (4) "Municipal" means of or relating to a municipality.

74 (5) "Municipality" means:

75 (a) a city of the first class, city of the second class, city of the third class, city of the
76 fourth class, city of the fifth class;

77 (b) a town, as classified in Section [10-2-301](#); [~~or~~]

78 (c) a metro township as that term is defined in Section [10-2a-403](#) unless the term is
79 used in the context of authorizing, governing, or otherwise regulating the provision of
80 municipal services[~~;~~]; or

81 (d) a preliminary municipality incorporated under Chapter 2a, Part 5, Incorporation of a
82 Preliminary Municipality.

83 (6) "Peninsula," when used to describe an unincorporated area, means an area
84 surrounded on more than 1/2 of its boundary distance, but not completely, by incorporated
85 territory and situated so that the length of a line drawn across the unincorporated area from an
86 incorporated area to an incorporated area on the opposite side shall be less than 25% of the
87 total aggregate boundaries of the unincorporated area.

88 (7) "Person" means an individual, corporation, partnership, organization, association,
89 trust, governmental agency, or any other legal entity.

90 (8) "Provisions of law" shall include other statutes of the state of Utah and ordinances,
91 rules, and regulations properly adopted by any municipality unless the construction is clearly
92 contrary to the intent of state law.

93 (9) "Recorder," unless clearly inapplicable, includes and applies to a town clerk.

94 (10) "Town" means a municipality classified by population as a town under Section
95 [10-2-301](#).

96 (11) "Unincorporated" means not within a municipality.

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

98 **10-2a-201.5. Qualifications for incorporation.**

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

100 (i) is contiguous;

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

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

103 (b) A preliminary municipality may transition to, and incorporate as, a town, in
104 accordance with Section [10-2a-510](#).

105 [~~(b)~~] (c) An area may incorporate as a city in accordance with this part if the area:

106 (i) is contiguous;

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

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

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

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

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

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

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

116 (ii) the area is contiguous.

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

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

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

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

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

128 (i) was filed before the filing of the request for a feasibility study, described in Section
129 10-2a-202, relating to the incorporating area; and

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

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

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

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

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

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

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

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

150 Section 3. Section 10-2a-202 is amended to read:

151 **10-2a-202. Feasibility request -- Requirements -- Limitations.**

152 (1) The process to incorporate a contiguous area of a county as a municipality is
153 initiated by an individual filing a feasibility request, with the county clerk of the county where
154 the area proposed to be incorporated is located, that includes:

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

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

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

158 (iii) is, as of January 1 of the current year, equal in assessed fair market value to at least
159 7% of the assessed fair market value of all private real property within the area; and

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

162 (2) The feasibility request shall include:

163 (a) a description of the contiguous area proposed to be incorporated as a municipality;

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

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

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

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

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

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

175 (4) A feasibility request may not propose for incorporation an area that includes [~~some~~
176 ~~or~~] all or part of an area that is the subject of a completed feasibility study or supplemental
177 feasibility study whose results comply with Subsection 10-2a-205(5)(a) unless:

178 (a) the proposed incorporation that is the subject of the completed feasibility study or
179 supplemental feasibility study has been defeated by the voters at an election under Section
180 10-2a-210; or

181 (b) the time described in Subsection [10-2a-208\(1\)](#) for filing an incorporation petition
182 based on the completed feasibility study or supplemental feasibility study has elapsed without
183 the sponsors filing an incorporation petition under Section [10-2a-208](#).

184 (5) A feasibility request may not propose for incorporation an area that includes all or
185 part of an area that is the subject of a completed feasibility study or supplemental feasibility
186 study whose results comply with Subsection [10-2a-504\(4\)](#), unless the time described in
187 Subsection [10-2a-507\(1\)](#) for filing a petition for incorporation based on the completed
188 feasibility study or supplemental feasibility study has elapsed without the sponsors filing a
189 petition for incorporation under Section [10-2a-507](#).

190 [~~5~~] (6) Sponsors may not file a feasibility request relating to the incorporation of a
191 town if the cumulative private real property that the sponsors own exceeds 40% of the total
192 private land area within the boundaries of the proposed town.

193 Section 4. Section **10-2a-501** is enacted to read:

194 **Part 5. Incorporation of a Preliminary Municipality**

195 **10-2a-501. Definitions.**

196 As used in this part:

197 (1) "Affordable housing" means housing occupied or reserved for occupancy by
198 households with a gross household income equal to or less than 80% of the median gross
199 income of the applicable municipal or county statistical area for households of the same size.

200 (2) "Board," in relation to a preliminary municipality, means the same as a council
201 described in Section [10-3b-402](#).

202 (3) "Board chair," in relation to a preliminary municipality, means the same as a mayor
203 described in Section [10-3b-402](#).

204 (4) "Contiguous" means the same as that term is defined in Section [10-2a-102](#).

205 (5) "Feasibility consultant" means a person or firm:

206 (a) with expertise in the processes and economics of local government; and

207 (b) who is independent of, and not affiliated with, a county or a sponsor of a petition to
208 incorporate a preliminary municipality under this part.

209 (6) "Feasibility request" means a request, described in Section [10-2a-502](#), for a
210 feasibility study for the proposed incorporation of a preliminary municipality.

211 (7) "Initial landowners" means the persons who owned the land within the proposed

212 preliminary municipality area when the person filed the feasibility request under Section
213 20A-1-501.

214 (8) "Municipal service" means the same as that term is defined in Section 10-2a-102.

