

Wayne A. Harper proposes the following substitute bill:

Housing and Transit Reinvestment Zone Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Wayne A. Harper

House Sponsor: Stephen L. Whyte

LONG TITLE

General Description:

This bill amends provisions relating to the Housing and Transit Reinvestment Zone Act.

Highlighted Provisions:

This bill:

- defines terms;
- amends provisions relating to the Housing and Transit Reinvestment Zone Act;
- creates a process to propose a convention center reinvestment zone to facilitate revitalization of a convention center and surrounding areas within a county of the first class to:
 - allow capture of sales and use tax increment related to state and certain local sales and use taxes;
 - allow capture of tax increment; and
 - provide for distribution of funds to enable bonding;
- amends provisions to exclude remote sales tax revenue for the capture of sales and use tax increment;
- amends the median gross income for a certain percentage of proposed dwelling units within the housing and transit reinvestment zone to the county median gross income for households of the same size;
- clarifies that the collection of a tax increment for a housing and transit reinvestment zone project may be triggered no more than three times per project;
- modifies provisions related to housing and transit reinvestment zones within certain transit stations or hubs;
- amends provisions related to mixed-used development;
- modifies the requirement that a proposal for a transit reinvestment zone includes a mix of dwelling units with at least 25% of the dwelling units having more than one bedroom;

- 29 ▸ amends the date by which a tax increment collection notice is sent to certain entities to no
30 later than December 31 of the year before the year tax increment is to take place;
- 31 ▸ requires certain limitations on use of funds in certain convention center reinvestment
32 zones;
- 33 ▸ requires the base year to be updated in certain circumstances regarding existing
34 community reinvestment projects; and
- 35 ▸ makes technical and conforming changes.

36 **Money Appropriated in this Bill:**

37 None

38 **Other Special Clauses:**

39 This bill provides a special effective date.

40 **Utah Code Sections Affected:**

41 AMENDS:

- 42 **11-70-204**, as enacted by Laws of Utah 2024, Chapter 419
- 43 **17-27a-403**, as last amended by Laws of Utah 2024, Chapters 381, 431
- 44 **17-27a-408**, as last amended by Laws of Utah 2024, Chapters 381, 413
- 45 **17C-1-409**, as last amended by Laws of Utah 2023, Chapters 15, 471 and 492
- 46 **17C-1-411**, as last amended by Laws of Utah 2023, Chapters 471, 492
- 47 **17C-1-412**, as last amended by Laws of Utah 2024, Chapter 413
- 48 **17D-4-102**, as last amended by Laws of Utah 2024, Chapter 419
- 49 **17D-4-203**, as last amended by Laws of Utah 2023, Chapters 15, 259
- 50 **59-1-306**, as last amended by Laws of Utah 2024, Chapter 35
- 51 **59-1-404**, as last amended by Laws of Utah 2023, Chapters 21, 492
- 52 **59-2-924**, as last amended by Laws of Utah 2024, Chapter 258
- 53 **59-2-924.2**, as last amended by Laws of Utah 2024, Chapter 246
- 54 **59-12-103**, as last amended by Laws of Utah 2024, Chapters 88, 501
- 55 **59-12-205**, as last amended by Laws of Utah 2024, Chapter 535
- 56 **59-12-302**, as last amended by Laws of Utah 2023, Chapter 471
- 57 **59-12-354**, as last amended by Laws of Utah 2024, Chapter 419
- 58 **59-12-402.1**, as last amended by Laws of Utah 2017, Chapter 422
- 59 **59-12-403**, as last amended by Laws of Utah 2023, Chapter 471
- 60 **59-12-603**, as last amended by Laws of Utah 2024, Chapter 274
- 61 **59-12-703**, as last amended by Laws of Utah 2023, Chapter 471
- 62 **59-12-802**, as last amended by Laws of Utah 2024, Chapter 333

63 **59-12-804**, as last amended by Laws of Utah 2023, Chapter 471
 64 **59-12-1102**, as last amended by Laws of Utah 2023, Chapters 435, 471
 65 **59-12-1302**, as last amended by Laws of Utah 2023, Chapter 471
 66 **59-12-1402**, as last amended by Laws of Utah 2023, Chapter 471
 67 **59-12-2103**, as last amended by Laws of Utah 2023, Chapter 471
 68 **59-12-2206**, as last amended by Laws of Utah 2023, Chapter 471
 69 **59-12-2214**, as last amended by Laws of Utah 2020, Chapter 377
 70 **59-12-2217**, as last amended by Laws of Utah 2020, Chapter 377
 71 **59-12-2219**, as last amended by Laws of Utah 2024, Chapter 498
 72 **59-12-2220**, as last amended by Laws of Utah 2024, Chapters 498, 501
 73 **63H-1-205**, as last amended by Laws of Utah 2024, Chapter 514
 74 **63N-3-602**, as last amended by Laws of Utah 2024, Chapters 521, 537
 75 **63N-3-603**, as last amended by Laws of Utah 2024, Chapters 521, 537
 76 **63N-3-604**, as last amended by Laws of Utah 2024, Chapter 521
 77 **63N-3-605**, as last amended by Laws of Utah 2024, Chapters 521, 537
 78 **63N-3-606**, as enacted by Laws of Utah 2021, Chapter 411
 79 **63N-3-607**, as last amended by Laws of Utah 2024, Chapter 521
 80 **63N-3-608**, as enacted by Laws of Utah 2021, Chapter 411
 81 **63N-3-609**, as enacted by Laws of Utah 2021, Chapter 411
 82 **63N-3-610**, as last amended by Laws of Utah 2024, Chapter 521
 83 **63N-3-611**, as enacted by Laws of Utah 2024, Chapter 521
 84 **72-1-214**, as last amended by Laws of Utah 2018, Chapter 424
 85 **72-1-304**, as last amended by Laws of Utah 2024, Chapter 517
 86 **72-17-105**, as last amended by Laws of Utah 2024, Chapter 531
 87 **73-10-36**, as last amended by Laws of Utah 2023, Chapter 238

88 ENACTS:

89 **17D-4-202.1**, Utah Code Annotated 1953
 90 **63N-3-603.1**, Utah Code Annotated 1953
 91 **63N-3-604.1**, Utah Code Annotated 1953
 92 **63N-3-610.1**, Utah Code Annotated 1953

93

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

95 Section 1. Section **11-70-204** is amended to read:

96 **11-70-204 . Fairpark district accommodations tax.**

- 97 (1) As used in this section:
- 98 (a)(i) "Accommodations and services" means an accommodation or service described
99 in Subsection 59-12-103(1)(i).
- 100 (ii) "Accommodations and services" does not include an accommodation or service
101 for which amounts paid or charged are not part of a rental room rate.
- 102 (b) "Accommodations tax" means a tax imposed as provided in this section.
- 103 (2) By resolution, the fairpark district board may impose an accommodations tax on a
104 provider for amounts paid or charged for accommodations and services, if the place of
105 accommodation is located within the district sales tax area.
- 106 (3) The maximum rate of an accommodations tax is 15% of the amounts paid to or charged
107 by the provider for accommodations and services.
- 108 (4) A provider may recover an amount equal to the accommodations tax from customers, if
109 the provider includes the amount as a separate billing line item.
- 110 (5) If the fairpark district imposes an accommodations tax, a public entity, including the
111 fairpark district, may not impose, on the amounts paid or charged for accommodations
112 and services within the district sales tax area, any other tax described in:
- 113 (a) Title 59, Chapter 12, Sales and Use Tax Act; or
114 (b) Title 59, Chapter 28, State Transient Room Tax Act.
- 115 (6) Except as provided in Subsection (7) or (8), an accommodations tax shall be
116 administered, collected, and enforced in accordance with:
- 117 (a) the same procedures used to administer, collect, and enforce the tax under:
- 118 (i) Title 59, Chapter 12, Part 1, Tax Collection; or
119 (ii) Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act; and
120 (b) Title 59, Chapter 1, General Taxation Policies.
- 121 (7) The location of a transaction shall be determined in accordance with Sections 59-12-211
122 through 59-12-215.
- 123 (8)(a) An accommodations tax is not subject to Section 59-12-107.1 or 59-12-123 or
124 Subsections 59-12-205(2) [~~through (5)~~] and (4) through (6).
- 125 (b) The exemptions described in Sections 59-12-104, 59-12-104.1, and 59-12-104.6 do
126 not apply to an accommodations tax.
- 127 (9) The State Tax Commission shall:
- 128 (a) except as provided in Subsection (9)(b), distribute the revenue collected from an
129 accommodations tax to the fairpark district; and
130 (b) retain and deposit an administrative charge in accordance with Section 59-1-306

- 131 from revenue the commission collects from an accommodations tax.
- 132 (10)(a) If the fairpark district imposes, repeals, or changes the rate of an
 133 accommodations tax, the implementation, repeal, or change takes effect:
- 134 (i) on the first day of a calendar quarter; and
 135 (ii) after a 90-day period beginning on the date the State Tax Commission receives
 136 the notice described in Subsection (10)(b) from the fairpark district.
- 137 (b) The notice required in Subsection (10)(a)(ii) shall state:
- 138 (i) that the fairpark district will impose, repeal, or change the rate of an
 139 accommodations tax;
 140 (ii) the effective date of the implementation, repeal, or change of the accommodations
 141 tax; and
 142 (iii) the rate of the accommodations tax.
- 143 (11) In addition to the uses permitted under Section 11-70-207, the fairpark district may
 144 allocate revenue from an accommodations tax to a county in which a place of
 145 accommodation that is subject to the accommodations tax is located, if:
- 146 (a) the county had a transient room tax described in Section 59-12-301 in effect at the
 147 time the fairpark district board imposed an accommodations tax; and
 148 (b) the revenue replaces revenue that the county received from a county transient room
 149 tax described in Section 59-12-301 for the county's general operations and
 150 administrative expenses.
- 151 Section 2. Section **17-27a-403** is amended to read:
- 152 **17-27a-403 . Plan preparation.**
- 153 (1)(a) The planning commission shall provide notice, as provided in Section 17-27a-203,
 154 of the planning commission's intent to make a recommendation to the county
 155 legislative body for a general plan or a comprehensive general plan amendment when
 156 the planning commission initiates the process of preparing the planning commission's
 157 recommendation.
- 158 (b) The planning commission shall make and recommend to the legislative body a
 159 proposed general plan for:
- 160 (i) the unincorporated area within the county; or
 161 (ii) if the planning commission is a planning commission for a mountainous planning
 162 district, the mountainous planning district.
- 163 (c)(i) The plan may include planning for incorporated areas if, in the planning
 164 commission's judgment, they are related to the planning of the unincorporated

- 165 territory or of the county as a whole.
- 166 (ii) Elements of the county plan that address incorporated areas are not an official
167 plan or part of a municipal plan for any municipality, unless the county plan is
168 recommended by the municipal planning commission and adopted by the
169 governing body of the municipality.
- 170 (2)(a) At a minimum, the proposed general plan, with the accompanying maps, charts,
171 and descriptive and explanatory matter, shall include the planning commission's
172 recommendations for the following plan elements:
- 173 (i) a land use element that:
- 174 (A) designates the long-term goals and the proposed extent, general distribution,
175 and location of land for housing for residents of various income levels,
176 business, industry, agriculture, recreation, education, public buildings and
177 grounds, open space, and other categories of public and private uses of land as
178 appropriate;
- 179 (B) includes a statement of the projections for and standards of population density
180 and building intensity recommended for the various land use categories
181 covered by the plan;
- 182 (C) is coordinated to integrate the land use element with the water use and
183 preservation element; and
- 184 (D) accounts for the effect of land use categories and land uses on water demand;
- 185 (ii) a transportation and traffic circulation element that:
- 186 (A) provides the general location and extent of existing and proposed freeways,
187 arterial and collector streets, public transit, active transportation facilities, and
188 other modes of transportation that the planning commission considers
189 appropriate;
- 190 (B) addresses the county's plan for residential and commercial development
191 around major transit investment corridors to maintain and improve the
192 connections between housing, employment, education, recreation, and
193 commerce; and
- 194 (C) correlates with the population projections, the employment projections, and
195 the proposed land use element of the general plan;
- 196 (iii) for a specified county as defined in Section 17-27a-408, a moderate income
197 housing element that:
- 198 (A) provides a realistic opportunity to meet the need for additional moderate

- 199 income housing within the next five years;
- 200 (B) selects three or more moderate income housing strategies described in
- 201 Subsection (2)(b)(ii) for implementation; and
- 202 (C) includes an implementation plan as provided in Subsection (2)[(e)] (f);
- 203 (iv) a resource management plan detailing the findings, objectives, and policies
- 204 required by Subsection 17-27a-401(3); and
- 205 (v) a water use and preservation element that addresses:
- 206 (A) the effect of permitted development or patterns of development on water
- 207 demand and water infrastructure;
- 208 (B) methods of reducing water demand and per capita consumption for future
- 209 development;
- 210 (C) methods of reducing water demand and per capita consumption for existing
- 211 development; and
- 212 (D) opportunities for the county to modify the county's operations to eliminate
- 213 practices or conditions that waste water.
- 214 (b) In drafting the moderate income housing element, the planning commission:
- 215 (i) shall consider the Legislature's determination that counties should facilitate a
- 216 reasonable opportunity for a variety of housing, including moderate income
- 217 housing:
- 218 (A) to meet the needs of people of various income levels living, working, or
- 219 desiring to live or work in the community; and
- 220 (B) to allow people with various incomes to benefit from and fully participate in
- 221 all aspects of neighborhood and community life; and
- 222 (ii) shall include an analysis of how the county will provide a realistic opportunity for
- 223 the development of moderate income housing within the planning horizon,
- 224 including a recommendation to implement three or more of the following
- 225 moderate income housing strategies:
- 226 (A) rezone for densities necessary to facilitate the production of moderate income
- 227 housing;
- 228 (B) demonstrate investment in the rehabilitation or expansion of infrastructure that
- 229 facilitates the construction of moderate income housing;
- 230 (C) demonstrate investment in the rehabilitation of existing uninhabitable housing
- 231 stock into moderate income housing;
- 232 (D) identify and utilize county general fund subsidies or other sources of revenue

- 233 to waive construction related fees that are otherwise generally imposed by the
234 county for the construction or rehabilitation of moderate income housing;
- 235 (E) create or allow for, and reduce regulations related to, internal or detached
236 accessory dwelling units in residential zones;
- 237 (F) zone or rezone for higher density or moderate income residential development
238 in commercial or mixed-use zones, commercial centers, or employment centers;
- 239 (G) amend land use regulations to allow for higher density or new moderate
240 income residential development in commercial or mixed-use zones near major
241 transit investment corridors;
- 242 (H) amend land use regulations to eliminate or reduce parking requirements for
243 residential development where a resident is less likely to rely on the resident's
244 own vehicle, such as residential development near major transit investment
245 corridors or senior living facilities;
- 246 (I) amend land use regulations to allow for single room occupancy developments;
- 247 (J) implement zoning incentives for moderate income units in new developments;
- 248 (K) preserve existing and new moderate income housing and subsidized units by
249 utilizing a landlord incentive program, providing for deed restricted units
250 through a grant program, or establishing a housing loss mitigation fund;
- 251 (L) reduce, waive, or eliminate impact fees related to moderate income housing;
- 252 (M) demonstrate creation of, or participation in, a community land trust program
253 for moderate income housing;
- 254 (N) implement a mortgage assistance program for employees of the county, an
255 employer that provides contracted services for the county, or any other public
256 employer that operates within the county;
- 257 (O) apply for or partner with an entity that applies for state or federal funds or tax
258 incentives to promote the construction of moderate income housing, an entity
259 that applies for programs offered by the Utah Housing Corporation within that
260 agency's funding capacity, an entity that applies for affordable housing
261 programs administered by the Department of Workforce Services, an entity
262 that applies for services provided by a public housing authority to preserve and
263 create moderate income housing, or any other entity that applies for programs
264 or services that promote the construction or preservation of moderate income
265 housing;
- 266 (P) demonstrate utilization of a moderate income housing set aside from a

- 267 community reinvestment agency, redevelopment agency, or community
 268 development and renewal agency to create or subsidize moderate income
 269 housing;
- 270 (Q) create a housing and transit reinvestment zone pursuant to Title 63N, Chapter
 271 3, Part 6, Housing and Transit Reinvestment Zone Act;
- 272 (R) create a home ownership promotion zone pursuant to Part 12, Home
 273 Ownership Promotion Zone for Counties;
- 274 (S) eliminate impact fees for any accessory dwelling unit that is not an internal
 275 accessory dwelling unit as defined in Section 10-9a-530;
- 276 (T) create a program to transfer development rights for moderate income housing;
- 277 (U) ratify a joint acquisition agreement with another local political subdivision for
 278 the purpose of combining resources to acquire property for moderate income
 279 housing;
- 280 (V) develop a moderate income housing project for residents who are disabled or
 281 55 years old or older;
- 282 (W) create or allow for, and reduce regulations related to, multifamily residential
 283 dwellings compatible in scale and form with detached single-family residential
 284 dwellings and located in walkable communities within residential or mixed-use
 285 zones; and
- 286 (X) demonstrate implementation of any other program or strategy to address the
 287 housing needs of residents of the county who earn less than 80% of the area
 288 median income, including the dedication of a local funding source to moderate
 289 income housing or the adoption of a land use ordinance that requires 10% or
 290 more of new residential development in a residential zone be dedicated to
 291 moderate income housing.
- 292 ~~[(e) If a specified county, as defined in Section 17-27a-408, has created a small public~~
 293 ~~transit district, as defined in Section 17B-2a-802, on or before January 1, 2022, the~~
 294 ~~specified county shall include as part of the specified county's recommended~~
 295 ~~strategies under Subsection (2)(b)(ii) a recommendation to implement the strategy~~
 296 ~~described in Subsection (2)(b)(ii)(Q).]~~
- 297 ~~[(d)]~~ (c) The planning commission shall identify each moderate income housing strategy
 298 recommended to the legislative body for implementation by restating the exact
 299 language used to describe the strategy in Subsection (2)(b)(ii).
- 300 ~~[(e)]~~ (d) In drafting the land use element, the planning commission shall:

- 301 (i) identify and consider each agriculture protection area within the unincorporated
302 area of the county or mountainous planning district;
- 303 (ii) avoid proposing a use of land within an agriculture protection area that is
304 inconsistent with or detrimental to the use of the land for agriculture; and
- 305 (iii) consider and coordinate with any station area plans adopted by municipalities
306 located within the county under Section 10-9a-403.1.
- 307 ~~[(f)]~~ (e) In drafting the transportation and traffic circulation element, the planning
308 commission shall:
- 309 (i)(A) consider and coordinate with the regional transportation plan developed by
310 the county's region's metropolitan planning organization, if the relevant areas
311 of the county are within the boundaries of a metropolitan planning
312 organization; or
- 313 (B) consider and coordinate with the long-range transportation plan developed by
314 the Department of Transportation, if the relevant areas of the county are not
315 within the boundaries of a metropolitan planning organization; and
- 316 (ii) consider and coordinate with any station area plans adopted by municipalities
317 located within the county under Section 10-9a-403.1.
- 318 ~~[(g)]~~ (f)(i) In drafting the implementation plan portion of the moderate income
319 housing element as described in Subsection (2)(a)(iii)(C), the planning
320 commission shall recommend to the legislative body the establishment of a
321 five-year timeline for implementing each of the moderate income housing
322 strategies selected by the county for implementation.
- 323 (ii) The timeline described in Subsection (2)~~[(g)(i)]~~ (f)(i) shall:
- 324 (A) identify specific measures and benchmarks for implementing each moderate
325 income housing strategy selected by the county; and
- 326 (B) provide flexibility for the county to make adjustments as needed.
- 327 ~~[(h)]~~ (g) In drafting the water use and preservation element, the planning commission:
- 328 (i) shall consider applicable regional water conservation goals recommended by the
329 Division of Water Resources;
- 330 (ii) shall consult with the Division of Water Resources for information and technical
331 resources regarding regional water conservation goals, including how
332 implementation of the land use element and water use and preservation element
333 may affect the Great Salt Lake;
- 334 (iii) shall notify the community water systems serving drinking water within the

- 335 unincorporated portion of the county and request feedback from the community
336 water systems about how implementation of the land use element and water use
337 and preservation element may affect:
- 338 (A) water supply planning, including drinking water source and storage capacity
339 consistent with Section 19-4-114; and
 - 340 (B) water distribution planning, including master plans, infrastructure asset
341 management programs and plans, infrastructure replacement plans, and impact
342 fee facilities plans;
- 343 (iv) shall consider the potential opportunities and benefits of planning for
344 regionalization of public water systems;
- 345 (v) shall consult with the Department of Agriculture and Food for information and
346 technical resources regarding the potential benefits of agriculture conservation
347 easements and potential implementation of agriculture water optimization projects
348 that would support regional water conservation goals;
- 349 (vi) shall notify an irrigation or canal company located in the county so that the
350 irrigation or canal company can be involved in the protection and integrity of the
351 irrigation or canal company's delivery systems;
- 352 (vii) shall include a recommendation for:
- 353 (A) water conservation policies to be determined by the county; and
 - 354 (B) landscaping options within a public street for current and future development
355 that do not require the use of lawn or turf in a parkstrip;
- 356 (viii) shall review the county's land use ordinances and include a recommendation for
357 changes to an ordinance that promotes the inefficient use of water;
- 358 (ix) shall consider principles of sustainable landscaping, including the:
- 359 (A) reduction or limitation of the use of lawn or turf;
 - 360 (B) promotion of site-specific landscape design that decreases stormwater runoff
361 or runoff of water used for irrigation;
 - 362 (C) preservation and use of healthy trees that have a reasonable water requirement
363 or are resistant to dry soil conditions;
 - 364 (D) elimination or regulation of ponds, pools, and other features that promote
365 unnecessary water evaporation;
 - 366 (E) reduction of yard waste; and
 - 367 (F) use of an irrigation system, including drip irrigation, best adapted to provide
368 the optimal amount of water to the plants being irrigated;

- 369 (x) may include recommendations for additional water demand reduction strategies,
370 including:
- 371 (A) creating a water budget associated with a particular type of development;
372 (B) adopting new or modified lot size, configuration, and landscaping standards
373 that will reduce water demand for new single family development;
374 (C) providing one or more water reduction incentives for existing landscapes and
375 irrigation systems and installation of water fixtures or systems that minimize
376 water demand;
377 (D) discouraging incentives for economic development activities that do not
378 adequately account for water use or do not include strategies for reducing
379 water demand; and
380 (E) adopting water concurrency standards requiring that adequate water supplies
381 and facilities are or will be in place for new development; and
- 382 (xi) shall include a recommendation for low water use landscaping standards for a
383 new:
- 384 (A) commercial, industrial, or institutional development;
385 (B) common interest community, as defined in Section 57-25-102; or
386 (C) multifamily housing project.
- 387 (3) The proposed general plan may include:
- 388 (a) an environmental element that addresses:
- 389 (i) to the extent not covered by the county's resource management plan, the
390 protection, conservation, development, and use of natural resources, including the
391 quality of:
- 392 (A) air;
393 (B) forests;
394 (C) soils;
395 (D) rivers;
396 (E) groundwater and other waters;
397 (F) harbors;
398 (G) fisheries;
399 (H) wildlife;
400 (I) minerals; and
401 (J) other natural resources; and
402 (ii)(A) the reclamation of land, flood control, prevention and control of the

- 403 pollution of streams and other waters;
- 404 (B) the regulation of the use of land on hillsides, stream channels and other
- 405 environmentally sensitive areas;
- 406 (C) the prevention, control, and correction of the erosion of soils;
- 407 (D) the preservation and enhancement of watersheds and wetlands; and
- 408 (E) the mapping of known geologic hazards;
- 409 (b) a public services and facilities element showing general plans for sewage, water,
- 410 waste disposal, drainage, public utilities, rights-of-way, easements, and facilities for
- 411 them, police and fire protection, and other public services;
- 412 (c) a rehabilitation, redevelopment, and conservation element consisting of plans and
- 413 programs for:
- 414 (i) historic preservation;
- 415 (ii) the diminution or elimination of a development impediment as defined in Section
- 416 17C-1-102; and
- 417 (iii) redevelopment of land, including housing sites, business and industrial sites, and
- 418 public building sites;
- 419 (d) an economic element composed of appropriate studies and forecasts, as well as an
- 420 economic development plan, which may include review of existing and projected
- 421 county revenue and expenditures, revenue sources, identification of basic and
- 422 secondary industry, primary and secondary market areas, employment, and retail
- 423 sales activity;
- 424 (e) recommendations for implementing all or any portion of the general plan, including
- 425 the adoption of land and water use ordinances, capital improvement plans,
- 426 community development and promotion, and any other appropriate action;
- 427 (f) provisions addressing any of the matters listed in Subsection 17-27a-401(2) or
- 428 (3)(a)(i); and
- 429 (g) any other element the county considers appropriate.

430 Section 3. Section **17-27a-408** is amended to read:

431 **17-27a-408 . Moderate income housing report -- Contents -- Prioritization for**
 432 **funds or projects -- Ineligibility for funds after noncompliance -- Civil actions.**

- 433 (1) As used in this section:
- 434 (a) "Division" means the Housing and Community Development Division within the
- 435 Department of Workforce Services.
- 436 (b) "Implementation plan" means the implementation plan adopted as part of the

- 437 moderate income housing element of a specified county's general plan as provided in
438 Subsection 17-27a-403(2)[~~(g)~~] (f).
- 439 (c) "Initial report" means the one-time moderate income housing report described in
440 Subsection (2).
- 441 (d) "Moderate income housing strategy" means a strategy described in Subsection
442 17-27a-403(2)(b)(ii).
- 443 (e) "Report" means an initial report or a subsequent report.
- 444 (f) "Specified county" means a county of the first, second, or third class, which has a
445 population of more than 5,000 in the county's unincorporated areas.
- 446 (g) "Subsequent progress report" means the annual moderate income housing report
447 described in Subsection (3).
- 448 (2)(a) The legislative body of a specified county shall annually submit an initial report to
449 the division.
- 450 (b)(i) This Subsection (2)(b) applies to a county that is not a specified county as of
451 January 1, 2023.
- 452 (ii) As of January 1, if a county described in Subsection (2)(b)(i) changes from one
453 class to another or grows in population to qualify as a specified county, the county
454 shall submit an initial plan to the division on or before August 1 of the first
455 calendar year beginning on January 1 in which the county qualifies as a specified
456 county.
- 457 (c) The initial report shall:
- 458 (i) identify each moderate income housing strategy selected by the specified county
459 for continued, ongoing, or one-time implementation, using the exact language
460 used to describe the moderate income housing strategy in Subsection 17-27a-403
461 (2)(b)(ii); and
- 462 (ii) include an implementation plan.
- 463 (3)(a) After the division approves a specified county's initial report under this section,
464 the specified county shall, as an administrative act, annually submit to the division a
465 subsequent progress report on or before August 1 of each year after the year in which
466 the specified county is required to submit the initial report.
- 467 (b) The subsequent progress report shall include:
- 468 (i) subject to Subsection (3)(c), a description of each action, whether one-time or
469 ongoing, taken by the specified county during the previous 12-month period to
470 implement the moderate income housing strategies identified in the initial report

- 471 for implementation;
- 472 (ii) a description of each land use regulation or land use decision made by the
473 specified county during the previous 12-month period to implement the moderate
474 income housing strategies, including an explanation of how the land use
475 regulation or land use decision supports the specified county's efforts to
476 implement the moderate income housing strategies;
- 477 (iii) a description of any barriers encountered by the specified county in the previous
478 12-month period in implementing the moderate income housing strategies;
- 479 (iv) the number of residential dwelling units that have been entitled that have not
480 received a building permit as of the submission date of the progress report;
- 481 (v) shapefiles, or website links if shapefiles are not available, to current maps and
482 tables related to zoning;
- 483 (vi) information regarding the number of internal and external or detached accessory
484 dwelling units located within the specified county for which the specified county:
485 (A) issued a building permit to construct; or
486 (B) issued a business license or comparable license or permit to rent;
- 487 (vii) a description of how the market has responded to the selected moderate income
488 housing strategies, including the number of entitled moderate income housing
489 units or other relevant data; and
- 490 (viii) any recommendations on how the state can support the specified county in
491 implementing the moderate income housing strategies.
- 492 (c) For purposes of describing actions taken by a specified county under Subsection
493 (3)(b)(i), the specified county may include an ongoing action taken by the specified
494 county prior to the 12-month reporting period applicable to the subsequent progress
495 report if the specified county:
- 496 (i) has already adopted an ordinance, approved a land use application, made an
497 investment, or approved an agreement or financing that substantially promotes the
498 implementation of a moderate income housing strategy identified in the initial
499 report; and
- 500 (ii) demonstrates in the subsequent progress report that the action taken under
501 Subsection (3)(c)(i) is relevant to making meaningful progress towards the
502 specified county's implementation plan.
- 503 (d) A specified county's report shall be in a form:
- 504 (i) approved by the division; and

- 505 (ii) made available by the division on or before May 1 of the year in which the report
506 is required.
- 507 (4) Within 90 days after the day on which the division receives a specified county's report,
508 the division shall:
- 509 (a) post the report on the division's website;
- 510 (b) send a copy of the report to the Department of Transportation, the Governor's Office
511 of Planning and Budget, the association of governments in which the specified
512 county is located, and, if the unincorporated area of the specified county is located
513 within the boundaries of a metropolitan planning organization, the appropriate
514 metropolitan planning organization; and
- 515 (c) subject to Subsection (5), review the report to determine compliance with this section.
- 516 (5)(a) An initial report does not comply with this section unless the report:
- 517 (i) includes the information required under Subsection (2)(c);
- 518 (ii) ~~[subject to Subsection (5)(e),]~~demonstrates to the division that the specified
519 county made plans to implement three or more moderate income housing
520 strategies; and
- 521 (iii) is in a form approved by the division.
- 522 (b) A subsequent progress report does not comply with this section unless the report:
- 523 (i) ~~[subject to Subsection (5)(e),]~~demonstrates to the division that the specified
524 county made plans to implement three or more moderate income housing
525 strategies;
- 526 (ii) is in a form approved by the division; and
- 527 (iii) provides sufficient information for the division to:
- 528 (A) assess the specified county's progress in implementing the moderate income
529 housing strategies;
- 530 (B) monitor compliance with the specified county's implementation plan;
- 531 (C) identify a clear correlation between the specified county's land use decisions
532 and efforts to implement the moderate income housing strategies;
- 533 (D) identify how the market has responded to the specified county's selected
534 moderate income housing strategies; and
- 535 (E) identify any barriers encountered by the specified county in implementing the
536 selected moderate income housing strategies.
- 537 ~~[(e)(i) This Subsection (5)(e) applies to a specified county that has created a small
538 public transit district, as defined in Section 17B-2a-802, on or before January 1,~~

- 539 2022.]
- 540 [~~(ii) In addition to the requirements of Subsections (5)(a) and (b), a report for a~~
- 541 ~~specified county described in Subsection (5)(c)(i) does not comply with this~~
- 542 ~~section unless the report demonstrates to the division that the specified county:]~~
- 543 ~~[(A) made plans to implement the moderate income housing strategy described in~~
- 544 ~~Subsection 17-27a-403(2)(b)(ii)(Q); and]~~
- 545 ~~[(B) is in compliance with Subsection 63N-3-603(8).]~~
- 546 (6)(a) A specified county qualifies for priority consideration under this Subsection (6) if
- 547 the specified county's report:
- 548 (i) complies with this section; and
- 549 (ii) demonstrates to the division that the specified county made plans to implement
- 550 five or more moderate income housing strategies.
- 551 (b) The Transportation Commission may, in accordance with Subsection 72-1-304(3)(c),
- 552 give priority consideration to transportation projects located within the
- 553 unincorporated areas of a specified county described in Subsection (6)(a) until the
- 554 Department of Transportation receives notice from the division under Subsection
- 555 (6)(e).
- 556 (c) Upon determining that a specified county qualifies for priority consideration under
- 557 this Subsection (6), the division shall send a notice of prioritization to the legislative
- 558 body of the specified county and the Department of Transportation.
- 559 (d) The notice described in Subsection (6)(c) shall:
- 560 (i) name the specified county that qualifies for priority consideration;
- 561 (ii) describe the funds or projects for which the specified county qualifies to receive
- 562 priority consideration; and
- 563 (iii) state the basis for the division's determination that the specified county qualifies
- 564 for priority consideration.
- 565 (e) The division shall notify the legislative body of a specified county and the
- 566 Department of Transportation in writing if the division determines that the specified
- 567 county no longer qualifies for priority consideration under this Subsection (6).
- 568 (7)(a) If the division, after reviewing a specified county's report, determines that the
- 569 report does not comply with this section, the division shall send a notice of
- 570 noncompliance to the legislative body of the specified county.
- 571 (b) A specified county that receives a notice of noncompliance may:
- 572 (i) cure each deficiency in the report within 90 days after the day on which the notice

- 573 of noncompliance is sent; or
- 574 (ii) request an appeal of the division's determination of noncompliance within 10
- 575 days after the day on which the notice of noncompliance is sent.
- 576 (c) The notice described in Subsection (7)(a) shall:
- 577 (i) describe each deficiency in the report and the actions needed to cure each
- 578 deficiency;
- 579 (ii) state that the specified county has an opportunity to:
- 580 (A) submit to the division a corrected report that cures each deficiency in the
- 581 report within 90 days after the day on which the notice of noncompliance is
- 582 sent; or
- 583 (B) submit to the division a request for an appeal of the division's determination of
- 584 noncompliance within 10 days after the day on which the notice of
- 585 noncompliance is sent; and
- 586 (iii) state that failure to take action under Subsection (7)(c)(ii) will result in the
- 587 specified county's ineligibility for funds and fees owed under Subsection (9).
- 588 (d) For purposes of curing the deficiencies in a report under this Subsection (7), if the
- 589 action needed to cure the deficiency as described by the division requires the
- 590 specified county to make a legislative change, the specified county may cure the
- 591 deficiency by making that legislative change within the 90-day cure period.
- 592 (e)(i) If a specified county submits to the division a corrected report in accordance
- 593 with Subsection (7)(b)(i), and the division determines that the corrected report
- 594 does not comply with this section, the division shall send a second notice of
- 595 noncompliance to the legislative body of the specified county.
- 596 (ii) A specified county that receives a second notice of noncompliance may request
- 597 an appeal of the division's determination of noncompliance within 10 days after
- 598 the day on which the second notice of noncompliance is sent.
- 599 (iii) The notice described in Subsection (7)(e)(i) shall:
- 600 (A) state that the specified county has an opportunity to submit to the division a
- 601 request for an appeal of the division's determination of noncompliance within
- 602 10 days after the day on which the second notice of noncompliance is sent; and
- 603 (B) state that failure to take action under Subsection (7)(e)(iii)(A) will result in the
- 604 specified county's ineligibility for funds under Subsection (9).
- 605 (8)(a) A specified county that receives a notice of noncompliance under Subsection
- 606 (7)(a) or (7)(e)(i) may request an appeal of the division's determination of

- 607 noncompliance within 10 days after the day on which the notice of noncompliance is
608 sent.
- 609 (b) Within 90 days after the day on which the division receives a request for an appeal,
610 an appeal board consisting of the following three members shall review and issue a
611 written decision on the appeal:
- 612 (i) one individual appointed by the Utah Association of Counties;
 - 613 (ii) one individual appointed by the Utah Homebuilders Association; and
 - 614 (iii) one individual appointed by the presiding member of the association of
615 governments, established pursuant to an interlocal agreement under Title 11,
616 Chapter 13, Interlocal Cooperation Act, of which the specified county is a member.
- 617 (c) The written decision of the appeal board shall either uphold or reverse the division's
618 determination of noncompliance.
- 619 (d) The appeal board's written decision on the appeal is final.
- 620 (9)(a) A specified county is ineligible for funds and owes a fee under this Subsection (9)
621 if:
- 622 (i) the specified county fails to submit a report to the division;
 - 623 (ii) after submitting a report to the division, the division determines that the report
624 does not comply with this section and the specified county fails to:
 - 625 (A) cure each deficiency in the report within 90 days after the day on which the
626 notice of noncompliance is sent; or
 - 627 (B) request an appeal of the division's determination of noncompliance within 10
628 days after the day on which the notice of noncompliance is sent;
 - 629 (iii) after submitting to the division a corrected report to cure the deficiencies in a
630 previously submitted report, the division determines that the corrected report does
631 not comply with this section and the specified county fails to request an appeal of
632 the division's determination of noncompliance within 10 days after the day on
633 which the second notice of noncompliance is sent; or
 - 634 (iv) after submitting a request for an appeal under Subsection (8), the appeal board
635 issues a written decision upholding the division's determination of noncompliance.
- 636 (b) The following apply to a specified county described in Subsection (9)(a) until the
637 division provides notice under Subsection (9)(e):
- 638 (i) the executive director of the Department of Transportation may not program funds
639 from the Transportation Investment Fund of 2005, including the Transit
640 Transportation Investment Fund, to projects located within the unincorporated

- 641 areas of the specified county in accordance with Subsection 72-2-124(6);
- 642 (ii) beginning with the report submitted in 2024, the specified county shall pay a fee
- 643 to the Olene Walker Housing Loan Fund in the amount of \$250 per day that the
- 644 specified county:
- 645 (A) fails to submit the report to the division in accordance with this section,
- 646 beginning the day after the day on which the report was due; or
- 647 (B) fails to cure the deficiencies in the report, beginning the day after the day by
- 648 which the cure was required to occur as described in the notice of
- 649 noncompliance under Subsection (7); and
- 650 (iii) beginning with the report submitted in 2025, the specified county shall pay a fee
- 651 to the Olene Walker Housing Loan Fund in the amount of \$500 per day that the
- 652 specified county, for a consecutive year:
- 653 (A) fails to submit the report to the division in accordance with this section,
- 654 beginning the day after the day on which the report was due; or
- 655 (B) fails to cure the deficiencies in the report, beginning the day after the day by
- 656 which the cure was required to occur as described in the notice of
- 657 noncompliance under Subsection (7).
- 658 (c) Upon determining that a specified county is ineligible for funds under this
- 659 Subsection (9), and is required to pay a fee under Subsection (9)(b), if applicable, the
- 660 division shall send a notice of ineligibility to the legislative body of the specified
- 661 county, the Department of Transportation, the State Tax Commission, and the
- 662 Governor's Office of Planning and Budget.
- 663 (d) The notice described in Subsection (9)(c) shall:
- 664 (i) name the specified county that is ineligible for funds;
- 665 (ii) describe the funds for which the specified county is ineligible to receive;
- 666 (iii) describe the fee the specified county is required to pay under Subsection (9)(b),
- 667 if applicable; and
- 668 (iv) state the basis for the division's determination that the specified county is
- 669 ineligible for funds.
- 670 (e) The division shall notify the legislative body of a specified county and the
- 671 Department of Transportation in writing if the division determines that the provisions
- 672 of this Subsection (9) no longer apply to the specified county.
- 673 (f) The division may not determine that a specified county that is required to pay a fee
- 674 under Subsection (9)(b) is in compliance with the reporting requirements of this

675 section until the specified county pays all outstanding fees required under Subsection
 676 (9)(b) to the Olene Walker Housing Loan Fund, created under Title 35A, Chapter 8,
 677 Part 5, Olene Walker Housing Loan Fund.

678 (10) In a civil action seeking enforcement or claiming a violation of this section or of
 679 Subsection 17-27a-404(5)(c), a plaintiff may not recover damages but may be awarded
 680 only injunctive or other equitable relief.

681 Section 4. Section **17C-1-409** is amended to read:

682 **17C-1-409 . Allowable uses of agency funds.**

683 (1)(a) An agency may use agency funds:

684 (i) for any purpose authorized under this title;

685 (ii) for administrative, overhead, legal, or other operating expenses of the agency,
 686 including consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B)
 687 or funding for a business resource center;

688 (iii) subject to Section 11-41-103, to pay for, including financing or refinancing, all
 689 or part of:

690 (A) project area development in a project area, including environmental
 691 remediation activities occurring before or after adoption of the project area
 692 plan;

693 (B) housing-related expenditures, projects, or programs as described in Section
 694 17C-1-411 or 17C-1-412;

695 (C) an incentive or other consideration paid to a participant under a participation
 696 agreement;

697 (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of
 698 the installation and construction of any publicly owned building, facility,
 699 structure, landscaping, or other improvement within the project area from
 700 which the project area funds are collected; or

701 (E) the cost of the installation of publicly owned infrastructure and improvements
 702 outside the project area from which the project area funds are collected if the
 703 board and the community legislative body determine by resolution that the
 704 publicly owned infrastructure and improvements benefit the project area;

705 (iv) in an urban renewal project area that includes some or all of an inactive industrial
 706 site and subject to Subsection (1)(e), to reimburse the Department of
 707 Transportation created under Section 72-1-201, or a public transit district created
 708 under Title 17B, Chapter 2a, Part 8, Public Transit District Act, for the cost of:

- 709 (A) construction of a public road, bridge, or overpass;
- 710 (B) relocation of a railroad track within the urban renewal project area; or
- 711 (C) relocation of a railroad facility within the urban renewal project area;
- 712 (v) subject to Subsection (5), to transfer funds to a community that created the
- 713 agency; or
- 714 (vi) subject to Subsection (1)(f), for agency-wide project development under Part 10,
- 715 Agency Taxing Authority.
- 716 (b) The determination of the board and the community legislative body under Subsection
- 717 (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.
- 718 (c) An agency may not use project area funds received from a taxing entity for the
- 719 purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan,
- 720 an economic development project area plan, or a community reinvestment project
- 721 area plan without the community legislative body's consent.
- 722 (d)(i) Subject to Subsection (1)(d)(ii), an agency may loan project area funds from a
- 723 project area fund to another project area fund if:
- 724 (A) the board approves; and
- 725 (B) the community legislative body approves.
- 726 (ii) An agency may not loan project area funds under Subsection (1)(d)(i) unless the
- 727 projections for agency funds are sufficient to repay the loan amount.
- 728 (iii) A loan described in this Subsection (1)(d) is not subject to Title 10, Chapter 5,
- 729 Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform
- 730 Fiscal Procedures Act for Utah Cities, Title 17, Chapter 36, Uniform Fiscal
- 731 Procedures Act for Counties, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for
- 732 Special Districts.
- 733 (e) Before an agency may pay any tax increment or sales tax revenue under Subsection
- 734 (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of
- 735 the reimbursement with:
- 736 (i) the Department of Transportation; or
- 737 (ii) a public transit district.
- 738 (f) Before an agency may use project area funds for agency-wide project development,
- 739 as defined in Section 17C-1-1001, the agency shall obtain the consent of the taxing
- 740 entity committee or each taxing entity party to an interlocal agreement with the
- 741 agency.
- 742 (2)(a) Sales and use tax revenue that an agency receives from a taxing entity is not

743 subject to the prohibition or limitations of Title 11, Chapter 41, Prohibition on Retail
744 Facility Incentive Payments Act.

