

Nelson T. Abbott proposes the following substitute bill:

1
2
3
4
5
6
7
8
9
10
11
12
13
14
15
16
17
18
19
20
21
22
23
24
25
26
27
28
29

Homelessness Revisions
2025 GENERAL SESSION
STATE OF UTAH
Chief Sponsor: Nelson T. Abbott
Senate Sponsor:

LONG TITLE

General Description:

This bill modifies provisions related to the annual local contribution formula that local governments provide to the Homeless Shelter Cities Mitigation Restricted Account.

Highlighted Provisions:

This bill:

- modifies the annual local contribution formula that local governments provide to the Homeless Shelter Cities Mitigation Restricted Account; and
- makes technical and conforming changes.

Money Appropriated in this Bill:

None

Other Special Clauses:

This bill provides a special effective date.

Utah Code Sections Affected:

AMENDS:

59-12-205, as last amended by Laws of Utah 2024, Chapter 535

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

Section 1. Section **59-12-205** is amended to read:

59-12-205 . Ordinances to conform with statutory amendments -- Distribution of tax revenue -- Determination of population.

- (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section 59-12-204, a county, city, or town shall adopt amendments to the county's, city's, or town's sales and use tax ordinances:
- (a) within 30 days of the day on which the state makes an amendment to an applicable provision of Part 1, Tax Collection; and
 - (b) as required to conform to the amendments to Part 1, Tax Collection.

- 30 (2)(a) Except as provided in Subsections (3) and (4) and subject to Subsection (5):
- 31 (i) 50% of each dollar collected from the sales and use tax authorized by this part
- 32 shall be distributed to each county, city, and town on the basis of the percentage
- 33 that the population of the county, city, or town bears to the total population of all
- 34 counties, cities, and towns in the state; and
- 35 (ii)(A) except as provided in Subsections (2)(a)(ii)(B), (C), and (D), 50% of each
- 36 dollar collected from the sales and use tax authorized by this part shall be
- 37 distributed to each county, city, and town on the basis of the location of the
- 38 transaction as determined under Sections 59-12-211 through 59-12-215;
- 39 (B) 50% of each dollar collected from the sales and use tax authorized by this part
- 40 within a project area described in a project area plan adopted by the military
- 41 installation development authority under Title 63H, Chapter 1, Military
- 42 Installation Development Authority Act, shall be distributed to the military
- 43 installation development authority created in Section 63H-1-201;
- 44 (C) beginning July 1, 2024, 20% of each dollar collected from the sales and use
- 45 tax authorized by this part within a project area under Title 11, Chapter 58,
- 46 Utah Inland Port Authority Act, shall be distributed to the Utah Inland Port
- 47 Authority, created in Section 11-58-201; and
- 48 (D) 50% of each dollar collected from the sales and use tax authorized by this part
- 49 within the lake authority boundary, as defined in Section 11-65-101, shall be
- 50 distributed to the Utah Lake Authority, created in Section 11-65-201,
- 51 beginning the next full calendar quarter following the creation of the Utah
- 52 Lake Authority.
- 53 (b) Subsection (2)(a)(ii)(C) does not apply to sales and use tax revenue collected before
- 54 July 1, 2022.
- 55 (3)(a) As used in this Subsection (3):
- 56 (i) "Eligible county, city, or town" means a county, city, or town that:
- 57 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection
- 58 (3)(b) equal to the amount described in Subsection (3)(b)(ii); and
- 59 (B) does not impose a sales and use tax under Section 59-12-2103 on or before
- 60 July 1, 2016.
- 61 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
- 62 distributions an eligible county, city, or town received from a tax imposed in
- 63 accordance with this part for fiscal year 2004-05.