215 (9) "Pending annexation area" means an area proposed for annexation in an annexation
216 petition described in Section 10-2-403 that is filed before, and is still pending when, a person
217 files the applicable request for a feasibility study under Section 10-2a-502.

218 (10) "Primary sponsor contact" means:

219 (a) in relation to a feasibility request:

220 (i) the individual designated as the primary sponsor contact for a feasibility request
221 under Subsection 10-2a-502(5)(c); or

222 (ii) an individual designated, in writing, by the initial landowners if a replacement
223 primary sponsor contact is needed; or

224 (b) in relation to a petition for incorporation of a preliminary municipality:

225 (i) the individual designated as the primary sponsor contact for a petition for
226 incorporation of a preliminary municipality under Subsection 10-2a-507(1)(d); or

227 (ii) an individual designated, in writing, by the initial landowners if a replacement
228 primary sponsor contact is needed.

229 (11) "Private," in relation to real property, means taxable real property.

230 (12) "Proposed preliminary municipality area" means the area proposed for
231 incorporation as a preliminary municipality in a feasibility request.

232 (13) "System infrastructure" means, as shown on the map or plat described in
233 Subsection 10-2a-502(5)(e) for the proposed preliminary municipal area:

234 (a) the main thoroughfares within the proposed preliminary municipal area, including
235 the roads that connect the proposed preliminary municipal area to an existing road outside the
236 proposed preliminary municipal area; and

237 (b) the main lines that will connect a utility to the proposed preliminary municipal area,
238 including the stubs that will connect the main lines to the development in the proposed
239 preliminary municipal area.

240 Section 5. Section 10-2a-502 is enacted to read:

241 **10-2a-502. Incorporation of a preliminary municipality -- Feasibility request --**
242 **Requirements.**

243 (1) A person may apply to incorporate an area as a preliminary municipality by filing a
244 feasibility request in accordance with this section.

245 (2) Subject to Subsection (6), a person may file a feasibility request in relation to an
246 area that the person seeks to incorporate as a preliminary municipality if:

247 (a) the area is contiguous;

248 (b) no part of the area is within a county of the first class or second class;

249 (c) no part of the area is within, or within .25 miles of, a municipality;

250 (d) on the day on which the person files the feasibility request:

251 (i) the area is owned by no more than three persons, all of whom consent to
252 incorporation as a preliminary municipality; and

253 (ii) at least 50% of the area is undeveloped;

254 (e) the persons who sign the feasibility request intend to develop the area to the point
255 that:

256 (i) at least 100 individuals reside in the area;

257 (ii) the area will have an average population density of no less than seven individuals
258 per square mile, unless:

259 (A) a population density of less than seven individuals per square mile is necessary in
260 order to connect separate areas that share a demonstrable community interest; and

261 (B) the average population of the area has a population density of no less than seven
262 individuals per square mile if the land necessary to connect the separate areas described in

263 Subsection (2)(e)(ii)(A) is not included in the calculation; and

264 (iii) at least 10% of the housing in the preliminary municipality is affordable housing;

265 (f) the area does not include land owned by the United States government unless:

266 (i) the area, including the land owned by the United States government, is contiguous;

267 and

268 (ii) (A) incorporating the land is necessary to connect separate areas that share a
269 demonstrable community interest; or

270 (B) excluding the land from the area would create an unincorporated island within the
271 proposed preliminary municipality;

272 (g) the area is entirely within one county; and

273 (h) the feasibility request complies with Subsection (3).

274 (3) (a) A proposed preliminary municipality area may not include all or part of a
275 pending annexation area, unless:

276 (i) the portion of the pending annexation area included in the proposed preliminary
277 municipality area does not exceed 20% of the proposed preliminary municipality area; and

278 (ii) the feasibility request would comply with the requirements of this section
279 regardless of whether the portion of the pending annexation area included in the proposed
280 preliminary municipality area is excluded from, or remains included in, the proposed
281 preliminary municipality area.

282 (b) A proposed preliminary municipality area may not include all or part of an area that
283 is the subject of a completed feasibility study or supplemental feasibility study that qualifies to
284 proceed under Subsection 10-2a-205(5)(a), unless:

285 (i) the proposed incorporation that is the subject of the completed feasibility study or
286 supplemental feasibility study has been defeated by the voters at an election under Section
287 10-2a-210; or

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

291 (c) A proposed preliminary municipality area may not include all or part of an area that
292 is the subject of a completed feasibility study or supplemental feasibility study whose results
293 comply with Subsection 10-2a-504(4), unless the time described in Subsection 10-2a-507(1)
294 for filing a petition for incorporation based on the completed feasibility study or supplemental
295 feasibility study has elapsed without the sponsors filing a petition for incorporation under
296 Section 10-2a-507.

297 (4) Except as provided in Section 10-2a-505, the lieutenant governor shall consider
298 each feasibility request that includes an area described in Subsection (3)(a) as if the request
299 does not include the area described in Subsection (3)(a).

300 (5) A person who files a feasibility request under this section shall file the feasibility
301 request with the lieutenant governor, including in the feasibility request:

302 (a) the signatures of all owners of real property included in proposed preliminary
303 municipality area, showing that the owners consent to including the real property in the
304 proposed preliminary municipality area;

305 (b) the name, address, and phone number of each owner signing the feasibility request;

306 (c) a designation of one individual who signs the feasibility request as the primary

307 sponsor contact for the feasibility request;

308 (d) a description of the proposed preliminary municipality area;

309 (e) an accurate map or plat, prepared by a licensed surveyor, showing:

310 (i) a legal description of the boundaries of the proposed preliminary municipality area

311 and each phase of the proposed preliminary municipality area;

312 (ii) all development planned for the proposed preliminary municipality area; and

313 (iii) that the first phase of the proposed preliminary municipality area is projected to

314 have at least 100 residents when completed; and

315 (f) a request that the lieutenant governor commission a study to determine the

316 feasibility of incorporating the area as a preliminary municipality.