745 (b) An agency may use sales and use tax revenue that the agency receives under an
746 interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized
747 in the interlocal agreement.

748 (3)(a) An agency may contract with the community that created the agency or another
749 public entity to use agency funds to reimburse the cost of items authorized by this
750 title to be paid by the agency that are paid by the community or other public entity.

751 (b) If land is acquired or the cost of an improvement is paid by another public entity and
752 the land or improvement is leased to the community, an agency may contract with
753 and make reimbursement from agency funds to the community.

754 (4) Notwithstanding any other provision of this title, an agency may not use project area
755 funds, project area incremental revenue as defined in Section 17C-1-1001, or property
756 tax revenue as defined in Section 17C-1-1001, to construct a local government building
757 unless the taxing entity committee or each taxing entity party to an interlocal agreement
758 with the agency consents.

759 (5) For the purpose of offsetting the community's annual local contribution to the Homeless
760 Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a
761 calendar year to a community under Subsections (1)(a)(v), 17C-1-411(1)(d), and
762 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as
763 defined in Subsection ~~[59-12-205(4)]~~ 59-12-205(5).

764 Section 5. Section **17C-1-411** is amended to read:

765 **17C-1-411 . Use of project area funds for housing-related improvements and for**
766 **relocating mobile home park residents -- Funds to be held in separate accounts.**

767 (1) An agency may use project area funds:

768 (a) to pay all or part of the value of the land for and the cost of installation, construction,
769 or rehabilitation of any housing-related building, facility, structure, or other housing
770 improvement, including infrastructure improvements related to housing, located in
771 any project area within the agency's boundaries;

772 (b) outside of a project area for the purpose of:

773 (i) replacing housing units lost by project area development; or

774 (ii) increasing, improving, or preserving the affordable housing supply within the
775 boundary of the agency;

776 (c) for relocating mobile home park residents displaced by project area development,

- 777 whether inside or outside a project area; or
- 778 (d) subject to Subsection (4), to transfer funds to a community that created the agency.
- 779 (2)(a) Each agency shall create a housing fund and separately account for project area
- 780 funds allocated under this section.
- 781 (b) Interest earned by the housing fund described in Subsection (2)(a), and any payments
- 782 or repayments made to the agency for loans, advances, or grants of any kind from the
- 783 housing fund, shall accrue to the housing fund.
- 784 (c) An agency that designates a housing fund under this section shall use the housing
- 785 fund for the purposes set forth in this section or Section 17C-1-412.
- 786 (3) An agency may lend, grant, or contribute funds from the housing fund to a person,
- 787 public entity, housing authority, private entity or business, or nonprofit corporation for
- 788 affordable housing or homeless assistance.
- 789 (4) For the purpose of offsetting the community's annual local contribution to the Homeless
- 790 Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a
- 791 calendar year to a community under Subsections (1)(d), 17C-1-409(1)(a)(v), and
- 792 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as
- 793 defined in Subsection [~~59-12-205(4)~~] 59-12-205(5).

794 Section 6. Section **17C-1-412** is amended to read:

795 **17C-1-412 . Use of housing allocation -- Separate accounting required -- Issuance**

796 **of bonds for housing -- Action to compel agency to provide housing allocation.**

- 797 (1)(a) An agency shall use the agency's housing allocation to:
- 798 (i) pay part or all of the cost of land or construction of income targeted housing
- 799 within the boundary of the agency, if practicable in a mixed income development
- 800 or area;
- 801 (ii) pay part or all of the cost of rehabilitation of income targeted housing within the
- 802 boundary of the agency;
- 803 (iii) lend, grant, or contribute money to a person, public entity, housing authority,
- 804 private entity or business, or nonprofit corporation for income targeted housing
- 805 within the boundary of the agency;
- 806 (iv) plan or otherwise promote income targeted housing within the boundary of the
- 807 agency;
- 808 (v) pay part or all of the cost of land or installation, construction, or rehabilitation of
- 809 any building, facility, structure, or other housing improvement, including
- 810 infrastructure improvements, related to housing located in a project area where a

- 811 board has determined that a development impediment exists;
- 812 (vi) replace housing units lost as a result of the project area development;
- 813 (vii) make payments on or establish a reserve fund for bonds:
- 814 (A) issued by the agency, the community, or the housing authority that provides
- 815 income targeted housing within the community; and
- 816 (B) all or part of the proceeds of which are used within the community for the
- 817 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);
- 818 (viii) if the community's fair share ratio at the time of the first adoption of the project
- 819 area budget is at least 1.1 to 1.0, make payments on bonds:
- 820 (A) that were previously issued by the agency, the community, or the housing
- 821 authority that provides income targeted housing within the community; and
- 822 (B) all or part of the proceeds of which were used within the community for the
- 823 purposes stated in Subsection (1)(a)(i), (ii), (iii), (iv), (v), or (vi);
- 824 (ix) relocate mobile home park residents displaced by project area development;
- 825 (x) subject to Subsection (7), transfer funds to a community that created the agency;
- 826 or
- 827 (xi) pay for or make a contribution toward the acquisition, construction, or
- 828 rehabilitation of housing that:
- 829 (A) is located in the same county as the agency;
- 830 (B) is owned in whole or in part by, or is dedicated to supporting, a public
- 831 nonprofit college or university; and
- 832 (C) only students of the relevant college or university, including the students'
- 833 immediate families, occupy.
- 834 (b) As an alternative to the requirements of Subsection (1)(a), an agency may pay all or
- 835 any portion of the agency's housing allocation to:
- 836 (i) the community for use as described in Subsection (1)(a);
- 837 (ii) a housing authority that provides income targeted housing within the community
- 838 for use in providing income targeted housing within the community;
- 839 (iii) a housing authority established by the county in which the agency is located for
- 840 providing:
- 841 (A) income targeted housing within the county;
- 842 (B) permanent housing, permanent supportive housing, or a transitional facility, as
- 843 defined in Section 35A-5-302, within the county; or
- 844 (C) homeless assistance within the county;

- 845 (iv) the Olene Walker Housing Loan Fund, established under Title 35A, Chapter 8,
846 Part 5, Olene Walker Housing Loan Fund, for use in providing income targeted
847 housing within the community;
- 848 (v) pay for or make a contribution toward the acquisition, construction, or
849 rehabilitation of income targeted housing that is outside of the community if the
850 housing is located along or near a major transit investment corridor that services
851 the community and the related project has been approved by the community in
852 which the housing is or will be located;
- 853 (vi) pay for or make a contribution toward the acquisition, construction, or
854 rehabilitation of income targeted housing that is outside of the community if there
855 is an interlocal agreement between the agency and the receiving community; or
- 856 (vii) pay for or make a contribution toward the expansion of child care facilities
857 within the boundary of the agency, provided that any recipient of funds from the
858 agency's housing allocation reports annually to the agency on how the funds were
859 used.
- 860 (2)(a) An agency may combine all or any portion of the agency's housing allocation with
861 all or any portion of one or more additional agency's housing allocations if the
862 agencies execute an interlocal agreement in accordance with Title 11, Chapter 13,
863 Interlocal Cooperation Act.
- 864 (b) An agency that has entered into an interlocal agreement as described in Subsection
865 (2)(a), meets the requirements of Subsection (1)(a) or (1)(b) if the use of the housing
866 allocation meets the requirements for at least one agency that is a party to the
867 interlocal agreement.
- 868 (3) The agency shall create a housing fund and separately account for the agency's housing
869 allocation, together with all interest earned by the housing allocation and all payments or
870 repayments for loans, advances, or grants from the housing allocation.
- 871 (4) An agency may:
- 872 (a) issue bonds to finance a housing-related project under this section, including the
873 payment of principal and interest upon advances for surveys and plans or preliminary
874 loans; and
- 875 (b) issue refunding bonds for the payment or retirement of bonds under Subsection
876 (4)(a) previously issued by the agency.
- 877 (5)(a) Except as provided in Subsection (5)(b), an agency shall allocate money to the
878 housing fund each year in which the agency receives sufficient tax increment to make

- 879 a housing allocation required by the project area budget.
- 880 (b) Subsection (5)(a) does not apply in a year in which tax increment is insufficient.
- 881 (6)(a) Except as provided in Subsection (5)(b), if an agency fails to provide a housing
882 allocation in accordance with the project area budget and the housing plan adopted
883 under Subsection 17C-2-204(2), the loan fund board may bring legal action to
884 compel the agency to provide the housing allocation.
- 885 (b) In an action under Subsection (6)(a), the court:
- 886 (i) shall award the loan fund board reasonable attorney fees, unless the court finds
887 that the action was frivolous; and
- 888 (ii) may not award the agency the agency's attorney fees, unless the court finds that
889 the action was frivolous.
- 890 (7) For the purpose of offsetting the community's annual local contribution to the Homeless
891 Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a
892 calendar year to a community under Subsections (1)(a)(x), 17C-1-409(1)(a)(v), and
893 17C-1-411(1)(d) may not exceed the community's annual local contribution as defined
894 in Subsection [~~59-12-205(4)~~] 59-12-205(5).
- 895 (8) An agency shall spend, encumber, or allot the money contributed to the housing fund
896 under Subsection (5)(a) within six years from the day on which the agency first receives
897 the money.

898 Section 7. Section **17D-4-102** is amended to read:

899 **17D-4-102 . Definitions.**

900 As used in this chapter:

- 901 (1) "Board" means the board of trustees of a public infrastructure district.
- 902 (2) "Capital city" means a city of the first class that is the capital of the state that has a
903 convention center within the boundary of the city.
- 904 (3) "Convention center" means a government facility:
905 (a) owned by the county in which the convention center is located;
906 (b) primarily used for hosting conventions, exhibitions, trade shows, or similar events;
907 and
908 (c) is located within the boundaries of a city of the first class in a county of the first class.
- 909 (4) "Convention center public infrastructure district" means a public infrastructure district
910 created to finance public infrastructure and improvements associated with and benefiting
911 a convention center area and surrounding area, including the costs to finance any public
912 or privately owned improvements, including convention center-related improvements.

913 arena improvements, and a convention revitalization project, as that term is defined in
914 Section 63N-3-602.

915 [~~2~~] (5) "Creating entity" means the county, municipality, or development authority that
916 approves the creation of a public infrastructure district.

917 [~~3~~] (6) "Development authority" means:

918 (a) the Utah Inland Port Authority created in Section 11-58-201;

919 (b) the Point of the Mountain State Land Authority created in Section 11-59-201;

920 (c) the Utah Fairpark Area Investment and Restoration District created in Section
921 11-70-201; or

922 (d) the military installation development authority created in Section 63H-1-201.

923 [~~4~~] (7) "District applicant" means the person proposing the creation of a public
924 infrastructure district.

925 [~~5~~] (8) "Division" means a division of a public infrastructure district:

926 (a) that is relatively equal in number of eligible voters or potential eligible voters to all
927 other divisions within the public infrastructure district, taking into account existing or
928 potential developments which, when completed, would increase or decrease the
929 population within the public infrastructure district; and

930 (b) which a member of the board represents.

931 [~~6~~] (9) "Governing document" means the document governing a public infrastructure
932 district to which the creating entity agrees before the creation of the public infrastructure
933 district, as amended from time to time, and subject to the limitations of Title 17B,
934 Chapter 1, Provisions Applicable to All Special Districts, and this chapter.

935 [~~7~~] (10)(a) "Limited tax bond" means a bond:

936 (i) that is directly payable from and secured by ad valorem property taxes that are
937 levied:

938 (A) by a public infrastructure district that issues the bond; and

939 (B) on taxable property within the district;

940 (ii) that is a general obligation of the public infrastructure district; and

941 (iii) for which the ad valorem property tax levy for repayment of the bond does not
942 exceed the property tax levy rate limit established under Section 17D-4-303 for
943 any fiscal year, except as provided in Subsection 17D-4-301(8).

944 (b) "Limited tax bond" does not include:

945 (i) a short-term bond;

946 (ii) a tax and revenue anticipation bond; or

- 947 (iii) a special assessment bond.
- 948 [(8)] (11) "Public infrastructure and improvements" means:
- 949 (a) the same as that term is defined in Section 11-58-102, for a public infrastructure
950 district created by the Utah Inland Port Authority created in Section 11-58-201;
- 951 (b) the same as that term is defined in Section 11-70-101, for a public infrastructure
952 district created by the Utah Fairpark Area Investment and Restoration District created
953 in Section 11-70-201; ~~and~~
- 954 (c) the same as that term is defined in Section 63H-1-102, for a public infrastructure
955 district created by the military installation development authority created in Section
956 63H-1-201~~[-]~~ ; and
- 957 (d) for a convention center public infrastructure district, infrastructure, utilities,
958 improvements, facilities, buildings, or remediation that:
- 959 (i) benefit the public and are owned by a public entity or a utility;
- 960 (ii) benefit the public and are publicly maintained or operated by a public entity;
- 961 (iii) are privately owned and provide a substantial benefit, as determined by the board
962 of a convention center public infrastructure district, to:
- 963 (A) the development and operation of a convention center public infrastructure
964 district; or
- 965 (B) the residents or property owners within the boundaries of a convention center
966 public infrastructure district; or
- 967 (iv) if the infrastructure and improvements are outside of the boundaries of a
968 convention center public infrastructure district, benefit the project area.

969 Section 8. Section **17D-4-202.1** is enacted to read:

970 **17D-4-202.1 . Convention center public infrastructure -- District board --**

971 **Petition and process requirements -- Governing document.**

972 (1) As used in this section:

- 973 (a) "City" means a municipality of the first class located in a county of the first class in
974 which a convention center is located.
- 975 (b) "County" means a county in which a convention center is located.
- 976 (c) "Lessee" means a lessee of property within the proposed convention center public
977 infrastructure district that leases the property from the city or county for a term of at
978 least 10 years.
- 979 (d)(i) "Petitioner" means a surface property owner, a property owner, or lessee of
980 property within a proposed convention center public infrastructure district's

- 981 boundaries that initiates the formation of a convention center public infrastructure
982 district.
- 983 (ii) "Petitioner" includes a surface property owner under this chapter, and Title 17B,
984 Chapter 1, Provisions Applicable to All Special Districts, in relation to a
985 convention center public infrastructure district.
- 986 (iii) "Petitioner" does not include a city, county, or other public entity.
- 987 (2) A convention center public infrastructure district shall be created in a city upon the
988 submission of a petition in accordance with this part and shall have all the powers of a
989 public infrastructure district under this chapter.
- 990 (3) A convention center public infrastructure district may only be created within a city in
991 which a convention center is located.
- 992 (4) The petition described in Subsection (2) shall:
- 993 (a) include the governing document; and
- 994 (b) for a petition to a city which has previously authorized revitalization taxes described
995 in Section 63N-3-1403, include as part of the governing document approval and
996 authorization of an interlocal agreement pledging and securing the revitalization
997 taxes for debt of the proposed convention center public infrastructure district.
- 998 (5) The process for creating a convention center public infrastructure district shall be
999 initiated by the submission of a petition and a governing document to the city, except
1000 that:
- 1001 (a) the city recorder shall certify the petition within 14 days from the day the petitioner
1002 submits the petition to the city clerk;
- 1003 (b) if the recorder fails to certify the petition within the time described in Subsection
1004 (5)(b), the petition shall be considered certified; and
- 1005 (c) within 21 days from the day that the petitioner submits the petition to the city
1006 recorder, the city shall adopt a resolution to approve:
- 1007 (i) the governing document the petitioner submitted with the petition; and
1008 (ii) the creation of a convention center public infrastructure district.
- 1009 (6)(a) The boundaries of a convention center public infrastructure district shall be
1010 limited to an area within a one-half-mile radius of a convention center.
- 1011 (b) If a parcel is intersected by the radius described in Subsection (6)(a), the entire parcel
1012 may be included in the district.
- 1013 (7) A convention center public infrastructure district shall be subject to the following
1014 provisions regarding taxation and financing:

1015 (a) a convention center public infrastructure district may levy an administrative tax of up
 1016 to 0.005 per dollar of taxable value on taxable property within the district; and

1017 (b) the administrative tax shall be used exclusively for administrative expenses and may
 1018 not be used for capital costs or debt payment.

1019 (8) A convention center public infrastructure district shall be governed by the governing
 1020 document submitted and approved as described in this section.

1021 (9) The convention center public infrastructure board shall consist of five members as
 1022 follows:

1023 (a) three members shall be representatives of the petitioner and selected by the petitioner;

1024 (b) one member may be a representative of the city and selected by the mayor of the
 1025 city; and

1026 (c) one member may be a representative of the county and selected by the mayor of the
 1027 county.

1028 (10) If a city or county mayor chooses not to select a member of the board as described in
 1029 Subsection (9)(b) or (c), or chooses to vacate such member at any time, the petitioner
 1030 shall select a member for the replacement who shall not be a representative of the city or
 1031 county in which the convention center is located.

1032 Section 9. Section **17D-4-203** is amended to read:

1033 **17D-4-203 . Public infrastructure district powers.**

1034 A public infrastructure district:

1035 (1) has all of the authority conferred upon a special district under Section 17B-1-103; and

1036 (2) may:

1037 (a) issue negotiable bonds to pay:

1038 (i) all or part of the costs of acquiring, acquiring an interest in, improving, or
 1039 extending any of the improvements, facilities, or property allowed under Section
 1040 11-14-103;

1041 (ii) capital costs of improvements in an energy assessment area, as defined in Section
 1042 11-42a-102, and other related costs, against the funds that the public infrastructure
 1043 district will receive because of an assessment in an energy assessment area, as
 1044 defined in Section 11-42a-102;

1045 (iii) public improvements related to the provision of housing;

1046 (iv) capital costs related to public transportation;

1047 (v) for a public infrastructure district that is within or adjacent to a housing and

1048 transit reinvestment zone described in Title 63N, Chapter 3, Part 6, Housing and

- 1049 Transit Reinvestment Zone Act, any and all costs to finance any public or
 1050 privately owned improvements, which, in the discretion of the board of the public
 1051 infrastructure district, promote the objectives described in Section 63N-3-603.1;
 1052 (vi) for a public infrastructure district[~~created by a development authority~~], the cost
 1053 of acquiring or financing public infrastructure and improvements; [and]
 1054 [(v~~i~~) (vii) for a public infrastructure district that is a subsidiary of the Utah Inland
 1055 Port Authority, the costs associated with a remediation project, as defined in
 1056 Section 11-58-102;
 1057 (viii) for a convention center public infrastructure district that is within or adjacent to
 1058 a convention center reinvestment zone as defined in Section 63N-3-602, any or all
 1059 of the costs to finance any public or privately owned improvements, including
 1060 convention center-related improvements and arena improvements, which, in the
 1061 discretion of the board of a convention center public infrastructure district,
 1062 promote the objectives of the convention center reinvestment zone, as described in
 1063 Section 63N-3-603.1; and
 1064 (ix) for a convention center public infrastructure district, the costs of financing a
 1065 convention revitalization project, as the term is defined in Section 63N-3-602;
 1066 (b) enter into an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal
 1067 Cooperation Act, provided that the interlocal agreement may not expand the powers
 1068 of the public infrastructure district, within the limitations of Title 11, Chapter 13,
 1069 Interlocal Cooperation Act, without the consent of the creating entity;
 1070 (c) acquire completed or partially completed improvements for fair market value as
 1071 reasonably determined by:
 1072 (i) the board;
 1073 (ii) the creating entity, if required in the governing document; or
 1074 (iii) a surveyor or engineer that a public infrastructure district employs or engages to
 1075 perform the necessary engineering services for and to supervise the construction
 1076 or installation of the improvements;
 1077 (d) contract with the creating entity for the creating entity to provide administrative
 1078 services on behalf of the public infrastructure district, when agreed to by both parties,
 1079 in order to achieve cost savings and economic efficiencies, at the discretion of the
 1080 creating entity; and
 1081 (e) for a public infrastructure district created by a development authority:
 1082 (i)(A) operate and maintain public infrastructure and improvements the district

- 1083 acquires or finances; and
- 1084 (B) use fees, assessments, or taxes to pay for the operation and maintenance of
- 1085 those public infrastructure and improvements; [~~and~~]
- 1086 (ii) issue bonds under Title 11, Chapter 42, Assessment Area Act; and
- 1087 (f) for a public infrastructure district that is a subsidiary of the Utah Inland Port
- 1088 Authority, pay for costs associated with a remediation project, as defined in Section
- 1089 11-58-102, of the Utah Inland Port Authority.
- 1090 Section 10. Section **59-1-306** is amended to read:
- 1091 **59-1-306 . Definition -- State Tax Commission Administrative Charge Account --**
- 1092 **Amount of administrative charge -- Deposit of revenue into the restricted account --**
- 1093 **Interest deposited into General Fund -- Expenditure of money deposited into the**
- 1094 **restricted account.**
- 1095 (1) As used in this section, "qualifying tax, fee, or charge" means a tax, fee, or charge the
- 1096 commission administers under:
- 1097 (a) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;
- 1098 (b) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;
- 1099 (c) Section 19-6-714;
- 1100 (d) Section 19-6-805;
- 1101 (e) Chapter 12, Sales and Use Tax Act, other than a tax under Chapter 12, Part 1, Tax
- 1102 Collection, or Chapter 12, Part 18, Additional State Sales and Use Tax Act;
- 1103 (f) Section 59-27-105;
- 1104 (g) Chapter 31, Cannabinoid Licensing and Tax Act;
- 1105 (h) Section 63H-1-205; [~~or~~]
- 1106 (i) Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act; or
- 1107 [(~~i~~)] (j) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service
- 1108 Charges.
- 1109 (2) There is created a restricted account within the General Fund known as the "State Tax
- 1110 Commission Administrative Charge Account."
- 1111 (3) Subject to the other provisions of this section, the restricted account shall consist of
- 1112 administrative charges the commission retains and deposits in accordance with this
- 1113 section.
- 1114 (4) For purposes of this section, the administrative charge is a percentage of revenue the
- 1115 commission collects from each qualifying tax, fee, or charge of not to exceed the lesser
- 1116 of:

- 1117 (a) 1.5%; or
 1118 (b) an equal percentage of revenue the commission collects from each qualifying tax,
 1119 fee, or charge sufficient to cover the cost to the commission of administering the
 1120 qualifying taxes, fees, or charges.
- 1121 (5) The commission shall deposit an administrative charge into the restricted account.
 1122 (6) Interest earned on the restricted account shall be deposited into the General Fund.
 1123 (7) The commission shall expend money appropriated by the Legislature to the commission
 1124 from the restricted account to administer qualifying taxes, fees, or charges.

1125 Section 11. Section **59-1-404** is amended to read:

1126 **59-1-404 . Definitions -- Confidentiality of commercial information obtained**
 1127 **from a property taxpayer or derived from the commercial information -- Rulemaking**
 1128 **authority -- Exceptions -- Written explanation -- Signature requirements -- Retention of**
 1129 **signed explanation by employer -- Penalty.**

- 1130 (1) As used in this section:
- 1131 (a) "Appraiser" means an individual who holds an appraiser's certificate or license issued
 1132 by the Division of Real Estate under Title 61, Chapter 2g, Real Estate Appraiser
 1133 Licensing and Certification Act and includes an individual associated with an
 1134 appraiser who assists the appraiser in preparing an appraisal.
- 1135 (b) "Appraisal" is as defined in Section 61-2g-102.
- 1136 (c)(i) "Commercial information" means:
- 1137 (A) information of a commercial nature obtained from a property taxpayer
 1138 regarding the property taxpayer's property; or
 1139 (B) information derived from the information described in this Subsection (1)(c)(i).
- 1140 (ii)(A) "Commercial information" does not include information regarding a
 1141 property taxpayer's property if the information is intended for public use.
 1142 (B) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
 1143 for purposes of Subsection (1)(c)(ii)(A), the commission may by rule prescribe
 1144 the circumstances under which information is intended for public use.
- 1145 (d) "Consultation service" is as defined in Section 61-2g-102.
- 1146 (e) "Locally assessed property" means property that is assessed by a county assessor in
 1147 accordance with Chapter 2, Part 3, County Assessment.
- 1148 (f) "Property taxpayer" means a person that:
- 1149 (i) is a property owner; or
 1150 (ii) has in effect a contract with a property owner to:

- 1151 (A) make filings on behalf of the property owner;
- 1152 (B) process appeals on behalf of the property owner; or
- 1153 (C) pay a tax under Chapter 2, Property Tax Act, on the property owner's property.
- 1154 (g) "Property taxpayer's property" means property with respect to which a property
- 1155 taxpayer:
- 1156 (i) owns the property;
- 1157 (ii) makes filings relating to the property;
- 1158 (iii) processes appeals relating to the property; or
- 1159 (iv) pays a tax under Chapter 2, Property Tax Act, on the property.
- 1160 (h) "Protected commercial information" means commercial information that:
- 1161 (i) identifies a specific property taxpayer; or
- 1162 (ii) would reasonably lead to the identity of a specific property taxpayer.
- 1163 (2) An individual listed under Subsection 59-1-403(2)(a) may not disclose commercial
- 1164 information:
- 1165 (a) obtained in the course of performing any duty that the individual listed under
- 1166 Subsection 59-1-403(2)(a) performs under Chapter 2, Property Tax Act; or
- 1167 (b) relating to an action or proceeding:
- 1168 (i) with respect to a tax imposed on property in accordance with Chapter 2, Property
- 1169 Tax Act; and
- 1170 (ii) that is filed in accordance with:
- 1171 (A) this chapter;
- 1172 (B) Chapter 2, Property Tax Act; or
- 1173 (C) this chapter and Chapter 2, Property Tax Act.
- 1174 (3)(a) Notwithstanding Subsection (2) and subject to Subsection (3)(c), an individual
- 1175 listed under Subsection 59-1-403(2)(a) may disclose the following information:
- 1176 (i) the assessed value of property;
- 1177 (ii) the tax rate imposed on property;
- 1178 (iii) a legal description of property;
- 1179 (iv) the physical description or characteristics of property, including a street address
- 1180 or parcel number for the property;
- 1181 (v) the square footage or acreage of property;
- 1182 (vi) the square footage of improvements on property;
- 1183 (vii) the name of a property taxpayer;
- 1184 (viii) the mailing address of a property taxpayer;

- 1185 (ix) the amount of a property tax:
- 1186 (A) assessed on property;
- 1187 (B) due on property;
- 1188 (C) collected on property;
- 1189 (D) abated on property; or
- 1190 (E) deferred on property;
- 1191 (x) the amount of the following relating to property taxes due on property:
- 1192 (A) interest;
- 1193 (B) costs; or
- 1194 (C) other charges;
- 1195 (xi) the tax status of property, including:
- 1196 (A) an exemption;
- 1197 (B) a property classification;
- 1198 (C) a bankruptcy filing; or
- 1199 (D) whether the property is the subject of an action or proceeding under this title;
- 1200 (xii) information relating to a tax sale of property; or
- 1201 (xiii) information relating to single-family residential property.
- 1202 (b) Notwithstanding Subsection (2) and subject to Subsection (3)(c), an individual listed
- 1203 under Subsection 59-1-403(2)(a) shall disclose, upon request, the information
- 1204 described in Subsection 59-2-1007(9).
- 1205 (c)(i) Subject to Subsection (3)(c)(ii), a person may receive the information described
- 1206 in Subsection (3)(a) or (b) in written format.
- 1207 (ii) The following may charge a reasonable fee to cover the actual cost of providing
- 1208 the information described in Subsection (3)(a) or (b) in written format:
- 1209 (A) the commission;
- 1210 (B) a county;
- 1211 (C) a city; or
- 1212 (D) a town.
- 1213 (4)(a) Notwithstanding Subsection (2) and except as provided in Subsection (4)(c), an
- 1214 individual listed under Subsection 59-1-403(2)(a) shall disclose commercial
- 1215 information:
- 1216 (i) in accordance with judicial order;
- 1217 (ii) on behalf of the commission in any action or proceeding:
- 1218 (A) under this title;

- 1219 (B) under another law under which a property taxpayer is required to disclose
1220 commercial information; or
- 1221 (C) to which the commission is a party;
- 1222 (iii) on behalf of any party to any action or proceeding under this title if the
1223 commercial information is directly involved in the action or proceeding; or
- 1224 (iv) if the requirements of Subsection (4)(b) are met, that is:
- 1225 (A) relevant to an action or proceeding:
- 1226 (I) filed in accordance with this title; and
- 1227 (II) involving property; or
- 1228 (B) in preparation for an action or proceeding involving property.
- 1229 (b) Commercial information shall be disclosed in accordance with Subsection (4)(a)(iv):
- 1230 (i) if the commercial information is obtained from:
- 1231 (A) a real estate agent if the real estate agent is not a property taxpayer of the
1232 property that is the subject of the action or proceeding;
- 1233 (B) an appraiser if the appraiser:
- 1234 (I) is not a property taxpayer of the property that is the subject of the action or
1235 proceeding; and
- 1236 (II) did not receive the commercial information pursuant to Subsection (8);
- 1237 (C) a property manager if the property manager is not a property taxpayer of the
1238 property that is the subject of the action or proceeding; or
- 1239 (D) a property taxpayer other than a property taxpayer of the property that is the
1240 subject of the action or proceeding;
- 1241 (ii) regardless of whether the commercial information is disclosed in more than one
1242 action or proceeding; and
- 1243 (iii)(A) if a county board of equalization conducts the action or proceeding, the
1244 county board of equalization takes action to provide that any commercial
1245 information disclosed during the action or proceeding may not be disclosed by
1246 any person conducting or participating in the action or proceeding except as
1247 specifically allowed by this section;
- 1248 (B) if the commission conducts the action or proceeding, the commission enters a
1249 protective order or, in accordance with Title 63G, Chapter 3, Utah
1250 Administrative Rulemaking Act, makes rules specifying that any commercial
1251 information disclosed during the action or proceeding may not be disclosed by
1252 any person conducting or participating in the action or proceeding except as

- 1253 specifically allowed by this section; or
- 1254 (C) if a court of competent jurisdiction conducts the action or proceeding, the
- 1255 court enters a protective order specifying that any commercial information
- 1256 disclosed during the action or proceeding may not be disclosed by any person
- 1257 conducting or participating in the action or proceeding except as specifically
- 1258 allowed by this section.
- 1259 (c) Notwithstanding Subsection (4)(a), a court may require the production of, and may
- 1260 admit in evidence, commercial information that is specifically pertinent to the action
- 1261 or proceeding.
- 1262 (5) Notwithstanding Subsection (2), this section does not prohibit:
- 1263 (a) the following from receiving a copy of any commercial information relating to the
- 1264 basis for assessing a tax that is charged to a property taxpayer:
- 1265 (i) the property taxpayer;
- 1266 (ii) a duly authorized representative of the property taxpayer;
- 1267 (iii) a person that has in effect a contract with the property taxpayer to:
- 1268 (A) make filings on behalf of the property taxpayer;
- 1269 (B) process appeals on behalf of the property taxpayer; or
- 1270 (C) pay a tax under Chapter 2, Property Tax Act, on the property taxpayer's
- 1271 property;
- 1272 (iv) a property taxpayer that purchases property from another property taxpayer; or
- 1273 (v) a person that the property taxpayer designates in writing as being authorized to
- 1274 receive the commercial information;
- 1275 (b) the publication of statistics as long as the statistics are classified to prevent the
- 1276 identification of a particular property taxpayer's commercial information;
- 1277 (c) the inspection by the attorney general or other legal representative of the state or a
- 1278 legal representative of a political subdivision of the state of the commercial
- 1279 information of a property taxpayer:
- 1280 (i) that brings action to set aside or review a tax or property valuation based on the
- 1281 commercial information;
- 1282 (ii) against which an action or proceeding is contemplated or has been instituted
- 1283 under this title; or
- 1284 (iii) against which the state or a political subdivision of the state has an unsatisfied
- 1285 money judgment; or
- 1286 (d) the commission from disclosing commercial information to the extent necessary to

- 1287 comply with the requirements of Subsection [~~59-12-205(5)~~] 59-12-205(6).
- 1288 (6) Notwithstanding Subsection (2), in accordance with Title 63G, Chapter 3, Utah
1289 Administrative Rulemaking Act, the commission may by rule establish standards
1290 authorizing an individual listed under Subsection 59-1-403(2)(a) to disclose commercial
1291 information:
- 1292 (a)(i) in a published decision; or
1293 (ii) in carrying out official duties; and
1294 (b) if that individual listed under Subsection 59-1-403(2)(a) consults with the property
1295 taxpayer that provided the commercial information.
- 1296 (7) Notwithstanding Subsection (2):
- 1297 (a) an individual listed under Subsection 59-1-403(2)(a) may share commercial
1298 information with the following:
- 1299 (i) another individual listed in Subsection 59-1-403(2)(a)(i) or (ii); or
1300 (ii) a representative, agent, clerk, or other officer or employee of a county as required
1301 to fulfill an obligation created by Chapter 2, Property Tax Act;
- 1302 (b) an individual listed under Subsection 59-1-403(2)(a) may perform the following to
1303 fulfill an obligation created by Chapter 2, Property Tax Act:
- 1304 (i) publish notice;
1305 (ii) provide notice; or
1306 (iii) file a lien; or
- 1307 (c) the commission may by rule, made in accordance with Title 63G, Chapter 3, Utah
1308 Administrative Rulemaking Act, share commercial information gathered from returns
1309 and other written statements with the federal government, any other state, any of the
1310 political subdivisions of another state, or any political subdivision of this state, if
1311 these political subdivisions or the federal government grant substantially similar
1312 privileges to this state.
- 1313 (8) Notwithstanding Subsection (2):
- 1314 (a) subject to the limitations in this section, an individual described in Subsection
1315 59-1-403(2)(a) may share the following commercial information with an appraiser:
- 1316 (i) the sales price of locally assessed property and the related financing terms;
1317 (ii) capitalization rates and related rates and ratios related to the valuation of locally
1318 assessed property; and
1319 (iii) income and expense information related to the valuation of locally assessed
1320 property; and

- 1321 (b) except as provided in Subsection (4), an appraiser who receives commercial
1322 information:
- 1323 (i) may disclose the commercial information:
- 1324 (A) to an individual described in Subsection 59-1-403(2)(a);
- 1325 (B) to an appraiser;
- 1326 (C) in an appraisal if protected commercial information is removed to protect its
1327 confidential nature; or
- 1328 (D) in performing a consultation service if protected commercial information is
1329 not disclosed; and
- 1330 (ii) may not use the commercial information:
- 1331 (A) for a purpose other than to prepare an appraisal or perform a consultation
1332 service; or
- 1333 (B) for a purpose intended to be, or which could reasonably be foreseen to be,
1334 anti-competitive to a property taxpayer.
- 1335 (9)(a) The commission shall:
- 1336 (i) prepare a written explanation of this section; and
- 1337 (ii) make the written explanation described in Subsection (9)(a)(i) available to the
1338 public.
- 1339 (b) An employer of a person described in Subsection 59-1-403(2)(a) shall:
- 1340 (i) provide the written explanation described in Subsection (9)(a)(i) to each person
1341 described in Subsection 59-1-403(2)(a) who is reasonably likely to receive
1342 commercial information;
- 1343 (ii) require each person who receives a written explanation in accordance with
1344 Subsection (9)(b)(i) to:
- 1345 (A) read the written explanation; and
- 1346 (B) sign the written explanation; and
- 1347 (iii) retain each written explanation that is signed in accordance with Subsection
1348 (9)(b)(ii) for a time period:
- 1349 (A) beginning on the day on which a person signs the written explanation in
1350 accordance with Subsection (9)(b)(ii); and
- 1351 (B) ending six years after the day on which the employment of the person
1352 described in Subsection (9)(b)(iii)(A) by the employer terminates.
- 1353 (c) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
1354 commission shall by rule define "employer."

