

Effective 2/27/2023

17D-1-103 Special service district status, powers, and duties -- Registration as a limited purpose entity -- Limitation on districts providing jail service.

- (1) A special service district:
 - (a) is:
 - (i) a body corporate and politic with perpetual succession, separate and distinct from the county or municipality that creates it;
 - (ii) a quasi-municipal corporation; and
 - (iii) a political subdivision of the state; and
 - (b) may sue and be sued.
- (2) A special service district may:
 - (a) exercise the power of eminent domain possessed by the county or municipality that creates the special service district;
 - (b) enter into a contract that the governing authority considers desirable to carry out special service district functions, including a contract:
 - (i) with the United States or an agency of the United States, the state, an institution of higher education, a county, a municipality, a school district, a special district, another special service district, or any other political subdivision of the state; or
 - (ii) that includes provisions concerning the use, operation, and maintenance of special service district facilities and the collection of fees or charges with respect to commodities, services, or facilities that the district provides;
 - (c) acquire or construct facilities;
 - (d) acquire real or personal property, or an interest in real or personal property, including water and water rights, whether by purchase, lease, gift, devise, bequest, or otherwise, and whether the property is located inside or outside the special service district, and own, hold, improve, use, finance, or otherwise deal in and with the property or property right;
 - (e) sell, convey, lease, exchange, transfer, or otherwise dispose of all or any part of the special service district's property or assets, including water and water rights;
 - (f) mortgage, pledge, or otherwise encumber all or any part of the special service district's property or assets, including water and water rights;
 - (g) enter into a contract with respect to the use, operation, or maintenance of all or any part of the special service district's property or assets, including water and water rights;
 - (h) accept a government grant or loan and comply with the conditions of the grant or loan;
 - (i) use an officer, employee, property, equipment, office, or facility of the county or municipality that created the special service district, subject to reimbursement as provided in Subsection (4);
 - (j) employ one or more officers, employees, or agents, including one or more engineers, accountants, attorneys, or financial consultants, and establish their compensation;
 - (k) designate an assessment area and levy an assessment as provided in Title 11, Chapter 42, Assessment Area Act;
 - (l) contract with a franchised, certificated public utility for the construction and operation of an electrical service distribution system within the special service district;
 - (m) borrow money and incur indebtedness;
 - (n) as provided in Part 5, Special Service District Bonds, issue bonds for the purpose of acquiring, constructing, and equipping any of the facilities required for the services the special service district is authorized to provide, including:
 - (i) bonds payable in whole or in part from taxes levied on the taxable property in the special service district;

- (ii) bonds payable from revenues derived from the operation of revenue-producing facilities of the special service district;
 - (iii) bonds payable from both taxes and revenues;
 - (iv) guaranteed bonds, payable in whole or in part from taxes levied on the taxable property in the special service district;
 - (v) tax anticipation notes;
 - (vi) bond anticipation notes;
 - (vii) refunding bonds;
 - (viii) special assessment bonds; and
 - (ix) bonds payable in whole or in part from mineral lease payments as provided in Section 11-14-308;
 - (o) except as provided in Subsection (5), impose fees or charges or both for commodities, services, or facilities that the special service district provides;
 - (p) provide to an area outside the special service district's boundary, whether inside or outside the state, a service that the special service district is authorized to provide within its boundary, if the governing body makes a finding that there is a public benefit to providing the service to the area outside the special service district's boundary;
 - (q) provide other services that the governing body determines will more effectively carry out the purposes of the special service district; and
 - (r) adopt an official seal for the special service district.
- (3)
- (a) Each special service district shall register and maintain the special service district's registration as a limited purpose entity, in accordance with Section 67-1a-15.
 - (b) A special service district that fails to comply with Subsection (3)(a) or Section 67-1a-15 is subject to enforcement by the state auditor, in accordance with Section 67-3-1.
- (4) Each special service district that uses an officer, employee, property, equipment, office, or facility of the county or municipality that created the special service district shall reimburse the county or municipality a reasonable amount for what the special service district uses.
- (5)
- (a) A special service district that provides jail service as provided in Subsection 17D-1-201(10) may not impose a fee or charge for the service it provides.
 - (b) Subsection (5)(a) may not be construed to limit a special service district that provides jail service from:
 - (i) entering into a contract with the federal government, the state, or a political subdivision of the state to provide jail service for compensation; or
 - (ii) receiving compensation for jail service it provides under a contract described in Subsection (5)(b)(i).

Amended by Chapter 15, 2023 General Session