317 (6) (a) The provisions of this part, providing for the incorporation of a preliminary

318 municipality, is a pilot project that ends on January 1, 2031.

319 (b) Except as provided in Subsection (7), a person may not file a feasibility request

320 under this part in a calendar year during which two or more requests have already been filed in

321 the state.

322 (7) A feasibility request does not count towards the limit described in Subsection (6)(b)

323 if:

324 (a) the sponsors who file the request withdraw the request;

325 (b) the lieutenant governor rejects the feasibility request under Subsection

326 [10-2a-503\(4\)](#) or [\(5\)\(b\)](#), and the sponsors:

327 (i) do not timely amend the feasibility request under Subsection [10-2a-503\(7\)\(b\)](#); or

328 (ii) are prohibited from amending the feasibility request under Subsection

329 [10-2a-503\(7\)\(c\)](#); or

330 (c) the process to incorporate is prohibited from proceeding under Subsection

331 [10-2a-504\(5\)\(a\)](#) and the sponsors:

332 (i) do not timely file a modified feasibility request under Subsection

333 [10-2a-505\(1\)\(b\)\(i\)](#); or

334 (ii) are prohibited from filing a modified feasibility request under Subsection

335 [10-2a-505\(3\)](#).

336 Section 6. Section **10-2a-503** is enacted to read:

337 **10-2a-503. Processing a feasibility request -- Certification or rejection --**

338 **Processing priority -- Determination by the Utah Population Committee.**

339 (1) Within 45 days after the day on which an individual files a feasibility request under
340 Section [10-2a-502](#), the lieutenant governor shall:

341 (a) determine whether the feasibility request complies with Section [10-2a-502](#); and

342 (b) notify the clerk of the county where the proposed preliminary municipality area is
343 located, in writing, of the determination made under Subsection (1)(a) and the grounds for the
344 determination.

345 (2) A county clerk shall comply with a request by the lieutenant governor to provide
346 information or a record to the lieutenant governor or to a sponsor of the feasibility request, to
347 assist in complying with this part, within five calendar days after the day on which the
348 lieutenant governor makes the request.

349 (3) If the lieutenant governor determines that the feasibility request complies with
350 Section [10-2a-502](#), the lieutenant governor shall:

351 (a) certify the feasibility request; and

352 (b) transmit written notification of the certification to the primary sponsor contact, the
353 county clerk, and the Utah Population Committee.

354 (4) If the lieutenant governor determines that the feasibility request fails to comply
355 with Section [10-2a-502](#), the lieutenant governor shall reject the feasibility request and notify
356 the primary sponsor contact and the county clerk, in writing, of the rejection and the grounds
357 for the rejection.

358 (5) (a) Within 20 days after the day on which the lieutenant governor transmits written
359 notification under Subsection (3)(b), the Utah Population Committee shall:

360 (i) determine whether, based on the map or plat described in Subsection
361 [10-2a-502](#)(5)(e), the proposed preliminary municipality will, when all phases of the map or plat
362 are completed, likely comply with the population, population density, and contiguity
363 requirements described in Section [10-2a-502](#); and

364 (ii) provide notice of the determination to the lieutenant governor and the county clerk.

365 (b) If the Utah Population Committee determines, under Subsection (5)(a)(i), that,
366 when all phases of the plan or plat are completed, the proposed preliminary municipality will

367 not likely comply with the population, population density, and contiguity requirements
368 described in Section 10-2a-502, the lieutenant governor shall rescind the certification described
369 in Subsection (3) and reject the feasibility request.

370 (6) The lieutenant governor shall certify or reject feasibility requests in the order in
371 which the requests are filed.

372 (7) (a) If the lieutenant governor determines, under Subsection (4), that the feasibility
373 request fails to comply with Section 10-2a-502, or rejects the feasibility request under
374 Subsection (5)(b), the sponsors may, subject to Section 10-2a-505, amend the feasibility
375 request to correct the deficiencies and refile the feasibility request with the lieutenant governor.

376 (b) Except as provided in Subsection (7)(c), the sponsors may submit an amended
377 feasibility request within 90 days after the day on which the lieutenant governor makes the
378 determination or rejection described in Subsection (7)(a).

379 (c) The sponsors may not submit an amended feasibility request more than once.

380 (d) The lieutenant governor shall consider a feasibility request that is amended and
381 refiled under Subsection (7)(a) as a newly filed feasibility request and process the feasibility
382 request in accordance with this section.

383 Section 7. Section **10-2a-504** is enacted to read:

384 **10-2a-504. Feasibility study -- Feasibility study consultant -- Qualifications for**
385 **proceeding with incorporation.**

386 (1) Unless the lieutenant governor rescinds the certification under Subsection
387 10-2a-503(5)(b), the lieutenant governor shall, within 90 days after the day on which the
388 lieutenant governor certifies a feasibility request under Subsection 10-2a-503(3)(a), in
389 accordance with Subsection (2), engage a feasibility consultant to conduct a feasibility study.