- 1355 (10)(a) An individual described in Subsection (1)(a) or 59-1-403(2)(a), or an individual
 1356 that violates a protective order or similar limitation entered pursuant to Subsection
 1357 (4)(b)(iii), is guilty of a class A misdemeanor if that person:
- 1358 (i) intentionally discloses commercial information in violation of this section; and
 - 1359 (ii) knows that the disclosure described in Subsection (10)(a)(i) is prohibited by this
 1360 section.
- 1361 (b) If the individual described in Subsection (10)(a) is an officer or employee of the state
 1362 or a county and is convicted of violating this section, the individual shall be
 1363 dismissed from office and be disqualified from holding public office in this state for a
 1364 period of five years thereafter.
- 1365 (c) If the individual described in Subsection (10)(a) is an appraiser, the appraiser shall
 1366 forfeit any certification or license received under Title 61, Chapter 2g, Real Estate
 1367 Appraiser Licensing and Certification Act, for a period of five years.
- 1368 (d) If the individual described in Subsection (10)(a) is an individual associated with an
 1369 appraiser who assists the appraiser in preparing appraisals, the individual shall be
 1370 prohibited from becoming licensed or certified under Title 61, Chapter 2g, Real
 1371 Estate Appraiser Licensing and Certification Act, for a period of five years.
- 1372 (11) Notwithstanding Subsection (10), for a disclosure of information to the Office of the
 1373 Legislative Auditor General in accordance with Title 36, Chapter 12, Legislative
 1374 Organization:
- 1375 (a) an individual does not violate a protective order or similar limitation entered in
 1376 accordance with Subsection (4)(b)(iii); and
 - 1377 (b) an individual described in Subsection (1)(a) or 59-1-403(2)(a):
 1378 (i) is not guilty of a class A misdemeanor; and
 1379 (ii) is not subject to the penalties described in Subsections (10)(b) through (d).
- 1380 Section 12. Section **59-2-924** is amended to read:
- 1381 **59-2-924 . Definitions -- Report of valuation of property to county auditor and**
 1382 **commission -- Transmittal by auditor to governing bodies -- Calculation of certified tax**
 1383 **rate -- Rulemaking authority -- Adoption of tentative budget -- Notice provided by the**
 1384 **commission.**
- 1385 (1) As used in this section:
- 1386 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with
 1387 this chapter.
 - 1388 (ii) "Ad valorem property tax revenue" does not include:

- 1389 (A) interest;
- 1390 (B) penalties;
- 1391 (C) collections from redemptions; or
- 1392 (D) revenue received by a taxing entity from personal property that is
- 1393 semiconductor manufacturing equipment assessed by a county assessor in
- 1394 accordance with Part 3, County Assessment.
- 1395 (b) "Adjusted tax increment" means the same as that term is defined in Section
- 1396 17C-1-102.
- 1397 (c)(i) "Aggregate taxable value of all property taxed" means:
- 1398 (A) the aggregate taxable value of all real property a county assessor assesses in
- 1399 accordance with Part 3, County Assessment, for the current year;
- 1400 (B) the aggregate taxable value of all real and personal property the commission
- 1401 assesses in accordance with Part 2, Assessment of Property, for the current
- 1402 year; and
- 1403 (C) the aggregate year end taxable value of all personal property a county assessor
- 1404 assesses in accordance with Part 3, County Assessment, contained on the prior
- 1405 year's tax rolls of the taxing entity.
- 1406 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
- 1407 year end taxable value of personal property that is:
- 1408 (A) semiconductor manufacturing equipment assessed by a county assessor in
- 1409 accordance with Part 3, County Assessment; and
- 1410 (B) contained on the prior year's tax rolls of the taxing entity.
- 1411 (d) "Base taxable value" means:
- 1412 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 1413 in Section 11-58-102;
- 1414 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 1415 the same as that term is defined in Section 11-59-207;
- 1416 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 1417 11-70-201, the same as that term is defined in Section 11-70-101;
- 1418 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
- 1419 defined in Section 17C-1-102;
- 1420 (v) for an authority created under Section 63H-1-201, the same as that term is defined
- 1421 in Section 63H-1-102;
- 1422 (vi) for a host local government, the same as that term is defined in Section

- 1423 63N-2-502;
- 1424 (vii) for a housing and transit reinvestment zone or convention center reinvestment
 1425 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
 1426 Reinvestment Zone Act, a property's taxable value as shown upon the assessment
 1427 roll last equalized during the base year, as that term is defined in Section
 1428 63N-3-602;
- 1429 (viii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
 1430 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
 1431 27a, Part 12, Home Ownership Promotion Zone for Counties, a property's taxable
 1432 value as shown upon the assessment roll last equalized during the base year, as
 1433 that term is defined in Section 10-9a-1001 or Section 17-27a-1201; or
- 1434 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 1435 First Home Investment Zone Act, a property's taxable value as shown upon the
 1436 assessment roll last equalized during the base year, as that term is defined in
 1437 Section 63N-3-1601.
- 1438 (e) "Centrally assessed benchmark value" means an amount equal to the average year
 1439 end taxable value of real and personal property the commission assesses in
 1440 accordance with Part 2, Assessment of Property, for the previous three calendar
 1441 years, adjusted for taxable value attributable to:
- 1442 (i) an annexation to a taxing entity;
- 1443 (ii) an incorrect allocation of taxable value of real or personal property the
 1444 commission assesses in accordance with Part 2, Assessment of Property; or
- 1445 (iii) a change in value as a result of a change in the method of apportioning the value
 1446 prescribed by the Legislature, a court, or the commission in an administrative rule
 1447 or administrative order.
- 1448 (f)(i) "Centrally assessed new growth" means the greater of:
- 1449 (A) zero; or
- 1450 (B) the amount calculated by subtracting the centrally assessed benchmark value
 1451 adjusted for prior year end incremental value from the taxable value of real and
 1452 personal property the commission assesses in accordance with Part 2,
 1453 Assessment of Property, for the current year, adjusted for current year
 1454 incremental value.
- 1455 (ii) "Centrally assessed new growth" does not include a change in value as a result of
 1456 a change in the method of apportioning the value prescribed by the Legislature, a

- 1457 court, or the commission in an administrative rule or administrative order.
- 1458 (g) "Certified tax rate" means a tax rate that will provide the same ad valorem property
1459 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 1460 (h) "Community reinvestment agency" means the same as that term is defined in Section
1461 17C-1-102.
- 1462 (i) "Eligible new growth" means the greater of:
- 1463 (i) zero; or
- 1464 (ii) the sum of:
- 1465 (A) locally assessed new growth;
- 1466 (B) centrally assessed new growth; and
- 1467 (C) project area new growth or hotel property new growth.
- 1468 (j) "Host local government" means the same as that term is defined in Section 63N-2-502.
- 1469 (k) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 1470 (l) "Hotel property new growth" means an amount equal to the incremental value that is
1471 no longer provided to a host local government as incremental property tax revenue.
- 1472 (m) "Incremental property tax revenue" means the same as that term is defined in
1473 Section 63N-2-502.
- 1474 (n) "Incremental value" means:
- 1475 (i) for an authority created under Section 11-58-201, the amount calculated by
1476 multiplying:
- 1477 (A) the difference between the taxable value and the base taxable value of the
1478 property that is located within a project area and on which property tax
1479 differential is collected; and
- 1480 (B) the number that represents the percentage of the property tax differential that
1481 is paid to the authority;
- 1482 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
1483 an amount calculated by multiplying:
- 1484 (A) the difference between the current assessed value of the property and the base
1485 taxable value; and
- 1486 (B) the number that represents the percentage of the property tax augmentation, as
1487 defined in Section 11-59-207, that is paid to the Point of the Mountain State
1488 Land Authority;
- 1489 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
1490 11-70-201, the amount calculated by multiplying:

- 1491 (A) the difference between the taxable value for the current year and the base
1492 taxable value of the property that is located within a project area; and
- 1493 (B) the number that represents the percentage of enhanced property tax revenue,
1494 as defined in Section 11-70-101;
- 1495 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
1496 multiplying:
- 1497 (A) the difference between the taxable value and the base taxable value of the
1498 property located within a project area and on which tax increment is collected;
1499 and
- 1500 (B) the number that represents the adjusted tax increment from that project area
1501 that is paid to the agency;
- 1502 (v) for an authority created under Section 63H-1-201, the amount calculated by
1503 multiplying:
- 1504 (A) the difference between the taxable value and the base taxable value of the
1505 property located within a project area and on which property tax allocation is
1506 collected; and
- 1507 (B) the number that represents the percentage of the property tax allocation from
1508 that project area that is paid to the authority;
- 1509 (vi) for a housing and transit reinvestment zone or convention center reinvestment
1510 zone created pursuant to Title 63N, Chapter 3, Part 6, Housing and Transit
1511 Reinvestment Zone Act, an amount calculated by multiplying:
- 1512 (A) the difference between the taxable value and the base taxable value of the
1513 property that is located within a housing and transit reinvestment zone and on
1514 which tax increment is collected; and
- 1515 (B) the number that represents the percentage of the tax increment that is paid to
1516 the housing and transit reinvestment zone;
- 1517 (vii) for a host local government, an amount calculated by multiplying:
- 1518 (A) the difference between the taxable value and the base taxable value of the
1519 hotel property on which incremental property tax revenue is collected; and
- 1520 (B) the number that represents the percentage of the incremental property tax
1521 revenue from that hotel property that is paid to the host local government;
- 1522 (viii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
1523 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
1524 27a, Part 12, Home Ownership Promotion Zone for Counties, an amount

- 1525 calculated by multiplying:
- 1526 (A) the difference between the taxable value and the base taxable value of the
- 1527 property that is located within a home ownership promotion zone and on which
- 1528 tax increment is collected; and
- 1529 (B) the number that represents the percentage of the tax increment that is paid to
- 1530 the home ownership promotion zone; or
- 1531 (ix) for a first home investment zone created pursuant to Title 63N, Chapter 3, Part
- 1532 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 1533 (A) the difference between the taxable value and the base taxable value of the
- 1534 property that is located within a first home investment zone and on which tax
- 1535 increment is collected; and
- 1536 (B) the number that represents the percentage of the tax increment that is paid to
- 1537 the first home investment zone.
- 1538 (o)(i) "Locally assessed new growth" means the greater of:
- 1539 (A) zero; or
- 1540 (B) the amount calculated by subtracting the year end taxable value of real
- 1541 property the county assessor assesses in accordance with Part 3, County
- 1542 Assessment, for the previous year, adjusted for prior year end incremental
- 1543 value from the taxable value of real property the county assessor assesses in
- 1544 accordance with Part 3, County Assessment, for the current year, adjusted for
- 1545 current year incremental value.
- 1546 (ii) "Locally assessed new growth" does not include a change in:
- 1547 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
- 1548 or another adjustment;
- 1549 (B) assessed value based on whether a property is allowed a residential exemption
- 1550 for a primary residence under Section 59-2-103;
- 1551 (C) assessed value based on whether a property is assessed under Part 5, Farmland
- 1552 Assessment Act; or
- 1553 (D) assessed value based on whether a property is assessed under Part 17, Urban
- 1554 Farming Assessment Act.
- 1555 (p) "Project area" means:
- 1556 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 1557 in Section 11-58-102;
- 1558 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section

- 1559 11-70-201, the same as that term is defined in Section 11-70-101;
- 1560 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
- 1561 defined in Section 17C-1-102; [or]
- 1562 (iv) for an authority created under Section 63H-1-201, the same as that term is
- 1563 defined in Section 63H-1-102[-] ;
- 1564 (v) for a housing and transit reinvestment zone or convention center reinvestment
- 1565 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 1566 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 1567 (vi) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
- 1568 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
- 1569 27a, Part 12, Home Ownership Promotion Zone for Counties, the same as that
- 1570 term is defined in Section 10-9a-1001 or Section 17-27a-1201; or
- 1571 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 1572 First Home Investment Zone Act, the same as that term is defined in Section
- 1573 63N-3-1601.
- 1574 (q) "Project area new growth" means:
- 1575 (i) for an authority created under Section 11-58-201, an amount equal to the
- 1576 incremental value that is no longer provided to an authority as property tax
- 1577 differential;
- 1578 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 1579 an amount equal to the incremental value that is no longer provided to the Point of
- 1580 the Mountain State Land Authority as property tax augmentation, as defined in
- 1581 Section 11-59-207;
- 1582 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 1583 11-70-201, an amount equal to the incremental value that is no longer provided to
- 1584 the Utah Fairpark Area Investment and Restoration District;
- 1585 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the
- 1586 incremental value that is no longer provided to an agency as tax increment;
- 1587 (v) for an authority created under Section 63H-1-201, an amount equal to the
- 1588 incremental value that is no longer provided to an authority as property tax
- 1589 allocation;
- 1590 (vi) for a housing and transit reinvestment zone or convention center reinvestment
- 1591 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 1592 Reinvestment Zone Act, an amount equal to the incremental value that is no

- 1593 longer provided to a housing and transit reinvestment zone as tax increment;
- 1594 (vii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
- 1595 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
- 1596 27a, Part 12, Home Ownership Promotion Zone for Counties, an amount equal to
- 1597 the incremental value that is no longer provided to a home ownership promotion
- 1598 zone as tax increment; or
- 1599 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 1600 First Home Investment Zone Act, an amount equal to the incremental value that is
- 1601 no longer provided to a first home investment zone as tax increment.
- 1602 (r) "Project area incremental revenue" means the same as that term is defined in Section
- 1603 17C-1-1001.
- 1604 (s) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 1605 (t) "Property tax differential" means the same as that term is defined in Section
- 1606 11-58-102.
- 1607 (u) "Qualifying exempt revenue" means revenue received:
- 1608 (i) for the previous calendar year;
- 1609 (ii) by a taxing entity;
- 1610 (iii) from tangible personal property contained on the prior year's tax rolls that is
- 1611 exempt from property tax under Subsection 59-2-1115(2)(b) for a calendar year
- 1612 beginning on January 1, 2022; and
- 1613 (iv) on the aggregate 2021 year end taxable value of the tangible personal property
- 1614 that exceeds \$15,300.
- 1615 (v) "Tax increment" means:
- 1616 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
- 1617 in Section 17C-1-102;
- 1618 (ii) for a housing and transit reinvestment zone created under Title 63N, Chapter 3,
- 1619 Part 6, Housing and Transit Reinvestment Zone Act, the same as that term is
- 1620 defined in Section 63N-3-602;
- 1621 (iii) for a home ownership promotion zone created under Title 10, Chapter 9a, Part
- 1622 10, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter
- 1623 27a, Part 12, Home Ownership Promotion Zone for Counties, the same as that
- 1624 term is defined in Section 10-9a-1001 or Section 17-27a-1201; or
- 1625 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
- 1626 First Home Investment Zone Act, the same as that term is defined in Section

- 1627 63N-3-1601.
- 1628 (2) Before June 1 of each year, the county assessor of each county shall deliver to the
1629 county auditor and the commission the following statements:
- 1630 (a) a statement containing the aggregate valuation of all taxable real property a county
1631 assessor assesses in accordance with Part 3, County Assessment, for each taxing
1632 entity; and
- 1633 (b) a statement containing the taxable value of all personal property a county assessor
1634 assesses in accordance with Part 3, County Assessment, from the prior year end
1635 values.
- 1636 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
1637 taxing entity:
- 1638 (a) the statements described in Subsections (2)(a) and (b);
- 1639 (b) an estimate of the revenue from personal property;
- 1640 (c) the certified tax rate; and
- 1641 (d) all forms necessary to submit a tax levy request.
- 1642 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
1643 calculated by dividing the ad valorem property tax revenue that a taxing entity
1644 budgeted for the prior year minus the qualifying exempt revenue by the amount
1645 calculated under Subsection (4)(b).
- 1646 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
1647 calculate an amount as follows:
- 1648 (i) calculate for the taxing entity the difference between:
- 1649 (A) the aggregate taxable value of all property taxed; and
- 1650 (B) any adjustments for current year incremental value;
- 1651 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
1652 determined by increasing or decreasing the amount calculated under Subsection
1653 (4)(b)(i) by the average of the percentage net change in the value of taxable
1654 property for the equalization period for the three calendar years immediately
1655 preceding the current calendar year;
- 1656 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
1657 product of:
- 1658 (A) the amount calculated under Subsection (4)(b)(ii); and
- 1659 (B) the percentage of property taxes collected for the five calendar years
1660 immediately preceding the current calendar year; and

- 1661 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
1662 amount determined by:
- 1663 (A) multiplying the percentage of property taxes collected for the five calendar
1664 years immediately preceding the current calendar year by eligible new growth;
1665 and
- 1666 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
1667 amount calculated under Subsection (4)(b)(iii).
- 1668 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
1669 as follows:
- 1670 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
1671 tax rate is zero;
- 1672 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 1673 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
1674 services under Sections 17-34-1 and 17-36-9; and
- 1675 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
1676 purposes and such other levies imposed solely for the municipal-type services
1677 identified in Section 17-34-1 and Subsection 17-36-3(23);
- 1678 (c) for a community reinvestment agency that received all or a portion of a taxing
1679 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
1680 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
1681 Subsection (4) except that the commission shall treat the total revenue transferred to
1682 the community reinvestment agency as ad valorem property tax revenue that the
1683 taxing entity budgeted for the prior year; and
- 1684 (d) for debt service voted on by the public, the certified tax rate is the actual levy
1685 imposed by that section, except that a certified tax rate for the following levies shall
1686 be calculated in accordance with Section 59-2-913 and this section:
- 1687 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
1688 (ii) a levy to pay for the costs of state legislative mandates or judicial or
1689 administrative orders under Section 59-2-1602.
- 1690 (6)(a) A judgment levy imposed under Section 59-2-1328 or 59-2-1330 may be imposed
1691 at a rate that is sufficient to generate only the revenue required to satisfy one or more
1692 eligible judgments.
- 1693 (b) The ad valorem property tax revenue generated by a judgment levy described in
1694 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate

- 1695 certified tax rate.
- 1696 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 1697 (i) the taxable value of real property:
- 1698 (A) the county assessor assesses in accordance with Part 3, County Assessment;
- 1699 and
- 1700 (B) contained on the assessment roll;
- 1701 (ii) the year end taxable value of personal property:
- 1702 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
- 1703 (B) contained on the prior year's assessment roll; and
- 1704 (iii) the taxable value of real and personal property the commission assesses in
- 1705 accordance with Part 2, Assessment of Property.
- 1706 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
- 1707 growth.
- 1708 (8)(a) On or before June 30, a taxing entity shall annually adopt a tentative budget.
- 1709 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
- 1710 the county auditor of:
- 1711 (i) the taxing entity's intent to exceed the certified tax rate; and
- 1712 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 1713 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
- 1714 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 1715 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
- 1716 electronic means on or before July 31, to a taxing entity and the Revenue and
- 1717 Taxation Interim Committee if:
- 1718 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
- 1719 taxable value of the real and personal property the commission assesses in
- 1720 accordance with Part 2, Assessment of Property, for the previous year, adjusted
- 1721 for prior year end incremental value; and
- 1722 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
- 1723 end taxable value of the real and personal property of a taxpayer the commission
- 1724 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 1725 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
- 1726 subtracting the taxable value of real and personal property the commission assesses
- 1727 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
- 1728 current year incremental value, from the year end taxable value of the real and

- 1729 personal property the commission assesses in accordance with Part 2, Assessment of
1730 Property, for the previous year, adjusted for prior year end incremental value.
- 1731 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
1732 subtracting the total taxable value of real and personal property of a taxpayer the
1733 commission assesses in accordance with Part 2, Assessment of Property, for the
1734 current year, from the total year end taxable value of the real and personal property of
1735 a taxpayer the commission assesses in accordance with Part 2, Assessment of
1736 Property, for the previous year.
- 1737 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
1738 requirement under Subsection (9)(a)(ii).
- 1739 Section 13. Section **59-2-924.2** is amended to read:
- 1740 **59-2-924.2 . Adjustments to the calculation of a taxing entity's certified tax rate.**
- 1741 (1) For purposes of this section, "certified tax rate" means a certified tax rate calculated in
1742 accordance with Section 59-2-924.
- 1743 (2) Beginning January 1, 1997, if a taxing entity receives increased revenues from uniform
1744 fees on tangible personal property under Section 59-2-405, 59-2-405.1, 59-2-405.2,
1745 59-2-405.3, or 72-10-110.5 as a result of any county imposing a sales and use tax under
1746 Chapter 12, Part 11, County Option Sales and Use Tax, the taxing entity shall decrease
1747 its certified tax rate to offset the increased revenues.
- 1748 (3)(a) Beginning July 1, 1997, if a county has imposed a sales and use tax under Chapter
1749 12, Part 11, County Option Sales and Use Tax, the county's certified tax rate shall be:
- 1750 (i) decreased on a one-time basis by the amount of the estimated sales and use tax
1751 revenue to be distributed to the county under Subsection [~~59-12-1102(3)~~]
1752 59-12-1102(4); and
- 1753 (ii) increased by the amount necessary to offset the county's reduction in revenue
1754 from uniform fees on tangible personal property under Section 59-2-405,
1755 59-2-405.1, 59-2-405.2, 59-2-405.3, or 72-10-110.5 as a result of the decrease in
1756 the certified tax rate under Subsection (3)(a)(i).
- 1757 (b) The commission shall determine estimates of sales and use tax distributions for
1758 purposes of Subsection (3)(a).
- 1759 (4) Beginning January 1, 1998, if a municipality has imposed an additional resort
1760 communities sales and use tax under Section 59-12-402, the municipality's certified tax
1761 rate shall be decreased on a one-time basis by the amount necessary to offset the first 12
1762 months of estimated revenue from the additional resort communities sales and use tax

1763 imposed under Section 59-12-402.

1764 (5)(a) This Subsection (5) applies to each county that:

1765 (i) establishes a countywide special service district under Title 17D, Chapter 1,
1766 Special Service District Act, to provide jail service, as provided in Subsection
1767 17D-1-201(10); and

1768 (ii) levies a property tax on behalf of the special service district under Section
1769 17D-1-105.

1770 (b)(i) The certified tax rate of each county to which this Subsection (5) applies shall
1771 be decreased by the amount necessary to reduce county revenues by the same
1772 amount of revenues that will be generated by the property tax imposed on behalf
1773 of the special service district.

1774 (ii) Each decrease under Subsection (5)(b)(i) shall occur contemporaneously with the
1775 levy on behalf of the special service district under Section 17D-1-105.

1776 (6)(a) As used in this Subsection (6):

1777 (i) "Annexing county" means a county whose unincorporated area is included within
1778 a public safety district by annexation.

1779 (ii) "Annexing municipality" means a municipality whose area is included within a
1780 public safety district by annexation.

1781 (iii) "Equalized public safety protection tax rate" means the tax rate that results from:
1782 (A) calculating, for each participating county and each participating municipality,
1783 the property tax revenue necessary:

1784 (I) in the case of a fire district, to cover all of the costs associated with
1785 providing fire protection, paramedic, and emergency services:

1786 (Aa) for a participating county, in the unincorporated area of the county; and

1787 (Ab) for a participating municipality, in the municipality; or

1788 (II) in the case of a police district, to cover all the costs:

1789 (Aa) associated with providing law enforcement service:

1790 (Ii) for a participating county, in the unincorporated area of the county;

1791 and

1792 (Iii) for a participating municipality, in the municipality; and

1793 (Bb) that the police district board designates as the costs to be funded by a
1794 property tax; and

1795 (B) adding all the amounts calculated under Subsection (6)(a)(iii)(A) for all

1796 participating counties and all participating municipalities and then dividing that

- 1797 sum by the aggregate taxable value of the property, as adjusted in accordance
1798 with Section 59-2-913:
- 1799 (I) for participating counties, in the unincorporated area of all participating
1800 counties; and
- 1801 (II) for participating municipalities, in all the participating municipalities.
- 1802 (iv) "Fire district" means a service area under Title 17B, Chapter 2a, Part 9, Service
1803 Area Act:
- 1804 (A) created to provide fire protection, paramedic, and emergency services; and
1805 (B) in the creation of which an election was not required under Subsection
1806 17B-1-214(3)(d).
- 1807 (v) "Participating county" means a county whose unincorporated area is included
1808 within a public safety district at the time of the creation of the public safety
1809 district.
- 1810 (vi) "Participating municipality" means a municipality whose area is included within
1811 a public safety district at the time of the creation of the public safety district.
- 1812 (vii) "Police district" means a service area under Title 17B, Chapter 2a, Part 9,
1813 Service Area Act, within a county of the first class:
- 1814 (A) created to provide law enforcement service; and
1815 (B) in the creation of which an election was not required under Subsection
1816 17B-1-214(3)(d).
- 1817 (viii) "Public safety district" means a fire district or a police district.
- 1818 (ix) "Public safety service" means:
- 1819 (A) in the case of a public safety district that is a fire district, fire protection,
1820 paramedic, and emergency services; and
1821 (B) in the case of a public safety district that is a police district, law enforcement
1822 service.
- 1823 (b) In the first year following creation of a public safety district, the certified tax rate of
1824 each participating county and each participating municipality shall be decreased by
1825 the amount of the equalized public safety tax rate.
- 1826 (c) In the first budget year following annexation to a public safety district, the certified
1827 tax rate of each annexing county and each annexing municipality shall be decreased
1828 by an amount equal to the amount of revenue budgeted by the annexing county or
1829 annexing municipality:
- 1830 (i) for public safety service; and

- 1831 (ii) in:
- 1832 (A) for a taxing entity operating under a January 1 through December 31 fiscal
- 1833 year, the prior calendar year; or
- 1834 (B) for a taxing entity operating under a July 1 through June 30 fiscal year, the
- 1835 prior fiscal year.
- 1836 (d) Each tax levied under this section by a public safety district shall be considered to be
- 1837 levied by:
- 1838 (i) each participating county and each annexing county for purposes of the county's
- 1839 tax limitation under Section 59-2-908; and
- 1840 (ii) each participating municipality and each annexing municipality for purposes of
- 1841 the municipality's tax limitation under Section 10-5-112, for a town, or Section
- 1842 10-6-133, for a city.
- 1843 (e) The calculation of a public safety district's certified tax rate for the year of
- 1844 annexation shall be adjusted to include an amount of revenue equal to one half of the
- 1845 amount of revenue budgeted by the annexing entity for public safety service in the
- 1846 annexing entity's prior fiscal year if:
- 1847 (i) the public safety district operates on a January 1 through December 31 fiscal year;
- 1848 (ii) the public safety district approves an annexation of an entity operating on a July 1
- 1849 through June 30 fiscal year; and
- 1850 (iii) the annexation described in Subsection (6)(e)(ii) takes effect on July 1.
- 1851 (7)(a) The base taxable value as defined in Section 17C-1-102 shall be reduced for any
- 1852 year to the extent necessary to provide a community reinvestment agency established
- 1853 under Title 17C, Limited Purpose Local Government Entities - Community
- 1854 Reinvestment Agency Act, with approximately the same amount of money the
- 1855 agency would have received without a reduction in the county's certified tax rate,
- 1856 calculated in accordance with Section 59-2-924, if:
- 1857 (i) in that year there is a decrease in the certified tax rate under Subsection (2) or
- 1858 (3)(a);
- 1859 (ii) the amount of the decrease is more than 20% of the county's certified tax rate of
- 1860 the previous year; and
- 1861 (iii) the decrease results in a reduction of the amount to be paid to the agency under
- 1862 Section 17C-1-403 or 17C-1-404.
- 1863 (b) The base taxable value as defined in Section 17C-1-102 shall be increased in any
- 1864 year to the extent necessary to provide a community reinvestment agency with

1865 approximately the same amount of money as the agency would have received without
1866 an increase in the certified tax rate that year if:

1867 (i) in that year the base taxable value as defined in Section 17C-1-102 is reduced due
1868 to a decrease in the certified tax rate under Subsection (2) or (3)(a); and

1869 (ii) the certified tax rate of a city, school district, special district, or special service
1870 district increases independent of the adjustment to the taxable value of the base
1871 year.

1872 (c) Notwithstanding a decrease in the certified tax rate under Subsection (2) or (3)(a), the
1873 amount of money allocated and, when collected, paid each year to a community
1874 reinvestment agency established under Title 17C, Limited Purpose Local
1875 Government Entities - Community Reinvestment Agency Act, for the payment of
1876 bonds or other contract indebtedness, but not for administrative costs, may not be less
1877 than that amount would have been without a decrease in the certified tax rate under
1878 Subsection (2) or (3)(a).

1879 (8)(a) For the calendar year beginning on January 1, 2014, the calculation of a county
1880 assessing and collecting levy shall be adjusted by the amount necessary to offset:

1881 (i) any change in the certified tax rate that may result from amendments to Part 16,
1882 Multicounty Assessing and Collecting Levy, in Laws of Utah 2014, Chapter 270,
1883 Section 3; and

1884 (ii) the difference in the amount of revenue a taxing entity receives from or
1885 contributes to the Property Tax Valuation Fund, created in Section 59-2-1602, that
1886 may result from amendments to Part 16, Multicounty Assessing and Collecting
1887 Levy, in Laws of Utah 2014, Chapter 270, Section 3.

1888 (b) A taxing entity is not required to comply with the notice and public hearing
1889 requirements in Section 59-2-919 for an adjustment to the county assessing and
1890 collecting levy described in Subsection (8)(a).

1891 (9) If a taxing entity receives decreased revenues from uniform fees on tangible personal
1892 property under Section 59-2-405 as a result of any error in applying uniform fees to
1893 motor vehicle registration in the calendar year beginning on January 1, 2023, the
1894 commission may, for the calendar year beginning on January 1, 2024, increase the
1895 taxing entity's budgeted revenue to offset the decreased revenues.

1896 Section 14. Section **59-12-103** is amended to read:

1897 **59-12-103 . Sales and use tax base -- Rates -- Effective dates -- Use of sales and**
1898 **use tax revenue.**

- 1899 (1) A tax is imposed on the purchaser as provided in this part on the purchase price or sales
1900 price for amounts paid or charged for the following transactions:
- 1901 (a) retail sales of tangible personal property made within the state;
- 1902 (b) amounts paid for:
- 1903 (i) telecommunications service, other than mobile telecommunications service, that
1904 originates and terminates within the boundaries of this state;
- 1905 (ii) mobile telecommunications service that originates and terminates within the
1906 boundaries of one state only to the extent permitted by the Mobile
1907 Telecommunications Sourcing Act, 4 U.S.C. Sec. 116 et seq.; or
- 1908 (iii) an ancillary service associated with a:
- 1909 (A) telecommunications service described in Subsection (1)(b)(i); or
1910 (B) mobile telecommunications service described in Subsection (1)(b)(ii);
- 1911 (c) sales of the following for commercial use:
- 1912 (i) gas;
- 1913 (ii) electricity;
- 1914 (iii) heat;
- 1915 (iv) coal;
- 1916 (v) fuel oil; or
1917 (vi) other fuels;
- 1918 (d) sales of the following for residential use:
- 1919 (i) gas;
- 1920 (ii) electricity;
- 1921 (iii) heat;
- 1922 (iv) coal;
- 1923 (v) fuel oil; or
1924 (vi) other fuels;
- 1925 (e) sales of prepared food;
- 1926 (f) except as provided in Section 59-12-104, amounts paid or charged as admission or
1927 user fees for theaters, movies, operas, museums, planetariums, shows of any type or
1928 nature, exhibitions, concerts, carnivals, amusement parks, amusement rides, circuses,
1929 menageries, fairs, races, contests, sporting events, dances, boxing matches, wrestling
1930 matches, closed circuit television broadcasts, billiard parlors, pool parlors, bowling
1931 lanes, golf, miniature golf, golf driving ranges, batting cages, skating rinks, ski lifts,
1932 ski runs, ski trails, snowmobile trails, tennis courts, swimming pools, water slides,

- 1933 river runs, jeep tours, boat tours, scenic cruises, horseback rides, sports activities, or
1934 any other amusement, entertainment, recreation, exhibition, cultural, or athletic
1935 activity;
- 1936 (g) amounts paid or charged for services for repairs or renovations of tangible personal
1937 property, unless Section 59-12-104 provides for an exemption from sales and use tax
1938 for:
- 1939 (i) the tangible personal property; and
1940 (ii) parts used in the repairs or renovations of the tangible personal property described
1941 in Subsection (1)(g)(i), regardless of whether:
- 1942 (A) any parts are actually used in the repairs or renovations of that tangible
1943 personal property; or
1944 (B) the particular parts used in the repairs or renovations of that tangible personal
1945 property are exempt from a tax under this chapter;
- 1946 (h) except as provided in Subsection 59-12-104(7), amounts paid or charged for assisted
1947 cleaning or washing of tangible personal property;
- 1948 (i) amounts paid or charged for short-term rentals of tourist home, hotel, motel, or trailer
1949 court accommodations and services;
- 1950 (j) amounts paid or charged for laundry or dry cleaning services;
- 1951 (k) amounts paid or charged for leases or rentals of tangible personal property if within
1952 this state the tangible personal property is:
- 1953 (i) stored;
1954 (ii) used; or
1955 (iii) otherwise consumed;
- 1956 (l) amounts paid or charged for tangible personal property if within this state the tangible
1957 personal property is:
- 1958 (i) stored;
1959 (ii) used; or
1960 (iii) consumed;
- 1961 (m) amounts paid or charged for a sale:
- 1962 (i)(A) of a product transferred electronically; or
1963 (B) of a repair or renovation of a product transferred electronically; and
1964 (ii) regardless of whether the sale provides:
- 1965 (A) a right of permanent use of the product; or
1966 (B) a right to use the product that is less than a permanent use, including a right:

- 1967 (I) for a definite or specified length of time; and
- 1968 (II) that terminates upon the occurrence of a condition; and
- 1969 (n) sales of leased tangible personal property from the lessor to the lessee made in the
- 1970 state.
- 1971 (2)(a) Except as provided in Subsections (2)(b) through (f), a state tax and a local tax are
- 1972 imposed on a transaction described in Subsection (1) equal to the sum of:
- 1973 (i) a state tax imposed on the transaction at a tax rate equal to the sum of:
- 1974 (A) 4.70% plus the rate specified in Subsection (11)(a); and
- 1975 (B)(I) the tax rate the state imposes in accordance with Part 18, Additional
- 1976 State Sales and Use Tax Act, if the location of the transaction as determined
- 1977 under Sections 59-12-211 through 59-12-215 is in a county in which the
- 1978 state imposes the tax under Part 18, Additional State Sales and Use Tax Act;
- 1979 and
- 1980 (II) the tax rate the state imposes in accordance with Part 20, Supplemental
- 1981 State Sales and Use Tax Act, if the location of the transaction as determined
- 1982 under Sections 59-12-211 through 59-12-215 is in a city, town, or the
- 1983 unincorporated area of a county in which the state imposes the tax under
- 1984 Part 20, Supplemental State Sales and Use Tax Act; and
- 1985 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 1986 transaction under this chapter other than this part.
- 1987 (b) Except as provided in Subsection (2)(f) or (g) and subject to Subsection (2)(l), a state
- 1988 tax and a local tax are imposed on a transaction described in Subsection (1)(d) equal
- 1989 to the sum of:
- 1990 (i) a state tax imposed on the transaction at a tax rate of 2%; and
- 1991 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 1992 transaction under this chapter other than this part.
- 1993 (c) Except as provided in Subsection (2)(f) or (g), a state tax and a local tax are imposed
- 1994 on amounts paid or charged for food and food ingredients equal to the sum of:
- 1995 (i) a state tax imposed on the amounts paid or charged for food and food ingredients
- 1996 at a tax rate of 1.75%; and
- 1997 (ii) a local tax equal to the sum of the tax rates a county, city, or town imposes on the
- 1998 amounts paid or charged for food and food ingredients under this chapter other
- 1999 than this part.
- 2000 (d) Except as provided in Subsection (2)(f) or (g), a state tax is imposed on amounts paid

- 2001 or charged for fuel to a common carrier that is a railroad for use in a locomotive
2002 engine at a rate of 4.85%.
- 2003 (e)(i)(A) If a shared vehicle owner certifies to the commission, on a form
2004 prescribed by the commission, that the shared vehicle is an individual-owned
2005 shared vehicle, a tax imposed under Subsection (2)(a)(i)(A) does not apply to
2006 car sharing, a car-sharing program, a shared vehicle driver, or a shared vehicle
2007 owner.
- 2008 (B) A shared vehicle owner's certification described in Subsection (2)(e)(i)(A) is
2009 required once during the time that the shared vehicle owner owns the shared
2010 vehicle.
- 2011 (C) The commission shall verify that a shared vehicle is an individual-owned
2012 shared vehicle by verifying that the applicable Utah taxes imposed under this
2013 chapter were paid on the purchase of the shared vehicle.
- 2014 (D) The exception under Subsection (2)(e)(i)(A) applies to a certified
2015 individual-owned shared vehicle shared through a car-sharing program even if
2016 non-certified shared vehicles are also available to be shared through the same
2017 car-sharing program.
- 2018 (ii) A tax imposed under Subsection (2)(a)(i)(B) or (2)(a)(ii) applies to car sharing.
- 2019 (iii)(A) A car-sharing program may rely in good faith on a shared vehicle owner's
2020 representation that the shared vehicle is an individual-owned shared vehicle
2021 certified with the commission as described in Subsection (2)(e)(i).
- 2022 (B) If a car-sharing program relies in good faith on a shared vehicle owner's
2023 representation that the shared vehicle is an individual-owned shared vehicle
2024 certified with the commission as described in Subsection (2)(e)(i), the
2025 car-sharing program is not liable for any tax, penalty, fee, or other sanction
2026 imposed on the shared vehicle owner.
- 2027 (iv) If all shared vehicles shared through a car-sharing program are certified as
2028 described in Subsection (2)(e)(i)(A) for a tax period, the car-sharing program has
2029 no obligation to collect and remit the tax under Subsection (2)(a)(i)(A) for that tax
2030 period.
- 2031 (v) A car-sharing program is not required to list or otherwise identify an
2032 individual-owned shared vehicle on a return or an attachment to a return.
- 2033 (vi) A car-sharing program shall:
- 2034 (A) retain tax information for each car-sharing program transaction; and

- 2035 (B) provide the information described in Subsection (2)(e)(vi)(A) to the
2036 commission at the commission's request.
- 2037 (f)(i) For a bundled transaction that is attributable to food and food ingredients and
2038 tangible personal property other than food and food ingredients, a state tax and a
2039 local tax is imposed on the entire bundled transaction equal to the sum of:
- 2040 (A) a state tax imposed on the entire bundled transaction equal to the sum of:
- 2041 (I) the tax rate described in Subsection (2)(a)(i)(A); and
2042 (II)(Aa) the tax rate the state imposes in accordance with Part 18,
2043 Additional State Sales and Use Tax Act, if the location of the transaction
2044 as determined under Sections 59-12-211 through 59-12-215 is in a
2045 county in which the state imposes the tax under Part 18, Additional State
2046 Sales and Use Tax Act; and
2047 (Bb) the tax rate the state imposes in accordance with Part 20, Supplemental
2048 State Sales and Use Tax Act, if the location of the transaction as
2049 determined under Sections 59-12-211 through 59-12-215 is in a city,
2050 town, or the unincorporated area of a county in which the state imposes
2051 the tax under Part 20, Supplemental State Sales and Use Tax Act; and
- 2052 (B) a local tax imposed on the entire bundled transaction at the sum of the tax
2053 rates described in Subsection (2)(a)(ii).
- 2054 (ii) If an optional computer software maintenance contract is a bundled transaction
2055 that consists of taxable and nontaxable products that are not separately itemized
2056 on an invoice or similar billing document, the purchase of the optional computer
2057 software maintenance contract is 40% taxable under this chapter and 60%
2058 nontaxable under this chapter.
- 2059 (iii) Subject to Subsection (2)(f)(iv), for a bundled transaction other than a bundled
2060 transaction described in Subsection (2)(f)(i) or (ii):
- 2061 (A) if the sales price of the bundled transaction is attributable to tangible personal
2062 property, a product, or a service that is subject to taxation under this chapter
2063 and tangible personal property, a product, or service that is not subject to
2064 taxation under this chapter, the entire bundled transaction is subject to taxation
2065 under this chapter unless:
- 2066 (I) the seller is able to identify by reasonable and verifiable standards the
2067 tangible personal property, product, or service that is not subject to taxation
2068 under this chapter from the books and records the seller keeps in the seller's

- 2069 regular course of business; or
- 2070 (II) state or federal law provides otherwise; or
- 2071 (B) if the sales price of a bundled transaction is attributable to two or more items
- 2072 of tangible personal property, products, or services that are subject to taxation
- 2073 under this chapter at different rates, the entire bundled transaction is subject to
- 2074 taxation under this chapter at the higher tax rate unless:
- 2075 (I) the seller is able to identify by reasonable and verifiable standards the
- 2076 tangible personal property, product, or service that is subject to taxation
- 2077 under this chapter at the lower tax rate from the books and records the seller
- 2078 keeps in the seller's regular course of business; or
- 2079 (II) state or federal law provides otherwise.
- 2080 (iv) For purposes of Subsection (2)(f)(iii), books and records that a seller keeps in the
- 2081 seller's regular course of business includes books and records the seller keeps in
- 2082 the regular course of business for nontax purposes.
- 2083 (g)(i) Except as otherwise provided in this chapter and subject to Subsections
- 2084 (2)(g)(ii) and (iii), if a transaction consists of the sale, lease, or rental of tangible
- 2085 personal property, a product, or a service that is subject to taxation under this
- 2086 chapter, and the sale, lease, or rental of tangible personal property, other property,
- 2087 a product, or a service that is not subject to taxation under this chapter, the entire
- 2088 transaction is subject to taxation under this chapter unless the seller, at the time of
- 2089 the transaction:
- 2090 (A) separately states the portion of the transaction that is not subject to taxation
- 2091 under this chapter on an invoice, bill of sale, or similar document provided to
- 2092 the purchaser; or
- 2093 (B) is able to identify by reasonable and verifiable standards, from the books and
- 2094 records the seller keeps in the seller's regular course of business, the portion of
- 2095 the transaction that is not subject to taxation under this chapter.
- 2096 (ii) A purchaser and a seller may correct the taxability of a transaction if:
- 2097 (A) after the transaction occurs, the purchaser and the seller discover that the
- 2098 portion of the transaction that is not subject to taxation under this chapter was
- 2099 not separately stated on an invoice, bill of sale, or similar document provided
- 2100 to the purchaser because of an error or ignorance of the law; and
- 2101 (B) the seller is able to identify by reasonable and verifiable standards, from the
- 2102 books and records the seller keeps in the seller's regular course of business, the

- 2103 portion of the transaction that is not subject to taxation under this chapter.
- 2104 (iii) For purposes of Subsections (2)(g)(i) and (ii), books and records that a seller
- 2105 keeps in the seller's regular course of business includes books and records the
- 2106 seller keeps in the regular course of business for nontax purposes.
- 2107 (h)(i) If the sales price of a transaction is attributable to two or more items of tangible
- 2108 personal property, products, or services that are subject to taxation under this
- 2109 chapter at different rates, the entire purchase is subject to taxation under this
- 2110 chapter at the higher tax rate unless the seller, at the time of the transaction:
- 2111 (A) separately states the items subject to taxation under this chapter at each of the
- 2112 different rates on an invoice, bill of sale, or similar document provided to the
- 2113 purchaser; or
- 2114 (B) is able to identify by reasonable and verifiable standards the tangible personal
- 2115 property, product, or service that is subject to taxation under this chapter at the
- 2116 lower tax rate from the books and records the seller keeps in the seller's regular
- 2117 course of business.
- 2118 (ii) For purposes of Subsection (2)(h)(i), books and records that a seller keeps in the
- 2119 seller's regular course of business includes books and records the seller keeps in
- 2120 the regular course of business for nontax purposes.
- 2121 (i) Subject to Subsections (2)(j) and (k), a tax rate repeal or tax rate change for a tax rate
- 2122 imposed under the following shall take effect on the first day of a calendar quarter:
- 2123 (i) Subsection (2)(a)(i)(A);
- 2124 (ii) Subsection (2)(b)(i);
- 2125 (iii) Subsection (2)(c)(i); or
- 2126 (iv) Subsection (2)(f)(i)(A)(I).
- 2127 (j)(i) A tax rate increase takes effect on the first day of the first billing period that
- 2128 begins on or after the effective date of the tax rate increase if the billing period for
- 2129 the transaction begins before the effective date of a tax rate increase imposed
- 2130 under:
- 2131 (A) Subsection (2)(a)(i)(A);
- 2132 (B) Subsection (2)(b)(i);
- 2133 (C) Subsection (2)(c)(i); or
- 2134 (D) Subsection (2)(f)(i)(A)(I).
- 2135 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
- 2136 statement for the billing period is rendered on or after the effective date of the

- 2137 repeal of the tax or the tax rate decrease imposed under:
- 2138 (A) Subsection (2)(a)(i)(A);
- 2139 (B) Subsection (2)(b)(i);
- 2140 (C) Subsection (2)(c)(i); or
- 2141 (D) Subsection (2)(f)(i)(A)(I).
- 2142 (k)(i) For a tax rate described in Subsection (2)(k)(ii), if a tax due on a catalogue sale
- 2143 is computed on the basis of sales and use tax rates published in the catalogue, a
- 2144 tax rate repeal or change in a tax rate takes effect:
- 2145 (A) on the first day of a calendar quarter; and
- 2146 (B) beginning 60 days after the effective date of the tax rate repeal or tax rate
- 2147 change.
- 2148 (ii) Subsection (2)(k)(i) applies to the tax rates described in the following:
- 2149 (A) Subsection (2)(a)(i)(A);
- 2150 (B) Subsection (2)(b)(i);
- 2151 (C) Subsection (2)(c)(i); or
- 2152 (D) Subsection (2)(f)(i)(A)(I).
- 2153 (iii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 2154 the commission may by rule define the term "catalogue sale."
- 2155 (l)(i) For a location described in Subsection (2)(l)(ii), the commission shall determine
- 2156 the taxable status of a sale of gas, electricity, heat, coal, fuel oil, or other fuel
- 2157 based on the predominant use of the gas, electricity, heat, coal, fuel oil, or other
- 2158 fuel at the location.
- 2159 (ii) Subsection (2)(l)(i) applies to a location where gas, electricity, heat, coal, fuel oil,
- 2160 or other fuel is furnished through a single meter for two or more of the following
- 2161 uses:
- 2162 (A) a commercial use;
- 2163 (B) an industrial use; or
- 2164 (C) a residential use.
- 2165 (3)(a) The following state taxes shall be deposited into the General Fund:
- 2166 (i) the tax imposed by Subsection (2)(a)(i)(A);
- 2167 (ii) the tax imposed by Subsection (2)(b)(i);
- 2168 (iii) the tax imposed by Subsection (2)(c)(i); and
- 2169 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 2170 (b) The following local taxes shall be distributed to a county, city, or town as provided

