

HB0411S02 compared with HB0411S01

~~{Omitted text}~~ shows text that was in HB0411S01 but was omitted in HB0411S02
inserted text shows text that was not in HB0411S01 but was inserted into HB0411S02

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1 **Public Asset Ownership Amendments**
2025 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Troy Shelley
Senate Sponsor:Derrin R. Owens



2
3 **LONG TITLE**

4 **General Description:**

5 This bill addresses the state ownership of certain environmental assets.

6 **Highlighted Provisions:**

7 This bill:

- 8 ▶ defines terms;
- 9 ▶ requires a state entity selling or exchanging an environmental commodity to report a digital identification number to the Office of Energy Development;
- 11 ▶ exempts from reporting requirements an environmental commodity created from activities on school and institutional trust lands;
- 13 ▶ declares that an environmental commodity created from activities receiving state funds is the property of the state in proportion to the state funds contributed to create the environmental commodity;
- 16 ▶ clarifies that an environmental commodity created or purchased by a state entity remains under the control of the state entity; and
- 18 ▶ establishes duties for the state treasurer in managing an environmental commodity.

19 **Money Appropriated in this Bill:**

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20 None

21 **Other Special Clauses:**

22 None

24 ENACTS:

25 **79-6-1101** , Utah Code Annotated 1953 , Utah Code Annotated 1953

26 **79-6-1102** , Utah Code Annotated 1953 , Utah Code Annotated 1953

27 **79-6-1103** , Utah Code Annotated 1953 , Utah Code Annotated 1953

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

30 Section 1. Section 1 is enacted to read:

31

Part 11. Environmental Commodities

32 **79-6-1101. Definitions for part.**

As used in this part:

34 (1) "Digital identification number" means an identification number assigned to an environmental commodity by a governmental or accredited third-party verification entity that certifies or registers an environmental commodity for sale or exchange.

37 (2)

(a) "Environmental commodity" means a representation of the financial value of { ~~a physical asset that is traded using a digital identification number.~~ } :

39 {(b) {"~~Environmental commodity" does not include a right or interest associated with:~~} }

40 (i) a reduction in the { ~~use or appropriation~~ } amount of { ~~water~~ } greenhouse gas present in the atmosphere; { ~~and~~ } or

39 (ii) an amount of greenhouse gas prevented from entering the atmosphere.

41 ~~{(ii)}~~ (b) "Environmental commodity" does not include a right or interest associated with a regulated pollutant, as that term is defined in Title V of the 1990 Clean Air Act.

42 (3) {~~"Physical asset"~~} "Greenhouse gas" means{:} carbon dioxide or methane.

43 {(a) {~~a building, land, or natural resource; and~~} }

44 {(b) {~~the revenue derived from the lease, use, or cessation of use of a building, land, or natural resource.~~} }

46

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(4) "State entity" means a department, commission, board, council, agency, institution of higher education, officer, corporation, fund, division, office, committee, authority, laboratory, library, unit, bureau, panel, or other administrative unit of the state.

46 (5)

49 ~~{(5)}~~ (a) "State funds" means money appropriated by the Legislature.

47 (b) "State funds" does not include money or financial benefit in the form of:

48 (i) a tax incentive;

49 (ii) a permit or an activity related to the development of a permit issued by a state entity; or

51 (iii) a federal grant administered by a state entity.

52 Section 2. Section 2 is enacted to read:

53 **79-6-1102. Reporting requirement -- Waiting period.**

52 (1) Except as provided in Subsection (2), before a state entity may sell or exchange an environmental commodity, the state entity shall:

54 (a) obtain a digital identification number for the environmental commodity;

55 (b) report a digital identification number for the environmental commodity to the office; and

57 (c) report to the office any state funds that the state entity used for the creation of the environmental commodity.

59 (2) This section does not apply to an environmental commodity created from ~~{ activities }~~ an activity on school and institutional trust lands, as that term is defined in Section 53C-1-103.

63 Section 3. Section 3 is enacted to read:

64 **79-6-1103. Property of the state -- Management.**

63 (1) If the state or a state entity ~~{ contributes any }~~ appropriates or expends state funds ~~{ to }~~ for the creation of an environmental commodity, the state owns a portion of an environmental commodity that is proportional to the amount of state funds ~~{ contributed to }~~ appropriated or expended for the creation of the environmental commodity.

67 (2)

(a) Except as provided in Subsection (3), the state treasurer may sell, exchange, or hold an environmental commodity, or any portion thereof, owned by the state in accordance with Subsection (2)(b).

70 (b) The state treasurer shall ensure that an environmental commodity owned by the state is sold, exchanged, or held:

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- 72 (i) for the benefit of the citizens of the state;
73 (ii) to promote energy independence for the state;
74 (iii) to maximize the natural resources of the state; and
75 (iv) consistent with Part 3, State Energy Policy.
76 (3) An environmental commodity created or purchased by a state entity shall remain under the control
of the state entity.

80 Section 4. **Effective date.**

This bill takes effect on May 7, 2025.

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