390 (2) The lieutenant governor shall:

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

393 (b) ensure that the feasibility consultant:

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

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

397 (c) require the feasibility consultant to:

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

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

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

406 (A) the lieutenant governor;

407 (B) the county legislative body of the county in which the proposed preliminary
408 municipality area is located;

409 (C) the primary sponsor contact; and

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

411 and

412 (iv) attend the public hearings described in Section [10-2a-506](#) to present the feasibility
413 study results and respond to questions from the public.

414 (3) (a) The feasibility study shall include:

415 (i) an analysis of:

416 (A) the likely population and population density within the proposed preliminary
417 municipality area when all phases of the map or plat for the proposed preliminary municipality
418 area are completed; and

419 (B) the population and population density of the area surrounding the proposed
420 preliminary municipality area on the day on which the feasibility request was submitted;

421 (ii) an analysis of the following, determined as if, at the time of the analysis, the
422 proposed preliminary municipality area is incorporated as a town with a population of 100
423 people:

424 (A) the initial and projected five-year demographics and tax base within the boundaries
425 of the proposed preliminary municipality area and the surrounding area, including household
426 size and income, commercial and industrial development, and public facilities;

427 (B) subject to Subsection (3)(b), the initial and five-year projected cost of providing
428 municipal services to the proposed preliminary municipality area, including administrative

429 costs;

430 (C) assuming the same tax categories and tax rates as imposed by the county and all
431 other current service providers at the time during which the feasibility consultant prepares the
432 feasibility study, the initial and five-year projected revenue for the proposed preliminary
433 municipality area;

434 (D) the risks and opportunities that might affect the actual costs described in
435 Subsection (3)(a)(ii)(B) or the revenues described in Subsection (3)(a)(ii)(C) of the proposed
436 preliminary municipality area;

437 (E) new revenue sources that may be available to the proposed preliminary
438 municipality area that are not available before the area incorporates, including an analysis of
439 the amount of revenues the proposed preliminary municipality area might obtain from those
440 revenue sources;

441 (F) the projected tax burden per household of any new taxes that may be levied within
442 the proposed preliminary municipality area within five years after incorporation as a town; and

443 (G) the fiscal impact of the proposed preliminary municipality area's incorporation as a
444 town on unincorporated areas, other municipalities, special districts, special service districts,
445 and other governmental entities in the county; and

446 (iii) an analysis regarding whether sufficient water will be available to support the
447 proposed preliminary municipal area when the development of the area is complete.

448 (b) (i) In calculating the projected costs under Subsection (3)(a)(ii)(B), the feasibility
449 consultant shall assume the proposed preliminary municipality area will provide a level and
450 quality of municipal services that fairly and reasonably approximate the level and quality of
451 municipal services that are provided to the area surrounding the proposed preliminary
452 municipality area at the time the feasibility consultant conducts the feasibility study.

453 (ii) In calculating the current cost of a municipal service under Subsection (3)(a)(ii)(B),
454 the feasibility consultant shall consider:

455 (A) the amount it would cost the proposed preliminary municipality area to provide the
456 municipal service for the first five years after the area incorporates as a town; and

457 (B) the proposed or current municipal service provider's initial and five-year projected
458 cost of providing the municipal service after the proposed preliminary municipality area
459 incorporates as a town.

460 (iii) In calculating costs under Subsection (3)(a)(ii)(B), the feasibility consultant shall
461 account for inflation and anticipated growth.

462 (c) In conducting the feasibility study, the feasibility consultant shall consult with the
463 following before submitting a draft of the feasibility study under Subsection (2)(c)(iii):

464 (i) if the proposed preliminary municipality will include lands owned by the United
465 States federal government, the entity within the United States federal government that has
466 jurisdiction over the land;

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

469 (iii) each entity that provides, or is proposed to provide, a municipal service to a
470 portion of the proposed preliminary municipality area; and

471 (iv) each other special service district that provides, or is proposed to provide, services
472 to a portion of the proposed preliminary municipality area.

473 (4) If the five-year projected revenues calculated under Subsection (3)(a)(ii)(C) exceed
474 the five-year projected costs calculated under Subsection (3)(a)(ii)(B) by more than 5%, the
475 feasibility consultant shall project and report the expected annual revenue surplus to the
476 primary sponsor contact and the lieutenant governor.

477 (5) (a) Except as provided in Subsection (5)(b), if the results of the feasibility study, or
478 a supplemental feasibility study described in Section 10-2a-505, show that the average annual
479 amount of revenue calculated under Subsection (3)(a)(ii)(C) does not exceed the average
480 annual cost calculated under Subsection (3)(a)(ii)(B) by more than 5%, the process to
481 incorporate the area that is the subject of the feasibility study or supplemental feasibility study
482 may not proceed.

483 (b) Except as provided in Subsection 10-2a-505(3), the process to incorporate an area
484 described in Subsection (5)(a) may proceed if a subsequent supplemental feasibility study
485 conducted under Section 10-2a-505 for the proposed incorporation demonstrates compliance
486 with Subsection (5)(a).

487 (6) If the results of the feasibility study or revised feasibility study do not comply with
488 Subsection (5), and if requested by the sponsors of the request, the feasibility consultant shall,
489 as part of the feasibility study or revised feasibility study, make recommendations regarding
490 how the proposed preliminary municipality area may be altered to comply with Subsection (5),

491 unless the sponsors are precluded from modifying the feasibility request under Subsection
492 10-2a-505(3).

493 (7) The lieutenant governor shall post a copy of the feasibility study, and any
494 supplemental feasibility study described in Section 10-2a-505, on the lieutenant governor's
495 website and make a copy available for public review at the lieutenant governor's office.