- 2171 in this chapter:
- 2172 (i) the tax imposed by Subsection (2)(a)(ii);
- 2173 (ii) the tax imposed by Subsection (2)(b)(ii);
- 2174 (iii) the tax imposed by Subsection (2)(c)(ii); and
- 2175 (iv) the tax imposed by Subsection (2)(f)(i)(B).
- 2176 (c) The state tax imposed by Subsection (2)(d) shall be deposited into the General Fund.
- 2177 (4)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
- 2178 2003, the lesser of the following amounts shall be expended as provided in
- 2179 Subsections (4)(b) through (g):
- 2180 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated:
- 2181 (A) by a 1/16% tax rate on the transactions described in Subsection (1); and
- 2182 (B) for the fiscal year; or
- 2183 (ii) \$17,500,000.
- 2184 (b)(i) For a fiscal year beginning on or after July 1, 2003, 14% of the amount
- 2185 described in Subsection (4)(a) shall be transferred each year as designated sales
- 2186 and use tax revenue to the Division of Wildlife Resources to:
- 2187 (A) implement the measures described in Subsections 23A-3-214(3)(a) through
- 2188 (d) to protect sensitive plant and animal species; or
- 2189 (B) award grants, up to the amount authorized by the Legislature in an
- 2190 appropriations act, to political subdivisions of the state to implement the
- 2191 measures described in Subsections 23A-3-214(3)(a) through (d) to protect
- 2192 sensitive plant and animal species.
- 2193 (ii) Money transferred to the Division of Wildlife Resources under Subsection
- 2194 (4)(b)(i) may not be used to assist the United States Fish and Wildlife Service or
- 2195 any other person to list or attempt to have listed a species as threatened or
- 2196 endangered under the Endangered Species Act of 1973, 16 U.S.C. Sec. 1531 et
- 2197 seq.
- 2198 (iii) At the end of each fiscal year:
- 2199 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
- 2200 the Water Resources Conservation and Development Fund created in Section
- 2201 73-10-24;
- 2202 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 2203 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
- 2204 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the

- 2205 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 2206 (c) For a fiscal year beginning on or after July 1, 2003, 3% of the amount described in
- 2207 Subsection (4)(a) shall be deposited each year in the Agriculture Resource
- 2208 Development Fund created in Section 4-18-106.
- 2209 (d)(i) For a fiscal year beginning on or after July 1, 2003, 1% of the amount
- 2210 described in Subsection (4)(a) shall be transferred each year as designated sales
- 2211 and use tax revenue to the Division of Water Rights to cover the costs incurred in
- 2212 hiring legal and technical staff for the adjudication of water rights.
- 2213 (ii) At the end of each fiscal year:
- 2214 (A) 50% of any unexpended designated sales and use tax revenue shall lapse to
- 2215 the Water Resources Conservation and Development Fund created in Section
- 2216 73-10-24;
- 2217 (B) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 2218 Utah Wastewater Loan Program Subaccount created in Section 73-10c-5; and
- 2219 (C) 25% of any unexpended designated sales and use tax revenue shall lapse to the
- 2220 Drinking Water Loan Program Subaccount created in Section 73-10c-5.
- 2221 (e)(i) For a fiscal year beginning on or after July 1, 2003, 41% of the amount
- 2222 described in Subsection (4)(a) shall be deposited into the Water Resources
- 2223 Conservation and Development Fund created in Section 73-10-24 for use by the
- 2224 Division of Water Resources.
- 2225 (ii) In addition to the uses allowed of the Water Resources Conservation and
- 2226 Development Fund under Section 73-10-24, the Water Resources Conservation
- 2227 and Development Fund may also be used to:
- 2228 (A) conduct hydrologic and geotechnical investigations by the Division of Water
- 2229 Resources in a cooperative effort with other state, federal, or local entities, for
- 2230 the purpose of quantifying surface and ground water resources and describing
- 2231 the hydrologic systems of an area in sufficient detail so as to enable local and
- 2232 state resource managers to plan for and accommodate growth in water use
- 2233 without jeopardizing the resource;
- 2234 (B) fund state required dam safety improvements; and
- 2235 (C) protect the state's interest in interstate water compact allocations, including the
- 2236 hiring of technical and legal staff.
- 2237 (f) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described in
- 2238 Subsection (4)(a) shall be deposited into the Utah Wastewater Loan Program

- 2239 Subaccount created in Section 73-10c-5 for use by the Water Quality Board to fund
2240 wastewater projects.
- 2241 (g) For a fiscal year beginning on or after July 1, 2003, 20.5% of the amount described
2242 in Subsection (4)(a) shall be deposited into the Drinking Water Loan Program
2243 Subaccount created in Section 73-10c-5 for use by the Division of Drinking Water to:
2244 (i) provide for the installation and repair of collection, treatment, storage, and
2245 distribution facilities for any public water system, as defined in Section 19-4-102;
2246 (ii) develop underground sources of water, including springs and wells; and
2247 (iii) develop surface water sources.
- 2248 (5)(a) Notwithstanding Subsection (3)(a), for a fiscal year beginning on or after July 1,
2249 2006, the difference between the following amounts shall be expended as provided in
2250 this Subsection (5), if that difference is greater than \$1:
2251 (i) for taxes listed under Subsection (3)(a), the amount of tax revenue generated for
2252 the fiscal year by a 1/16% tax rate on the transactions described in Subsection (1);
2253 and
2254 (ii) \$17,500,000.
- 2255 (b)(i) The first \$500,000 of the difference described in Subsection (5)(a) shall be:
2256 (A) transferred each fiscal year to the Department of Natural Resources as
2257 designated sales and use tax revenue; and
2258 (B) expended by the Department of Natural Resources for watershed rehabilitation
2259 or restoration.
- 2260 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
2261 tax revenue described in Subsection (5)(b)(i) shall lapse to the Water Resources
2262 Conservation and Development Fund created in Section 73-10-24.
- 2263 (c)(i) After making the transfer required by Subsection (5)(b)(i), \$150,000 of the
2264 remaining difference described in Subsection (5)(a) shall be:
2265 (A) transferred each fiscal year to the Division of Water Resources as designated
2266 sales and use tax revenue; and
2267 (B) expended by the Division of Water Resources for cloud-seeding projects
2268 authorized by Title 73, Chapter 15, Modification of Weather.
- 2269 (ii) At the end of each fiscal year, 100% of any unexpended designated sales and use
2270 tax revenue described in Subsection (5)(c)(i) shall lapse to the Water Resources
2271 Conservation and Development Fund created in Section 73-10-24.
- 2272 (d) After making the transfers required by Subsections (5)(b) and (c), 85% of the

2273 remaining difference described in Subsection (5)(a) shall be deposited into the Water
2274 Resources Conservation and Development Fund created in Section 73-10-24 for use
2275 by the Division of Water Resources for:

2276 (i) preconstruction costs:

2277 (A) as defined in Subsection 73-26-103(6) for projects authorized by Title 73,
2278 Chapter 26, Bear River Development Act; and

2279 (B) as defined in Subsection 73-28-103(8) for the Lake Powell Pipeline project
2280 authorized by Title 73, Chapter 28, Lake Powell Pipeline Development Act;

2281 (ii) the cost of employing a civil engineer to oversee any project authorized by Title
2282 73, Chapter 26, Bear River Development Act;

2283 (iii) the cost of employing a civil engineer to oversee the Lake Powell Pipeline
2284 project authorized by Title 73, Chapter 28, Lake Powell Pipeline Development
2285 Act; and

2286 (iv) other uses authorized under Sections 73-10-24, 73-10-25.1, and 73-10-30, and
2287 Subsection (4)(e)(ii) after funding the uses specified in Subsections (5)(d)(i)
2288 through (iii).

2289 (e) After making the transfers required by Subsections (5)(b) and (c), 15% of the
2290 remaining difference described in Subsection (5)(a) shall be deposited each year into
2291 the Water Rights Restricted Account created by Section 73-2-1.6.

2292 (6) Notwithstanding Subsection (3)(a) and for taxes listed under Subsection (3)(a), each
2293 fiscal year, the commission shall deposit into the Water Infrastructure Restricted
2294 Account created in Section 73-10g-103 the amount of revenue generated by a 1/16% tax
2295 rate on the transactions described in Subsection (1) for the fiscal year.

2296 (7)(a) Notwithstanding Subsection (3)(a) and subject to Subsections (7)(b), (c), and (d),
2297 for a fiscal year beginning on or after July 1, 2023, the commission shall deposit into
2298 the Transportation Investment Fund of 2005 created by Section 72-2-124 a portion of
2299 the taxes listed under Subsection (3)(a) equal to 17% of the revenue collected from
2300 the following sales and use taxes:

2301 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;

2302 (ii) the tax imposed by Subsection (2)(b)(i);

2303 (iii) the tax imposed by Subsection (2)(c)(i); and

2304 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).

2305 (b)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall
2306 annually reduce the deposit under Subsection (7)(a) into the Transportation

- 2307 Investment Fund of 2005 by an amount equal to .44% of the revenue collected
2308 from the following sales and use taxes:
- 2309 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
 - 2310 (B) the tax imposed by Subsection (2)(b)(i);
 - 2311 (C) the tax imposed by Subsection (2)(c)(i); and
 - 2312 (D) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 2313 (ii) The commission shall annually deposit the amount described in Subsection
2314 (7)(b)(i) into the Cottonwood Canyons Transportation Investment Fund created in
2315 Section 72-2-124.
- 2316 (c)(i) Subject to Subsection (7)(c)(ii), for a fiscal year beginning on or after July 1,
2317 2023, the commission shall annually reduce the deposit into the Transportation
2318 Investment Fund of 2005 under Subsections (7)(a) and (7)(b) by an amount that is
2319 equal to 5% of:
- 2320 (A) the amount of revenue generated in the current fiscal year by the portion of
2321 taxes listed under Subsection (3)(a) that equals 20.68% of the revenue
2322 collected from taxes described in Subsections (7)(a)(i) through (iv);
 - 2323 (B) the amount of revenue generated in the current fiscal year by registration fees
2324 designated under Section 41-1a-1201 to be deposited into the Transportation
2325 Investment Fund of 2005; and
 - 2326 (C) revenue transferred by the Division of Finance to the Transportation
2327 Investment Fund of 2005 in accordance with Section 72-2-106 in the current
2328 fiscal year.
- 2329 (ii) The amount described in Subsection (7)(c)(i) may not exceed \$45,000,000 in a
2330 given fiscal year.
- 2331 (iii) The commission shall annually deposit the amount described in Subsection
2332 (7)(c)(i) into the Active Transportation Investment Fund created in Subsection
2333 72-2-124(11).
- 2334 (d)(i) For a fiscal year beginning on or after July 1, 2024, the commission shall
2335 annually reduce the deposit into the Transportation Investment Fund of 2005
2336 under this Subsection (7) by an amount that is equal to 1% of the revenue
2337 collected from the following sales and use taxes:
- 2338 (A) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
 - 2339 (B) the tax imposed by Subsection (2)(b)(i);
 - 2340 (C) the tax imposed by Subsection (2)(c)(i); and

- 2341 (D) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 2342 (ii) The commission shall annually deposit the amount described in Subsection
- 2343 (7)(d)(i) into the Commuter Rail Subaccount created in Section 72-2-124.
- 2344 (8)(a) Notwithstanding Subsection (3)(a), in addition to the amounts deposited under
- 2345 Subsection (7), and subject to [~~Subsections (8)(b) and (d)(ii)~~] Subsection (8)(b), for a
- 2346 fiscal year beginning on or after July 1, 2018, the commission shall annually deposit
- 2347 into the Transportation Investment Fund of 2005 created by Section 72-2-124 a
- 2348 portion of the taxes listed under Subsection (3)(a) in an amount equal to 3.68% of the
- 2349 revenue collected from the following taxes:
- 2350 (i) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 2351 (ii) the tax imposed by Subsection (2)(b)(i);
- 2352 (iii) the tax imposed by Subsection (2)(c)(i); and
- 2353 (iv) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 2354 (b) For a fiscal year beginning on or after July 1, 2019, the commission shall annually
- 2355 reduce the deposit into the Transportation Investment Fund of 2005 under Subsection
- 2356 (8)(a) by an amount that is equal to 35% of the amount of revenue generated in the
- 2357 current fiscal year by the portion of the tax imposed on motor and special fuel that is
- 2358 sold, used, or received for sale or use in this state that exceeds 29.4 cents per gallon.
- 2359 (c) The commission shall annually deposit the amount described in Subsection (8)(b)
- 2360 into the Transit Transportation Investment Fund created in Section 72-2-124.
- 2361 (9) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
- 2362 2009-10, \$533,750 shall be deposited into the Qualified Emergency Food Agencies
- 2363 Fund created by Section 35A-8-1009 and expended as provided in Section 35A-8-1009.
- 2364 (10) Notwithstanding Subsection (3)(a), beginning the second fiscal year after the fiscal
- 2365 year during which the commission receives notice under Section 63N-2-510 that
- 2366 construction on a qualified hotel, as defined in Section 63N-2-502, has begun, the
- 2367 commission shall, for two consecutive fiscal years, annually deposit \$1,900,000 of the
- 2368 revenue generated by the taxes listed under Subsection (3)(a) into the Hotel Impact
- 2369 Mitigation Fund, created in Section 63N-2-512.
- 2370 (11)(a) The rate specified in this subsection is 0.15%.
- 2371 (b) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
- 2372 on or after July 1, 2019, annually transfer the amount of revenue collected from the
- 2373 rate described in Subsection (11)(a) on the transactions that are subject to the sales
- 2374 and use tax under Subsection (2)(a)(i)(A) into the Medicaid ACA Fund created in

2375 Section 26B-1-315.

2376 (12) Notwithstanding Subsection (3)(a), for each fiscal year beginning with fiscal year
2377 2020-21, the commission shall deposit \$200,000 into the General Fund as a dedicated
2378 credit solely for use of the Search and Rescue Financial Assistance Program created in,
2379 and expended in accordance with, Title 53, Chapter 2a, Part 11, Search and Rescue Act.

2380 (13)(a) For each fiscal year beginning with fiscal year 2020-21, the commission shall
2381 annually transfer \$1,813,400 of the revenue deposited into the Transportation
2382 Investment Fund of 2005 under Subsections (7) and (8) to the General Fund.

2383 (b) If the total revenue deposited into the Transportation Investment Fund of 2005 under
2384 Subsections (7) and (8) is less than \$1,813,400 for a fiscal year, the commission shall
2385 transfer the total revenue deposited into the Transportation Investment Fund of 2005
2386 under Subsections (7) and (8) during the fiscal year to the General Fund.

2387 (14)(a) Notwithstanding Subsection (3)(a), and except as provided in Subsections (18)
2388 and (19), and as described in Section 63N-3-610, beginning the first day of [the] a
2389 calendar quarter one year after the sales and use tax boundary for a housing and
2390 transit reinvestment zone is established under Title 63N, Chapter 3, Part 6, Housing
2391 and Transit Reinvestment Zone Act, the commission, at least annually, shall transfer
2392 an amount equal to 15% of the sales and use tax increment from the sales and use tax
2393 imposed by Subsection (2)(a)(i)(A) at a 4.7% rate, on transactions occurring within
2394 an established sales and use tax boundary, as defined in Section 63N-3-602, into the
2395 Transit Transportation Investment Fund created in Section 72-2-124.

2396 (b) Notwithstanding Subsection (3)(a), and except as provided in Subsections (18) and
2397 (19), and as described in Section 63N-3-610.1, beginning the first day of a calendar
2398 quarter after the sales and use tax boundary for a convention center reinvestment
2399 zone is established under Title 63N, Chapter 3, Part 6, Housing and Transit
2400 Reinvestment Zone Act, the commission, at least annually, shall transfer an amount
2401 equal to 100% of the sales and use tax increment as defined in Section 63N-3-602
2402 from the sales and use tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate, on
2403 transactions occurring within an established sales and use tax boundary, as defined in
2404 Section 63N-3-602, to a convention center public infrastructure district created in
2405 accordance with Section 17D-4-202.1.

2406 (15) Notwithstanding Subsection (3)(a), the commission shall, for a fiscal year beginning
2407 on or after July 1, 2022, transfer into the Outdoor Adventure Infrastructure Restricted
2408 Account, created in Section 51-9-902, a portion of the taxes listed under Subsection

- 2409 (3)(a) equal to 1% of the revenue collected from the following sales and use taxes:
- 2410 (a) the tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate;
- 2411 (b) the tax imposed by Subsection (2)(b)(i);
- 2412 (c) the tax imposed by Subsection (2)(c)(i); and
- 2413 (d) the tax imposed by Subsection (2)(f)(i)(A)(I).
- 2414 (16) Notwithstanding Subsection (3)(a), and except as provided in Subsections (18) and
- 2415 (19), beginning October 1, 2024 the commission shall transfer to the Utah Fairpark Area
- 2416 Investment and Restoration District, created in Section 11-70-201, the revenue from the
- 2417 sales and use tax imposed by Subsection (2)(a)(i)(A) at a 4.7% rate, on transactions
- 2418 occurring within the district sales tax area, as defined in Section 11-70-101.
- 2419 (17)(a) As used in this Subsection (17):
- 2420 (i) "Additional land" means point of the mountain state land described in Subsection
- 2421 11-59-102(6)(b) that the point of the mountain authority acquires after the point of
- 2422 the mountain authority provides the commission a map under Subsection (17)(c).
- 2423 (ii) "Point of the mountain authority" means the Point of the Mountain State Land
- 2424 Authority, created in Section 11-59-201.
- 2425 (iii) "Point of the mountain state land" means the same as that term is defined in
- 2426 Section 11-59-102.
- 2427 (b) Notwithstanding Subsection (3)(a), and except as provided in Subsections (18) and
- 2428 (19), the commission shall distribute to the point of the mountain authority 50% of
- 2429 the revenue from the sales and use tax imposed by Subsection (2)(a)(i)(A) at a 4.7%
- 2430 rate, on transactions occurring on the point of the mountain state land.
- 2431 (c) The distribution under Subsection (17)(b) shall begin the next calendar quarter that
- 2432 begins at least 90 days after the point of the mountain authority provides the
- 2433 commission a map that:
- 2434 (i) accurately describes the point of the mountain state land; and
- 2435 (ii) the point of the mountain authority certifies as accurate.
- 2436 (d) A distribution under Subsection (17)(b) with respect to additional land shall begin
- 2437 the next calendar quarter that begins at least 90 days after the point of the mountain
- 2438 authority provides the commission a map of point of the mountain state land that:
- 2439 (i) accurately describes the point of the mountain state land, including the additional
- 2440 land; and
- 2441 (ii) the point of the mountain authority certifies as accurate.
- 2442 (e)(i) Upon the payment in full of bonds secured by the sales and use tax revenue

- 2443 distributed to the point of the mountain authority under Subsection (17)(b), the
2444 point of the mountain authority shall immediately notify the commission in
2445 writing that the bonds are paid in full.
- 2446 (ii) The commission shall discontinue distributions of sales and use tax revenue under
2447 Subsection (17)(b) at the beginning of the calendar quarter that begins at least 90
2448 days after the date that the commission receives the written notice under
2449 Subsection (17)(e)(i).
- 2450 (18)(a) As used in this Subsection (18):
- 2451 (i) "Applicable percentage" means, for a convention center reinvestment zone created
2452 under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act,
2453 an amount equal to 100% of the sales and use tax increment, as that term is
2454 defined in Section 63N-3-602, from the sales and use tax imposed by Subsection
2455 (2)(a)(i)(A) at a 4.7% rate for sales occurring within the qualified development
2456 zone described in Subsection (18)(a)(ii).
- 2457 (ii) "Qualified development zone" means the sales and use tax boundary of a
2458 convention center reinvestment zone created under Title 63N, Chapter 3, Part 6,
2459 Housing and Transit Reinvestment Zone Act.
- 2460 (iii) "Qualifying construction materials" means construction materials that are:
2461 (A) delivered to a delivery outlet within a qualified development zone; and
2462 (B) intended to be permanently attached to real property within the qualified
2463 development zone.
- 2464 (b) For a sale of qualifying construction materials, the commission shall distribute the
2465 product calculated in Subsection (18)(c) to a qualified development zone if the seller
2466 of the construction materials:
- 2467 (i) establishes a delivery outlet with the commission within the qualified development
2468 zone;
- 2469 (ii) reports the sales of the construction materials to the delivery outlet described in
2470 Subsection (18)(b)(i); and
- 2471 (iii) does not report the sales of the construction materials on a simplified electronic
2472 return.
- 2473 (c) For the purposes of Subsection (18)(b), the product is equal to:
- 2474 (i) the sales price or purchase price of the qualifying construction materials; and
2475 (ii) the applicable percentage.
- 2476 (d) If an amount of revenue is distributed pertaining to a qualified construction material

2477 transaction pursuant to Subsection (18)(c), the distribution under Subsection (14)(b)
 2478 is considered satisfied.

2479 (19)(a) As used in this Subsection (19):

2480 (i) "Qualified development zone" means the same as that term is defined in
 2481 Subsection (18).

2482 (ii) "Schedule J sale" means a sale reported on State Tax Commission Form TC-62M,
 2483 Schedule J, or a substantially similar form as designated by the commission.

2484 (b) Revenue generated by a Schedule J sale within a qualified development zone shall be
 2485 distributed into the General Fund.

2486 Section 15. Section **59-12-205** is amended to read:

2487 **59-12-205 . Ordinances to conform with statutory amendments -- Distribution of**
 2488 **tax revenue -- Determination of population.**

2489 (1) To maintain in effect sales and use tax ordinances adopted pursuant to Section
 2490 59-12-204, a county, city, or town shall adopt amendments to the county's, city's, or
 2491 town's sales and use tax ordinances:

2492 (a) within 30 days of the day on which the state makes an amendment to an applicable
 2493 provision of Part 1, Tax Collection; and

2494 (b) as required to conform to the amendments to Part 1, Tax Collection.

2495 (2)(a) Except as provided in Subsections [~~(3) and (4)~~] (3), (4), and (5) and subject to
 2496 Subsection [~~(5)~~] (6):

2497 (i) 50% of each dollar collected from the sales and use tax authorized by this part
 2498 shall be distributed to each county, city, and town on the basis of the percentage
 2499 that the population of the county, city, or town bears to the total population of all
 2500 counties, cities, and towns in the state; and

2501 (ii)(A) except as provided in Subsections (2)(a)(ii)(B), (C), and (D), 50% of each
 2502 dollar collected from the sales and use tax authorized by this part shall be
 2503 distributed to each county, city, and town on the basis of the location of the
 2504 transaction as determined under Sections 59-12-211 through 59-12-215;

2505 (B) 50% of each dollar collected from the sales and use tax authorized by this part
 2506 within a project area described in a project area plan adopted by the military
 2507 installation development authority under Title 63H, Chapter 1, Military
 2508 Installation Development Authority Act, shall be distributed to the military
 2509 installation development authority created in Section 63H-1-201;

2510 (C) beginning July 1, 2024, 20% of each dollar collected from the sales and use

- 2511 tax authorized by this part within a project area under Title 11, Chapter 58,
 2512 Utah Inland Port Authority Act, shall be distributed to the Utah Inland Port
 2513 Authority, created in Section 11-58-201; and
- 2514 (D) 50% of each dollar collected from the sales and use tax authorized by this part
 2515 within the lake authority boundary, as defined in Section 11-65-101, shall be
 2516 distributed to the Utah Lake Authority, created in Section 11-65-201,
 2517 beginning the next full calendar quarter following the creation of the Utah
 2518 Lake Authority.
- 2519 (b) Subsection (2)(a)(ii)(C) does not apply to sales and use tax revenue collected before
 2520 July 1, 2022.
- 2521 (3) Before application of Subsections (2), (4), (5), and (6), and as described in Section
 2522 63N-3-610.1, beginning the first day of a calendar quarter after the sales and use tax
 2523 boundary for a convention center reinvestment zone is established under Title 63N,
 2524 Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the commission, at least
 2525 annually, shall transfer an amount equal to 100% of the sales and use tax increment, as
 2526 defined in Section 63N-3-602, from the sales and use tax imposed under this part on
 2527 transactions occurring within an established sales and use tax boundary, as defined in
 2528 Section 63N-3-602, to a convention center public infrastructure district created pursuant
 2529 to Section 17D-4-202.1.
- 2530 [~~(3)~~] (4)(a) As used in this Subsection [~~(3)~~] (4):
- 2531 (i) "Eligible county, city, or town" means a county, city, or town that:
- 2532 (A) for fiscal year 2012-13, received a tax revenue distribution under Subsection [~~(3)~~]
 2533 [~~(b)~~] (4)(b) equal to the amount described in Subsection [~~(3)~~]
 2534 [~~(b)~~](ii) (4)(b)(ii);
 2535 and
 2536 (B) does not impose a sales and use tax under Section 59-12-2103 on or before
 2537 July 1, 2016.
- 2538 (ii) "Minimum tax revenue distribution" means the total amount of tax revenue
 2539 distributions an eligible county, city, or town received from a tax imposed in
 2540 accordance with this part for fiscal year 2004-05.
- 2541 (b) An eligible county, city, or town shall receive a tax revenue distribution for a tax
 2542 imposed in accordance with this part equal to the greater of:
- 2543 (i) the payment required by Subsection (2); or
 2544 (ii) the minimum tax revenue distribution.
- 2545 (c) For an eligible county, city, or town that qualifies to receive a distribution described

- 2545 in this Subsection (4), the commission shall apply the provisions of this Subsection
 2546 (4) after the commission applies the provisions of Subsection (3).
- 2547 ~~[(4)]~~ (5)(a) For purposes of this Subsection ~~[(4)]~~ (5):
- 2548 (i) "Annual local contribution" means the lesser of \$275,000 or an amount equal to
 2549 2.55% of the participating local government's tax revenue distribution amount
 2550 under Subsection (2)(a)(i) for the previous fiscal year.
- 2551 (ii) "Participating local government" means a county or municipality, as defined in
 2552 Section 10-1-104, that is not an eligible municipality certified in accordance with
 2553 Section 35A-16-404.
- 2554 (b) For revenue collected from the tax authorized by this part that is distributed on or
 2555 after January 1, 2019, the commission, before making a tax revenue distribution
 2556 under Subsection (2)(a)(i) to a participating local government, shall:
- 2557 (i) adjust a participating local government's tax revenue distribution under Subsection
 2558 (2)(a)(i) by:
- 2559 (A) subtracting an amount equal to one-twelfth of the annual local contribution for
 2560 each participating local government from the participating local government's
 2561 tax revenue distribution; and
- 2562 (B) if applicable, reducing the amount described in Subsection ~~[(4)(b)(i)(A)]~~
 2563 (5)(b)(i)(A) by an amount equal to one-twelfth of \$250 for each bed that is
 2564 available at all homeless shelters located within the boundaries of the
 2565 participating local government, as reported to the commission by the Office of
 2566 Homeless Services in accordance with Section 35A-16-405; and
- 2567 (ii) deposit the resulting amount described in Subsection ~~[(4)(b)(i)]~~ (5)(b)(i) into the
 2568 Homeless Shelter Cities Mitigation Restricted Account created in Section
 2569 35A-16-402.
- 2570 (c) For a participating local government that qualifies to receive a distribution described
 2571 in Subsection ~~[(3)]~~ (4), the commission shall apply the provisions of this Subsection [
 2572 ~~(4)]~~ (5) after the commission applies the provisions of [~~Subsection (3)]~~ Subsections (3)
 2573 and (4).
- 2574 ~~[(5)]~~ (6)(a) As used in this Subsection ~~[(5)]~~ (6):
- 2575 (i) "Annual dedicated sand and gravel sales tax revenue" means an amount equal to
 2576 the total revenue an establishment described in NAICS Code 327320, Ready-Mix
 2577 Concrete Manufacturing, of the 2022 North American Industry Classification
 2578 System of the federal Executive Office of the President, Office of Management

- 2579 and Budget, collects and remits under this part for a calendar year.
- 2580 (ii) "Sand and gravel" means sand, gravel, or a combination of sand and gravel.
- 2581 (iii) "Sand and gravel extraction site" means a pit, quarry, or deposit that:
- 2582 (A) contains sand and gravel; and
- 2583 (B) is assessed by the commission in accordance with Section 59-2-201.
- 2584 (iv) "Ton" means a short ton of 2,000 pounds.
- 2585 (v) "Tonnage ratio" means the ratio of:
- 2586 (A) the total amount of sand and gravel, measured in tons, sold during a calendar
- 2587 year from all sand and gravel extraction sites located within a county, city, or
- 2588 town; to
- 2589 (B) the total amount of sand and gravel, measured in tons, sold during the same
- 2590 calendar year from sand and gravel extraction sites statewide.
- 2591 (b) For purposes of calculating the ratio described in Subsection [~~(5)(a)(v)~~] (6)(a)(v), the
- 2592 commission shall:
- 2593 (i) use the gross sales data provided to the commission as part of the commission's
- 2594 property tax valuation process; and
- 2595 (ii) if a sand and gravel extraction site operates as a unit across municipal or county
- 2596 lines, apportion the reported tonnage among the counties, cities, or towns based on
- 2597 the percentage of the sand and gravel extraction site located in each county, city,
- 2598 or town, as approximated by the commission.
- 2599 (c)(i) Beginning July 2023, and each July thereafter, the commission shall distribute
- 2600 from total collections under this part an amount equal to the annual dedicated sand
- 2601 and gravel sales tax revenue for the preceding calendar year to each county, city,
- 2602 or town in the same proportion as the county's, city's, or town's tonnage ratio for
- 2603 the preceding calendar year.
- 2604 (ii) The commission shall ensure that the revenue distributed under this Subsection [
- 2605 ~~(5)(e)~~] (6)(c) is drawn from each jurisdiction's collections in proportion to the
- 2606 jurisdiction's share of total collections for the preceding 12-month period.
- 2607 (d) A county, city, or town shall use revenue described in Subsection [~~(5)(e)~~] (6)(c) for
- 2608 class B or class C roads.
- 2609 [~~(6)~~] (7)(a) Population figures for purposes of this section shall be based on the most
- 2610 recent official census or census estimate of the United States Bureau of the Census.
- 2611 (b) If a needed population estimate is not available from the United States Bureau of the
- 2612 Census, population figures shall be derived from the estimate from the Utah

2613 Population Committee.

2614 (c) The population of a county for purposes of this section shall be determined only from
2615 the unincorporated area of the county.

2616 (8)(a) As used in this Subsection (8):

2617 (i) "Applicable percentage" means, for a convention center reinvestment zone created
2618 under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act,
2619 for sales occurring within the qualified development zone described in Subsection
2620 (8)(a)(ii), 100% of the sales and use tax increment, as that term is defined in
2621 Section 63N-3-602, from the sales and use tax:

2622 (A) imposed by a city of the first class in a county of the first class under this part;

2623 (B) imposed by a city of the first class in a county of the first class under Section
2624 59-12-402.1;

2625 (C) imposed by a county of the first class under Section 59-12-1102; and

2626 (D) imposed by a county of the first class under Part 22, Local Option Sales and
2627 Use Taxes for Transportation Act.

2628 (ii) "Qualified development zone" means the sales and use tax boundary of a
2629 convention center reinvestment zone created under Title 63N, Chapter 3, Part 6,
2630 Housing and Transit Reinvestment Zone Act.

2631 (iii) "Qualifying construction materials" means construction materials that are:

2632 (A) delivered to a delivery outlet within a qualified development zone; and

2633 (B) intended to be permanently attached to real property within the qualified
2634 development zone.

2635 (b) For a sale of qualifying construction materials, the commission shall distribute the
2636 product calculated in Subsection (8)(c) to a qualified development zone if the seller
2637 of the construction materials:

2638 (i) establishes a delivery outlet with the commission within the qualified development
2639 zone;

2640 (ii) reports the sales of the construction materials to the delivery outlet described in
2641 Subsection (8)(b)(i); and

2642 (iii) does not report the sales of the construction materials on a simplified electronic
2643 return.

2644 (c) For the purposes of Subsection (8)(b), the product is equal to:

2645 (i) the sales price or purchase price of the qualifying construction materials; and

2646 (ii) the applicable percentage.

2647 (d) If an amount of revenue is distributed pertaining to a qualified construction material
 2648 transaction pursuant to Subsection (8)(c), the distribution under Subsection (3) is
 2649 considered satisfied.

2650 (9)(a) As used in this Subsection (9):

2651 (i) "Qualified development zone" means the same as that term is defined in
 2652 Subsection (8).

2653 (ii) "Schedule J sale" means a sale reported on State Tax Commission Form TC-62M,
 2654 Schedule J, or a substantially similar form as designated by the commission.

2655 (b) Revenue generated by a Schedule J sale within a qualified development zone shall be
 2656 distributed into the jurisdiction that would have received the revenue in the absence
 2657 of the qualified development zone.

2658 Section 16. Section **59-12-302** is amended to read:

2659 **59-12-302 . Collection of tax -- Administrative charge.**

2660 (1) Except as provided in Subsections (2), (3), and (4), the tax authorized under this part
 2661 shall be administered, collected, and enforced in accordance with:

2662 (a) the same procedures used to administer, collect, and enforce the tax under:

2663 (i) Part 1, Tax Collection; or

2664 (ii) Part 2, Local Sales and Use Tax Act; and

2665 (b) Chapter 1, General Taxation Policies.

2666 (2) The location of a transaction shall be determined in accordance with Sections 59-12-211
 2667 through 59-12-215.

2668 (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or Subsections
 2669 59-12-205(2) [~~through (5)~~] and (4) through (6).

2670 (4) A county auditor may make referrals to the commission to assist the commission in
 2671 determining whether to require an audit of any person that is required to remit a tax
 2672 authorized under this part.

2673 (5) The commission:

2674 (a) shall distribute the revenue collected from the tax to the county within which the
 2675 revenue was collected; and

2676 (b) shall retain and deposit an administrative charge in accordance with Section 59-1-306
 2677 from revenue the commission collects from a tax under this part.

2678 Section 17. Section **59-12-354** is amended to read:

2679 **59-12-354 . Collection of tax -- Administrative charge.**

2680 (1) Except as provided in Subsections (2) and (3), the tax authorized under this part shall be

- 2681 administered, collected, and enforced in accordance with:
- 2682 (a) the same procedures used to administer, collect, and enforce the tax under:
- 2683 (i) Part 1, Tax Collection; or
- 2684 (ii) Part 2, Local Sales and Use Tax Act; and
- 2685 (b) Chapter 1, General Taxation Policies.
- 2686 (2)(a) The location of a transaction shall be determined in accordance with Sections
- 2687 59-12-211 through 59-12-215.
- 2688 (b) Except as provided in Subsection (2)(c), the commission shall distribute the revenue
- 2689 collected from the tax to:
- 2690 (i)(A) the municipality within which the revenue was collected, for a tax imposed
- 2691 under this part by a municipality; or
- 2692 (B) the Utah Fairpark Area Investment and Restoration District, for a tax imposed
- 2693 under this part by the Utah Fairpark Area Investment and Restoration District;
- 2694 and
- 2695 (ii) the Point of the Mountain State Land Authority, for a tax imposed under
- 2696 Subsection 59-12-352(6).
- 2697 (c) The commission shall retain and deposit an administrative charge in accordance with
- 2698 Section 59-1-306 from the revenue the commission collects from a tax under this part.
- 2699 (3) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or Subsections
- 2700 59-12-205(2) [~~through (5)~~] and (4) through (6).
- 2701 Section 18. Section **59-12-402.1** is amended to read:
- 2702 **59-12-402.1 . State correctional facility sales and use tax -- Base -- Rate --**
- 2703 **Collection fees -- Imposition -- Prohibition of military installation development authority**
- 2704 **imposition of tax.**
- 2705 (1) As used in this section, "new state correctional facility" means a new prison in the state:
- 2706 (a) that is operated by the Department of Corrections;
- 2707 (b) the construction of which begins on or after May 12, 2015; and
- 2708 (c) that provides a capacity of 2,500 or more inmate beds.
- 2709 (2) Subject to the other provisions of this part, a city or town legislative body may impose a
- 2710 tax under this section if the construction of a new state correctional facility has begun
- 2711 within the boundaries of the city or town.
- 2712 (3) For purposes of this section, the tax rate may not exceed .5%.
- 2713 (4) Except as provided in Subsection (5), a tax under this section shall be imposed on the
- 2714 transactions described in Subsection 59-12-103(1) within the city or town.

- 2715 (5) A city or town may not impose a tax under this section on:
- 2716 (a) the sale of:
- 2717 (i) a motor vehicle;
- 2718 (ii) an aircraft;
- 2719 (iii) a watercraft;
- 2720 (iv) a modular home;
- 2721 (v) a manufactured home; or
- 2722 (vi) a mobile home;
- 2723 (b) the sales and uses described in Section 59-12-104 to the extent the sales and uses are
- 2724 exempt under Section 59-12-104; and
- 2725 (c) except as provided in Subsection (7), amounts paid or charged for food and food
- 2726 ingredients.
- 2727 (6) For purposes of this section, the location of a transaction shall be determined in
- 2728 accordance with Sections 59-12-211 through 59-12-215.
- 2729 (7) A city or town that imposes a tax under this section shall impose the tax on the purchase
- 2730 price or sales price for amounts paid or charged for food and food ingredients if the food
- 2731 and food ingredients are sold as part of a bundled transaction attributable to food and
- 2732 food ingredients and tangible personal property other than food and food ingredients.
- 2733 (8) Subject to Section 59-12-205, before distribution of a sales and use tax imposed under
- 2734 this section, and as described in Section 63N-3-610.1, beginning the first day of a
- 2735 calendar quarter after the sales and use tax boundary for a convention center
- 2736 reinvestment zone is established under Title 63N, Chapter 3, Part 6, Housing and Transit
- 2737 Reinvestment Zone Act, the commission, at least annually, shall transfer an amount
- 2738 equal to 100% of the sales and use tax increment as defined in Section 63N-3-602, from
- 2739 the sales and use tax imposed under this section on transactions occurring within an
- 2740 established sales and use tax boundary, as defined in Section 63N-3-602, to a
- 2741 convention center public infrastructure district created in accordance with Section
- 2742 17D-4-202.1.
- 2743 ~~[(8)]~~ (9) A city or town may impose a tax under this section by majority vote of the
- 2744 members of the city or town legislative body.
- 2745 ~~[(9)]~~ (10) A city or town that imposes a tax under this section is not subject to Section
- 2746 59-12-405.
- 2747 ~~[(10)]~~ (11) A military installation development authority may not impose a tax under this
- 2748 section.

- 2749 Section 19. Section **59-12-403** is amended to read:
- 2750 **59-12-403 . Enactment or repeal of tax -- Tax rate change -- Effective date --**
- 2751 **Notice requirements -- Administration, collection, and enforcement of tax --**
- 2752 **Administrative charge.**
- 2753 (1) For purposes of this section:
- 2754 (a) "Annexation" means an annexation to a city or town under Title 10, Chapter 2, Part
- 2755 4, Annexation.
- 2756 (b) "Annexing area" means an area that is annexed into a city or town.
- 2757 (2)(a) Except as provided in Subsection (2)(c) or (d), if, on or after April 1, 2008, a city
- 2758 or town enacts or repeals a tax or changes the rate of a tax under this part, the
- 2759 enactment, repeal, or change shall take effect:
- 2760 (i) on the first day of a calendar quarter; and
- 2761 (ii) after a 90-day period beginning on the date the commission receives notice
- 2762 meeting the requirements of Subsection (2)(b) from the city or town.
- 2763 (b) The notice described in Subsection (2)(a)(ii) shall state:
- 2764 (i) that the city or town will enact or repeal a tax or change the rate of a tax under this
- 2765 part;
- 2766 (ii) the statutory authority for the tax described in Subsection (2)(b)(i);
- 2767 (iii) the effective date of the tax described in Subsection (2)(b)(i); and
- 2768 (iv) if the city or town enacts the tax or changes the rate of the tax described in
- 2769 Subsection (2)(b)(i), the rate of the tax.
- 2770 (c)(i) If the billing period for a transaction begins before the effective date of the
- 2771 enactment of the tax or the tax rate increase imposed under Section 59-12-401,
- 2772 59-12-402, or 59-12-402.1, the enactment of the tax or the tax rate increase takes
- 2773 effect on the first day of the first billing period that begins on or after the effective
- 2774 date of the enactment of the tax or the tax rate increase.
- 2775 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
- 2776 statement for the billing period is produced on or after the effective date of the
- 2777 repeal of the tax or the tax rate decrease imposed under Section 59-12-401,
- 2778 59-12-402, or 59-12-402.1.
- 2779 (d)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
- 2780 sales and use tax rates published in the catalogue, an enactment, repeal, or change
- 2781 in the rate of a tax described in Subsection (2)(a) takes effect:
- 2782 (A) on the first day of a calendar quarter; and

- 2783 (B) beginning 60 days after the effective date of the enactment, repeal, or change
2784 in the rate of the tax under Subsection (2)(a).
- 2785 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
2786 the commission may by rule define the term "catalogue sale."
- 2787 (3)(a) Except as provided in Subsection (3)(c) or (d), if, for an annexation that occurs on
2788 or after July 1, 2004, the annexation will result in the enactment, repeal, or change in
2789 the rate of a tax under this part for an annexing area, the enactment, repeal, or change
2790 shall take effect:
- 2791 (i) on the first day of a calendar quarter; and
2792 (ii) after a 90-day period beginning on the date the commission receives notice
2793 meeting the requirements of Subsection (3)(b) from the city or town that annexes
2794 the annexing area.
- 2795 (b) The notice described in Subsection (3)(a)(ii) shall state:
- 2796 (i) that the annexation described in Subsection (3)(a) will result in an enactment,
2797 repeal, or change in the rate of a tax under this part for the annexing area;
2798 (ii) the statutory authority for the tax described in Subsection (3)(b)(i);
2799 (iii) the effective date of the tax described in Subsection (3)(b)(i); and
2800 (iv) if the city or town enacts the tax or changes the rate of the tax described in
2801 Subsection (3)(b)(i), the rate of the tax.
- 2802 (c)(i) If the billing period for a transaction begins before the effective date of the
2803 enactment of the tax or the tax rate increase imposed under Section 59-12-401,
2804 59-12-402, or 59-12-402.1, the enactment of the tax or the tax rate increase takes
2805 effect on the first day of the first billing period that begins on or after the effective
2806 date of the enactment of the tax or the tax rate increase.
- 2807 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
2808 statement for the billing period is produced on or after the effective date of the
2809 repeal of the tax or the tax rate decrease imposed under Section 59-12-401,
2810 59-12-402, or 59-12-402.1.
- 2811 (d)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
2812 sales and use tax rates published in the catalogue, an enactment, repeal, or change
2813 in the rate of a tax described in Subsection (3)(a) takes effect:
- 2814 (A) on the first day of a calendar quarter; and
2815 (B) beginning 60 days after the effective date of the enactment, repeal, or change
2816 in the rate of the tax under Subsection (3)(a).

