

Troy Shelley proposes the following substitute bill:

**Public Asset Ownership Amendments**

2025 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Troy Shelley**

Senate Sponsor: Derrin R. Owens

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**LONG TITLE**

**General Description:**

This bill addresses the state ownership of certain environmental assets.

**Highlighted Provisions:**

This bill:

- defines terms;
- requires a state entity selling or exchanging an environmental commodity to report a digital identification number to the Office of Energy Development;
- exempts from reporting requirements an environmental commodity created from activities on school and institutional trust lands;
- 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;
- clarifies that an environmental commodity created or purchased by a state entity remains under the control of the state entity; and
- establishes duties for the state treasurer in managing an environmental commodity.

**Money Appropriated in this Bill:**

None

**Other Special Clauses:**

None

**Utah Code Sections Affected:**

ENACTS:

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

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

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

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

30 Section 1. Section **79-6-1101** is enacted to read:

31 **Part 11. Environmental Commodities**

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

33 *As used in this part:*

34 (1) "Digital identification number" means an identification number assigned to an  
 35 environmental commodity by a governmental or accredited third-party verification  
 36 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:

38 (i) a reduction in the amount of greenhouse gas present in the atmosphere; or

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

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

42 (3) "Greenhouse gas" means carbon dioxide or methane.

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

46 (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  
 50 entity; or

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

52 Section 2. Section **79-6-1102** is enacted to read:

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

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

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

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

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

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

63 Section 3. Section **79-6-1103** is enacted to read:

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

65 (1) If the state or a state entity appropriates or expends state funds for the creation of an  
66 environmental commodity, the state owns a portion of an environmental commodity that  
67 is proportional to the amount of state funds appropriated or expended for the creation of  
68 the environmental commodity.

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

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

74 (i) for the benefit of the citizens of the state;

75 (ii) to promote energy independence for the state;

76 (iii) to maximize the natural resources of the state; and

77 (iv) consistent with Part 3, State Energy Policy.

78 (3) An environmental commodity created or purchased by a state entity shall remain under  
79 the control of the state entity.

80 Section 4. **Effective Date.**

81 This bill takes effect on May 7, 2025.