496 Section 8. Section **10-2a-505** is enacted to read:

497 **10-2a-505. Modified feasibility request -- Supplemental feasibility study.**

498 (1) (a) The sponsors of a feasibility request may modify the request to alter the
499 boundaries of the proposed preliminary municipality area and refile the modified feasibility
500 request with the lieutenant governor if:

501 (i) the results of the feasibility study do not comply with Subsection 10-2a-504(5)(a);

502 or

503 (ii) (A) the feasibility request complies with Subsection 10-2a-502(3)(a);

504 (B) the annexation petition described in Subsection 10-2a-502(3)(a) that proposed the
505 annexation of an area that is part of the proposed preliminary municipality area has been
506 denied; and

507 (C) a petition for incorporation described in Section 10-2a-507, based on the feasibility
508 request, has not been filed.

509 (b) (i) The sponsors of a feasibility request may not file a modified request under
510 Subsection (1)(a)(i) more than 90 days after the day on which the feasibility consultant submits
511 the final results of the feasibility study under Subsection 10-2a-504(2)(c)(iii).

512 (ii) The sponsors of a feasibility request may not file a modified request under
513 Subsection (1)(a)(ii) more than 18 months after filing the original feasibility request under
514 Section 10-2a-502.

515 (c) A modified feasibility request under Subsection (1)(a) shall comply with
516 Subsections 10-2a-502(1) through (4).

517 (d) Within 20 days after the day on which the lieutenant governor receives the
518 modified request, the lieutenant governor shall follow the same procedure described in
519 Subsections 10-2a-503(1) through (4) for the modified feasibility request as for an original
520 feasibility request.

521 (2) The timely filing of a modified feasibility request under Subsection (1) gives the

522 modified feasibility request the same processing priority under Subsection 10-2a-503(6) as the
523 original feasibility request.

524 (3) The sponsors of a feasibility request may not file a modified feasibility request
525 under Subsection (1)(a)(i) more than once.

526 (4) Within 10 days after the day on which the county clerk receives a modified
527 feasibility request under Subsection (1)(a) that relates to a request for which a feasibility study
528 has already been completed, the lieutenant governor shall commission the feasibility consultant
529 who conducted the feasibility study to conduct a supplemental feasibility study that accounts
530 for the modified feasibility request.

531 (5) The lieutenant governor shall require the feasibility consultant to:

532 (a) submit a draft of the supplemental feasibility study to each applicable person with
533 whom the feasibility consultant is required to consult under Subsection 10-2a-504(3)(c) within
534 30 days after the day on which the feasibility consultant is engaged to conduct the supplemental
535 study;

536 (b) allow each person to whom the consultant provided a draft under Subsection (5)(a)
537 to review and provide comment on the draft; and

538 (c) submit a completed supplemental feasibility study, to the following within 45 days
539 after the day on which the feasibility consultant is engaged to conduct the feasibility study:

540 (i) the lieutenant governor;

541 (ii) the county legislative body of the county in which the incorporation is proposed;

542 (iii) the primary sponsor contact; and

543 (iv) each person to whom the consultant provided a draft under Subsection (5)(a).

544 (6) (a) Subject to Subsections (3) and (6)(b), if the results of the supplemental
545 feasibility study do not comply with Subsection 10-2a-504(4), the sponsors may further modify
546 the request in accordance with Subsection (1).

547 (b) Subsections (1)(d), (4), and (5) apply to a modified feasibility request described in
548 Subsection (6)(a).

549 (c) The lieutenant governor shall consider a modified feasibility request described in
550 Subsection (6)(a) as an original feasibility request for purposes of determining the modified
551 feasibility request's processing priority under Subsection 10-2a-503(6).

552 Section 9. Section **10-2a-506** is enacted to read:

553 10-2a-506. Public hearings on feasibility study results -- Notice of hearings.

554 (1) If the results of the feasibility study or supplemental feasibility study comply with
555 Subsection 10-2a-504(4), the lieutenant governor shall, after receipt of the results of the
556 feasibility study or supplemental feasibility study, conduct public hearings in accordance with
557 this section.

558 (2) (a) If a portion of the proposed preliminary municipality area is approved for
559 annexation after the feasibility study or supplemental feasibility study is conducted but before
560 the lieutenant governor conducts a public hearing under Subsection (4), the lieutenant governor
561 may not conduct the public hearing under Subsection (4) unless:

562 (i) the sponsors of the feasibility study file a modified feasibility request in accordance
563 with Section 10-2a-505; and

564 (ii) the results of the supplemental feasibility study comply with Subsection
565 10-2a-504(4).

566 (b) For purposes of Subsection (2)(a), an area is approved for annexation if a municipal
567 legislative body:

568 (i) approves an annexation petition proposing the annexation of an area that is part of
569 the proposed preliminary municipality area under Section 10-2-407 or 10-2-408; or

570 (ii) adopts an ordinance approving the annexation of an area that is part of the proposed
571 preliminary municipality area under Section 10-2-418.

572 (3) The lieutenant governor shall conduct a public hearing:

573 (a) within 60 days after the day on which the lieutenant governor receives the results
574 under Subsection (1) or (2)(a)(ii);

575 (b) at a location within or near the proposed preliminary municipality; and

576 (c) to allow the feasibility consultant to present the results of the feasibility study and
577 inform the public about the results.