- 2817 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
 2818 the commission may by rule define the term "catalogue sale."
- 2819 (4)(a) Except as provided in Subsection (4)(b), a tax authorized under this part shall be
 2820 administered, collected, and enforced in accordance with:
- 2821 (i) the same procedures used to administer, collect, and enforce the tax under:
 2822 (A) Part 1, Tax Collection; or
 2823 (B) Part 2, Local Sales and Use Tax Act; and
 2824 (ii) Chapter 1, General Taxation Policies.
- 2825 (b) A tax under this part is not subject to Subsections 59-12-205(2) [~~through (5)~~] and (4)
 2826 through (6).
- 2827 (5) The commission shall retain and deposit an administrative charge in accordance with
 2828 Section 59-1-306 from the revenue the commission collects from a tax under this part.
 2829 Section 20. Section **59-12-603** is amended to read:
- 2830 **59-12-603 . County tax -- Bases -- Rates -- Use of revenue -- Adoption of**
 2831 **ordinance required -- Advisory board -- Administration -- Collection -- Administrative**
 2832 **charge -- Distribution -- Enactment or repeal of tax or tax rate change -- Effective date --**
 2833 **Notice requirements.**
- 2834 (1)(a) In addition to any other taxes, a county legislative body may, as provided in this
 2835 part, impose a tax as follows:
- 2836 (i)(A) a county legislative body of any county may impose a tax of not to exceed
 2837 3% on all short-term rentals of motor vehicles, except for short-term rentals of
 2838 motor vehicles made for the purpose of temporarily replacing a person's motor
 2839 vehicle that is being repaired pursuant to a repair or an insurance agreement;
 2840 and
- 2841 (B) a county legislative body of any county imposing a tax under Subsection
 2842 (1)(a)(i)(A) may, in addition to imposing the tax under Subsection (1)(a)(i)(A),
 2843 impose a tax of not to exceed 4% on all short-term rentals of motor vehicles,
 2844 except for short-term rentals of motor vehicles made for the purpose of
 2845 temporarily replacing a person's motor vehicle that is being repaired pursuant
 2846 to a repair or an insurance agreement;
- 2847 (ii) a county legislative body of any county may impose a tax of not to exceed 7% on
 2848 all short-term rentals of off-highway vehicles and recreational vehicles;
- 2849 (iii) a county legislative body of any county may impose a tax of not to exceed 1% of
 2850 all sales of the following that are sold by a restaurant:

- 2851 (A) alcoholic beverages;
- 2852 (B) food and food ingredients; or
- 2853 (C) prepared food;
- 2854 (iv) a county legislative body of a county of the first class may impose a tax of not to
- 2855 exceed .5% on charges for the accommodations and services described in
- 2856 Subsection 59-12-103(1)(i); and
- 2857 (v) if a county legislative body of any county imposes a tax under Subsection
- 2858 (1)(a)(i), a tax at the same rate applies to car sharing of less than 30 days, except
- 2859 for car sharing for the purpose of temporarily replacing a person's motor vehicle
- 2860 that is being repaired pursuant to a repair or an insurance agreement.
- 2861 (b) A tax imposed under Subsection (1)(a) is subject to the audit provisions of Section
- 2862 17-31-5.5.
- 2863 (2)(a) Subject to Subsection (2)(c), a county may use revenue from the imposition of a
- 2864 tax under Subsection (1) for:
- 2865 (i) financing tourism promotion; and
- 2866 (ii) the development, operation, and maintenance of:
- 2867 (A) an airport facility;
- 2868 (B) a convention facility;
- 2869 (C) a cultural facility;
- 2870 (D) a recreation facility; or
- 2871 (E) a tourist facility.
- 2872 (b)(i) In addition to the uses described in Subsection (2)(a) and subject to Subsection
- 2873 (2)(b)(ii), a county of the fourth, fifth, or sixth class or a county with a population
- 2874 density of fewer than 15 people per square mile may expend the revenue from the
- 2875 imposition of a tax under Subsections (1)(a)(i) and (ii) on the following activities
- 2876 to mitigate the impacts of tourism:
- 2877 (A) solid waste disposal;
- 2878 (B) search and rescue activities;
- 2879 (C) law enforcement activities;
- 2880 (D) emergency medical services; or
- 2881 (E) fire protection services.
- 2882 (ii) A county may only expend the revenue as outlined in Subsection (2)(b)(i) if the
- 2883 county's tourism tax advisory board created under Subsection 17-31-8(1)(a) has
- 2884 prioritized the use of revenue to mitigate the impacts of tourism.

- 2885 (c) A county of the first class shall expend at least \$450,000 each year of the revenue
2886 from the imposition of a tax authorized by Subsection (1)(a)(iv) within the county to
2887 fund a marketing and ticketing system designed to:
- 2888 (i) promote tourism in ski areas within the county by persons that do not reside within
2889 the state; and
 - 2890 (ii) combine the sale of:
 - 2891 (A) ski lift tickets; and
 - 2892 (B) accommodations and services described in Subsection 59-12-103(1)(i).
- 2893 (3) A tax imposed under this part may be pledged as security for bonds, notes, or other
2894 evidences of indebtedness incurred by a county, city, or town under Title 11, Chapter 14,
2895 Local Government Bonding Act, or a community reinvestment agency under Title 17C,
2896 Chapter 1, Part 5, Agency Bonds, to finance:
- 2897 (a) an airport facility;
 - 2898 (b) a convention facility;
 - 2899 (c) a cultural facility;
 - 2900 (d) a recreation facility; or
 - 2901 (e) a tourist facility.
- 2902 (4)(a) To impose a tax under Subsection (1), the county legislative body shall adopt an
2903 ordinance imposing the tax.
- 2904 (b) The ordinance under Subsection (4)(a) shall include provisions substantially the
2905 same as those contained in Part 1, Tax Collection, except that the tax shall be
2906 imposed only on those items and sales described in Subsection (1).
 - 2907 (c) The name of the county as the taxing agency shall be substituted for that of the state
2908 where necessary, and an additional license is not required if one has been or is issued
2909 under Section 59-12-106.
- 2910 (5) To maintain in effect a tax ordinance adopted under this part, each county legislative
2911 body shall, within 30 days of any amendment of any applicable provisions of Part 1, Tax
2912 Collection, adopt amendments to the county's tax ordinance to conform with the
2913 applicable amendments to Part 1, Tax Collection.
- 2914 (6)(a) Regardless of whether a county of the first class creates a tourism tax advisory
2915 board in accordance with Section 17-31-8, the county legislative body of the county
2916 of the first class shall create a tax advisory board in accordance with this Subsection
2917 (6).
- 2918 (b) The tax advisory board shall be composed of nine members appointed as follows:

- 2919 (i) four members shall be residents of a county of the first class appointed by the
 2920 county legislative body of the county of the first class; and
- 2921 (ii) subject to Subsections (6)(c) and (d), five members shall be mayors of cities or
 2922 towns within the county of the first class appointed by an organization
 2923 representing all mayors of cities and towns within the county of the first class.
- 2924 (c) Five members of the tax advisory board constitute a quorum.
- 2925 (d) The county legislative body of the county of the first class shall determine:
- 2926 (i) terms of the members of the tax advisory board;
- 2927 (ii) procedures and requirements for removing a member of the tax advisory board;
- 2928 (iii) voting requirements, except that action of the tax advisory board shall be by at
 2929 least a majority vote of a quorum of the tax advisory board;
- 2930 (iv) chairs or other officers of the tax advisory board;
- 2931 (v) how meetings are to be called and the frequency of meetings; and
- 2932 (vi) the compensation, if any, of members of the tax advisory board.
- 2933 (e) The tax advisory board under this Subsection (6) shall advise the county legislative
 2934 body of the county of the first class on the expenditure of revenue collected within
 2935 the county of the first class from the taxes described in Subsection (1)(a).
- 2936 (7)(a)(i) Except as provided in Subsection (7)(a)(ii), a tax authorized under this part
 2937 shall be administered, collected, and enforced in accordance with:
- 2938 (A) the same procedures used to administer, collect, and enforce the tax under:
- 2939 (I) Part 1, Tax Collection; or
- 2940 (II) Part 2, Local Sales and Use Tax Act; and
- 2941 (B) Chapter 1, General Taxation Policies.
- 2942 (ii) A tax under this part is not subject to Section 59-12-107.1 or 59-12-123 or
 2943 Subsections 59-12-205(2) [~~through (5)~~] and (4) through (6).
- 2944 (b) Except as provided in Subsection (7)(c):
- 2945 (i) for a tax under this part other than the tax under Subsection (1)(a)(i)(B), the
 2946 commission shall distribute the revenue to the county imposing the tax; and
- 2947 (ii) for a tax under Subsection (1)(a)(i)(B), the commission shall distribute the
 2948 revenue according to the distribution formula provided in Subsection (8).
- 2949 (c) The commission shall retain and deposit an administrative charge in accordance with
 2950 Section 59-1-306 from the revenue the commission collects from a tax under this part.
- 2951 (8) The commission shall distribute the revenue generated by the tax under Subsection
 2952 (1)(a)(i)(B) to each county collecting a tax under Subsection (1)(a)(i)(B) according to

2953 the following formula:

- 2954 (a) the commission shall distribute 70% of the revenue based on the percentages
2955 generated by dividing the revenue collected by each county under Subsection
2956 (1)(a)(i)(B) by the total revenue collected by all counties under Subsection
2957 (1)(a)(i)(B); and
- 2958 (b) the commission shall distribute 30% of the revenue based on the percentages
2959 generated by dividing the population of each county collecting a tax under
2960 Subsection (1)(a)(i)(B) by the total population of all counties collecting a tax under
2961 Subsection (1)(a)(i)(B).

2962 (9)(a) For purposes of this Subsection (9):

2963 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
2964 County Annexation.

2965 (ii) "Annexing area" means an area that is annexed into a county.

2966 (b)(i) Except as provided in Subsection (9)(c), if a county enacts or repeals a tax or
2967 changes the rate of a tax under this part, the enactment, repeal, or change shall
2968 take effect:

2969 (A) on the first day of a calendar quarter; and

2970 (B) after a 90-day period beginning on the day on which the commission receives
2971 notice meeting the requirements of Subsection (9)(b)(ii) from the county.

2972 (ii) The notice described in Subsection (9)(b)(i)(B) shall state:

2973 (A) that the county will enact or repeal a tax or change the rate of a tax under this
2974 part;

2975 (B) the statutory authority for the tax described in Subsection (9)(b)(ii)(A);

2976 (C) the effective date of the tax described in Subsection (9)(b)(ii)(A); and

2977 (D) if the county enacts the tax or changes the rate of the tax described in
2978 Subsection (9)(b)(ii)(A), the rate of the tax.

2979 (c)(i) If the billing period for a transaction begins before the effective date of the
2980 enactment of the tax or the tax rate increase imposed under Subsection (1), the
2981 enactment of the tax or the tax rate increase shall take effect on the first day of the
2982 first billing period that begins after the effective date of the enactment of the tax
2983 or the tax rate increase.

2984 (ii) If the billing period for a transaction begins before the effective date of the repeal
2985 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the
2986 tax or the tax rate decrease shall take effect on the first day of the last billing

2987 period that began before the effective date of the repeal of the tax or the tax rate
2988 decrease.

2989 (d)(i) Except as provided in Subsection (9)(e), if the annexation will result in the
2990 enactment, repeal, or change in the rate of a tax under this part for an annexing
2991 area, the enactment, repeal, or change shall take effect:

2992 (A) on the first day of a calendar quarter; and

2993 (B) after a 90-day period beginning on the day on which the commission receives
2994 notice meeting the requirements of Subsection (9)(d)(ii) from the county that
2995 annexes the annexing area.

2996 (ii) The notice described in Subsection (9)(d)(i)(B) shall state:

2997 (A) that the annexation described in Subsection (9)(d)(i) will result in an
2998 enactment, repeal, or change in the rate of a tax under this part for the annexing
2999 area;

3000 (B) the statutory authority for the tax described in Subsection (9)(d)(ii)(A);

3001 (C) the effective date of the tax described in Subsection (9)(d)(ii)(A); and

3002 (D) if the county enacts the tax or changes the rate of the tax described in
3003 Subsection (9)(d)(ii)(A), the rate of the tax.

3004 (e)(i) If the billing period for a transaction begins before the effective date of the
3005 enactment of the tax or the tax rate increase imposed under Subsection (1), the
3006 enactment of the tax or the tax rate increase shall take effect on the first day of the
3007 first billing period that begins after the effective date of the enactment of the tax
3008 or the tax rate increase.

3009 (ii) If the billing period for a transaction begins before the effective date of the repeal
3010 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the
3011 tax or the tax rate decrease shall take effect on the first day of the last billing
3012 period that began before the effective date of the repeal of the tax or the tax rate
3013 decrease.

3014 Section 21. Section **59-12-703** is amended to read:

3015 **59-12-703 . Opinion question election -- Base -- Rate -- Imposition of tax --**
3016 **Expenditure of revenues -- Administration -- Enactment or repeal of tax -- Effective date**
3017 **-- Notice requirements.**

3018 (1)(a) Subject to the other provisions of this section, a county legislative body may
3019 submit an opinion question to the residents of that county, by majority vote of all
3020 members of the legislative body, so that each resident of the county, except residents

3021 in municipalities that have already imposed a sales and use tax under Part 14, City or
3022 Town Option Funding for Botanical, Cultural, Recreational, and Zoological
3023 Organizations or Facilities, has an opportunity to express the resident's opinion on the
3024 imposition of a local sales and use tax of .1% on the transactions described in
3025 Subsection 59-12-103(1) located within the county, to:

3026 (i) fund cultural facilities, recreational facilities, and zoological facilities, botanical
3027 organizations, cultural organizations, and zoological organizations, and rural radio
3028 stations, in that county; or

3029 (ii) provide funding for a botanical organization, cultural organization, or zoological
3030 organization to pay for use of a bus or facility rental if that use of the bus or
3031 facility rental is in furtherance of the botanical organization's, cultural
3032 organization's, or zoological organization's primary purpose.

3033 (b) The opinion question required by this section shall state:

3034 "Shall (insert the name of the county), Utah, be authorized to impose a .1% sales and use
3035 tax for (list the purposes for which the revenue collected from the sales and use tax shall be
3036 expended)?"

3037 (c) A county legislative body may not impose a tax under this section on:

3038 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
3039 are exempt from taxation under Section 59-12-104;

3040 (ii) sales and uses within a municipality that has already imposed a sales and use tax
3041 under Part 14, City or Town Option Funding for Botanical, Cultural, Recreational,
3042 and Zoological Organizations or Facilities; and

3043 (iii) except as provided in Subsection (1)(e), amounts paid or charged for food and
3044 food ingredients.

3045 (d) For purposes of this Subsection (1), the location of a transaction shall be determined
3046 in accordance with Sections 59-12-211 through 59-12-215.

3047 (e) A county legislative body imposing a tax under this section shall impose the tax on
3048 the purchase price or sales price for amounts paid or charged for food and food
3049 ingredients if the food and food ingredients are sold as part of a bundled transaction
3050 attributable to food and food ingredients and tangible personal property other than
3051 food and food ingredients.

3052 (f) The election shall follow the procedures outlined in Title 11, Chapter 14, Local
3053 Government Bonding Act.

3054 (2)(a) If the county legislative body determines that a majority of the county's registered

- 3055 voters voting on the imposition of the tax have voted in favor of the imposition of the
 3056 tax as prescribed in Subsection (1), the county legislative body may impose the tax
 3057 by a majority vote of all members of the legislative body on the transactions:
- 3058 (i) described in Subsection (1); and
 - 3059 (ii) within the county, including the cities and towns located in the county, except
 3060 those cities and towns that have already imposed a sales and use tax under Part 14,
 3061 City or Town Option Funding for Botanical, Cultural, Recreational, and
 3062 Zoological Organizations or Facilities.
- 3063 (b) A county legislative body may revise county ordinances to reflect statutory changes
 3064 to the distribution formula or eligible recipients of revenue generated from a tax
 3065 imposed under Subsection (2)(a) without submitting an opinion question to residents
 3066 of the county.
- 3067 (3) Subject to Section 59-12-704, revenue collected from a tax imposed under Subsection
 3068 (2) shall be expended:
- 3069 (a) to fund cultural facilities, recreational facilities, and zoological facilities located
 3070 within the county or a city or town located in the county, except a city or town that
 3071 has already imposed a sales and use tax under Part 14, City or Town Option Funding
 3072 for Botanical, Cultural, Recreational, and Zoological Organizations or Facilities;
 - 3073 (b) to fund ongoing operating expenses of:
 - 3074 (i) recreational facilities described in Subsection (3)(a);
 - 3075 (ii) botanical organizations, cultural organizations, and zoological organizations
 3076 within the county; and
 - 3077 (iii) rural radio stations within the county; and
 - 3078 (c) as stated in the opinion question described in Subsection (1).
- 3079 (4)(a) A tax authorized under this part shall be:
- 3080 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
 3081 accordance with:
 - 3082 (A) the same procedures used to administer, collect, and enforce the tax under:
 - 3083 (I) Part 1, Tax Collection; or
 - 3084 (II) Part 2, Local Sales and Use Tax Act; and
 - 3085 (B) Chapter 1, General Taxation Policies; and
 - 3086 (ii) levied for a period of 10 years and may be reauthorized at the end of the ~~ten~~ 10
 3087 -year period in accordance with this section.
- 3088 (b) A tax under this part is not subject to Subsections 59-12-205(2) ~~through (5)~~ and (4)

- 3089 through (6).
- 3090 (5)(a) For purposes of this Subsection (5):
- 3091 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, Part 2,
- 3092 County Annexation.
- 3093 (ii) "Annexing area" means an area that is annexed into a county.
- 3094 (b)(i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
- 3095 county enacts or repeals a tax under this part, the enactment or repeal shall take
- 3096 effect:
- 3097 (A) on the first day of a calendar quarter; and
- 3098 (B) after a 90-day period beginning on the date the commission receives notice
- 3099 meeting the requirements of Subsection (5)(b)(ii) from the county.
- 3100 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
- 3101 (A) that the county will enact or repeal a tax under this part;
- 3102 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
- 3103 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
- 3104 (D) if the county enacts the tax described in Subsection (5)(b)(ii)(A), the rate of
- 3105 the tax.
- 3106 (c)(i) If the billing period for a transaction begins before the effective date of the
- 3107 enactment of the tax under this section, the enactment of the tax takes effect on the
- 3108 first day of the first billing period that begins on or after the effective date of the
- 3109 enactment of the tax.
- 3110 (ii) The repeal of a tax applies to a billing period if the billing statement for the
- 3111 billing period is produced on or after the effective date of the repeal of the tax
- 3112 imposed under this section.
- 3113 (d)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
- 3114 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
- 3115 described in Subsection (5)(b)(i) takes effect:
- 3116 (A) on the first day of a calendar quarter; and
- 3117 (B) beginning 60 days after the effective date of the enactment or repeal under
- 3118 Subsection (5)(b)(i).
- 3119 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 3120 the commission may by rule define the term "catalogue sale."
- 3121 (e)(i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
- 3122 on or after July 1, 2004, the annexation will result in the enactment or repeal of a

- 3123 tax under this part for an annexing area, the enactment or repeal shall take effect:
- 3124 (A) on the first day of a calendar quarter; and
- 3125 (B) after a 90-day period beginning on the date the commission receives notice
- 3126 meeting the requirements of Subsection (5)(e)(ii) from the county that annexes
- 3127 the annexing area.
- 3128 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:
- 3129 (A) that the annexation described in Subsection (5)(e)(i) will result in an
- 3130 enactment or repeal of a tax under this part for the annexing area;
- 3131 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);
- 3132 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and
- 3133 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).
- 3134 (f)(i) If the billing period for a transaction begins before the effective date of the
- 3135 enactment of the tax under this section, the enactment of the tax takes effect on the
- 3136 first day of the first billing period that begins on or after the effective date of the
- 3137 enactment of the tax.
- 3138 (ii) The repeal of a tax applies to a billing period if the billing statement for the
- 3139 billing period is produced on or after the effective date of the repeal of the tax
- 3140 imposed under this section.
- 3141 (g)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
- 3142 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
- 3143 described in Subsection (5)(e)(i) takes effect:
- 3144 (A) on the first day of a calendar quarter; and
- 3145 (B) beginning 60 days after the effective date of the enactment or repeal under
- 3146 Subsection (5)(e)(i).
- 3147 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 3148 the commission may by rule define the term "catalogue sale."
- 3149 Section 22. Section **59-12-802** is amended to read:
- 3150 **59-12-802 . Imposition of rural county health care tax -- Expenditure of tax**
- 3151 **revenue -- Base -- Rate -- Administration, collection, and enforcement of tax --**
- 3152 **Administrative charge.**
- 3153 (1)(a) A county legislative body of the following counties may impose a sales and use
- 3154 tax of up to 1% on the transactions described in Subsection 59-12-103(1) located
- 3155 within the county:
- 3156 (i) a county of the third, fourth, fifth, or sixth class; or

- 3157 (ii) a county of the second class that has:
- 3158 (A) a national park within or partially within the county's boundaries; and
- 3159 (B) two or more state parks within or partially within the county's boundaries.
- 3160 (b) Notwithstanding Subsection (1)(a), a county legislative body may not impose a tax
- 3161 under this section on:
- 3162 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
- 3163 are exempt from taxation under Section 59-12-104;
- 3164 (ii) a transaction to the extent a rural city hospital tax is imposed on that transaction
- 3165 in a city that imposes a tax under Section 59-12-804; and
- 3166 (iii) except as provided in Subsection (1)(d), amounts paid or charged for food and
- 3167 food ingredients.
- 3168 (c) For purposes of this Subsection (1), the location of a transaction is determined in
- 3169 accordance with Sections 59-12-211 through 59-12-215.
- 3170 (d) A county legislative body imposing a tax under this section shall impose the tax on
- 3171 the purchase price or sales price for amounts paid or charged for food and food
- 3172 ingredients if the food and food ingredients are sold as part of a bundled transaction
- 3173 attributable to food and food ingredients and tangible personal property other than
- 3174 food and food ingredients.
- 3175 (2)(a) Except as provided in Subsection (5)(b), before imposing a tax under Subsection
- 3176 (1), a county legislative body shall obtain approval to impose the tax from a majority
- 3177 of the:
- 3178 (i) members of the county's legislative body; and
- 3179 (ii) county's registered voters voting on the imposition of the tax.
- 3180 (b) The county legislative body shall conduct the election according to the procedures
- 3181 and requirements of Title 11, Chapter 14, Local Government Bonding Act.
- 3182 (3) Subject to Subsection (4), a county legislative body may use money collected from a tax
- 3183 imposed under Subsection (1) to fund:
- 3184 (a) for a county described in Subsection (1)(a)(i):
- 3185 (i) the following costs associated with a federally qualified health center within the
- 3186 county, a freestanding urgent care center within the county, a rural county health
- 3187 care facility within the county, or a rural health clinic within the county:
- 3188 (A) ongoing operating expenses of the center, clinic, or facility;
- 3189 (B) the acquisition of land for the center, clinic, or facility; or
- 3190 (C) the design, construction, equipping, or furnishing of the center, clinic, or

- 3191 facility;
- 3192 (ii) rural emergency medical services within the county; or
- 3193 (iii) a combination of the activities described in this Subsection (3)(a); and
- 3194 (b) for a county described in Subsection (1)(a)(ii), emergency medical services that are
- 3195 provided by a political subdivision within that county, subject to Subsection (5)(c).
- 3196 (4)(a) For a tax enacted on or after July 1, 2024, by a county described in Subsection
- 3197 (1)(a)(i), a county legislative body may use money collected from a tax imposed
- 3198 under Subsection (1) to fund:
- 3199 (i) the costs described in Subsection (3)(a)(i);
- 3200 (ii) the following activities to mitigate the impacts of visitors within the county:
- 3201 (A) emergency medical services;
- 3202 (B) solid waste disposal;
- 3203 (C) search and rescue activities;
- 3204 (D) law enforcement activities; or
- 3205 (E) fire protection services;
- 3206 (iii) avalanche forecasting within the county; or
- 3207 (iv) a combination of the activities described in this Subsection (4)(a).
- 3208 (b) For a tax increased on or after July 1, 2024, by a county described in Subsection
- 3209 (1)(a)(i), a county legislative body may use the money collected from the increased
- 3210 tax rate to fund the activities described in Subsections (4)(a)(i) through (iv).
- 3211 (5)(a) A county described in Subsection (1)(a)(ii) may impose a tax under this section
- 3212 within a portion of the county if the affected area includes:
- 3213 (i) the entire unincorporated area of the county; and
- 3214 (ii) the entire boundaries of any municipality located within the affected area.
- 3215 (b) Before a county described in Subsection (1)(a)(ii) may impose a tax under this
- 3216 section within a portion of the county, the county legislative body shall obtain
- 3217 approval to impose the tax from a majority of:
- 3218 (i) the members of the county's legislative body;
- 3219 (ii) the county's registered voters within the affected area voting on the imposition of
- 3220 the tax, in an election conducted according to the procedures and requirements of
- 3221 Title 11, Chapter 14, Local Government Bonding Act; and
- 3222 (iii)(A) the members of the legislative body of each municipality located within
- 3223 the affected area; or
- 3224 (B) the members of the governing body of a special service district established

3225 under Title 17D, Chapter 1, Special Service District Act, to provide emergency
3226 medical services within the affected area.

3227 (c) A county described in Subsection (1)(a)(ii) that imposes a tax under this section
3228 within a portion of the county in accordance with this Subsection (5) may use the
3229 money collected from the tax to fund emergency medical services that are provided
3230 by a political subdivision within the affected area.

3231 (6)(a) A tax under this section shall be:

3232 (i) except as provided in Subsection (6)(b), administered, collected, and enforced in
3233 accordance with:

3234 (A) the same procedures used to administer, collect, and enforce the tax under:

3235 (I) Part 1, Tax Collection; or

3236 (II) Part 2, Local Sales and Use Tax Act; and

3237 (B) Chapter 1, General Taxation Policies; and

3238 (ii) levied for a period of 10 years and may be reauthorized at the end of the 10-year
3239 period by the county legislative body as provided in Subsection (1).

3240 (b) A tax under this section is not subject to Subsections 59-12-205(2) [~~through (5)~~] and
3241 (4) through (6).

3242 (c) A county legislative body shall distribute money collected from a tax under this
3243 section quarterly.

3244 (7) The commission shall retain and deposit an administrative charge in accordance with
3245 Section 59-1-306 from the revenue the commission collects from a tax under this section.

3246 Section 23. Section **59-12-804** is amended to read:

3247 **59-12-804 . Imposition of rural city hospital tax -- Base -- Rate -- Administration,**
3248 **collection, and enforcement of tax -- Administrative charge.**

3249 (1)(a) A city legislative body may impose a sales and use tax of up to 1%:

3250 (i) on the transactions described in Subsection 59-12-103(1) located within the city;
3251 and

3252 (ii) to fund rural city hospitals in that city.

3253 (b) Notwithstanding Subsection (1)(a)(i), a city legislative body may not impose a tax
3254 under this section on:

3255 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
3256 are exempt from taxation under Section 59-12-104; and

3257 (ii) except as provided in Subsection (1)(d), amounts paid or charged for food and
3258 food ingredients.

3259 (c) For purposes of this Subsection (1), the location of a transaction shall be determined
3260 in accordance with Sections 59-12-211 through 59-12-215.

3261 (d) A city legislative body imposing a tax under this section shall impose the tax on the
3262 purchase price or sales price for amounts paid or charged for food and food
3263 ingredients if the food and food ingredients are sold as part of a bundled transaction
3264 attributable to food and food ingredients and tangible personal property other than
3265 food and food ingredients.

3266 (2)(a) Before imposing a tax under Subsection (1)(a), a city legislative body shall obtain
3267 approval to impose the tax from a majority of the:

3268 (i) members of the city legislative body; and

3269 (ii) city's registered voters voting on the imposition of the tax.

3270 (b) The city legislative body shall conduct the election according to the procedures and
3271 requirements of Title 11, Chapter 14, Local Government Bonding Act.

3272 (3) The money collected from a tax imposed under Subsection (1) may only be used to fund:

3273 (a) ongoing operating expenses of a rural city hospital;

3274 (b) the acquisition of land for a rural city hospital; or

3275 (c) the design, construction, equipping, or furnishing of a rural city hospital.

3276 (4)(a) A tax under this section shall be:

3277 (i) except as provided in Subsection (4)(b), administered, collected, and enforced in
3278 accordance with:

3279 (A) the same procedures used to administer, collect, and enforce the tax under:

3280 (I) Part 1, Tax Collection; or

3281 (II) Part 2, Local Sales and Use Tax Act; and

3282 (B) Chapter 1, General Taxation Policies; and

3283 (ii) levied for a period of 10 years and may be reauthorized at the end of the ~~[ten]~~ 10
3284 -year period by the city legislative body as provided in Subsection (1).

3285 (b) A tax under this section is not subject to Subsections 59-12-205(2) ~~[through (5)]~~ and
3286 (4) through (6).

3287 (5) The commission shall retain and deposit an administrative charge in accordance with
3288 Section 59-1-306 from the revenue the commission collects from a tax under this section.

3289 Section 24. Section **59-12-1102** is amended to read:

3290 **59-12-1102 . Base -- Rate -- Imposition of tax -- Distribution of revenue --**

3291 **Administration -- Administrative charge -- Commission requirement to retain an amount**

3292 **to be deposited into the Qualified Emergency Food Agencies Fund -- Enactment or**

3293 **repeal of tax -- Effective date -- Notice requirements.**

3294 (1)(a)(i) Subject to Subsections (2) through [~~(6)~~] (7), and in addition to any other tax
3295 authorized by this chapter, a county may impose by ordinance a county option
3296 sales and use tax of .25% upon the transactions described in Subsection
3297 59-12-103(1).

3298 (ii) Notwithstanding Subsection (1)(a)(i), a county may not impose a tax under this
3299 section on the sales and uses described in Section 59-12-104 to the extent the sales
3300 and uses are exempt from taxation under Section 59-12-104.

3301 (b) For purposes of this Subsection (1), the location of a transaction shall be determined
3302 in accordance with Sections 59-12-211 through 59-12-215.

3303 (c) The county option sales and use tax under this section shall be imposed:

3304 (i) upon transactions that are located within the county, including transactions that are
3305 located within municipalities in the county; and

3306 (ii) except as provided in Subsection (1)(d) or [~~(5)~~] (6), beginning on the first day of
3307 January:

3308 (A) of the next calendar year after adoption of the ordinance imposing the tax if
3309 the ordinance is adopted on or before May 25; or

3310 (B) of the second calendar year after adoption of the ordinance imposing the tax if
3311 the ordinance is adopted after May 25.

3312 (d) The county option sales and use tax under this section shall be imposed:

3313 (i) beginning January 1, 1998, if an ordinance adopting the tax imposed on or before
3314 September 4, 1997; or

3315 (ii) beginning January 1, 1999, if an ordinance adopting the tax is imposed during
3316 1997 but after September 4, 1997.

3317 (2)(a) Before imposing a county option sales and use tax under Subsection (1), a county
3318 shall hold two public hearings on separate days in geographically diverse locations in
3319 the county.

3320 (b)(i) At least one of the hearings required by Subsection (2)(a) shall have a starting
3321 time of no earlier than 6 p.m.

3322 (ii) The earlier of the hearings required by Subsection (2)(a) shall be no less than
3323 seven days after the day the first advertisement required by Subsection (2)(c) is
3324 published.

3325 (c)(i) Before holding the public hearings required by Subsection (2)(a), the county
3326 shall advertise:

- 3327 (A) its intent to adopt a county option sales and use tax;
- 3328 (B) the date, time, and location of each public hearing; and
- 3329 (C) a statement that the purpose of each public hearing is to obtain public
- 3330 comments regarding the proposed tax.
- 3331 (ii) The advertisement shall be published:
- 3332 (A) in a newspaper of general circulation in the county once each week for the
- 3333 two weeks preceding the earlier of the two public hearings; and
- 3334 (B) for the county, as a class A notice under Section 63G-30-102, for two weeks
- 3335 before the day on which the first of the two public hearings is held.
- 3336 (iii) The advertisement described in Subsection (2)(c)(ii)(A) shall be no less than 1/8
- 3337 page in size, and the type used shall be no smaller than 18 point and surrounded
- 3338 by a 1/4-inch border.
- 3339 (iv) The advertisement described in Subsection (2)(c)(ii)(A) may not be placed in that
- 3340 portion of the newspaper where legal notices and classified advertisements appear.
- 3341 (v) In accordance with Subsection (2)(c)(ii)(A), whenever possible:
- 3342 (A) the advertisement shall appear in a newspaper that is published at least five
- 3343 days a week, unless the only newspaper in the county is published less than
- 3344 five days a week; and
- 3345 (B) the newspaper selected shall be one of general interest and readership in the
- 3346 community, and not one of limited subject matter.
- 3347 (d) The adoption of an ordinance imposing a county option sales and use tax is subject to
- 3348 a local referendum election and shall be conducted as provided in Title 20A, Chapter
- 3349 7, Part 6, Local Referenda - Procedures.
- 3350 (3) Subject to Section 59-12-205, before application of Subsections (4) through (7), and as
- 3351 described in Section 63N-3-610.1, beginning the first day of a calendar quarter after the
- 3352 sales and use tax boundary for a convention center reinvestment zone is established
- 3353 under Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act, the
- 3354 commission, at least annually, shall transfer an amount equal to 100% of the sales and
- 3355 use tax increment as defined in Section 63N-3-602, from the sales and use tax imposed
- 3356 under this part on transactions occurring within an established sales and use tax
- 3357 boundary, as defined in Section 63N-3-602, to a convention center public infrastructure
- 3358 district created in accordance with Section 17D-4-202.1.
- 3359 [(3)] (4)(a) Subject to Subsection [(5)] (6), if the aggregate population of the counties
- 3360 imposing a county option sales and use tax under Subsection (1) is less than 75% of

- 3361 the state population, the tax levied under Subsection (1) shall be distributed to the
 3362 county in which the tax was collected.
- 3363 (b) Subject to Subsection [~~(5)~~] (6), if the aggregate population of the counties imposing a
 3364 county option sales and use tax under Subsection (1) is greater than or equal to 75%
 3365 of the state population:
- 3366 (i) 50% of the tax collected under Subsection (1) in each county shall be distributed
 3367 to the county in which the tax was collected; and
- 3368 (ii) except as provided in Subsection [~~(3)(e)~~] (4)(c), 50% of the tax collected under
 3369 Subsection (1) in each county shall be distributed proportionately among all
 3370 counties imposing the tax, based on the total population of each county.
- 3371 (c) Except as provided in Subsection [~~(5)~~] (6), the amount to be distributed annually to a
 3372 county under Subsection [~~(3)(b)(ii)~~] (4)(b)(ii), when combined with the amount
 3373 distributed to the county under Subsection [~~(3)(b)(i)~~] (4)(b)(i), does not equal at least
 3374 \$75,000, then:
- 3375 (i) the amount to be distributed annually to that county under Subsection [~~(3)(b)(ii)~~]
 3376 (4)(b)(ii) shall be increased so that, when combined with the amount distributed to
 3377 the county under Subsection [~~(3)(b)(i)~~] (4)(b)(i), the amount distributed annually to
 3378 the county is \$75,000; and
- 3379 (ii) the amount to be distributed annually to all other counties under Subsection [~~(3)(b)(ii)~~]
 3380 (4)(b)(ii) shall be reduced proportionately to offset the additional
 3381 amount distributed under Subsection (3)(c)(i).
- 3382 (d) The commission shall establish rules to implement the distribution of the tax under
 3383 Subsections [~~(3)(a)~~] (4)(a), (b), and (c).
- 3384 [~~(4)~~] (5)(a) Except as provided in Subsection [~~(4)(b)~~] (5)(b) or (c), a tax authorized under
 3385 this part shall be administered, collected, and enforced in accordance with:
- 3386 (i) the same procedures used to administer, collect, and enforce the tax under:
 3387 (A) Part 1, Tax Collection; or
 3388 (B) Part 2, Local Sales and Use Tax Act; and
- 3389 (ii) Chapter 1, General Taxation Policies.
- 3390 (b) A tax under this part is not subject to Subsections 59-12-205(2) [~~through~~] [~~(5)~~] and
 3391 (4) through (6).
- 3392 (c)(i) Subject to Subsection [~~(4)(e)(ii)~~] (5)(c)(ii), the commission shall retain and
 3393 deposit an administrative charge in accordance with Section 59-1-306 from the
 3394 revenue the commission collects from a tax under this part.

- 3395 (ii) Notwithstanding Section 59-1-306, the administrative charge described in
 3396 Subsection [~~(4)(e)(i)~~] (5)(c)(i) shall be calculated by taking a percentage described
 3397 in Section 59-1-306 of the distribution amounts resulting after:
- 3398 (A) the applicable distribution calculations under Subsection [~~(3)~~] (4) have been
 3399 made; and
- 3400 (B) the commission retains the amount required by Subsection [~~(5)~~] (6).
- 3401 [~~(5)~~] (6)(a) Beginning on July 1, 2009, the commission shall calculate and retain a
 3402 portion of the sales and use tax collected under this part as provided in this
 3403 Subsection [~~(5)~~] (6).
- 3404 (b) For a county that imposes a tax under this part, the commission shall calculate a
 3405 percentage each month by dividing the sales and use tax collected under this part for
 3406 that month within the boundaries of that county by the total sales and use tax
 3407 collected under this part for that month within the boundaries of all of the counties
 3408 that impose a tax under this part.
- 3409 (c) For a county that imposes a tax under this part, the commission shall retain each
 3410 month an amount equal to the product of:
- 3411 (i) the percentage the commission determines for the month under Subsection [~~(5)(b)~~]
 3412 (6)(b) for the county; and
- 3413 (ii) \$6,354.
- 3414 (d) The commission shall deposit an amount the commission retains in accordance with
 3415 this Subsection [~~(5)~~] (6) into the Qualified Emergency Food Agencies Fund created
 3416 by Section 35A-8-1009.
- 3417 (e) An amount the commission deposits into the Qualified Emergency Food Agencies
 3418 Fund shall be expended as provided in Section 35A-8-1009.
- 3419 [~~(6)~~] (7)(a) For purposes of this Subsection [~~(6)~~] (7):
- 3420 (i) "Annexation" means an annexation to a county under Title 17, Chapter 2, County
 3421 Consolidations and Annexations.
- 3422 (ii) "Annexing area" means an area that is annexed into a county.
- 3423 (b)(i) Except as provided in Subsection [~~(6)(e)~~] (7)(c) or (d), if, on or after July 1,
 3424 2004, a county enacts or repeals a tax under this part:
- 3425 (A)(I) the enactment shall take effect as provided in Subsection (1)(c); or
 3426 (II) the repeal shall take effect on the first day of a calendar quarter; and
- 3427 (B) after a 90-day period beginning on the date the commission receives notice
 3428 meeting the requirements of Subsection [~~(6)(b)(ii)~~] (7)(b)(ii) from the county.