- 64 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax
 65 imposed in accordance with this part equal to the greater of:
- 66 (i) the payment required by Subsection (2); or
 67 (ii) the minimum tax revenue distribution.
- 68 (4)(a) For purposes of this Subsection (4):
- 69 (i) "Alternative amount" means an amount equal to:
 70 (A) 2.55% of the participating local government's tax revenue distribution amount
 71 under Subsection (2)(a)(i) for the previous fiscal year minus 50% of the
 72 amount spent by the participating local government to achieve a goal described
 73 in Section 35A-16-302 during the preceding fiscal year; or
 74 (B) if the calculation described in Subsection (4)(a)(i)(A) results in a negative
 75 number, zero.
- 76 (ii) "Annual local contribution" means the lesser of:
 77 (A) \$275,000; or
 78 (B) ~~[an amount equal to 2.55% of the participating local government's tax revenue~~
 79 ~~distribution amount under Subsection (2)(a)(i) for the previous fiscal year.]~~ the
 80 alternative amount.
- 81 ~~[(ii)]~~ (iii) "Participating local government" means a county or municipality, as defined
 82 in Section 10-1-104, that is not an eligible municipality certified in accordance
 83 with Section 35A-16-404.
- 84 (b) For revenue collected from the tax authorized by this part that is distributed on or
 85 after January 1, 2019, the commission, before making a tax revenue distribution
 86 under Subsection (2)(a)(i) to a participating local government, shall:
- 87 (i) adjust a participating local government's tax revenue distribution under Subsection
 88 (2)(a)(i) by:
 89 (A) subtracting an amount equal to one-twelfth of the annual local contribution for
 90 each participating local government from the participating local government's
 91 tax revenue distribution; and
 92 (B) if applicable, reducing the amount described in Subsection (4)(b)(i)(A) by an
 93 amount equal to one-twelfth of \$250 for each bed that is available at all
 94 homeless shelters located within the boundaries of the participating local
 95 government, as reported to the commission by the Office of Homeless Services
 96 in accordance with Section 35A-16-405; and
 97 (ii) deposit the resulting amount described in Subsection (4)(b)(i) into the Homeless

98 Shelter Cities Mitigation Restricted Account created in Section 35A-16-402.

99 (c) For a participating local government that qualifies to receive a distribution described
100 in Subsection (3), the commission shall apply the provisions of this Subsection (4)
101 after the commission applies the provisions of Subsection (3).

102 (d)(i) For purposes of calculating the alternative amount under Subsection (4)(b)(i), a
103 participating local government shall provide the commission with the amount
104 spent by the participating local government to achieve a goal described in Section
105 35A-16-302 during the preceding fiscal year no later than 30 days after the end of
106 the preceding fiscal year.

107 (ii) If the participating local government fails to provide the amount to the
108 commission as described in Subsection (4)(d)(i), the commission shall determine
109 that the amount spent by the participating local government to achieve a goal
110 described in Section 35A-16-302 during the preceding fiscal year is zero.

111 (5)(a) As used in this Subsection (5):

112 (i) "Annual dedicated sand and gravel sales tax revenue" means an amount equal to
113 the total revenue an establishment described in NAICS Code 327320, Ready-Mix
114 Concrete Manufacturing, of the 2022 North American Industry Classification
115 System of the federal Executive Office of the President, Office of Management
116 and Budget, collects and remits under this part for a calendar year.

117 (ii) "Sand and gravel" means sand, gravel, or a combination of sand and gravel.

118 (iii) "Sand and gravel extraction site" means a pit, quarry, or deposit that:

119 (A) contains sand and gravel; and

120 (B) is assessed by the commission in accordance with Section 59-2-201.

121 (iv) "Ton" means a short ton of 2,000 pounds.

122 (v) "Tonnage ratio" means the ratio of:

123 (A) the total amount of sand and gravel, measured in tons, sold during a calendar
124 year from all sand and gravel extraction sites located within a county, city, or
125 town; to

126 (B) the total amount of sand and gravel, measured in tons, sold during the same
127 calendar year from sand and gravel extraction sites statewide.

128 (b) For purposes of calculating the ratio described in Subsection (5)(a)(v), the
129 commission shall:

130 (i) use the gross sales data provided to the commission as part of the commission's
131 property tax valuation process; and

132 (ii) if a sand and gravel extraction site operates as a unit across municipal or county
133 lines, apportion the reported tonnage among the counties, cities, or towns based on
134 the percentage of the sand and gravel extraction site located in each county, city,
135 or town, as approximated by the commission.

136 (c)(i) Beginning July 2023, and each July thereafter, the commission shall distribute
137 from total collections under this part an amount equal to the annual dedicated sand
138 and gravel sales tax revenue for the preceding calendar year to each county, city,
139 or town in the same proportion as the county's, city's, or town's tonnage ratio for
140 the preceding calendar year.

141 (ii) The commission shall ensure that the revenue distributed under this Subsection
142 (5)(c) is drawn from each jurisdiction's collections in proportion to the
143 jurisdiction's share of total collections for the preceding 12-month period.

144 (d) A county, city, or town shall use revenue described in Subsection (5)(c) for class B
145 or class C roads.

146 (6)(a) Population figures for purposes of this section shall be based on the most recent
147 official census or census estimate of the United States Bureau of the Census.

148 (b) If a needed population estimate is not available from the United States Bureau of the
149 Census, population figures shall be derived from the estimate from the Utah
150 Population Committee.

151 (c) The population of a county for purposes of this section shall be determined only from
152 the unincorporated area of the county.

153 Section 2. **Effective date.**

154 This bill takes effect on January 1, 2026.