578 (4) The lieutenant governor shall:

579 (a) conduct an additional public hearing following each occasion when, after the day of
580 the initial public hearing, the lieutenant governor receives the results of a supplemental
581 feasibility study that comply with Subsection 10-2a-504(4); and

582 (b) hold the public hearing described in Subsection (4)(a):

583 (i) within 30 days after the day on which the lieutenant governor receives the results of

584 the supplemental feasibility study;
585 (ii) at a location within or near the proposed preliminary municipality;
586 (iii) to inform the public that the feasibility presented to the public at the preceding
587 public hearing does not apply; and
588 (iv) to allow the feasibility consultant to present the results of the supplemental
589 feasibility study and inform the public about the results.
590 (5) At each public hearing required under this section, the lieutenant governor shall:
591 (a) provide a map or plat of the boundary of the proposed preliminary municipality;
592 (b) provide a copy of the applicable feasibility study for public review;
593 (c) allow members of the public to express views about the proposed preliminary
594 municipality, including views about the proposed boundaries; and
595 (d) allow the public to ask the feasibility consultant questions about the applicable
596 feasibility study.
597 (6) The lieutenant governor shall publish notice of each public hearing required under
598 this section for the proposed preliminary municipality area, as a class B notice under Section
599 63G-30-102, for at least three weeks before the day of the public hearing.
600 (7) (a) Except as provided in Subsection (7)(b), for a hearing described in this section,
601 the notice described in Subsection (7) shall:
602 (i) include the feasibility study summary described in Subsection 10-2a-504(2)(c)(iii);
603 and
604 (ii) indicate that a full copy of the feasibility study is available on the lieutenant
605 governor's website and for inspection at the lieutenant governor's office.
606 (b) Instead of publishing the feasibility summary under Subsection (7)(a)(i), the
607 lieutenant governor may publish a statement that specifies the following sources where a
608 person may view or obtain a copy of the feasibility study:
609 (i) the lieutenant governor's website;
610 (ii) the lieutenant governor's office; and
611 (iii) a mailing address and telephone number.
612 Section 10. Section **10-2a-507** is enacted to read:
613 **10-2a-507. Petition for incorporation -- Requirements and form.**
614 (1) At any time within one year after the day on which the lieutenant governor

615 completes the public hearings required under Section 10-2a-506, the owners of the property
616 who filed the feasibility request under Section 10-2a-502 for the proposed preliminary
617 municipal area may proceed with the incorporation process by filing a petition for
618 incorporation of the proposed preliminary municipality that:

619 (a) includes the typed or printed name, signature, address, and phone number of the
620 initial landowners;

621 (b) describes the proposed preliminary municipality area, as described in the feasibility
622 request or the modified feasibility;

623 (c) demonstrates compliance with Subsection 10-2a-504(4);

624 (d) states the proposed name for the proposed preliminary municipality;

625 (e) designates the primary sponsor contact for the proposed preliminary municipality;

626 (f) designates the board chair and three of the four board members who will serve as a
627 five member council form of government for the preliminary municipality, described in Section
628 10-3b-402, for the preliminary municipality;

629 (g) is accompanied by an accurate map or plat, prepared by a licensed surveyor,
630 showing:

631 (i) the boundaries of the proposed preliminary municipality;

632 (ii) a single development plan for the proposed municipality, depicting each phase of
633 the development;

634 (h) is accompanied by a bond, cash deposit, or letter of credit that:

635 (i) is posted by the initial landowners;

636 (ii) is in favor of the proposed preliminary municipality, to guarantee that the initial
637 landowners will complete the system infrastructure no later than six years after the day on
638 which the initial landowners file the petition for incorporation described in this section; and

639 (iii) will be refunded to the initial landowners in percentages that reflect the progress
640 toward completing the system infrastructure; and

641 (i) is accompanied by payment in full, from the initial landowners, of the costs incurred
642 by the lieutenant governor for the feasibility study, the public notices, the hearings, and the
643 other expenses incurred by the lieutenant governor to comply with the requirements of this part
644 in relation to the proposed preliminary municipality.

645 (2) If, within six years after the day on which the initial landowners file a petition for

646 incorporation under Subsection (1), the system infrastructure for the preliminary municipality
647 is not completed, the portion of the bond, cash deposit, or letter of credit described in
648 Subsection (1)(h) that has not been refunded to the initial landowners shall forfeit to the
649 preliminary municipality.

650 (3) If, within four years after the day on which the first residential certificate of
651 occupancy is issued for the development described in Subsection 10-2a-503(5)(e), or six years
652 after the day on which the initial landowners file a petition for incorporation under Subsection
653 (1), the preliminary municipality has not transitioned to a town:

654 (a) the lieutenant governor shall issue a certificate dissolving the preliminary
655 municipality;

656 (b) all roads and infrastructure within the preliminary municipality revert to the county
657 in which the preliminary municipality is located;

658 (c) the area within the proposed municipality falls under the jurisdiction of the county
659 and is no longer incorporated; and

660 (d) the initial landowners are liable to the county for damages caused to the county due
661 to the dissolution of the preliminary municipality.

662 Section 11. Section 10-2a-508 is enacted to read:

663 **10-2a-508. Processing of petition by lieutenant governor -- Certification or**
664 **rejection -- Petition modification.**

665 (1) Within 45 days after the day on which a petition for incorporation is filed under
666 Section 10-2a-507, the lieutenant governor shall:

667 (a) determine whether the petition for incorporation complies with Section 10-2a-507;
668 and

669 (b) (i) if the lieutenant governor determines that the petition for incorporation complies
670 with Section 10-2a-507, incorporate the preliminary municipality, issue a certificate of
671 incorporation, and appoint the board chair and three board members designated under
672 Subsection 10-2a-507(1)(e); or

673 (ii) if the lieutenant governor determines that the petition for incorporation fails to
674 comply with Section 10-2a-507, reject the petition for incorporation and notify the primary
675 sponsor contact in writing of the rejection and the reasons for the rejection.