- 3429 (ii) The notice described in Subsection [~~(6)(b)(i)(B)~~] (7)(b)(i)(B) shall state:
- 3430 (A) that the county will enact or repeal a tax under this part;
- 3431 (B) the statutory authority for the tax described in Subsection [~~(6)(b)(ii)(A)~~]
- 3432 (7)(b)(ii)(A);
- 3433 (C) the effective date of the tax described in Subsection [~~(6)(b)(ii)(A)~~] (7)(b)(ii)(A);
- 3434 and
- 3435 (D) if the county enacts the tax described in Subsection [~~(6)(b)(ii)(A)~~] (7)(b)(ii)(A),
- 3436 the rate of the tax.
- 3437 (c)(i) If the billing period for a transaction begins before the effective date of the
- 3438 enactment of the tax under Subsection (1), the enactment of the tax takes effect on
- 3439 the first day of the first billing period that begins on or after the effective date of
- 3440 the enactment of the tax.
- 3441 (ii) The repeal of a tax applies to a billing period if the billing statement for the
- 3442 billing period is produced on or after the effective date of the repeal of the tax
- 3443 imposed under Subsection (1).
- 3444 (d)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
- 3445 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
- 3446 described in Subsection [~~(6)(b)(i)~~] (7)(b)(i) takes effect:
- 3447 (A) on the first day of a calendar quarter; and
- 3448 (B) beginning 60 days after the effective date of the enactment or repeal under
- 3449 Subsection [~~(6)(b)(i)~~] (7)(b)(i).
- 3450 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
- 3451 the commission may by rule define the term "catalogue sale."
- 3452 (e)(i) Except as provided in Subsection [~~(6)(f)~~] (7)(f) or (g), if, for an annexation that
- 3453 occurs on or after July 1, 2004, the annexation will result in the enactment or
- 3454 repeal of a tax under this part for an annexing area, the enactment or repeal shall
- 3455 take effect:
- 3456 (A) on the first day of a calendar quarter; and
- 3457 (B) after a 90-day period beginning on the date the commission receives notice
- 3458 meeting the requirements of Subsection [~~(6)(e)(ii)~~] (7)(e)(i) from the county
- 3459 that annexes the annexing area.
- 3460 (ii) The notice described in Subsection [~~(6)(e)(i)(B)~~] (7)(e)(i)(B) shall state:
- 3461 (A) that the annexation described in Subsection [~~(6)(e)(i)~~] (7)(b)(i) will result in an
- 3462 enactment or repeal of a tax under this part for the annexing area;

- 3463 (B) the statutory authority for the tax described in Subsection [~~(6)(e)(ii)(A)~~
 3464 ~~(7)(e)(ii)(A)~~];
- 3465 (C) the effective date of the tax described in Subsection [~~(6)(e)(ii)(A)~~ ~~(7)(e)(ii)(A)~~];
 3466 and
- 3467 (D) the rate of the tax described in Subsection [~~(6)(e)(ii)(A)~~ ~~(7)(e)(ii)(A)~~].
- 3468 (f)(i) If the billing period for a transaction begins before the effective date of the
 3469 enactment of the tax under Subsection (1), the enactment of the tax takes effect on
 3470 the first day of the first billing period that begins on or after the effective date of
 3471 the enactment of the tax.
- 3472 (ii) The repeal of a tax applies to a billing period if the billing statement for the
 3473 billing period is produced on or after the effective date of the repeal of the tax
 3474 imposed under Subsection (1).
- 3475 (g)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
 3476 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
 3477 described in Subsection [~~(6)(e)(i)~~ ~~(7)(e)(i)~~ takes effect:
- 3478 (A) on the first day of a calendar quarter; and
- 3479 (B) beginning 60 days after the effective date of the enactment or repeal under
 3480 Subsection [~~(6)(e)(i)~~ ~~(7)(e)(i)~~].
- 3481 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
 3482 the commission may by rule define the term "catalogue sale."
- 3483 Section 25. Section **59-12-1302** is amended to read:
- 3484 **59-12-1302 . Imposition of tax -- Base -- Rate -- Enactment or repeal of tax -- Tax**
 3485 **rate change -- Effective date -- Notice requirements -- Administration, collection, and**
 3486 **enforcement of tax -- Administrative charge.**
- 3487 (1) Beginning on or after January 1, 1998, the governing body of a town may impose a tax
 3488 as provided in this part in an amount that does not exceed 1%.
- 3489 (2) A town may impose a tax as provided in this part if the town imposed a license fee or
 3490 tax on businesses based on gross receipts under Section 10-1-203 on or before January
 3491 1, 1996.
- 3492 (3) A town imposing a tax under this section shall:
- 3493 (a) except as provided in Subsection (4), impose the tax on the transactions described in
 3494 Subsection 59-12-103(1) located within the town; and
- 3495 (b) provide an effective date for the tax as provided in Subsection (5).
- 3496 (4)(a) A town may not impose a tax under this section on:

- 3497 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
3498 are exempt from taxation under Section 59-12-104; and
- 3499 (ii) except as provided in Subsection (4)(c), amounts paid or charged for food and
3500 food ingredients.
- 3501 (b) For purposes of this Subsection (4), the location of a transaction shall be determined
3502 in accordance with Sections 59-12-211 through 59-12-215.
- 3503 (c) A town imposing a tax under this section shall impose the tax on the purchase price
3504 or sales price for amounts paid or charged for food and food ingredients if the food
3505 and food ingredients are sold as part of a bundled transaction attributable to food and
3506 food ingredients and tangible personal property other than food and food ingredients.
- 3507 (5)(a) For purposes of this Subsection (5):
- 3508 (i) "Annexation" means an annexation to a town under Title 10, Chapter 2, Part 4,
3509 Annexation.
- 3510 (ii) "Annexing area" means an area that is annexed into a town.
- 3511 (b)(i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a
3512 town enacts or repeals a tax or changes the rate of a tax under this part, the
3513 enactment, repeal, or change shall take effect:
- 3514 (A) on the first day of a calendar quarter; and
- 3515 (B) after a 90-day period beginning on the date the commission receives notice
3516 meeting the requirements of Subsection (5)(b)(ii) from the town.
- 3517 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
- 3518 (A) that the town will enact or repeal a tax or change the rate of a tax under this
3519 part;
- 3520 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
- 3521 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
- 3522 (D) if the town enacts the tax or changes the rate of the tax described in
3523 Subsection (5)(b)(ii)(A), the rate of the tax.
- 3524 (c)(i) If the billing period for the transaction begins before the effective date of the
3525 enactment of the tax or the tax rate increase imposed under Subsection (1), the
3526 enactment of the tax or the tax rate increase takes effect on the first day of the first
3527 billing period that begins on or after the effective date of the enactment of the tax
3528 or the tax rate increase.
- 3529 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
3530 statement for the billing period is produced on or after the effective date of the

- 3531 repeal of the tax or the tax rate decrease imposed under Subsection (1).
- 3532 (d)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
3533 sales and use tax rates published in the catalogue, an enactment, repeal, or change
3534 in the rate of a tax described in Subsection (5)(b)(i) takes effect:
- 3535 (A) on the first day of a calendar quarter; and
 - 3536 (B) beginning 60 days after the effective date of the enactment, repeal, or change
3537 in the rate of the tax under Subsection (5)(b)(i).
- 3538 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
3539 the commission may by rule define the term "catalogue sale."
- 3540 (e)(i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
3541 on or after July 1, 2004, the annexation will result in the enactment, repeal, or
3542 change in the rate of a tax under this part for an annexing area, the enactment,
3543 repeal, or change shall take effect:
- 3544 (A) on the first day of a calendar quarter; and
 - 3545 (B) after a 90-day period beginning on the date the commission receives notice
3546 meeting the requirements of Subsection (5)(e)(ii) from the town that annexes
3547 the annexing area.
- 3548 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:
- 3549 (A) that the annexation described in Subsection (5)(e)(i) will result in an
3550 enactment, repeal, or change in the rate of a tax under this part for the annexing
3551 area;
 - 3552 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);
 - 3553 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and
 - 3554 (D) if the town enacts the tax or changes the rate of the tax described in
3555 Subsection (5)(e)(ii)(A), the rate of the tax.
- 3556 (f)(i) If the billing period for a transaction begins before the effective date of the
3557 enactment of the tax or the tax rate increase imposed under Subsection (1), the
3558 enactment of the tax or the tax rate increase takes effect on the first day of the first
3559 billing period that begins on or after the effective date of the enactment of the tax
3560 or the tax rate increase.
- 3561 (ii) The repeal of a tax or a tax rate decrease applies to a billing period if the billing
3562 statement for the billing period is produced on or after the effective date of the
3563 repeal of the tax or the tax rate decrease imposed under Subsection (1).
- 3564 (g)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of

- 3565 sales and use tax rates published in the catalogue, an enactment, repeal, or change
 3566 in the rate of a tax described in Subsection (5)(e)(i) takes effect:
- 3567 (A) on the first day of a calendar quarter; and
 3568 (B) beginning 60 days after the effective date of the enactment, repeal, or change
 3569 in the rate of the tax under Subsection (5)(e)(i).
- 3570 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
 3571 the commission may by rule define the term "catalogue sale."
- 3572 (6) The commission shall:
- 3573 (a) distribute the revenue generated by the tax under this section to the town imposing
 3574 the tax; and
- 3575 (b) except as provided in Subsection (8), administer, collect, and enforce the tax
 3576 authorized under this section in accordance with:
- 3577 (i) the same procedures used to administer, collect, and enforce the tax under:
 3578 (A) Part 1, Tax Collection; or
 3579 (B) Part 2, Local Sales and Use Tax Act; and
- 3580 (ii) Chapter 1, General Taxation Policies.
- 3581 (7) The commission shall retain and deposit an administrative charge in accordance with
 3582 Section 59-1-306 from the revenue the commission collects from a tax under this part.
- 3583 (8) A tax under this section is not subject to Subsections 59-12-205(2) [~~through (5)~~] and (4)
 3584 through (6).
- 3585 Section 26. Section **59-12-1402** is amended to read:
- 3586 **59-12-1402 . Opinion question election -- Base -- Rate -- Imposition of tax --**
 3587 **Expenditure of revenue -- Enactment or repeal of tax -- Effective date -- Notice**
 3588 **requirements.**
- 3589 (1)(a) Subject to the other provisions of this section, a city or town legislative body
 3590 subject to this part may submit an opinion question to the residents of that city or
 3591 town, by majority vote of all members of the legislative body, so that each resident of
 3592 the city or town has an opportunity to express the resident's opinion on the imposition
 3593 of a local sales and use tax of .1% on the transactions described in Subsection
 3594 59-12-103(1) located within the city or town, to:
- 3595 (i) fund cultural facilities, recreational facilities, and zoological facilities and
 3596 botanical organizations, cultural organizations, and zoological organizations in
 3597 that city or town; or
- 3598 (ii) provide funding for a botanical organization, cultural organization, or zoological

3599 organization to pay for use of a bus or facility rental if that use of the bus or
 3600 facility rental is in furtherance of the botanical organization's, cultural
 3601 organization's, or zoological organization's primary purpose.

3602 (b) The opinion question required by this section shall state:

3603 "Shall (insert the name of the city or town), Utah, be authorized to impose a .1% sales
 3604 and use tax for (list the purposes for which the revenue collected from the sales and use tax
 3605 shall be expended)?"

3606 (c) A city or town legislative body may not impose a tax under this section:

3607 (i) if the county in which the city or town is located imposes a tax under Part 7,
 3608 County Option Funding for Botanical, Cultural, Recreational, and Zoological
 3609 Organizations or Facilities;

3610 (ii) on the sales and uses described in Section 59-12-104 to the extent the sales and
 3611 uses are exempt from taxation under Section 59-12-104; and

3612 (iii) except as provided in Subsection (1)(e), on amounts paid or charged for food and
 3613 food ingredients.

3614 (d) For purposes of this Subsection (1), the location of a transaction shall be determined
 3615 in accordance with Sections 59-12-211 through 59-12-215.

3616 (e) A city or town legislative body imposing a tax under this section shall impose the tax
 3617 on the purchase price or sales price for amounts paid or charged for food and food
 3618 ingredients if the food and food ingredients are sold as part of a bundled transaction
 3619 attributable to food and food ingredients and tangible personal property other than
 3620 food and food ingredients.

3621 (f) Except as provided in Subsection (6), the election shall be held at a regular general
 3622 election or a municipal general election, as those terms are defined in Section
 3623 20A-1-102, and shall follow the procedures outlined in Title 11, Chapter 14, Local
 3624 Government Bonding Act.

3625 (2) If the city or town legislative body determines that a majority of the city's or town's
 3626 registered voters voting on the imposition of the tax have voted in favor of the
 3627 imposition of the tax as prescribed in Subsection (1), the city or town legislative body
 3628 may impose the tax by a majority vote of all members of the legislative body.

3629 (3) Subject to Section 59-12-1403, revenue collected from a tax imposed under Subsection
 3630 (2) shall be expended:

3631 (a) to finance cultural facilities, recreational facilities, and zoological facilities within the
 3632 city or town or within the geographic area of entities that are parties to an interlocal

- 3633 agreement, to which the city or town is a party, providing for cultural facilities,
3634 recreational facilities, or zoological facilities;
- 3635 (b) to finance ongoing operating expenses of:
- 3636 (i) recreational facilities described in Subsection (3)(a) within the city or town or
3637 within the geographic area of entities that are parties to an interlocal agreement, to
3638 which the city or town is a party, providing for recreational facilities; or
- 3639 (ii) botanical organizations, cultural organizations, and zoological organizations
3640 within the city or town or within the geographic area of entities that are parties to
3641 an interlocal agreement, to which the city or town is a party, providing for the
3642 support of botanical organizations, cultural organizations, or zoological
3643 organizations; and
- 3644 (c) as stated in the opinion question described in Subsection (1).
- 3645 (4)(a) Except as provided in Subsection (4)(b), a tax authorized under this part shall be:
- 3646 (i) administered, collected, and enforced in accordance with:
- 3647 (A) the same procedures used to administer, collect, and enforce the tax under:
3648 (I) Part 1, Tax Collection; or
3649 (II) Part 2, Local Sales and Use Tax Act; and
3650 (B) Chapter 1, General Taxation Policies; and
- 3651 (ii)(A) levied for a period of eight years; and
3652 (B) may be reauthorized at the end of the eight-year period in accordance with this
3653 section.
- 3654 (b)(i) If a tax under this part is imposed for the first time on or after July 1, 2011, the
3655 tax shall be levied for a period of 10 years.
- 3656 (ii) If a tax under this part is reauthorized in accordance with Subsection (4)(a) on or
3657 after July 1, 2011, the tax shall be reauthorized for a ~~ten~~ 10-year period.
- 3658 (c) A tax under this section is not subject to Subsections 59-12-205(2) ~~through (5)~~ and
3659 (4) through (6).
- 3660 (5)(a) For purposes of this Subsection (5):
- 3661 (i) "Annexation" means an annexation to a city or town under Title 10, Chapter 2,
3662 Part 4, Annexation.
- 3663 (ii) "Annexing area" means an area that is annexed into a city or town.
- 3664 (b)(i) Except as provided in Subsection (5)(c) or (d), if, on or after July 1, 2004, a city
3665 or town enacts or repeals a tax under this part, the enactment or repeal shall take
3666 effect:

- 3667 (A) on the first day of a calendar quarter; and
3668 (B) after a 90-day period beginning on the date the commission receives notice
3669 meeting the requirements of Subsection (5)(b)(ii) from the city or town.
- 3670 (ii) The notice described in Subsection (5)(b)(i)(B) shall state:
3671 (A) that the city or town will enact or repeal a tax under this part;
3672 (B) the statutory authority for the tax described in Subsection (5)(b)(ii)(A);
3673 (C) the effective date of the tax described in Subsection (5)(b)(ii)(A); and
3674 (D) if the city or town enacts the tax described in Subsection (5)(b)(ii)(A), the rate
3675 of the tax.
- 3676 (c)(i) If the billing period for a transaction begins before the effective date of the
3677 enactment of the tax under this section, the enactment of the tax takes effect on the
3678 first day of the first billing period that begins on or after the effective date of the
3679 enactment of the tax.
- 3680 (ii) The repeal of a tax applies to a billing period if the billing statement for the
3681 billing period is produced on or after the effective date of the repeal of the tax
3682 imposed under this section.
- 3683 (d)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
3684 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
3685 described in Subsection (5)(b)(i) takes effect:
3686 (A) on the first day of a calendar quarter; and
3687 (B) beginning 60 days after the effective date of the enactment or repeal under
3688 Subsection (5)(b)(i).
- 3689 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
3690 the commission may by rule define the term "catalogue sale."
- 3691 (e)(i) Except as provided in Subsection (5)(f) or (g), if, for an annexation that occurs
3692 on or after July 1, 2004, the annexation will result in the enactment or repeal of a
3693 tax under this part for an annexing area, the enactment or repeal shall take effect:
3694 (A) on the first day of a calendar quarter; and
3695 (B) after a 90-day period beginning on the date the commission receives notice
3696 meeting the requirements of Subsection (5)(e)(ii) from the city or town that
3697 annexes the annexing area.
- 3698 (ii) The notice described in Subsection (5)(e)(i)(B) shall state:
3699 (A) that the annexation described in Subsection (5)(e)(i) will result in an
3700 enactment or repeal a tax under this part for the annexing area;

- 3701 (B) the statutory authority for the tax described in Subsection (5)(e)(ii)(A);
3702 (C) the effective date of the tax described in Subsection (5)(e)(ii)(A); and
3703 (D) the rate of the tax described in Subsection (5)(e)(ii)(A).
- 3704 (f)(i) If the billing period for a transaction begins before the effective date of the
3705 enactment of the tax under this section, the enactment of the tax takes effect on the
3706 first day of the first billing period that begins on or after the effective date of the
3707 enactment of the tax.
- 3708 (ii) The repeal of a tax applies to a billing period if the billing statement for the
3709 billing period is produced on or after the effective date of the repeal of the tax
3710 imposed under this section.
- 3711 (g)(i) If a tax due under this chapter on a catalogue sale is computed on the basis of
3712 sales and use tax rates published in the catalogue, an enactment or repeal of a tax
3713 described in Subsection (5)(e)(i) takes effect:
- 3714 (A) on the first day of a calendar quarter; and
3715 (B) beginning 60 days after the effective date of the enactment or repeal under
3716 Subsection (5)(e)(i).
- 3717 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
3718 the commission may by rule define the term "catalogue sale."
- 3719 (6)(a) Before a city or town legislative body submits an opinion question to the residents
3720 of the city or town under Subsection (1), the city or town legislative body shall:
- 3721 (i) submit to the county legislative body in which the city or town is located a written
3722 notice of the intent to submit the opinion question to the residents of the city or
3723 town; and
- 3724 (ii) receive from the county legislative body:
- 3725 (A) a written resolution passed by the county legislative body stating that the
3726 county legislative body is not seeking to impose a tax under Part 7, County
3727 Option Funding for Botanical, Cultural, Recreational, and Zoological
3728 Organizations or Facilities; or
- 3729 (B) a written statement that in accordance with Subsection (6)(b) the results of a
3730 county opinion question submitted to the residents of the county under Part 7,
3731 County Option Funding for Botanical, Cultural, Recreational, and Zoological
3732 Organizations or Facilities, permit the city or town legislative body to submit
3733 the opinion question to the residents of the city or town in accordance with this
3734 part.

- 3735 (b)(i) Within 60 days after the day the county legislative body receives from a city or
3736 town legislative body described in Subsection (6)(a) the notice of the intent to
3737 submit an opinion question to the residents of the city or town, the county
3738 legislative body shall provide the city or town legislative body:
- 3739 (A) the written resolution described in Subsection (6)(a)(ii)(A); or
 - 3740 (B) written notice that the county legislative body will submit an opinion question
3741 to the residents of the county under Part 7, County Option Funding for
3742 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities,
3743 for the county to impose a tax under that part.
- 3744 (ii) If the county legislative body provides the city or town legislative body the
3745 written notice that the county legislative body will submit an opinion question as
3746 provided in Subsection (6)(b)(i)(B), the county legislative body shall submit the
3747 opinion question by no later than, from the date the county legislative body sends
3748 the written notice, the later of:
- 3749 (A) a 12-month period;
 - 3750 (B) the next regular primary election; or
 - 3751 (C) the next regular general election.
- 3752 (iii) Within 30 days of the date of the canvass of the election at which the opinion
3753 question under Subsection (6)(b)(ii) is voted on, the county legislative body shall
3754 provide the city or town legislative body described in Subsection (6)(a) written
3755 results of the opinion question submitted by the county legislative body under Part
3756 7, County Option Funding for Botanical, Cultural, Recreational, and Zoological
3757 Organizations or Facilities, indicating that:
- 3758 (A)(I) the city or town legislative body may not impose a tax under this part
3759 because a majority of the county's registered voters voted in favor of the
3760 county imposing the tax and the county legislative body by a majority vote
3761 approved the imposition of the tax; or
 - 3762 (II) for at least 12 months from the date the written results are submitted to the
3763 city or town legislative body, the city or town legislative body may not
3764 submit to the county legislative body a written notice of the intent to submit
3765 an opinion question under this part because a majority of the county's
3766 registered voters voted against the county imposing the tax and the majority
3767 of the registered voters who are residents of the city or town described in
3768 Subsection (6)(a) voted against the imposition of the county tax; or

3769 (B) the city or town legislative body may submit the opinion question to the
3770 residents of the city or town in accordance with this part because although a
3771 majority of the county's registered voters voted against the county imposing the
3772 tax, the majority of the registered voters who are residents of the city or town
3773 voted for the imposition of the county tax.

3774 (c) Notwithstanding Subsection (6)(b), at any time a county legislative body may
3775 provide a city or town legislative body described in Subsection (6)(a) a written
3776 resolution passed by the county legislative body stating that the county legislative
3777 body is not seeking to impose a tax under Part 7, County Option Funding for
3778 Botanical, Cultural, Recreational, and Zoological Organizations or Facilities, which
3779 permits the city or town legislative body to submit under Subsection (1) an opinion
3780 question to the city's or town's residents.

3781 Section 27. Section **59-12-2103** is amended to read:

3782 **59-12-2103 . Imposition of tax -- Base -- Rate -- Expenditure of revenue collected**
3783 **from the tax -- Administration, collection, and enforcement of tax by commission --**
3784 **Administrative charge -- Enactment or repeal of tax -- Annexation -- Notice.**

3785 (1)(a) As used in this section, "eligible city or town" means a city or town that imposed a
3786 tax under this part on July 1, 2016.

3787 (b) Subject to the other provisions of this section and except as provided in Subsection
3788 (2) or (3), the legislative body of an eligible city or town may impose a sales and use
3789 tax of up to .20% on the transactions:

3790 (i) described in Subsection 59-12-103(1); and

3791 (ii) within the city or town.

3792 (c) A city or town legislative body that imposes a tax under Subsection (1)(b) shall
3793 expend the revenue collected from the tax for the same purposes for which the city or
3794 town may expend the city's or town's general fund revenue.

3795 (d) For purposes of this Subsection (1), the location of a transaction shall be determined
3796 in accordance with Sections 59-12-211 through 59-12-215.

3797 (2)(a) A city or town legislative body may not impose a tax under this section on:

3798 (i) the sales and uses described in Section 59-12-104 to the extent the sales and uses
3799 are exempt from taxation under Section 59-12-104; and

3800 (ii) except as provided in Subsection (2)(b), amounts paid or charged for food and
3801 food ingredients.

3802 (b) A city or town legislative body imposing a tax under this section shall impose the tax

- 3803 on the purchase price or sales price for amounts paid or charged for food and food
3804 ingredients if the food and food ingredients are sold as part of a bundled transaction
3805 attributable to food and food ingredients and tangible personal property other than
3806 food and food ingredients.
- 3807 (3) An eligible city or town may impose a tax under this part until no later than June 30,
3808 2030.
- 3809 (4) The commission shall transmit revenue collected within a city or town from a tax under
3810 this part:
- 3811 (a) to the city or town legislative body;
3812 (b) monthly; and
3813 (c) by electronic funds transfer.
- 3814 (5)(a) Except as provided in Subsection (5)(b), the commission shall administer, collect,
3815 and enforce a tax under this part in accordance with:
- 3816 (i) the same procedures used to administer, collect, and enforce the tax under:
3817 (A) Part 1, Tax Collection; or
3818 (B) Part 2, Local Sales and Use Tax Act; and
3819 (ii) Chapter 1, General Taxation Policies.
- 3820 (b) A tax under this part is not subject to Subsections 59-12-205(2) [~~through (5)~~] and (4)
3821 through (6).
- 3822 (6) The commission shall retain and deposit an administrative charge in accordance with
3823 Section 59-1-306 from the revenue the commission collects from a tax under this part.
- 3824 (7)(a)(i) Except as provided in Subsection (7)(b) or (c), if, on or after January 1,
3825 2009, a city or town enacts or repeals a tax or changes the rate of a tax under this
3826 part, the enactment, repeal, or change shall take effect:
- 3827 (A) on the first day of a calendar quarter; and
3828 (B) after a 90-day period beginning on the date the commission receives notice
3829 meeting the requirements of Subsection (7)(a)(i) from the city or town.
- 3830 (ii) The notice described in Subsection (7)(a)(i)(B) shall state:
- 3831 (A) that the city or town will enact or repeal a tax or change the rate of the tax
3832 under this part;
3833 (B) the statutory authority for the tax described in Subsection (7)(a)(ii)(A);
3834 (C) the effective date of the tax described in Subsection (7)(a)(ii)(A); and
3835 (D) if the city or town enacts the tax or changes the rate of the tax described in
3836 Subsection (7)(a)(ii)(A), the rate of the tax.

- 3837 (b)(i) If the billing period for a transaction begins before the enactment of the tax or
3838 the tax rate increase under Subsection (1), the enactment of the tax or the tax rate
3839 increase takes effect on the first day of the first billing period that begins on or
3840 after the effective date of the enactment of the tax or the tax rate increase.
- 3841 (ii) If the billing period for a transaction begins before the effective date of the repeal
3842 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the
3843 tax or the tax rate decrease applies to a billing period if the billing statement for
3844 the billing period is rendered on or after the effective date of the repeal of the tax
3845 or the tax rate decrease.
- 3846 (c)(i) If a tax due under this part on a catalogue sale is computed on the basis of sales
3847 and use tax rates published in the catalogue, an enactment, repeal, or change in the
3848 rate of a tax described in Subsection (7)(a)(i) takes effect:
- 3849 (A) on the first day of a calendar quarter; and
3850 (B) beginning 60 days after the effective date of the enactment, repeal, or change
3851 in the rate of the tax under Subsection (7)(a)(i).
- 3852 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
3853 the commission may by rule define the term "catalogue sale."
- 3854 (d)(i) Except as provided in Subsection (7)(e) or (f), if, for an annexation that occurs
3855 on or after January 1, 2009, the annexation will result in the enactment, repeal, or
3856 change in the rate of a tax under this part for an annexing area, the enactment,
3857 repeal, or change shall take effect:
- 3858 (A) on the first day of a calendar quarter; and
3859 (B) after a 90-day period beginning on the date the commission receives notice
3860 meeting the requirements of Subsection (7)(d)(ii) from the city or town that
3861 annexes the annexing area.
- 3862 (ii) The notice described in Subsection (7)(d)(i)(B) shall state:
- 3863 (A) that the annexation described in Subsection (7)(d)(i)(B) will result in the
3864 enactment, repeal, or change in the rate of a tax under this part for the annexing
3865 area;
3866 (B) the statutory authority for the tax described in Subsection (7)(d)(ii)(A);
3867 (C) the effective date of the tax described in Subsection (7)(d)(ii)(A); and
3868 (D) if the city or town enacts the tax or changes the rate of the tax described in
3869 Subsection (7)(d)(ii)(A), the rate of the tax.
- 3870 (e)(i) If the billing period for a transaction begins before the effective date of the

3871 enactment of the tax or a tax rate increase under Subsection (1), the enactment of a
 3872 tax or a tax rate increase takes effect on the first day of the first billing period that
 3873 begins on or after the effective date of the enactment of the tax or the tax rate
 3874 increase.

3875 (ii) If the billing period for a transaction begins before the effective date of the repeal
 3876 of the tax or the tax rate decrease imposed under Subsection (1), the repeal of the
 3877 tax or the tax rate decrease applies to a billing period if the billing statement for
 3878 the billing period is rendered on or after the effective date of the repeal of the tax
 3879 or the tax rate decrease.

3880 (f)(i) If a tax due under this part on a catalogue sale is computed on the basis of sales
 3881 and use tax rates published in the catalogue, an enactment, repeal, or change in the
 3882 rate of a tax described in Subsection (7)(d)(i) takes effect:

3883 (A) on the first day of a calendar quarter; and

3884 (B) beginning 60 days after the effective date of the enactment, repeal, or change
 3885 under Subsection (7)(d)(i).

3886 (ii) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
 3887 the commission may by rule define the term "catalogue sale."

3888 Section 28. Section **59-12-2206** is amended to read:

3889 **59-12-2206 . Administration, collection, and enforcement of a sales and use tax**
 3890 **under this part -- Transmission of revenue monthly by electronic funds transfer --**
 3891 **Transfer of revenue to a public transit district or eligible political subdivision.**

3892 (1) Except as provided in Subsection (2), the commission shall administer, collect, and
 3893 enforce a sales and use tax imposed under this part.

3894 (2) The commission shall administer, collect, and enforce a sales and use tax imposed under
 3895 this part in accordance with:

3896 (a) the same procedures used to administer, collect, and enforce a tax under:

3897 (i) Part 1, Tax Collection; or

3898 (ii) Part 2, Local Sales and Use Tax Act; and

3899 (b) Chapter 1, General Taxation Policies.

3900 (3) A sales and use tax under this part is not subject to Subsections 59-12-205(2) [~~through~~
 3901 ~~(5)~~] and (4) through (6).

3902 (4) Subject to Section 59-12-2207 and except as provided in [~~Subsection (5)~~] Subsections
 3903 (5) and (6) or another provision of this part, the state treasurer shall transmit revenue
 3904 collected within a county, city, or town from a sales and use tax under this part to the

- 3905 county, city, or town legislative body monthly by electronic funds transfer.
- 3906 (5) Subject to Section 59-12-205, before transmitting revenue as described in Subsection
 3907 (4), and before application of Subsection (6), and as described in Section 63N-3-610.1,
 3908 beginning the first day of a calendar quarter after the sales and use tax boundary for a
 3909 convention center reinvestment zone is established under Title 63N, Chapter 3, Part 6,
 3910 Housing and Transit Reinvestment Zone Act, the commission, at least annually, shall
 3911 transfer an amount equal to 100% of the sales and use tax increment, as that term is
 3912 defined in Section 63N-3-602, from a sales and use tax on transactions occurring within
 3913 an established sales and use tax boundary, as that term is defined in Section 63N-3-602,
 3914 to a convention center public infrastructure district created in accordance with Section
 3915 17D-4-202.1 for sales and use taxes imposed by a county of the first class pursuant to:
 3916 (a) Section 59-12-2213;
 3917 (b) Section 59-12-2214;
 3918 (c) Section 59-12-2217;
 3919 (d) Section 59-12-2219; and
 3920 (e) Section 59-12-2220.
- 3921 [~~(5)~~] ~~(6)~~(a) Subject to Section 59-12-2207, and except as provided in Subsection [~~(5)~~]~~(b)~~
 3922 ~~(6)~~(b), the state treasurer shall transfer revenue collected within a county, city, or
 3923 town from a sales and use tax under this part directly to a public transit district
 3924 organized under Title 17B, Chapter 2a, Part 8, Public Transit District Act, or an
 3925 eligible political subdivision as defined in Section 59-12-2219, if the county, city, or
 3926 town legislative body:
- 3927 (i) provides written notice to the commission and the state treasurer requesting the
 3928 transfer; and
- 3929 (ii) designates the public transit district or eligible political subdivision to which the
 3930 county, city, or town legislative body requests the state treasurer to transfer the
 3931 revenue.
- 3932 (b) The commission shall transmit a portion of the revenue collected within a county,
 3933 city, or town from a sales and use tax under this part that would be transferred to a
 3934 public transit district or an eligible political subdivision under Subsection [~~(5)~~]~~(a)~~
 3935 ~~(6)~~(a) to the county, city, or town to fund public transit fixed guideway safety
 3936 oversight under Section 72-1-214 if the county, city, or town legislative body:
- 3937 (i) provides written notice to the commission and the state treasurer requesting the
 3938 transfer; and

3939 (ii) specifies the amount of revenue required to be transmitted to the county, city, or
3940 town.

3941 Section 29. Section **59-12-2214** is amended to read:

3942 **59-12-2214 . County, city, or town option sales and use tax to fund a system for**
3943 **public transit, an airport facility, a water conservation project, or to be deposited into the**
3944 **County of the First Class Highway Projects Fund -- Base -- Rate.**

3945 (1) Subject to the other provisions of this part, a county, city, or town may impose a sales
3946 and use tax of .25% on the transactions described in Subsection 59-12-103(1) located
3947 within the county, city, or town.

3948 (2) Notwithstanding Section 59-12-2212.2, and subject to Subsections (3) and (4), a county,
3949 city, or town that imposes a sales and use tax under this section shall expend the
3950 revenues collected from the sales and use tax:

3951 (a) to fund a system for public transit;

3952 (b) to fund a project or service related to an airport facility for the portion of the project
3953 or service that is performed within the county, city, or town within which the sales
3954 and use tax is imposed:

3955 (i) for a county that imposes the sales and use tax, if the airport facility is part of the
3956 regional transportation plan of the area metropolitan planning organization if a
3957 metropolitan planning organization exists for the area; or

3958 (ii) for a city or town that imposes the sales and use tax, if:

3959 (A) that city or town is located within a county of the second class;

3960 (B) that city or town owns or operates the airport facility; and

3961 (C) an airline is headquartered in that city or town; or

3962 (c) for a combination of Subsections (2)(a) and (b).

3963 (3) [A-] After application of Subsection 59-12-2206(5), a county of the first class that
3964 imposes a sales and use tax under this section shall expend the revenues collected from
3965 the sales and use tax as follows:

3966 (a) 80% of the revenues collected from the sales and use tax shall be expended to fund a
3967 system for public transit; and

3968 (b) 20% of the revenues collected from the sales and use tax shall be deposited into the
3969 County of the First Class Highway Projects Fund created by Section 72-2-121.

3970 (4)(a) A county of the third class that has a portion of the county annexed into a large
3971 public transit district and that has imposed a sales and use tax under this section as of
3972 January 1, 2020, may change the list of purposes for which the sales and use tax

3973 revenue may be expended if:

3974 (i) the proposed uses of the sales and use tax revenue are allowed uses described in
3975 this section; and

3976 (ii) in coordination with a relevant large public transit district, the county legislative
3977 body passes an ordinance describing the allowed uses of the sales and use tax
3978 revenue.

3979 (b) Notwithstanding Section 59-12-2208, and regardless of whether the imposition of the
3980 sales and use tax imposed under this section was submitted to the voters as described
3981 in Section 59-12-2208, the county legislative body is not required to submit an
3982 opinion question to the county's registered voters to change the allowed uses as
3983 described in Subsection (4)(a).

3984 Section 30. Section **59-12-2217** is amended to read:

3985 **59-12-2217 . County option sales and use tax for transportation -- Base -- Rate --**
3986 **Written prioritization process -- Approval by county legislative body.**

3987 (1) Subject to the other provisions of this part, and subject to Subsection (8), a county
3988 legislative body may impose a sales and use tax of up to .25% on the transactions
3989 described in Subsection 59-12-103(1) within the county, including the cities and towns
3990 within the county.

3991 (2)(a) Except as provided in Subsection (2)(b), and subject to Subsections (3) through (6)
3992 and Section 59-12-2207, the revenue collected from a sales and use tax under this
3993 section may only be expended as described in Section 59-12-2212.2.

3994 (b) Subject to Subsections (3) through (6), and after application of Subsection
3995 59-12-2206(5), in a county of the first or second class, or if a county is part of an area
3996 metropolitan planning organization, that portion of the county within the
3997 metropolitan planning organization, the revenue collected from a sales and use tax
3998 under this section may only be expended as described in Section 59-12-2212.2, and
3999 only if the expenditure is for:

4000 (i) a project or service:

4001 (A) relating to a regionally significant transportation facility or collector road for
4002 the portion of the project or service that is performed within the county;

4003 (B) for new capacity or congestion mitigation, and not for operation or
4004 maintenance, if the project or service is performed within the county; and

4005 (C) on a priority list created by the county's council of governments in accordance
4006 with Subsection (5) and approved by the county legislative body in accordance

- 4007 with Subsection (5);
- 4008 (ii) corridor preservation for a project or service described in Subsection (2)(b)(i)(A)
- 4009 or (B); or
- 4010 (iii) debt service or bond issuance costs related to a project or service described in
- 4011 Subsection (2)(b)(i)(A) or (B).
- 4012 (c) The restriction in Subsection (2)(b)(i)(B) from using revenue for operation or
- 4013 maintenance does not apply to any revenue subject to rights or obligations under a
- 4014 contract entered into before January 1, 2019, between a county and a public transit
- 4015 district.
- 4016 (3) For revenue expended under this section for a project or service described in Subsection
- 4017 (2) that is on or part of a regionally significant transportation facility and that constructs
- 4018 or adds a new through lane or interchange, or provides new fixed guideway public
- 4019 transit service, the project shall be part of:
- 4020 (a) the statewide long-range plan; or
- 4021 (b) a regional transportation plan of the area metropolitan planning organization if a
- 4022 metropolitan planning organization area exists for the area.
- 4023 (4)(a) As provided in this Subsection (4), a council of governments shall:
- 4024 (i) develop a written prioritization process for the prioritization of projects to be
- 4025 funded by revenues collected from a sales and use tax under this section;
- 4026 (ii) create a priority list of transportation projects or services described in Section
- 4027 59-12-2212.2 in accordance with Subsection (5); and
- 4028 (iii) present the priority list to the county legislative body for approval in accordance
- 4029 with Subsection (5).
- 4030 (b) The written prioritization process described in Subsection (4)(a)(i) shall include:
- 4031 (i) a definition of the type of projects to which the written prioritization process
- 4032 applies;
- 4033 (ii) subject to Subsection (4)(c), the specification of a weighted criteria system that
- 4034 the council of governments will use to rank proposed projects and how that
- 4035 weighted criteria system will be used to determine which proposed projects will
- 4036 be prioritized;
- 4037 (iii) the specification of data that is necessary to apply the weighted criteria system;
- 4038 (iv) application procedures for a project to be considered for prioritization by the
- 4039 council of governments; and
- 4040 (v) any other provision the council of governments considers appropriate.

- 4041 (c) The weighted criteria system described in Subsection (4)(b)(ii) shall include the
4042 following:
- 4043 (i) the cost effectiveness of a project;
 - 4044 (ii) the degree to which a project will mitigate regional congestion;
 - 4045 (iii) the compliance requirements of applicable federal laws or regulations;
 - 4046 (iv) the economic impact of a project;
 - 4047 (v) the degree to which a project will require tax revenues to fund maintenance and
4048 operation expenses; and
 - 4049 (vi) any other provision the council of governments considers appropriate.
- 4050 (d) A council of governments of a county of the first or second class shall submit the
4051 written prioritization process described in Subsection (4)(a)(i) to the Executive
4052 Appropriations Committee for approval prior to taking final action on:
- 4053 (i) the written prioritization process; or
 - 4054 (ii) any proposed amendment to the written prioritization process.
- 4055 (5)(a) A council of governments shall use the weighted criteria system adopted in the
4056 written prioritization process developed in accordance with Subsection (4) to create a
4057 priority list of transportation projects or services for which revenues collected from a
4058 sales and use tax under this section may be expended.
- 4059 (b) Before a council of governments may finalize a priority list or the funding level of a
4060 project, the council of governments shall conduct a public meeting on:
- 4061 (i) the written prioritization process; and
 - 4062 (ii) the merits of the projects that are prioritized as part of the written prioritization
4063 process.
- 4064 (c) A council of governments shall make the weighted criteria system ranking for each
4065 project prioritized as part of the written prioritization process publicly available
4066 before the public meeting required by Subsection (5)(b) is held.
- 4067 (d) If a council of governments prioritizes a project over another project with a higher
4068 rank under the weighted criteria system, the council of governments shall:
- 4069 (i) identify the reasons for prioritizing the project over another project with a higher
4070 rank under the weighted criteria system at the public meeting required by
4071 Subsection (5)(b); and
 - 4072 (ii) make the reasons described in Subsection (5)(d)(i) publicly available.
- 4073 (e) Subject to Subsections (5)(f) and (g), after a council of governments finalizes a
4074 priority list in accordance with this Subsection (5), the council of governments shall:

- 4075 (i) submit the priority list to the county legislative body for approval; and
 4076 (ii) obtain approval of the priority list from a majority of the members of the county
 4077 legislative body.
- 4078 (f) A council of governments may only submit one priority list per calendar year to the
 4079 county legislative body.
- 4080 (g) A county legislative body may only consider and approve one priority list submitted
 4081 under Subsection (5)(e) per calendar year.
- 4082 (6) In a county of the first class, revenues collected from a sales and use tax under this
 4083 section that a county allocates for a purpose described in Section 59-12-2212.2 shall be:
 4084 (a) deposited in or transferred to the County of the First Class Highway Projects Fund
 4085 created by Section 72-2-121; and
 4086 (b) expended as provided in Section 72-2-121.
- 4087 (7) Notwithstanding Section 59-12-2208, a county legislative body may, but is not required
 4088 to, submit an opinion question to the county's registered voters in accordance with
 4089 Section 59-12-2208 to impose a sales and use tax under this section.
- 4090 (8)(a)(i) Notwithstanding any other provision in this section, if the entire boundary of
 4091 a county is annexed into a large public transit district, if the county legislative
 4092 body wishes to impose a sales and use tax under this section, the county
 4093 legislative body shall pass the ordinance to impose a sales and use tax under this
 4094 section on or before June 30, 2022.
- 4095 (ii) If the entire boundary of a county is annexed into a large public transit district,
 4096 the county legislative body may not pass an ordinance to impose a sales and use
 4097 tax under this section on or after July 1, 2022.
- 4098 (b) Notwithstanding the deadline described in Subsection (8)(a), any sales and use tax
 4099 imposed under this section on or before June 30, 2022, may remain in effect.
- 4100 Section 31. Section **59-12-2219** is amended to read:
- 4101 **59-12-2219 . County option sales and use tax for highways and public transit --**
 4102 **Base -- Rate -- Distribution and expenditure of revenue -- Revenue may not supplant**
 4103 **existing budgeted transportation revenue.**
- 4104 (1) Subject to the other provisions of this part, and subject to Subsection (13), a county
 4105 legislative body may impose a sales and use tax of .25% on the transactions described in
 4106 Subsection 59-12-103(1) within the county, including the cities and towns within the
 4107 county.
- 4108 (2) Subject to Subsection (9), the commission shall distribute sales and use tax revenue

- 4109 collected under this section as provided in Subsections (3) through (8).
- 4110 (3) [Hf] After application of Subsection 59-12-2206(5), if the entire boundary of a county
4111 that imposes a sales and use tax under this section is annexed into a single public transit
4112 district, the commission shall distribute the sales and use tax revenue collected within
4113 the county as follows:
- 4114 (a) .10% shall be transferred to the public transit district in accordance with Section
4115 59-12-2206;
- 4116 (b) .10% shall be distributed as provided in Subsection (6); and
4117 (c) .05% shall be distributed to the county legislative body.
- 4118 (4) If the entire boundary of a county that imposes a sales and use tax under this section is
4119 not annexed into a single public transit district, but a city or town within the county is
4120 annexed into a single large public transit district, the commission shall distribute the
4121 sales and use tax revenue collected within the county as follows:
- 4122 (a) for a city or town within the county that is annexed into a single public transit
4123 district, the commission shall distribute the sales and use tax revenue collected within
4124 that city or town as follows:
- 4125 (i) .10% shall be transferred to the public transit district in accordance with Section
4126 59-12-2206;
- 4127 (ii) .10% shall be distributed as provided in Subsection (6); and
4128 (iii) .05% shall be distributed to the county legislative body;
- 4129 (b) for an eligible political subdivision within the county, the commission shall
4130 distribute the sales and use tax revenue collected within that eligible political
4131 subdivision as follows:
- 4132 (i) .10% shall be transferred to the eligible political subdivision in accordance with
4133 Section 59-12-2206;
- 4134 (ii) .10% shall be distributed as provided in Subsection (6); and
4135 (iii) .05% shall be distributed to the county legislative body; and
- 4136 (c) the commission shall distribute the sales and use tax revenue, except for the sales and
4137 use tax revenue described in Subsections (4)(a) and (b), as follows:
- 4138 (i) .10% shall be distributed as provided in Subsection (6); and
4139 (ii) .15% shall be distributed to the county legislative body.
- 4140 (5) For a county not described in Subsection (3) or (4), if a county of the second, third,
4141 fourth, fifth, or sixth class imposes a sales and use tax under this section, the
4142 commission shall distribute the sales and use tax revenue collected within the county as

- 4143 follows:
- 4144 (a) for a city or town within the county that is annexed into a single public transit
4145 district, the commission shall distribute the sales and use tax revenue collected within
4146 that city or town as follows:
- 4147 (i) .10% shall be distributed as provided in Subsection (6);
 - 4148 (ii) .10% shall be distributed as provided in Subsection (7); and
 - 4149 (iii) .05% shall be distributed to the county legislative body;
- 4150 (b) for an eligible political subdivision within the county, the commission shall
4151 distribute the sales and use tax revenue collected within that eligible political
4152 subdivision as follows:
- 4153 (i) .10% shall be distributed as provided in Subsection (6);
 - 4154 (ii) .10% shall be distributed as provided in Subsection (7); and
 - 4155 (iii) .05% shall be distributed to the county legislative body; and
- 4156 (c) the commission shall distribute the sales and use tax revenue, except for the sales and
4157 use tax revenue described in Subsections (5)(a) and (b), as follows:
- 4158 (i) .10% shall be distributed as provided in Subsection (6); and
 - 4159 (ii) .15% shall be distributed to the county legislative body.
- 4160 (6)(a) Subject to Subsection (6)(b), the commission shall make the distributions required
4161 by Subsections (3)(b), (4)(a)(ii), (4)(b)(ii), (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and
4162 (7)(d)(ii)(A) as follows:
- 4163 (i) 50% of the total revenue collected under Subsections (3)(b), (4)(a)(ii), (4)(b)(ii),
4164 (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and (7)(d)(ii)(A) within the counties and
4165 cities that impose a tax under this section shall be distributed to the
4166 unincorporated areas, cities, and towns within those counties and cities on the
4167 basis of the percentage that the population of each unincorporated area, city, or
4168 town bears to the total population of all of the counties and cities that impose a tax
4169 under this section; and
 - 4170 (ii) 50% of the total revenue collected under Subsections (3)(b), (4)(a)(ii), (4)(b)(ii),
4171 (4)(c)(i), (5)(a)(i), (5)(b)(i), (5)(c)(i), and (7)(d)(ii)(A) within the counties and
4172 cities that impose a tax under this section shall be distributed to the
4173 unincorporated areas, cities, and towns within those counties and cities on the
4174 basis of the location of the transaction as determined under Sections 59-12-211
4175 through 59-12-215.
- 4176 (b)(i) Population for purposes of this Subsection (6) shall be determined on the basis

- 4177 of the most recent official census or census estimate of the United States Bureau
4178 of the Census.
- 4179 (ii) If a needed population estimate is not available from the United States Bureau of
4180 the Census, population figures shall be derived from an estimate from the Utah
4181 Population Committee.
- 4182 (7)(a)(i) Subject to the requirements in Subsections (7)(b) and (c), a county
4183 legislative body:
- 4184 (A) for a county that obtained approval from a majority of the county's registered
4185 voters voting on the imposition of a sales and use tax under this section prior to
4186 May 10, 2016, may, in consultation with any cities, towns, or eligible political
4187 subdivisions within the county, and in compliance with the requirements for
4188 changing an allocation under Subsection (7)(e), allocate the revenue under
4189 Subsection (5)(a)(ii) or (5)(b)(ii) by adopting a resolution specifying the
4190 percentage of revenue under Subsection (5)(a)(ii) or (5)(b)(ii) that will be
4191 allocated to a public transit district or an eligible political subdivision; or
4192 (B) for a county that imposes a sales and use tax under this section on or after
4193 May 10, 2016, shall, in consultation with any cities, towns, or eligible political
4194 subdivisions within the county, allocate the revenue under Subsection (5)(a)(ii)
4195 or (5)(b)(ii) by adopting a resolution specifying the percentage of revenue
4196 under Subsection (5)(a)(ii) or (5)(b)(ii) that will be allocated to a public transit
4197 district or an eligible political subdivision.
- 4198 (ii) If a county described in Subsection (7)(a)(i)(A) does not allocate the revenue
4199 under Subsection (5)(a)(ii) or (5)(b)(ii) in accordance with Subsection (7)(a)(i)(A),
4200 the commission shall distribute 100% of the revenue under Subsection (5)(a)(ii) or
4201 (5)(b)(ii) to:
- 4202 (A) a public transit district for a city or town within the county that is annexed into
4203 a single public transit district; or
4204 (B) an eligible political subdivision within the county.
- 4205 (b) If a county legislative body allocates the revenue as described in Subsection (7)(a)(i),
4206 the county legislative body shall allocate not less than 25% of the revenue under
4207 Subsection (5)(a)(ii) or (5)(b)(ii) to:
- 4208 (i) a public transit district for a city or town within the county that is annexed into a
4209 single public transit district; or
4210 (ii) an eligible political subdivision within the county.