676 (2) (a) If the lieutenant governor rejects a petition for incorporation under Subsection

677 (1)(b)(ii), the sponsors of the petition for incorporation may correct the deficiencies for which
678 the petition for incorporation was rejected and refile the petition for incorporation with the
679 lieutenant governor.

680 (b) Notwithstanding the deadline described in Subsection 10-2a-507(1), the sponsors of
681 the petition for incorporation may file a modified petition for incorporation under Subsection
682 (2)(a) no later than 30 days after the day on which the lieutenant governor notifies the primary
683 sponsor contact of the rejection under Subsection (1)(b)(ii).

684 (3) (a) Within 20 days after the day on which the lieutenant governor receives a
685 modified petition for incorporation under Subsection (2)(a), the lieutenant governor shall
686 review the modified petition for incorporation in accordance with Subsection (1).

687 (b) The sponsors of a petition for incorporation may not modify the petition for
688 incorporation more than once.

689 Section 12. Section **10-2a-509** is enacted to read:

690 **10-2a-509. Governance of preliminary municipality -- Utilities -- Road**
691 **maintenance.**

692 (1) (a) Within 30 days after the day on which the lieutenant governor issues a
693 certificate of incorporation described in Subsection 10-2a-508(1)(b)(i), the county in which the
694 preliminary municipality is located shall appoint one board member for the preliminary
695 municipality.

696 (b) If the county fails to timely comply with Subsection (1)(a), the board chair and the
697 three board members appointed under Subsection 10-2a-508(1)(b)(i) shall, by majority vote,
698 appoint the final board member.

699 (2) The board chair and board members, described in Subsection (1), of a preliminary
700 municipality:

701 (a) are not required to be residents of the preliminary municipality; and

702 (b) shall serve as the board for the preliminary municipality until replaced by election
703 under Section 10-2a-510.

704 (3) (a) Within 14 days after the day on which the first residential certificate of
705 occupancy is issued for the development described in Subsection 10-2a-503(5)(e), the engineer
706 described in Subsection 10-2a509(6), shall notify the county and the lieutenant governor, in
707 writing:

708 (i) that the first residential certificate of occupancy has been issued for the preliminary
709 municipality;

710 (ii) of the date on which the first residential certificate of occupancy was issued; and

711 (iii) of the physical address for which the first residential certificate of occupancy was
712 issued.

713 (b) No later than the next municipal general election, or regular general election, that is
714 at least 30 days after the date described in Subsection (3)(a)(ii), the initial landowners shall:

715 (i) replace the board chair or a board member with an individual who is a resident of
716 the preliminary municipality; and

717 (ii) notify the county and the lieutenant governor of the appointment, in writing.

718 (4) (a) Subject to Subsection (4)(b), a preliminary municipality has all the powers and
719 duties of a municipality.

720 (b) A preliminary municipality:

721 (i) may not impose a tax;

722 (ii) may enter into an interlocal agreement with a special district to provide utility
723 services to the preliminary municipality;

724 (iii) has the same authority as another municipality to make decisions regarding zoning
725 and land use;

726 (iv) may not receive an allocation of sales tax or gas tax; and

727 (v) may not exercise eminent domain authority.

728 (5) As needed, the county shall provide all services and utility connections to the
729 preliminary municipality that the county provides other areas in the county if the preliminary
730 municipality:

731 (a) pays the uniformly assessed rates for the services and utilities and reasonable
732 connection fees; and

733 (b) complies with the county's established regulations and specifications for the
734 construction and connection of the local improvements.

735 (6) The preliminary municipality shall maintain and repair any roadway that, on the day
736 on which the individual filed the feasibility request under Section [10-2a-502](#):

737 (a) existed within the preliminary municipality;

738 (b) was within a public right of way that abuts the preliminary municipality; or

739 (c) was within 1/2 mile of the preliminary municipality and connected to, or was
740 proposed in the feasibility request to be connected to, the preliminary municipality.

741 (7) Before the preliminary municipality submits a petition to transition to a town, the
742 preliminary municipality shall select an independent third-party engineer to review and approve
743 all building permit applications within the preliminary municipality to ensure compliance with
744 the law.

745 (8) Chapter 2, Classification, Boundaries, Consolidation, and Dissolution of
746 Municipalities, does not apply to a preliminary municipality.

747 Section 13. Section **10-2a-510** is enacted to read:

748 **10-2a-510. Transitioning from a preliminary municipality to a town -- Petition --**
749 **Election of officers.**

750 (1) Within 30 days after the day on which the population of a preliminary municipality
751 exceeds 99 people, a person who filed the application to incorporate as a preliminary
752 municipality or a resident of the preliminary municipality shall file with the lieutenant governor
753 a petition to transition the preliminary municipality into a town.

754 (2) A petition to transition a preliminary municipality into a town shall include:

755 (a) a request that the lieutenant governor certify the transition of the preliminary
756 municipality to, and the incorporation of the preliminary municipality as, a town;

757 (b) the name, address, and phone number of the person filing the request;

758 (c) the map or plat of the preliminary municipality;

759 (d) a legal description of the boundaries of the preliminary municipality;

760 (e) information regarding the preliminary municipality, including:

761 (i) the number of residences in the preliminary municipality;

762 (ii) the population of the preliminary municipality;

763 (iii) the number of adults and the number of children who reside in the preliminary
764 municipality; and

765 (iv) information regarding the providers of municipal services and emergency services
766 to the preliminary municipality;

767 (f) the proposed name for the town; and

768 (g) a signature sheet containing the names, addresses, and signatures of a majority of
769 the adult residents of the preliminary municipality, supporting the proposed name for the town.