- 4211 (c) Notwithstanding Section 59-12-2208, the opinion question described in Section
4212 59-12-2208 shall state the allocations the county legislative body makes in
4213 accordance with this Subsection (7).
- 4214 (d) The commission shall make the distributions required by Subsection (5)(a)(ii) or
4215 (5)(b)(ii) as follows:
- 4216 (i) the percentage specified by a county legislative body shall be distributed in
4217 accordance with a resolution adopted by a county legislative body under
4218 Subsection (7)(a) to an eligible political subdivision or a public transit district
4219 within the county; and
- 4220 (ii) except as provided in Subsection (7)(a)(ii), if a county legislative body allocates
4221 less than 100% of the revenue under Subsection (5)(a)(ii) or (5)(b)(ii) to a public
4222 transit district or an eligible political subdivision, the remainder of the revenue
4223 under Subsection (5)(a)(ii) or (5)(b)(ii) not allocated by a county legislative body
4224 through a resolution under Subsection (7)(a) shall be distributed as follows:
- 4225 (A) 50% of the revenue as provided in Subsection (6); and
4226 (B) 50% of the revenue to the county legislative body.
- 4227 (e) If a county legislative body seeks to change an allocation specified in a resolution
4228 under Subsection (7)(a), the county legislative body may change the allocation by:
- 4229 (i) adopting a resolution in accordance with Subsection (7)(a) specifying the
4230 percentage of revenue under Subsection (5)(a)(ii) or (5)(b)(ii) that will be
4231 allocated to a public transit district or an eligible political subdivision;
- 4232 (ii) obtaining approval to change the allocation of the sales and use tax by a majority
4233 of all the members of the county legislative body; and
- 4234 (iii) subject to Subsection (7)(f):
- 4235 (A) in accordance with Section 59-12-2208, submitting an opinion question to the
4236 county's registered voters voting on changing the allocation so that each
4237 registered voter has the opportunity to express the registered voter's opinion on
4238 whether the allocation should be changed; and
- 4239 (B) in accordance with Section 59-12-2208, obtaining approval to change the
4240 allocation from a majority of the county's registered voters voting on changing
4241 the allocation.
- 4242 (f) Notwithstanding Section 59-12-2208, the opinion question required by Subsection
4243 (7)(e)(iii)(A) shall state the allocations specified in the resolution adopted in
4244 accordance with Subsection (7)(e) and approved by the county legislative body in

- 4245 accordance with Subsection (7)(e)(ii).
- 4246 (g)(i) If a county makes an allocation by adopting a resolution under Subsection
4247 (7)(a) or changes an allocation by adopting a resolution under Subsection (7)(e),
4248 the allocation shall take effect on the first distribution the commission makes
4249 under this section after a 90-day period that begins on the date the commission
4250 receives written notice meeting the requirements of Subsection (7)(g)(ii) from the
4251 county.
- 4252 (ii) The notice described in Subsection (7)(g)(i) shall state:
- 4253 (A) that the county will make or change the percentage of an allocation under
4254 Subsection (7)(a) or (e); and
- 4255 (B) the percentage of revenue under Subsection (5)(a)(ii) or (5)(b)(ii) that will be
4256 allocated to a public transit district or an eligible political subdivision.
- 4257 (8)(a) If a public transit district is organized after the date a county legislative body first
4258 imposes a tax under this section, a change in a distribution required by this section
4259 may not take effect until the first distribution the commission makes under this
4260 section after a 90-day period that begins on the date the commission receives written
4261 notice from the public transit district of the organization of the public transit district.
- 4262 (b) If an eligible political subdivision intends to provide public transit service within a
4263 county after the date a county legislative body first imposes a tax under this section, a
4264 change in a distribution required by this section may not take effect until the first
4265 distribution the commission makes under this section after a 90-day period that
4266 begins on the date the commission receives written notice from the eligible political
4267 subdivision stating that the eligible political subdivision intends to provide public
4268 transit service within the county.
- 4269 (9)(a)(i) Notwithstanding Subsections (3) through (8), for a county that has not
4270 imposed a sales and use tax under this section before May 8, 2018, and if the
4271 county imposes a sales and use tax under this section before June 30, 2019, the
4272 commission shall distribute all of the sales and use tax revenue collected by the
4273 county before June 30, 2019, to the county for the purposes described in
4274 Subsection (9)(a)(ii).
- 4275 (ii) For any revenue collected by a county pursuant to Subsection (9)(a)(i) before
4276 June 30, 2019, the county may expend that revenue for:
- 4277 (A) reducing transportation related debt;
- 4278 (B) a regionally significant transportation facility; or

- 4279 (C) a public transit project of regional significance.
- 4280 (b) For a county that has not imposed a sales and use tax under this section before May
4281 8, 2018, and if the county imposes a sales and use tax under this section before June
4282 30, 2019, the commission shall distribute the sales and use tax revenue collected by
4283 the county on or after July 1, 2019, as described in Subsections (3) through (8).
- 4284 (c) For a county that has not imposed a sales and use tax under this section before June
4285 30, 2019, if the entire boundary of that county is annexed into a large public transit
4286 district, and if the county imposes a sales and use tax under this section on or after
4287 July 1, 2019, the commission shall distribute the sales and use tax revenue collected
4288 by the county as described in Subsections (3) through (8).
- 4289 (10) A county, city, or town may expend revenue collected from a tax under this section,
4290 except for revenue the commission distributes in accordance with Subsection (3)(a),
4291 (4)(a)(i), (4)(b)(i), or (7)(d)(i), for a purpose described in Section 59-12-2212.2.
- 4292 (11)(a) A public transit district or an eligible political subdivision may expend revenue
4293 the commission distributes in accordance with Subsection (3)(a), (4)(a)(i), (4)(b)(i),
4294 or (7)(d)(i) for capital expenses and service delivery expenses of the public transit
4295 district or eligible political subdivision.
- 4296 (b) As provided in Section 59-12-2212.2, for the .10% designated for public transit
4297 described in Subsection (3)(a) that is not contractually obligated for debt service,
4298 beginning on July 1, 2025, a public transit district shall make available to the
4299 Department of Transportation an amount equal to 10% of the .10% to be used for
4300 public transit innovation grants as provided in Title 72, Chapter 2, Part [3] 4, Public
4301 Transit Innovation Grants.
- 4302 (12) Notwithstanding Section 59-12-2208, a county, city, or town legislative body may, but
4303 is not required to, submit an opinion question to the county's, city's, or town's registered
4304 voters in accordance with Section 59-12-2208 to impose a sales and use tax under this
4305 section.
- 4306 (13)(a)(i) Notwithstanding any other provision in this section, if the entire boundary
4307 of a county is annexed into a large public transit district, if the county legislative
4308 body wishes to impose a sales and use tax under this section, the county
4309 legislative body shall pass the ordinance to impose a sales and use tax under this
4310 section on or before June 30, 2022.
- 4311 (ii) If the entire boundary of a county is annexed into a large public transit district,
4312 the county legislative body may not pass an ordinance to impose a sales and use

- 4313 tax under this section on or after July 1, 2022.
- 4314 (b) Notwithstanding the deadline described in Subsection (13)(a), any sales and use tax
4315 imposed under this section by passage of a county ordinance on or before June 30,
4316 2022, may remain in effect.
- 4317 (14)(a) Beginning on July 1, 2020, and subject to Subsection (15), if a county has not
4318 imposed a sales and use tax under this section, subject to the provisions of this part,
4319 the legislative body of a city or town described in Subsection (14)(b) may impose a
4320 .25% sales and use tax on the transactions described in Subsection 59-12-103(1)
4321 within the city or town.
- 4322 (b) The following cities or towns may impose a sales and use tax described in
4323 Subsection (14)(a):
- 4324 (i) a city or town that has been annexed into a public transit district; or
4325 (ii) an eligible political subdivision.
- 4326 (c) If a city or town imposes a sales and use tax as provided in this section, the
4327 commission shall distribute the sales and use tax revenue collected by the city or
4328 town as follows:
- 4329 (i) .125% to the city or town that imposed the sales and use tax, to be distributed as
4330 provided in Subsection (6); and
4331 (ii) .125%, as applicable, to:
- 4332 (A) the public transit district in which the city or town is annexed; or
4333 (B) the eligible political subdivision for public transit services.
- 4334 (d) If a city or town imposes a sales and use tax under this section and the county
4335 subsequently imposes a sales and use tax under this section, the commission shall
4336 distribute the sales and use tax revenue collected within the city or town as described
4337 in Subsection (14)(c).
- 4338 (15)(a)(i) Notwithstanding any other provision in this section, if a city or town
4339 legislative body wishes to impose a sales and use tax under this section, the city or
4340 town legislative body shall pass the ordinance to impose a sales and use tax under
4341 this section on or before June 30, 2022.
- 4342 (ii) A city or town legislative body may not pass an ordinance to impose a sales and
4343 use tax under this section on or after July 1, 2022.
- 4344 (b) Notwithstanding the deadline described in Subsection (15)(a), any sales and use tax
4345 imposed under this section by passage of an ordinance by a city or town legislative
4346 body on or before June 30, 2022, may remain in effect.

4347 Section 32. Section **59-12-2220** is amended to read:

4348 **59-12-2220 . County option sales and use tax to fund highways or a system for**
4349 **public transit -- Base -- Rate.**

4350 (1) Subject to the other provisions of this part and subject to the requirements of this
4351 section, the following counties may impose a sales and use tax under this section:

4352 (a) a county legislative body may impose the sales and use tax on the transactions
4353 described in Subsection 59-12-103(1) located within the county, including the cities
4354 and towns within the county if:

4355 (i) the entire boundary of a county is annexed into a large public transit district; and

4356 (ii) the maximum amount of sales and use tax authorizations allowed pursuant to
4357 Section 59-12-2203 and authorized under the following sections has been imposed:

4358 (A) Section 59-12-2213;

4359 (B) Section 59-12-2214;

4360 (C) Section 59-12-2215;

4361 (D) Section 59-12-2216;

4362 (E) Section 59-12-2217;

4363 (F) Section 59-12-2218; and

4364 (G) Section 59-12-2219;

4365 (b) if the county is not annexed into a large public transit district, the county legislative
4366 body may impose the sales and use tax on the transactions described in Subsection
4367 59-12-103(1) located within the county, including the cities and towns within the
4368 county if:

4369 (i) the county is an eligible political subdivision; or

4370 (ii) a city or town within the boundary of the county is an eligible political
4371 subdivision; or

4372 (c) a county legislative body of a county not described in Subsection (1)(a) or (1)(b) may
4373 impose the sales and use tax on the transactions described in Subsection 59-12-103
4374 (1) located within the county, including the cities and towns within the county.

4375 (2) For purposes of Subsection (1) and subject to the other provisions of this section, a
4376 county legislative body that imposes a sales and use tax under this section may impose
4377 the tax at a rate of .2%.

4378 (3)(a) The commission shall distribute sales and use tax revenue collected under this
4379 section as determined by a county legislative body as described in Subsection (3)(b).

4380 (b) If a county legislative body imposes a sales and use tax as described in this section,

4381 the county legislative body may elect to impose a sales and use tax revenue
4382 distribution as described in Subsection (4), (5), (6), or (7), depending on the class of
4383 county, and presence and type of a public transit provider in the county.

4384 (4) [H] After application of Subsection 59-12-2206(5), if a county legislative body imposes
4385 a sales and use tax as described in this section, and the entire boundary of the county is
4386 annexed into a large public transit district, and the county is a county of the first class,
4387 the commission shall distribute the sales and use tax revenue as follows:

4388 (a) .10% to a public transit district as described in Subsection (11);

4389 (b) .05% to the cities and towns as provided in Subsection (8); and

4390 (c) .05% to the county legislative body.

4391 (5) If a county legislative body imposes a sales and use tax as described in this section and
4392 the entire boundary of the county is annexed into a large public transit district, and the
4393 county is a county not described in Subsection (4), the commission shall distribute the
4394 sales and use tax revenue as follows:

4395 (a) .10% to a public transit district as described in Subsection (11);

4396 (b) .05% to the cities and towns as provided in Subsection (8); and

4397 (c) .05% to the county legislative body.

4398 (6)(a) Except as provided in Subsection (12)(c), if the entire boundary of a county that
4399 imposes a sales and use tax as described in this section is not annexed into a single
4400 public transit district, but a city or town within the county is annexed into a single
4401 public transit district, or if the city or town is an eligible political subdivision, the
4402 commission shall distribute the sales and use tax revenue collected within the county
4403 as provided in Subsection (6)(b) or (c).

4404 (b) For a city, town, or portion of the county described in Subsection (6)(a) that is
4405 annexed into the single public transit district, or an eligible political subdivision, the
4406 commission shall distribute the sales and use tax revenue collected within the portion
4407 of the county that is within a public transit district or eligible political subdivision as
4408 follows:

4409 (i) .05% to a public transit provider as described in Subsection (11);

4410 (ii) .075% to the cities and towns as provided in Subsection (8); and

4411 (iii) .075% to the county legislative body.

4412 (c) Except as provided in Subsection (12)(c), for a city, town, or portion of the county
4413 described in Subsection (6)(a) that is not annexed into a single public transit district
4414 or eligible political subdivision in the county, the commission shall distribute the

- 4415 sales and use tax revenue collected within that portion of the county as follows:
- 4416 (i) .08% to the cities and towns as provided in Subsection (8); and
- 4417 (ii) .12% to the county legislative body.
- 4418 (7) For a county without a public transit service that imposes a sales and use tax as
- 4419 described in this section, the commission shall distribute the sales and use tax revenue
- 4420 collected within the county as follows:
- 4421 (a) .08% to the cities and towns as provided in Subsection (8); and
- 4422 (b) .12% to the county legislative body.
- 4423 (8)(a) Subject to Subsections (8)(b) and (c), the commission shall make the distributions
- 4424 required by Subsections (4)(b), (5)(b), (6)(b)(ii), (6)(c)(i), and (7)(a) as follows:
- 4425 (i) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii),
- 4426 (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4)
- 4427 through (7) shall be distributed to the unincorporated areas, cities, and towns
- 4428 within those counties on the basis of the percentage that the population of each
- 4429 unincorporated area, city, or town bears to the total population of all of the
- 4430 counties that impose a tax under this section; and
- 4431 (ii) 50% of the total revenue collected under Subsections (4)(b), (5)(b), (6)(b)(ii),
- 4432 (6)(c)(i), and (7)(a) within the counties that impose a tax under Subsections (4)
- 4433 through (7) shall be distributed to the unincorporated areas, cities, and towns
- 4434 within those counties on the basis of the location of the transaction as determined
- 4435 under Sections 59-12-211 through 59-12-215.
- 4436 (b)(i) Population for purposes of this Subsection (8) shall be determined on the basis
- 4437 of the most recent official census or census estimate of the United States Census
- 4438 Bureau.
- 4439 (ii) If a needed population estimate is not available from the United States Census
- 4440 Bureau, population figures shall be derived from an estimate from the Utah
- 4441 Population Estimates Committee created by executive order of the governor.
- 4442 (c)(i) Beginning on January 1, 2024, if the Housing and Community Development
- 4443 Division within the Department of Workforce Services determines that a city or
- 4444 town is ineligible for funds in accordance with Subsection 10-9a-408(7),
- 4445 beginning the first day of the calendar quarter after receiving 90 days' notice, the
- 4446 commission shall distribute the distribution that city or town would have received
- 4447 under Subsection (8)(a) to cities or towns to which Subsection 10-9a-408(7) does
- 4448 not apply.

- 4449 (ii) Beginning on January 1, 2024, if the Housing and Community Development
4450 Division within the Department of Workforce Services determines that a county is
4451 ineligible for funds in accordance with Subsection 17-27a-408(7), beginning the
4452 first day of the calendar quarter after receiving 90 days' notice, the commission
4453 shall distribute the distribution that county would have received under Subsection
4454 (8)(a) to counties to which Subsection 17-27a-408(7) does not apply.
- 4455 (9) If a public transit service is organized after the date a county legislative body first
4456 imposes a tax under this section, a change in a distribution required by this section may
4457 not take effect until the first distribution the commission makes under this section after a
4458 90-day period that begins on the date the commission receives written notice from the
4459 public transit provider that the public transit service has been organized.
- 4460 (10)(a) Except as provided in Subsection (10)(b), a county, city, or town that received
4461 distributions described in Subsections (4)(b), (4)(c), (5)(b), (5)(c), (6)(b)(ii),
4462 (6)(b)(iii), (6)(c), and (7) may only expend those funds for a purpose described in
4463 Section 59-12-2212.2.
- 4464 (b) If a county described in Subsection (1)(a) that is a county of the first class imposes
4465 the sales and use tax authorized in this section, the county may also use funds
4466 distributed in accordance with Subsection (4)(c) for public safety purposes.
- 4467 (11)(a) Subject to Subsections (11)(b), (c), and (d), revenue designated for public transit
4468 as described in this section may be used for capital expenses and service delivery
4469 expenses of:
- 4470 (i) a public transit district;
4471 (ii) an eligible political subdivision; or
4472 (iii) another entity providing a service for public transit or a transit facility within the
4473 relevant county, as those terms are defined in Section 17B-2a-802.
- 4474 (b)(i)(A) If a county of the first class imposes a sales and use tax described in this
4475 section, for a three-year period following the date on which the county imposes
4476 the sales and use tax under this section, revenue designated for public transit
4477 within a county of the first class as described in Subsection (4)(a) shall be
4478 transferred to the County of the First Class Highway Projects Fund created in
4479 Section 72-2-121.
- 4480 (B) Revenue deposited into the County of the First Class Highway Projects Fund
4481 created in Section 72-2-121 as described in Subsection (11)(b)(i)(A) may be
4482 used for public transit innovation grants as provided in Title 72, Chapter 2, Part [

- 4483 3] 4, Public Transit Innovation Grants.
- 4484 (ii) If a county of the first class imposes a sales and use tax described in this section,
 4485 beginning on the day three years after the date on which the county imposed the
 4486 tax as described in Subsection (11)(b)(i), for revenue designated for public transit
 4487 as described in Subsection (4)(a):
- 4488 (A) 50% of the revenue from a sales and use tax imposed under this section in a
 4489 county of the first class shall be transferred to the County of the First Class
 4490 Highway Projects Fund created in Section 72-2-121; and
- 4491 (B) 50% of the revenue from a sales and use tax imposed under this section in a
 4492 county of the first class shall be transferred to the Transit Transportation
 4493 Investment Fund created in Subsection 72-2-124(9).
- 4494 (c)(i) If a county that is not a county of the first class for which the entire boundary of
 4495 the county is annexed into a large public transit district imposes a sales and use
 4496 tax described in this section, for a three-year period following the date on which
 4497 the county imposes the sales and use tax under this section, revenue designated for
 4498 public transit as described in Subsection (5)(a) shall be transferred to the relevant
 4499 county legislative body to be used for a purpose described in Subsection (11)(a).
- 4500 (ii) If a county that is not a county of the first class for which the entire boundary of
 4501 the county is annexed into a large public transit district imposes a sales and use
 4502 tax described in this section, beginning on the day three years after the date on
 4503 which the county imposed the tax as described in Subsection (11)(c)(i), for the
 4504 revenue that is designated for public transit in Subsection (5)(a):
- 4505 (A) 50% shall be transferred to the Transit Transportation Investment Fund
 4506 created in Subsection 72-2-124(9); and
- 4507 (B) 50% shall be transferred to the relevant county legislative body to be used for
 4508 a purpose described in Subsection (11)(a).
- 4509 (d) Except as provided in Subsection (12)(c), for a county that imposes a sales and use
 4510 tax under this section, for revenue designated for public transit as described in
 4511 Subsection (6)(b)(i), the revenue shall be transferred to the relevant county legislative
 4512 body to be used for a purpose described in Subsection (11)(a).
- 4513 (12)(a) Notwithstanding Section 59-12-2208, a county legislative body may, but is not
 4514 required to, submit an opinion question to the county's registered voters in
 4515 accordance with Section 59-12-2208 to impose a sales and use tax under this section.
- 4516 (b) If a county passes an ordinance to impose a sales and use tax as described in this

4517 section, the sales and use tax shall take effect on the first day of the calendar quarter
4518 after a 90-day period that begins on the date the commission receives written notice
4519 from the county of the passage of the ordinance.

4520 (c) A county that imposed the local option sales and use tax described in this section
4521 before January 1, 2023, may maintain that county's distribution allocation in place as
4522 of January 1, 2023.

4523 (13)(a) Revenue collected from a sales and use tax under this section may not be used to
4524 supplant existing General Fund appropriations that a county, city, or town budgeted
4525 for transportation or public transit as of the date the tax becomes effective for a
4526 county, city, or town.

4527 (b) The limitation under Subsection (13)(a) does not apply to a designated transportation
4528 or public transit capital or reserve account a county, city, or town established before
4529 the date the tax becomes effective.

4530 Section 33. Section **63H-1-205** is amended to read:

4531 **63H-1-205 . MIDA accommodations tax.**

4532 (1) As used in this section:

4533 (a) "Accommodations and services" means an accommodation or service described in
4534 Subsection 59-12-103(1)(i).

4535 (b) "Accommodations and services" does not include amounts paid or charged that are
4536 not part of a rental room rate.

4537 (2) By ordinance, the authority board may impose a MIDA accommodations tax on a
4538 provider for amounts paid or charged for accommodations and services, if the place of
4539 accommodation is located within a project area and on:

4540 (a) authority-owned or other government-owned property[-];

4541 (b) privately owned property on which the authority owns a condominium unit that is
4542 part of the place of accommodation; or

4543 (c) privately owned property on which the authority board finds that a provider is
4544 providing a significant long-term benefit, including lodging but not including a
4545 benefit that is commonly provided, to members of the military at the property.

4546 (3) The maximum rate of the MIDA accommodations tax is 15% of the amounts paid to or
4547 charged by the provider for accommodations and services.

4548 (4) A provider may recover an amount equal to the MIDA accommodations tax from
4549 customers, if the provider includes the amount as a separate billing line item.

4550 (5) If the authority imposes the tax described in this section, neither the authority nor a

- 4551 public entity may impose, on the amounts paid or charged for accommodations and
4552 services, any other tax described in:
- 4553 (a) Title 59, Chapter 12, Sales and Use Tax Act; or
4554 (b) Title 59, Chapter 28, State Transient Room Tax Act.
- 4555 (6) Except as provided in Subsection (7) or (8), the tax imposed under this section shall be
4556 administered, collected, and enforced in accordance with:
- 4557 (a) the same procedures used to administer, collect, and enforce the tax under:
4558 (i) Title 59, Chapter 12, Part 1, Tax Collection; or
4559 (ii) Title 59, Chapter 12, Part 2, Local Sales and Use Tax Act; and
4560 (b) Title 59, Chapter 1, General Taxation Policies.
- 4561 (7) The location of a transaction shall be determined in accordance with Sections 59-12-211
4562 through 59-12-215.
- 4563 (8)(a) A tax under this section is not subject to Section 59-12-107.1 or 59-12-123 or
4564 Subsections 59-12-205(2) [~~through (5)~~] and (4) through (6).
4565 (b) The exemptions described in Sections 59-12-104, 59-12-104.1, and 59-12-104.6 do
4566 not apply to a tax imposed under this section.
- 4567 (9) The State Tax Commission shall:
4568 (a) except as provided in Subsection (9)(b), distribute the revenue collected from the tax
4569 to the authority; and
4570 (b) retain and deposit an administrative charge in accordance with Section 59-1-306
4571 from revenue the commission collects from a tax under this section.
- 4572 (10)(a) If the authority imposes, repeals, or changes the rate of tax under this section, the
4573 implementation, repeal, or change shall take effect:
4574 (i) on the first day of a calendar quarter; and
4575 (ii) after a 90-day period beginning on the date the State Tax Commission receives
4576 the notice described in Subsection (10)(b) from the authority.
- 4577 (b) The notice required in Subsection (10)(a)(ii) shall state:
4578 (i) that the authority will impose, repeal, or change the rate of a tax under this section;
4579 (ii) the effective date of the implementation, repeal, or change of the tax; and
4580 (iii) the rate of the tax.
- 4581 (11) In addition to the uses permitted under Section 63H-1-502, the authority may allocate
4582 revenue from the MIDA accommodations tax to a county in which a place of
4583 accommodation that is subject to the MIDA accommodations tax is located, if:
4584 (a) the county had a transient room tax described in Section 59-12-301 in effect at the

4585 time the authority board imposed a MIDA accommodations tax by ordinance; and
 4586 (b) the revenue replaces revenue that the county received from a county transient room
 4587 tax described in Section 59-12-301 for the county's general operations and
 4588 administrative expenses.

4589 Section 34. Section **63N-3-602** is amended to read:

4590 **63N-3-602 . Definitions.**

4591 As used in this part:

4592 (1) "Affordable housing" means housing occupied or reserved for occupancy by households
 4593 with a gross household income:

4594 (a) equal to or less than 80% of the county median gross income [~~of the applicable~~
 4595 ~~municipal or county statistical area~~] for households of the same size, in certain
 4596 circumstances as provided in this part; or

4597 (b) equal to or less than 60% of the county median gross income [~~of the applicable~~
 4598 ~~municipal or county statistical area~~] for households of the same size, in certain
 4599 circumstances as provided in this part.

4600 (2) "Agency" means the same as that term is defined in Section 17C-1-102.

4601 (3) "Base taxable value" means a property's taxable value as shown upon the assessment
 4602 roll last equalized during the base year.

4603 (4) "Base year" means, for each property tax increment collection period triggered within a
 4604 proposed housing and transit reinvestment zone or convention center reinvestment zone
 4605 project area, the calendar year prior to the calendar year the property tax increment
 4606 begins to be collected for [~~those~~] the parcels that are in a project that is triggered for that
 4607 collection period.

4608 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and
 4609 efficient service that may include dedicated lanes, busways, traffic signal priority,
 4610 off-board fare collection, elevated platforms, and enhanced stations.

4611 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed
 4612 station, stop, or terminal that is specifically identified as needed in phase one of a
 4613 metropolitan planning organization's adopted long-range transportation plan and in
 4614 phase one of the relevant public transit district's adopted long-range transit plan:

4615 (a) along an existing bus rapid transit line; or

4616 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.

4617 (7) "Capital city" means the same as that term is defined in Section 17D-4-102.

4618 [(7)] (8)(a) "Commuter rail" means a [~~heavy-rail~~] regional passenger rail transit facility

- 4619 operated by a large public transit district.
- 4620 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public
4621 transit district.
- 4622 ~~[(8)]~~ (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed
4623 station, stop, or terminal, which has been specifically identified as needed in phase one
4624 of a metropolitan planning organization's adopted long-range transportation plan and in
4625 phase one of the relevant public transit district's adopted long-range transit plan:
- 4626 (a) along an existing commuter rail line;
- 4627 (b) along an extension to an existing commuter rail line or new commuter rail line;~~[-or]~~
- 4628 (c) along a fixed guideway extension from an existing commuter rail line~~[-]~~ ; or
- 4629 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an
4630 existing commuter rail station.
- 4631 (10) "Convention center" means a convention center owned by a county of the first class
4632 within a city of the first class.
- 4633 (11) "Convention revitalization project" means a project within a city of the first class
4634 within a county of the first class for the revitalization, activation, and modernization of a
4635 convention center and the surrounding area, including projects meeting the objectives
4636 described in Section 63N-3-603.1.
- 4637 (12) "Convention center reinvestment zone" means a convention center reinvestment zone
4638 created under this part.
- 4639 ~~[(9)]~~ (13)(a) "Developable area" means the portion of land within a housing and transit
4640 reinvestment zone available for development and construction of business and
4641 residential uses.
- 4642 (b) "Developable area" does not include portions of land within a housing and transit
4643 reinvestment zone that are allocated to:
- 4644 (i) parks;
- 4645 (ii) recreation facilities;
- 4646 (iii) open space;
- 4647 (iv) trails;
- 4648 (v) publicly-owned roadway facilities; or
- 4649 (vi) other public facilities.
- 4650 ~~[(10)]~~ (14) "Dwelling unit" means one or more rooms arranged for the use of one or more
4651 individuals living together, as a single housekeeping unit normally having cooking,
4652 living, sanitary, and sleeping facilities.

- 4653 (15) "Eligible municipality" means a city that:
- 4654 (a)(i) is the county seat of a county of the first class; or
- 4655 (ii) a city of the first class located in a county of the first class; and
- 4656 (b) has a convention center within the boundary of the city.
- 4657 [(11)] (16) "Enhanced development" means the construction of mixed uses including
- 4658 housing, commercial uses, and related facilities.
- 4659 [(12)] (17) "Enhanced development costs" means extra costs associated with structured
- 4660 parking costs, vertical construction costs, horizontal construction costs, life safety costs,
- 4661 structural costs, conveyor or elevator costs, and other costs incurred due to the increased
- 4662 height of buildings or enhanced development.
- 4663 [(13)] (18) "First home investment zone" means the same as that term is defined in Section
- 4664 63N-3-1601.
- 4665 [(14)] (19) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 4666 [(15)] (20) "Horizontal construction costs" means the additional costs associated with
- 4667 earthwork, over excavation, utility work, transportation infrastructure, and landscaping
- 4668 to achieve enhanced development in the housing and transit reinvestment zone.
- 4669 [(16)] (21) "Housing and transit reinvestment zone" means a housing and transit
- 4670 reinvestment zone created pursuant to this part.
- 4671 [(17)] (22) "Housing and transit reinvestment zone committee" means a housing and transit
- 4672 reinvestment zone committee created pursuant to Section 63N-3-605.
- 4673 [(18)] (23) "Large public transit district" means the same as that term is defined in Section
- 4674 17B-2a-802.
- 4675 [(19)] (24) "Light rail" means a passenger rail public transit system with right-of-way and
- 4676 fixed rails:
- 4677 (a) dedicated to exclusive use by light-rail public transit vehicles;
- 4678 (b) that may cross streets at grade; and
- 4679 (c) that may share parts of surface streets.
- 4680 [(20)] (25) "Light rail station" means an existing station, stop, or terminal or a proposed
- 4681 station, stop, or terminal, which has been specifically identified as needed in phase one
- 4682 of a metropolitan planning organization's adopted long-range transportation plan and in
- 4683 phase one of the relevant public transit district's adopted long-range plan:
- 4684 (a) along an existing light rail line; or
- 4685 (b) along an extension to an existing light rail line or new light rail line.
- 4686 [(21)] (26) "Metropolitan planning organization" means the same as that term is defined in

- 4687 Section 72-1-208.5.
- 4688 [~~(22)~~] (27) "Mixed use development" means development with a mix of:
- 4689 (a) multi-family residential use; and
- 4690 (b) at least one additional land use, which shall be a significant part of the overall
- 4691 development.
- 4692 [~~(23)~~] (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 4693 [~~(24)~~] (29) "Participant" means the same as that term is defined in Section 17C-1-102.
- 4694 [~~(25)~~] (30) "Participation agreement" means the same as that term is defined in Section
- 4695 17C-1-102, except that the agency may not provide and the person may not receive a
- 4696 direct subsidy.
- 4697 (31) "Project" means a housing and transit reinvestment zone or convention center
- 4698 reinvestment zone created under this part.
- 4699 (32)(a) "Property tax increment" means the difference between:
- 4700 (i) the amount of property tax revenue generated each tax year by a taxing entity from
- 4701 the area within a housing and transit reinvestment zone designated in the housing
- 4702 and transit reinvestment zone proposal as the area from which tax increment is to
- 4703 be collected, using the current assessed value and each taxing entity's current
- 4704 certified tax rate as defined in Section 59-2-924; and
- 4705 (ii) the amount of property tax revenue that would be generated from that same area
- 4706 using the base taxable value and each taxing entity's current certified tax rate as
- 4707 defined in Section 59-2-924.
- 4708 (b) "Property tax increment" does not include property tax revenue from:
- 4709 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
- 4710 or
- 4711 (ii) a county additional property tax described in Subsection 59-2-1602(4).
- 4712 [~~(26)~~] (33) "Public transit county" means a county that has created a small public transit
- 4713 district.
- 4714 [~~(27)~~] (34) "Public transit hub" means a public transit depot or station where four or more
- 4715 routes serving separate parts of the county-created transit district stop to transfer riders
- 4716 between routes.
- 4717 [~~(28)~~] (35) "Sales and use tax base year" means:
- 4718 (a) for a housing and transit reinvestment zone, a sales and use tax year determined by
- 4719 the first year pertaining to the tax imposed in Section 59-12-103 after the sales and
- 4720 use tax boundary for a housing and transit reinvestment zone is established[-] ; or

4721 (b) for a convention center reinvestment zone, a sales and use tax year determined by the
 4722 year specified in the approved proposal for a convention center reinvestment zone,
 4723 pertaining to the taxes:

4724 (i) imposed under Section 59-12-103;

4725 (ii) imposed by a city of the first class in a county of the first class under Title 59,
 4726 Chapter 12, Part 2, Local Sales and Use Tax Act;

4727 (iii) imposed by a city of the first class in a county of the first class under Section
 4728 59-12-402.1;

4729 (iv) imposed by a county of the first class under Section 59-12-1102; and

4730 (v) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local
 4731 Option Sales and Use Taxes for Transportation Act.

4732 [~~(29)~~] (36) "Sales and use tax boundary" means:

4733 (a) for a housing and transit reinvestment zone, a boundary created as described in
 4734 Section 63N-3-604, based on state sales and use tax collection boundaries that [
 4735 eorresponds] correspond as closely as reasonably practicable to the housing and
 4736 transit reinvestment zone boundary[-] ; or

4737 (b) for a convention center reinvestment zone, a boundary created as described in
 4738 Section 63N-3-604.1, based on state sales and use tax collection boundaries that
 4739 correspond as closely as reasonably practicable to the convention center reinvestment
 4740 zone boundary.

4741 [~~(30)~~] (37) "Sales and use tax increment" means:

4742 (a) for a housing and transit reinvestment zone, the difference between:

4743 [~~(a)~~] (i) the amount of state sales and use tax revenue generated each year following
 4744 the sales and use tax base year by the sales and use tax from the area within a
 4745 housing and transit reinvestment zone designated in the housing and transit
 4746 reinvestment zone proposal as the area from which sales and use tax increment is
 4747 to be collected; and

4748 [~~(b)~~] (ii) the amount of state sales and use tax revenue that was generated from that
 4749 same area during the sales and use tax base year[-] ; or

4750 (b) for a convention center reinvestment zone, the difference between:

4751 (i) the amount of sales and use tax revenue generated each year following the sales
 4752 and use tax base year by the sales and use tax from the area within a convention
 4753 center reinvestment zone designated in the convention center reinvestment zone
 4754 proposal as the area from which sales and use tax increment is to be collected; and

4755 (ii) the amount of sales and use tax revenue that was generated from that same area
 4756 during the sales and use tax base year.

4757 [~~(31)~~] (38) "Sales and use tax revenue" means:

4758 (a) for a housing and transit reinvestment zone, revenue that is generated from the tax
 4759 imposed under Section 59-12-103[-] ; or

4760 (b) for a convention center reinvestment zone, revenue that is generated from:

4761 (i) the sales and use taxes imposed under Section 59-12-103; and

4762 (ii) the sales and use taxes:

4763 (A) imposed by a city of the first class in a county of the first class under Title 59,
 4764 Chapter 12, Part 2, Local Sales and Use Tax Act;

4765 (B) imposed by a city of the first class in a county of the first class under Section
 4766 59-12-402.1;

4767 (C) imposed by a county of the first class under Section 59-12-1102; and

4768 (D) imposed by a county of the first class under Title 59, Chapter 12, Part 22,
 4769 Local Option Sales and Use Taxes for Transportation Act.

4770 [~~(32)~~] (39) "Small public transit district" means the same as that term is defined in Section
 4771 17B-2a-802.

4772 [~~(33)~~] (40) "Tax Commission" means the State Tax Commission created in Section 59-1-201.

4773 [~~(34)(a)~~] "Tax increment" means the difference between:]

4774 [(i) ~~the amount of property tax revenue generated each tax year by a taxing entity~~
 4775 ~~from the area within a housing and transit reinvestment zone designated in the~~
 4776 ~~housing and transit reinvestment zone proposal as the area from which tax~~
 4777 ~~increment is to be collected, using the current assessed value and each taxing~~
 4778 ~~entity's current certified tax rate as defined in Section 59-2-924; and]~~

4779 [(ii) ~~the amount of property tax revenue that would be generated from that same area~~
 4780 ~~using the base taxable value and each taxing entity's current certified tax rate as~~
 4781 ~~defined in Section 59-2-924.]~~

4782 [(b) ~~"Tax increment" does not include property tax revenue from:]~~

4783 [(i) ~~a multicounty assessing and collecting levy described in Subsection 59-2-1602~~
 4784 ~~(2); or]~~

4785 [(ii) ~~a county additional property tax described in Subsection 59-2-1602(4).]~~

4786 [~~(35)~~] (41) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

4787 [~~(36)~~] (42) "Vertical construction costs" means the additional costs associated with

4788 construction above four stories and structured parking to achieve enhanced development

4789 in the housing and transit reinvestment zone.