770 (3) Within 30 days after the day on which a person files a petition to transition a
771 preliminary municipality into a town, the lieutenant governor shall:

772 (a) determine whether the preliminary municipality has a population of more than 99
773 people;

774 (b) examine the petition to determine whether the petition complies with Subsection
775 (2);

776 (c) if the lieutenant governor determines that the preliminary municipality has a
777 population of more than 99 people and that the petition complies with Subsection (2), proceed
778 to transition the preliminary municipality as a town in accordance with Subsection (4);

779 (d) if the lieutenant governor determines that the preliminary municipality has a
780 population of less than 100 people, deny the petition, inform the person who filed the petition
781 of the determination, and request that the person refile the petition when the population
782 exceeds 99 people; and

783 (e) if the lieutenant governor determines that the petition fails to comply with
784 Subsection (2), deny the petition, inform the person who filed the petition of the denial and the
785 reason for the denial, and request that the person correct and refile the petition.

786 (4) After making the determination described in Subsection (3)(c), the lieutenant
787 governor shall:

788 (a) inform the person who filed the petition of the determination;

789 (b) inform the county in which the preliminary municipality is located of the
790 determination; and

791 (c) direct the county to conduct an election for mayor and city council of the future
792 town, to be held on the date of the next regular general election described in Section
793 20A-1-201, or the next municipal general election described in Section 20A-1-202, that is at
794 least 65 days after the day on which the lieutenant governor directs the county to hold the
795 election.

796 (5) The county shall:

797 (a) comply with the direction given by the lieutenant governor under Subsection (4)(c);

798 (b) determine the initial terms of the mayor and municipal council members to ensure
799 that:

800 (i) the mayor and two of the municipal county members are elected in the next

801 municipal general election;

802 (ii) the remaining municipal council members are elected at elections that result in the
803 staggering of council member terms; and

804 (iii) the council members who receive the highest number of votes are assigned the
805 longer initial terms; and

806 (c) provide notice of the election for preliminary municipality as a class B notice under
807 Section [63G-30-102](#), for at least three weeks before the day of the election.

808 (6) The notice described in Subsection (5)(c) shall include:

809 (a) a statement of the contents of the petition to transition the preliminary municipality
810 to a town;

811 (b) a description of the area to be incorporated as a town;

812 (c) the name of the town;

813 (d) information about the deadline for an individual to file a declaration of candidacy to
814 become a candidate for mayor or municipal council;

815 (e) information about the initial terms of office;

816 (f) a statement of the date and time of the election and the location of polling places;

817 and

818 (g) a statement that the purpose of the election is to elect a mayor and a council to
819 govern the town upon the town's incorporation.

820 (7) (a) In addition to the notice described in Subsection (6), the county clerk shall
821 publish and distribute, before the election is held, a voter information pamphlet:

822 (i) in accordance with the procedures and requirements of Section [20A-7-402](#);

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

824 (iii) in a manner that the county clerk determines is adequate.

825 (b) The voter information pamphlet described in Subsection (7)(a):

826 (i) shall inform the public of the election and the purpose of the election; and

827 (ii) may include additional information regarding the election of the elected officials

828 and the incorporation of the town.

829 (8) An individual may not vote in the election described in this section unless the
830 individual is a registered voter who is a resident, as defined in Section [20A-1-102](#), within the
831 boundaries of the preliminary municipality.

832 (9) The town, incorporated under Subsection (10)(b), shall pay to the county the cost of
833 running the election described in this section.

834 (10) On the day after the day on which the canvass for the election is completed:

835 (a) the elected mayor and council members shall take office and replace the board chair
836 and board members of the preliminary municipality;

837 (b) the lieutenant governor shall issue a certification that the preliminary municipality
838 has transitioned to, and is incorporated as, a town; and

839 (c) subject to Subsection (14), the town holds all authority and power of a town.

840 (11) The former mayor and council members for the preliminary municipality shall
841 assist the newly-elected mayor of the town and the newly-elected council members of the town
842 with the transition to a town and the transfer of power to the elected government of the town.

843 (12) The initial government of a town incorporated under this section is the five
844 member council form of government described in Chapter 3b, Part 4, Five-Member Council
845 Form of Municipal Government, with the mayor and council members elected at large.

846 (13) Within 30 days after the day on which the mayor takes office under Subsection
847 (10)(a), the mayor shall record the certification described in Subsection (10)(b), and a copy of
848 the plat for the municipality, with the county recorder.

849 (14) Until the mayor complies with Subsection (13), the municipality may not:

850 (a) levy or collect a property tax on property within the municipality;

851 (b) levy or collect an assessment on property within the municipality; or

852 (c) charge or collect a fee for a service provided to property within the municipality.

853 (15) Section [10-2a-220](#) applies to a town incorporated under this section.

854 Section 14. Section **63I-1-210** is amended to read:

855 **63I-1-210. Repeal dates: Title 10.**

856 The following are repealed on January 1, 2031:

857 (1) Subsection [10-1-104\(5\)\(d\)](#);

858 (2) Subsection [10-2a-201.5\(1\)\(b\)](#);

859 (3) Subsection [10-2a-202\(5\)](#); and

860 (4) Title 10, Chapter 2a, Part 5, Incorporation of a Preliminary Municipality.

861 Section 15. **Effective date.**

862 This bill takes effect on May 1, 2024.