4790 Section 35. Section **63N-3-603** is amended to read:

4791 **63N-3-603 . Applicability, requirements, and limitations on a housing and transit**
4792 **reinvestment zone.**

4793 (1) A housing and transit reinvestment zone proposal created under this part shall [promote]
4794 demonstrate how the proposal addresses the following objectives:

4795 (a) higher utilization of public transit;

4796 (b) increasing availability of housing, including affordable housing, and fulfillment of
4797 moderate income housing plans;

4798 (c) promoting and encouraging development of owner-occupied housing;

4799 (d) improving efficiencies in parking and transportation, including walkability of
4800 communities near public transit facilities;

4801 (e) overcoming development impediments and market conditions that render a
4802 development cost prohibitive absent the proposal and incentives;

4803 (f) conserving water resources through efficient land use;

4804 (g) improving air quality by reducing fuel consumption and motor vehicle trips;

4805 (h) encouraging transformative mixed-use development and investment in transportation
4806 and public transit infrastructure in strategic areas;

4807 (i) strategic land use and municipal planning in major transit investment corridors as
4808 described in Subsection 10-9a-403(2);

4809 (j) increasing access to employment and educational opportunities; and

4810 (k) increasing access to child care.

4811 (2)(a) In order to accomplish the objectives described in Subsection (1), a municipality
4812 or public transit county that initiates the process to create a housing and transit
4813 reinvestment zone as described in this part shall ensure that the proposal for a
4814 housing and transit reinvestment zone includes:

4815 (i) except as provided in Subsection (3), at least 12% of the proposed dwelling units
4816 within the housing and transit reinvestment zone are affordable housing units,
4817 with:

4818 (A) up to 9% of the proposed dwelling units occupied or reserved for occupancy
4819 by households with a gross household income equal to or less than 80% of the
4820 county median gross income[~~of the applicable municipal or county statistical~~
4821 ~~area~~] for households of the same size; and

4822 (B) at least 3% of the proposed dwelling units occupied or reserved for occupancy

4823 by households with a gross household income equal to or less than 60% of the
 4824 county median gross income [~~of the applicable municipal or county statistical~~
 4825 ~~area~~]for households of the same size;

4826 (ii) except as provided in Subsection (2)(c), a housing and transit reinvestment zone
 4827 shall include:

4828 (A) at least 51% of the developable area within a housing and transit reinvestment
 4829 zone as residential uses; and

4830 (B) an average of at least 50 dwelling units per acre within the acreage of the
 4831 housing and transit reinvestment zone dedicated to residential uses;

4832 (iii) mixed-use development; and

4833 (iv) a mix of dwelling units to ensure that [~~a reasonable percentage~~] at least 25% of
 4834 the dwelling units [~~has~~] have more than one bedroom.

4835 (b)(i) If a housing and transit reinvestment zone is phased, a municipality or public
 4836 transit county shall ensure that a housing and transit reinvestment zone is phased
 4837 and developed to provide the required 12% of affordable housing units in each
 4838 phase of development.

4839 (ii) A municipality or public transit county may allow a housing and transit
 4840 reinvestment zone to be phased and developed in a manner to provide more of the
 4841 required affordable housing units in early phases of development.

4842 (iii) A municipality or public transit county shall include in a housing and transit
 4843 reinvestment zone proposal an affordable housing plan, which may include deed
 4844 restrictions, to ensure the affordable housing required in the proposal will continue
 4845 to meet the definition of affordable housing at least throughout the entire term of
 4846 the housing and transit reinvestment zone.

4847 (c) For a housing and transit reinvestment zone proposed by a public transit county at a
 4848 public transit hub, or for a housing and transit reinvestment zone proposed by a
 4849 municipality at a bus rapid transit station, the housing and transit reinvestment zone
 4850 shall include:

4851 (i) at least 51% of the developable area within a housing and transit reinvestment
 4852 zone as residential uses; and

4853 (ii) an average of at least 39 dwelling units per acre within the acreage of the housing
 4854 and transit reinvestment zone dedicated to residential uses.

4855 (3) A municipality or public transit county that, at the time the housing and transit
 4856 reinvestment zone proposal is approved by the housing and transit reinvestment zone

4857 committee, meets the affordable housing guidelines of the United States Department of
4858 Housing and Urban Development at 60% area median income is exempt from the
4859 requirement described in Subsection (2)(a).

4860 (4)(a) A municipality may only propose a housing and transit reinvestment zone at a
4861 commuter rail station, and a public transit county may only propose a housing and
4862 transit reinvestment zone at a public transit hub, that:

4863 (i) subject to Subsection (5)(a):

4864 (A)(I) except as provided in Subsection (4)(a)(i)(A)(II), for a municipality,
4865 does not exceed a 1/3 mile radius of a commuter rail station;

4866 (II) for a municipality that is a city of the first or second class [~~with a~~
4867 ~~population greater than 150,000~~]that is within a county of the first or
4868 second class, with an opportunity zone created pursuant to Section 1400Z-1,
4869 Internal Revenue Code, does not exceed a 1/2 mile radius of a commuter
4870 rail station located within the opportunity zone; or

4871 (III) for a public transit county, does not exceed a 1/3 mile radius of a public
4872 transit hub; and

4873 (B) has a total area of no more than 125 noncontiguous acres;

4874 (ii) subject to Section 63N-3-607, proposes the capture of a maximum of 80% of each
4875 taxing entity's property tax increment above the base year for a term of no more
4876 than 25 consecutive years on each parcel within a 45-year period not to exceed the
4877 property tax increment amount approved in the housing and transit reinvestment
4878 zone proposal; and

4879 (iii) the commencement of collection of property tax increment, for all or a portion of
4880 the housing and transit reinvestment zone~~[, will]~~ project area, shall be triggered by
4881 providing notice as described in Subsection (6), but a housing and transit
4882 reinvestment zone proposal may not propose or include triggering more than three
4883 property tax increment collection periods for the same project during the
4884 applicable 45-year period.

4885 (b) A municipality or public transit county may only propose a housing and transit
4886 reinvestment zone at a light rail station or bus rapid transit station that:

4887 (i) subject to Subsection (5):

4888 (A) does not exceed:

4889 (I) except as provided in Subsection (4)(b)(i)(A)(II), (III), or (4)(e), a 1/4 mile
4890 radius of a bus rapid transit station or light rail station;

- 4891 (II) for a municipality that is a city of the first class with a population greater than 150,000 that
 4892 is within a county of the first class, a 1/2 mile radius of a light rail station located in an
 4893 opportunity zone created pursuant to Section
 4894 1400Z-1, Internal Revenue Code; or
 4895 (III) a 1/2 mile radius of a light rail station located within a master-planned
 4896 development of 500 acres or more; and
 4897 (B) has a total area of no more than 100 noncontiguous acres;
- 4898 (ii) subject to Subsection (4)(c) and Section 63N-3-607, proposes the capture of a
 4899 maximum of 80% of each taxing entity's property tax increment above the base
 4900 year for a term of no more than 15 consecutive years on each parcel within a
 4901 30-year period not to exceed the property tax increment amount approved in the
 4902 housing and transit reinvestment zone proposal; and
- 4903 (iii) the commencement of collection of property tax increment, for all or a portion of
 4904 the housing and transit reinvestment zone~~[, will]~~ project area, shall be triggered by
 4905 providing notice as described in Subsection (6), but a housing and transit
 4906 reinvestment zone proposal may not propose or include triggering more than three
 4907 property tax increment collection periods for the same project during the
 4908 applicable 30-year period.
- 4909 (c) For a housing and transit reinvestment zone proposed by a public transit county at a
 4910 public transit hub, or for a housing and transit reinvestment zone proposed by a
 4911 municipality at a bus rapid transit station, if the proposed housing density within the
 4912 housing and transit reinvestment zone is between 39 and 49 dwelling units per acre,
 4913 the maximum capture of each taxing entity's property tax increment above the base
 4914 year is 60%.
- 4915 (d) A municipality that is a city of the first class with a population greater than 150,000
 4916 in a county of the first class as described in Subsections (4)(a)(i)(A)(II) and
 4917 (4)(b)(i)(A)(II) may only propose one housing and transit reinvestment zone within
 4918 an opportunity zone.
- 4919 (e)(i) Subject to Subsection (4)(e)(ii), the radius restrictions described in Subsection
 4920 (4)(b)(i) do not apply, and a housing and transit reinvestment zone may extend to
 4921 an area between two light rail stations located within a city of the third class if the
 4922 two light rail stations are within a .95 mile distance on the same light rail line.
- 4923 (ii) If a housing and transit reinvestment zone is extended to accommodate two light
 4924 rail stations as described in Subsection (4)(e)(i):

- 4925 (A) the housing and transit reinvestment zone is limited to a total area not to
 4926 exceed 100 noncontiguous acres; and
- 4927 (B) the housing and transit reinvestment zone may not exceed a 1/4 mile radius
 4928 from the light rail stations or any point on the light rail line between the two
 4929 stations.
- 4930 (f) If a parcel within the housing and transit reinvestment zone is included as an area that
 4931 is part of a project area, as that term is defined in Section 17C-1-102, and created
 4932 under Title 17C, Chapter 1, Agency Operations, that parcel may not be triggered for
 4933 collection unless the project area funds collection period, as that term is defined in
 4934 Section 17C-1-102, has expired.
- 4935 (5)(a) For a housing and transit reinvestment zone for a commuter rail station, if a parcel
 4936 is ~~bisected~~ intersected by the relevant radius limitation, the full parcel may be
 4937 included as part of the housing and transit reinvestment zone area and will not count
 4938 against the limitations described in Subsection (4)(a)(i).
- 4939 (b) For a housing and transit reinvestment zone for a light rail or bus rapid transit
 4940 station, if a parcel is ~~bisected~~ intersected by the relevant radius limitation, the full
 4941 parcel may be included as part of the housing and transit reinvestment zone area and
 4942 will not count against the limitations described in Subsection (4)(b)(i).
- 4943 (c) A housing and transit reinvestment zone may not be smaller than 10 acres.
- 4944 (6)(a) The notice of commencement of collection of property tax increment required in
 4945 Subsection (4)(a)(iii) or (4)(b)(iii) shall be sent by mail or electronically to the
 4946 following entities no later than ~~January 1~~ December 31 of the year before the year
 4947 for which the property tax increment collection is proposed to commence:
- 4948 ~~(a)~~ (i) the ~~tax commission~~ State Tax Commission;
- 4949 ~~(b)~~ (ii) the State Board of Education;
- 4950 ~~(c)~~ (iii) the state auditor;
- 4951 ~~(d)~~ (iv) the auditor of the county in which the housing and transit reinvestment zone
 4952 is located;
- 4953 ~~(e)~~ (v) each taxing entity affected by the collection of property tax increment from
 4954 the housing and transit reinvestment zone; and
- 4955 ~~(f)~~ (vi) the Governor's Office of Economic Opportunity.
- 4956 (b) The notice described in Subsection (4)(a)(iii) or (4)(b)(iii) may not be triggered until
 4957 the date on which the housing and transit reinvestment zone proposal is approved by
 4958 the housing and transit reinvestment zone committee.

- 4959 (7)(a) The maximum number of housing and transit reinvestment zones at light rail
4960 stations, not including a convention center reinvestment zone, is eight in any given
4961 county.
- 4962 (b) Within a county of the first class, the maximum number of housing and transit
4963 reinvestment zones at bus rapid transit stations is three.
- 4964 (c) Within a county of the first class, the maximum total combined number of housing
4965 and transit reinvestment zones described in Subsections (7)(a) and (b) and first home
4966 investment zones created under Part 16, First Home Investment Zone Act, is 11.
- 4967 (8)(a) For purposes of this Subsection (8), "entitlement agreement" means:
- 4968 (i) a land use application;
- 4969 (ii) a rezone petition; or
- 4970 (iii) a request, petition, or application to:
- 4971 (A) enact or approve a development agreement; or
- 4972 (B) to amend or modify a development agreement.
- 4973 (b) This Subsection (8) applies to a specified county, as defined in Section 17-27a-408,
4974 that has created a small public transit district on or before January 1, 2022.
- 4975 (c) To accomplish the objectives described in Subsection (1), an owner of undeveloped
4976 property within an unincorporated county shall have the right to develop and build a
4977 mixed-use development if:
- 4978 (i) the owner has submitted an entitlement agreement to the county on or before
4979 December 31, 2022, and is within a 1/3 mile radius of a public transit hub in a
4980 county described in Subsection (8)(b), including parcels that are intersected by the
4981 1/3 mile radius; and
- 4982 (ii) the county described in Subsection (8)(b) has failed to approve the entitlement
4983 agreement described in Subsection (8)(c)(i) by ordinance before December 31,
4984 2022.
- 4985 (d) The mixed use development described in Subsection (8)(c) shall include the
4986 following:
- 4987 (i)(A)(I) a maximum number of dwelling units equal to 30 multiplied by the
4988 total acres of developable area within the mixed-use development dedicated
4989 exclusively to residential use; or
- 4990 (II) a maximum number of dwelling units equal to 15 multiplied by the total
4991 acres of the mixed-use development; and
- 4992 (B) at least 33% of the dwelling units as affordable housing;

- 4993 (ii) commercial uses, including office, retail, educational, and healthcare in support of
4994 the mixed-used development constituting no more than 1/3 of the total planned
4995 gross building square footage of the subject parcels; and
- 4996 (iii) any other infrastructure element necessary or reasonable to support the
4997 mixed-use development, including:
- 4998 (A) parking infrastructure;
4999 (B) streets;
5000 (C) sidewalks;
5001 (D) parks; and
5002 (E) trails.
- 5003 (e)(i) The mixed-use development described in this Subsection (8) may qualify for a
5004 housing and transit reinvestment zone described in Subsection (4)(a).
- 5005 (ii) The county described in Subsection (8)(b) may propose a housing and transit
5006 reinvestment zone pursuant to this part, if the housing and transit reinvestment
5007 zone includes:
- 5008 (A)(I) an average of at least 30 dwelling units per acre within the acreage of the
5009 housing and transit reinvestment zone dedicated to residential use; or
5010 (II) a minimum number of 14 dwelling units per acre on average within the
5011 acreage of the housing and transit reinvestment zone; and
5012 (B) at least 33% of the dwelling units as affordable housing units.
- 5013 (f) A county may not take an action or enforce an agreement, ordinance, regulation, or
5014 requirement that prevents or creates development impediments to the development of
5015 a mixed-use development as described in this Subsection (8).
- 5016 (g) A county action to approve or implement the development of a mixed-use
5017 development as described in this Subsection (8) shall constitute an administrative
5018 action taken by the county and does not require county legislative action.
- 5019 ~~[(8)(a) This Subsection (8) applies to a specified county, as defined in Section~~
5020 ~~17-27a-408, that has created a small public transit district on or before January 1,~~
5021 ~~2022.]~~
- 5022 ~~[(b)(i) A county described in Subsection (8)(a) shall, in accordance with Section~~
5023 ~~63N-3-604, prepare and submit to the Governor's Office of Economic Opportunity~~
5024 ~~a proposal to create a housing and transit reinvestment zone on or before~~
5025 ~~December 31, 2022.]~~
- 5026 ~~[(ii) A county described in Subsection (8)(a) that, on December 31, 2022, was~~

5027 noncompliant under Section 17-27a-408 for failure to demonstrate in the county's
 5028 moderate income housing report that the county complied with Subsection
 5029 (8)(b)(i), may cure the deficiency in the county's moderate income housing report
 5030 by submitting satisfactory proof to the Housing and Community Development
 5031 Division that, notwithstanding the deadline in Subsection (8)(b)(i), the county has
 5032 submitted to the Governor's Office of Economic Opportunity a proposal to create
 5033 a housing and transit reinvestment zone.]

5034 [(e)(i) A county described in Subsection (8)(a) may not propose a housing and
 5035 transit reinvestment zone if more than 15% of the acreage within the housing and
 5036 transit reinvestment zone boundary is owned by the county.]

5037 [(ii) For purposes of determining the percentage of acreage owned by the county as
 5038 described in Subsection (8)(c)(i), a county may exclude any acreage owned that is
 5039 used for highways, bus rapid transit, light rail, or commuter rail within the
 5040 boundary of the housing and transit reinvestment zone.]

5041 [(d) To accomplish the objectives described in Subsection (1), if a county described in
 5042 Subsection (8)(a) has failed to comply with Subsection (8)(b)(i) by failing to submit
 5043 an application before December 31, 2022, an owner of undeveloped property who
 5044 has submitted a land use application to the county on or before December 31, 2022,
 5045 and is within a 1/3 mile radius of a public transit hub in a county described in
 5046 Subsection (8)(a), including parcels that are bisected by the 1/3 mile radius, shall
 5047 have the right to develop and build a mixed-use development including the following:]

5048 [(i) excluding the parcels devoted to commercial uses as described in Subsection
 5049 (8)(d)(ii), at least 39 dwelling units per acre on average over the developable area,
 5050 with at least 10% of the dwelling units as affordable housing units;]

5051 [(ii) commercial uses including office, retail, educational, and healthcare in support
 5052 of the mixed-use development constituting up to 1/3 of the total planned gross
 5053 building square footage of the subject parcels; and]

5054 [(iii) any other infrastructure element necessary or reasonable to support the
 5055 mixed-use development, including parking infrastructure, streets, sidewalks,
 5056 parks, and trails.]

5057 Section 36. Section **63N-3-603.1** is enacted to read:

5058 **63N-3-603.1 . Applicability, requirements, and limitations on a convention center**
 5059 **reinvestment zone.**

5060 (1) A convention center reinvestment zone proposal created under this part shall

- 5061 demonstrate how the proposal addresses the following objectives:
- 5062 (a) redevelopment of a convention center and the surrounding area's infrastructure and
- 5063 assets;
- 5064 (b) activation of unrealized economic opportunities related to the convention center and
- 5065 surrounding infrastructure and assets;
- 5066 (c) modernization of infrastructure and design of the convention center and surrounding
- 5067 area and related public spaces;
- 5068 (d) encouragement of transformative development and investment, including parking
- 5069 improvements;
- 5070 (e) promotion of economic development and employment opportunities;
- 5071 (f) improvement of the aesthetic, functionality, and walkability of the convention center
- 5072 and surrounding area;
- 5073 (g) enhancement of tourism opportunities; and
- 5074 (h) creation of outdoor event space to accommodate events or festivals open to the
- 5075 public.
- 5076 (2) The Governor's Office of Economic Opportunity shall propose a convention center
- 5077 reinvestment zone to accomplish the objectives described in Subsection (1).
- 5078 (3)(a) A convention center reinvestment zone proposal may propose the capture of 100%
- 5079 of the property tax increment and sales tax increment within the convention center
- 5080 reinvestment zone boundary for a period of 30 years.
- 5081 (b) The convention center reinvestment zone proposal shall include the respective start
- 5082 date for:
- 5083 (i) the 30-year period of property tax increment; and
- 5084 (ii) the 30-year period of the sales and use tax increment.
- 5085 (c) For a convention center reinvestment zone in a capital city, revenue from the
- 5086 property tax increment and sales and use tax increment shall be distributed directly to
- 5087 a convention center public infrastructure district created as required in Subsection
- 5088 63N-3-607(8)(b).
- 5089 (4) The Governor's Office of Economic Opportunity may only propose a convention center
- 5090 reinvestment zone:
- 5091 (a) within the boundary of the eligible municipality;
- 5092 (b) consisting of a total area:
- 5093 (i) not to exceed 50 acres; or
- 5094 (ii) if greater than 50 acres, approved by the relevant eligible municipality;

- 5095 (c) consisting only of contiguous parcels; and
 5096 (d) in an area that includes any portion of an existing convention center and any city
 5097 block that is bordered on more than one side by an existing convention center.
 5098 (5)(a) For a convention center reinvestment zone in a capital city, the Governor's Office
 5099 of Economic Opportunity shall propose a convention center reinvestment zone on or
 5100 before April 15, 2025
 5101 (b) For a convention center reinvestment zone that is not in a capital city, the Governor's
 5102 Office of Economic Opportunity shall propose a convention center reinvestment zone
 5103 within 60 days after receiving a petition from the relevant city.
 5104 (6) A convention center reinvestment zone does not count toward the maximum of eight
 5105 housing and transit reinvestment zones in a given county as provided in Subsection
 5106 63N-3-603(7)(a).

5107 Section 37. Section **63N-3-604** is amended to read:

5108 **63N-3-604 . Process for a proposal of a housing and transit reinvestment zone --**
 5109 **Analysis.**

- 5110 (1) Subject to approval of the housing and transit reinvestment zone committee as described
 5111 in Section 63N-3-605, in order to create a housing and transit reinvestment zone, a
 5112 municipality or public transit county that has general land use authority over the housing
 5113 and transit reinvestment zone area, shall:
 5114 (a) prepare a proposal for the housing and transit reinvestment zone that:
 5115 (i) demonstrates that the proposed housing and transit reinvestment zone will meet
 5116 the objectives described in Subsection 63N-3-603(1);
 5117 (ii) explains how the municipality or public transit county will achieve the
 5118 requirements of Subsection 63N-3-603(2)(a)(i);
 5119 (iii) defines the specific transportation infrastructure needs, if any, and proposed
 5120 improvements and estimated budgets;
 5121 (iv) defines the boundaries of:
 5122 (A) the housing and transit reinvestment zone; and
 5123 (B) the sales and use tax boundary corresponding to the housing and transit
 5124 reinvestment zone boundary, as described in Section 63N-3-610;
 5125 (v) includes maps of the proposed housing and transit reinvestment zone to illustrate:
 5126 (A) the proposed boundary and radius from a public transit hub;
 5127 (B) proposed housing density within the housing and transit reinvestment zone;
 5128 and

- 5129 (C) existing zoning and proposed zoning changes related to the housing and transit
5130 reinvestment zone;
- 5131 (vi) identifies any development impediments that prevent the development from
5132 being a market-rate investment[~~and~~] , including proposed strategies and estimated
5133 budgets for addressing each one;
- 5134 (vii) describes the proposed development plan and estimated budgets, including the
5135 requirements described in Subsections 63N-3-603(2) and (4);
- 5136 (viii) establishes a base year and collection period to calculate the property tax
5137 increment within the housing and transit reinvestment zone;
- 5138 (ix) establishes a sales and use tax base year to calculate the sales and use tax
5139 increment within the housing and transit reinvestment zone in accordance with
5140 Section 63N-3-610;
- 5141 (x) describes projected maximum revenues generated and the amount of property tax
5142 increment capture from each taxing entity and proposed expenditures of revenue
5143 derived from the housing and transit reinvestment zone;
- 5144 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources
5145 of revenue that can be used to reduce the finance gap;
- 5146 (xii) estimates budgets and evaluates possible benefits to active and public
5147 transportation availability and impacts on air quality;
- 5148 (xiii) proposes a finance schedule to align expected revenue with required financing
5149 costs and payments;
- 5150 (xiv) provides a pro-forma for the planned development that:
- 5151 (A) satisfies the requirements described in Subsections 63N-3-603(2), (3), and (4); [
5152 and]
- 5153 (B) includes data showing the cost difference between what type of development
5154 could feasibly be developed absent the housing and transit reinvestment zone
5155 property tax increment and the type of development that is proposed to be
5156 developed with the housing and transit reinvestment zone property tax
5157 increment; and
- 5158 (C) provides estimated budgets and construction costs, anticipated revenue,
5159 financing, expenses, and other sources and uses of funds for the project area;
5160 and
- 5161 (xv) for a housing and transit reinvestment zone at a commuter rail station, light rail
5162 station, or bus rapid transit station that is proposed and not in public transit service

- 5163 operation as of the date of submission of the proposal, demonstrates that the
5164 proposed station is:
- 5165 (A) included as needed in phase one of a metropolitan planning organization's
5166 adopted long-range transportation plan and in phase one of the relevant public
5167 transit district's adopted long-range plan; and
- 5168 (B) reasonably anticipated to be constructed in the near future; and
- 5169 (b) submit the housing and transit reinvestment zone proposal to the Governor's Office
5170 of Economic Opportunity.
- 5171 (2) As part of the proposal described in Subsection (1), a municipality or public transit
5172 county shall study and evaluate possible impacts of a proposed housing and transit
5173 reinvestment zone on parking within the city and housing and transit reinvestment zone.
- 5174 (3)(a) After receiving the proposal as described in Subsection (1)(b), the Governor's
5175 Office of Economic Opportunity shall:
- 5176 (i) within 14 days after the date on which the Governor's Office of Economic
5177 Opportunity receives the proposal described in Subsection (1)(b), provide notice
5178 of the proposal to all affected taxing entities, including the Tax Commission,
5179 cities, counties, school districts, metropolitan planning organizations, and the
5180 county assessor and county auditor of the county in which the housing and transit
5181 reinvestment zone is located; and
- 5182 (ii) at the expense of the proposing municipality or public transit county as described
5183 in Subsection (5), contract with an independent entity to perform the financial gap
5184 analysis described in Subsection (3)(b).
- 5185 (b) The gap analysis required in Subsection (3)(a)(ii) shall include:
- 5186 (i) a description of the planned development;
- 5187 (ii) a market analysis relative to other comparable project developments included in
5188 or adjacent to the municipality or public transit county absent the proposed
5189 housing and transit reinvestment zone;
- 5190 (iii) an evaluation of the proposal to and a determination of the adequacy and
5191 efficiency of the proposal;
- 5192 (iv) an evaluation of the proposed increment capture needed to cover the enhanced
5193 development costs associated with the housing and transit reinvestment zone
5194 proposal and enable the proposed development to occur; and
- 5195 (v) based on the market analysis and other findings, an opinion relative to the
5196 appropriate amount of potential public financing reasonably determined to be

- 5197 necessary to achieve the objectives described in Subsection 63N-3-603(1).
- 5198 (c) After receiving notice from the Governor's Office of Economic Opportunity of a
 5199 proposed housing and transit reinvestment zone as described in Subsection (3)(a)(i),
 5200 the State Tax Commission shall:
- 5201 (i) evaluate the feasibility of administering the tax implications of the proposal; and
 5202 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any
 5203 challenges in the administration of the proposal, or indicating that the Tax
 5204 Commission can feasibly administer the proposal.
- 5205 (4) After receiving the results from the analysis described in Subsection (3)(b), the
 5206 municipality or public transit county proposing the housing and transit reinvestment
 5207 zone may:
- 5208 (a) amend the housing and transit reinvestment zone proposal based on the findings of
 5209 the analysis described in Subsection (3)(b) and request that the Governor's Office of
 5210 Economic Opportunity submit the amended housing and transit reinvestment zone
 5211 proposal to the housing and transit reinvestment zone committee; or
- 5212 (b) request that the Governor's Office of Economic Opportunity submit the original
 5213 housing and transit reinvestment zone proposal to the housing and transit
 5214 reinvestment zone committee.
- 5215 (5)(a) The Governor's Office of Economic Opportunity may accept, as a dedicated
 5216 credit, up to \$20,000 from a municipality or public transit county for the costs of the
 5217 gap analysis described in Subsection (3)(b).
- 5218 (b) The Governor's Office of Economic Opportunity may expend funds received from a
 5219 municipality or public transit county as dedicated credits to pay for the costs
 5220 associated with the gap analysis described in Subsection (3)(b).
- 5221 Section 38. Section **63N-3-604.1** is enacted to read:
- 5222 **63N-3-604.1 . Process for proposing a convention center reinvestment zone.**
- 5223 (1) To create a convention center reinvestment zone under this part, the Governor's Office
 5224 of Economic Opportunity shall, after giving notice to the relevant municipality, provide
 5225 a convention center reinvestment zone proposal to the housing and transit reinvestment
 5226 zone committee.
- 5227 (2)(a) The Governor's Office of Economic Opportunity shall ensure that a proposal for
 5228 the creation of a convention center reinvestment zone includes the following
 5229 information and data that:
- 5230 (i) defines the boundary of the proposed convention center reinvestment zone;

- 5231 (ii) describes generally the proposed development plan;
5232 (iii) proposes a base year and collection period to calculate the property tax increment
5233 within the convention center reinvestment zone;
5234 (iv) specifies a sales and use tax base year to calculate the sales and use tax increment
5235 within the convention center reinvestment zone in accordance with Section
5236 63N-3-610.1;
5237 (v) provides estimated project and investment objectives for the convention center
5238 reinvestment zone;
5239 (vi) specifies the sales and use tax base year for the capture of sales and use tax
5240 increment;
5241 (vii) outlines generally the impacts on transportation in and around the proposed
5242 convention center reinvestment zone;
5243 (b) For a convention center reinvestment zone in a capital city, the proposal described in
5244 Subsection (2)(a) shall also provide estimated budgets and construction costs,
5245 anticipated revenue, financing, expenses, and other sources and uses of funds for the
5246 project area.
5247 (c) The proposal described in Subsection (2)(b) shall limit the use of funds to:
5248 (i) a convention center;
5249 (ii) a publicly owned entertainment venue;
5250 (iii) parking; and
5251 (iv) infrastructure related to the project.
5252 (3) A proposal by the Governor's Office of Economic Opportunity for a convention center
5253 reinvestment zone shall demonstrate how the information and data provided in the
5254 proposal pursuant to Subsection (2) furthers the objectives described in Section
5255 63N-3-603.1 and is in the public interest.
5256 (4) After submitting the proposal as described in Subsection (2), the Governor's Office of
5257 Economic Opportunity shall provide notice of the proposal to all affected taxing entities,
5258 including the State Tax Commission, cities, counties, school districts, metropolitan
5259 planning organizations, and the county assessor and county auditor of the county in
5260 which the convention center reinvestment zone is located.
5261 (5) After receiving notice from the Governor's Office of Economic Opportunity of a
5262 proposed convention center reinvestment zone as described in Subsection (4), the Tax
5263 Commission shall, within 14 days:
5264 (a) evaluate the feasibility of administering the tax implications of the proposal; and

5265 (b) provide a letter to the Governor's Office of Economic Opportunity describing any
5266 challenges in the administration of the proposal, or indicating that the State Tax
5267 Commission can feasibly administer the proposal.

5268 Section 39. Section **63N-3-605** is amended to read:

5269 **63N-3-605 . Housing and transit reinvestment zone committee -- Creation.**

5270 (1) For any housing and transit reinvestment zone proposed under this part, or for a first
5271 home investment zone proposed in accordance with Part 16, First Home Investment
5272 Zone Act, there is created a housing and transit reinvestment zone committee with
5273 membership described in Subsection (2).

5274 (2) Each housing and transit reinvestment zone committee shall consist of the following
5275 members:

5276 (a) one representative from the Governor's Office of Economic Opportunity, designated
5277 by the executive director of the Governor's Office of Economic Opportunity;

5278 (b) one representative from each municipality that is a party to the proposed housing and
5279 transit reinvestment zone or first home investment zone, designated by the chief
5280 executive officer of each respective municipality;

5281 (c) a member of the Transportation Commission created in Section 72-1-301;

5282 (d) a member of the board of trustees of a large public transit district;

5283 (e) one individual from the Office of the State Treasurer, designated by the state
5284 treasurer;

5285 (f) two members designated by the president of the Senate;

5286 (g) two members designated by the speaker of the House of Representatives;

5287 (h) one member designated by the chief executive officer of each county affected by the
5288 housing and transit reinvestment zone or first home investment zone;

5289 (i) two representatives designated by the school superintendent from the school district
5290 affected by the housing and transit reinvestment zone or first home investment zone;
5291 and

5292 (j) one representative, representing the largest participating local taxing entity, after the
5293 municipality, county, and school district.

5294 (3) The individual designated by the Governor's Office of Economic Opportunity as
5295 described in Subsection (2)(a) shall serve as chair of the housing and transit
5296 reinvestment zone committee.

5297 (4)(a) A majority of the members of the housing and transit reinvestment zone
5298 committee constitutes a quorum of the housing and transit reinvestment zone

- 5299 committee.
- 5300 (b) An action by a majority of a quorum of the housing and transit reinvestment zone
- 5301 committee is an action of the housing and transit reinvestment zone committee.
- 5302 (5)(a) After the Governor's Office of Economic Opportunity receives the results of the
- 5303 analysis described in Section 63N-3-604, and after the Governor's Office of
- 5304 Economic Opportunity has received a request from the submitting municipality or
- 5305 public transit county to submit the housing and transit reinvestment zone proposal to
- 5306 the housing and transit reinvestment zone committee, the Governor's Office of
- 5307 Economic Opportunity shall notify each of the entities described in Subsection (2) of
- 5308 the formation of the housing and transit reinvestment zone committee.
- 5309 (b) For a first home investment zone, the housing and transit reinvestment zone
- 5310 committee shall follow the procedures described in Section 63N-3-1604.
- 5311 (6)(a) The chair of the housing and transit reinvestment zone committee shall convene a
- 5312 public meeting to consider the proposed housing and transit reinvestment zone.
- 5313 (b) A meeting of the housing and transit reinvestment zone committee is subject to Title
- 5314 52, Chapter 4, Open and Public Meetings Act.
- 5315 (7)(a) The proposing municipality or public transit county shall present the housing and
- 5316 transit reinvestment zone proposal to the housing and transit reinvestment zone
- 5317 committee in a public meeting.
- 5318 (b) The housing and transit reinvestment zone committee shall, for a housing and transit
- 5319 reinvestment zone proposal:
- 5320 (i) evaluate and verify whether the elements of a housing and transit reinvestment
- 5321 zone described in Subsections 63N-3-603(2) and (4) have been met; and
- 5322 (ii) evaluate the proposed housing and transit reinvestment zone relative to the
- 5323 analysis described in Subsection 63N-3-604(2).
- 5324 (c) The housing and transit reinvestment zone committee shall, for a convention center
- 5325 reinvestment zone proposal. evaluate and verify whether the objectives of a
- 5326 convention center reinvestment zone described in Section 63N-3-603.1 have been
- 5327 met.
- 5328 (8)(a) Subject to Subsection (8)(b), the housing and transit reinvestment zone committee
- 5329 may:
- 5330 (i)(A) for a housing and transit reinvestment zone, request changes to the housing
- 5331 and transit reinvestment zone proposal based on the analysis, characteristics,
- 5332 and criteria described in Section 63N-3-604; or

- 5333 (B) for a convention center reinvestment zone, request changes to the convention
 5334 center reinvestment zone proposal based on the characteristics and criteria
 5335 described in Sections 63N-3-603.1 and 63N-3-604.1; or
 5336 (ii) vote to approve or deny the proposal.
- 5337 (b) Before the housing and transit reinvestment zone committee may approve the
 5338 housing and transit reinvestment zone proposal, the municipality or public transit
 5339 county proposing the housing and transit reinvestment zone shall ensure that the area
 5340 of the proposed housing and transit reinvestment zone is zoned in such a manner to
 5341 accommodate the requirements of a housing and transit reinvestment zone described
 5342 in this section and the proposed development.
- 5343 (9) If a housing and transit reinvestment zone is approved by the committee:
- 5344 (a) the proposed housing and transit reinvestment zone is established according to the
 5345 terms of the housing and transit reinvestment zone proposal;
- 5346 (b) affected local taxing entities are required to participate according to the terms of the
 5347 housing and transit reinvestment zone proposal; and
- 5348 (c) each affected taxing entity is required to participate at the same rate[-].
- 5349 (10) A housing and transit reinvestment zone proposal may be amended by following the
 5350 same procedure as approving a housing and transit reinvestment zone proposal.
- 5351 (11)(a) The approval for a convention center reinvestment zone in a capital city may be
 5352 completed with a condition that the relevant municipality first create a public
 5353 infrastructure district as provided in Subsection 63N-3-607(8)(b).
- 5354 (b) The approval described in Subsection (11)(a) shall verify that the requirements and
 5355 limitations on use of funds is limited to the conditions described under Subsections
 5356 63N-3-604.1(2)(b) and (c).
- 5357 Section 40. Section **63N-3-606** is amended to read:
- 5358 **63N-3-606 . Notice requirements.**
- 5359 (1) In approving a housing and transit reinvestment zone or convention center reinvestment
 5360 zone proposal, the housing and transit reinvestment zone committee shall follow the
 5361 hearing and notice requirements for creating a housing and transit reinvestment zone or
 5362 convention center reinvestment zone area proposal.
- 5363 (2) Within 30 days after the housing and transit reinvestment zone committee approves a
 5364 proposed housing and transit reinvestment zone, the municipality or public transit county,
 5365 or for a convention center reinvestment zone, the Governor's Office of Economic
 5366 Opportunity, shall:

- 5367 (a) record with the recorder of the county in which the housing and transit reinvestment
 5368 zone or convention center reinvestment zone is located a document containing:
 5369 (i) a description of the land within the housing and transit reinvestment zone or
 5370 convention center reinvestment zone;
 5371 (ii) a statement that the proposed housing and transit reinvestment zone or convention
 5372 center reinvestment zone has been approved; and
 5373 (iii) the date of adoption;
- 5374 (b) transmit a copy of the description of the land within the housing and transit
 5375 reinvestment zone or convention center reinvestment zone and an accurate map or
 5376 plat indicating the boundaries of the housing and transit reinvestment zone or
 5377 convention center reinvestment zone to the Utah Geospatial Resource Center created
 5378 under Section 63A-16-505; and
- 5379 (c) transmit a copy of the approved housing and transit reinvestment zone or convention
 5380 center reinvestment zone proposal, map, and description of the land within the
 5381 housing and transit reinvestment zone or convention center reinvestment zone, to:
 5382 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any
 5383 part of the housing and transit reinvestment zone or convention center
 5384 reinvestment zone is located;
 5385 (ii) the officer or officers performing the function of auditor or assessor for each
 5386 taxing entity that does not use the county assessment roll or collect the taxing
 5387 entity's taxes through the county;
 5388 (iii) the legislative body or governing board of each taxing entity;
 5389 (iv) the [~~tax commission~~] State Tax Commission; and
 5390 (v) the State Board of Education.

5391 Section 41. Section **63N-3-607** is amended to read:

5392 **63N-3-607 . Payment, use, and administration of revenue from a housing and**
 5393 **transit reinvestment zone.**

- 5394 (1) [A] In accordance with this part:
- 5395 (a) a municipality or public transit county may receive and use property tax increment
 5396 and housing and transit reinvestment zone funds;
- 5397 (b) a public infrastructure district shall receive and use property tax increment and
 5398 convention center reinvestment zone funds for a convention center reinvestment zone
 5399 within a capital city; and
- 5400 (c) [~~in accordance with this part~~] a municipality may receive and use property tax

- 5401 increment and convention center reinvestment zone funds for a convention
5402 reinvestment zone that is not within a capital city.
- 5403 (2)(a) [A] Except as provided in Subsection (3), a county that collects property tax on
5404 property located within a housing and transit reinvestment zone shall, in accordance
5405 with Section 59-2-1365, distribute to the municipality or public transit county any
5406 property tax increment the municipality or public transit county is authorized to
5407 receive up to the maximum approved by the housing and transit reinvestment zone
5408 committee.
- 5409 (b) [Tax] Property tax increment distributed to a municipality or public transit county in
5410 accordance with Subsection (2)(a) is not revenue of the taxing entity or municipality
5411 or public transit county.
- 5412 (c)(i) [Tax] Property tax increment paid to the municipality or public transit county
5413 are housing and transit reinvestment zone funds and shall be administered by an
5414 agency created by the municipality or public transit county within which the
5415 housing and transit reinvestment zone is located.
- 5416 (ii) Before an agency may receive housing and transit reinvestment zone funds from
5417 the municipality or public transit county, the municipality or public transit county
5418 and the agency shall enter into an interlocal agreement with terms that:
- 5419 (A) are consistent with the approval of the housing and transit reinvestment zone
5420 committee; and
- 5421 (B) meet the requirements of Section 63N-3-603 or, for a convention center
5422 reinvestment zone, the requirements of Section 63N-3-603.1.
- 5423 (3)(a) A county that collects property tax on property located within a convention center
5424 reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the
5425 relevant public infrastructure district created by the eligible municipality any
5426 property tax increment the public infrastructure district is authorized to receive up to
5427 the amounts approved by the housing and transit reinvestment zone committee.
- 5428 (b) Property tax increment distributed to a public infrastructure district in accordance
5429 with Subsection (3)(a) is not revenue of the taxing entity or municipality.
- 5430 (c) Property tax increment paid to the public infrastructure district are convention center
5431 reinvestment zone funds and shall be administered by the public infrastructure district
5432 within which the convention center reinvestment zone is located.
- 5433 [~~3~~] (4)(a)(i) A municipality or public transit county and agency shall use housing
5434 and transit reinvestment zone funds within, or for the direct benefit of, the housing

5435 and transit reinvestment zone.

5436 (ii) A public infrastructure district shall use convention center reinvestment zone
 5437 funds within, or for the benefit of, the convention center reinvestment zone.

5438 (b) If any housing and transit reinvestment zone funds will be used outside of the
 5439 housing and transit reinvestment zone there must be a finding in the approved
 5440 proposal for a housing and transit reinvestment zone that the use of the housing and
 5441 transit reinvestment zone funds outside of the housing and transit reinvestment zone
 5442 will directly benefit the housing and transit reinvestment zone.

5443 ~~[(4)]~~ (5)(a) A municipality or public transit county shall use housing and transit
 5444 reinvestment zone funds to achieve the purposes described in Subsections 63N-3-603
 5445 (1) and (2), by paying all or part of the costs of any of the following:

5446 ~~[(a)]~~ (i) income targeted housing costs;

5447 ~~[(b)]~~ (ii) structured parking within the housing and transit reinvestment zone;

5448 ~~[(c)]~~ (iii) enhanced development costs;

5449 ~~[(d)]~~ (iv) horizontal construction costs;

5450 ~~[(e)]~~ (v) vertical construction costs;

5451 ~~[(f)]~~ (vi) property acquisition costs within the housing and transit reinvestment zone;

5452 or

5453 ~~[(g)]~~ (vii) the costs of the municipality or public transit county to create and
 5454 administer the housing and transit reinvestment zone, which may not exceed 2%
 5455 of the total housing and transit reinvestment zone funds, plus the costs to complete
 5456 the gap analysis described in Subsection 63N-3-604(2).

5457 (b) An public infrastructure district shall use convention center reinvestment zone funds
 5458 to achieve the purposes described in Section 63N-3-603.1.

5459 ~~[(5)]~~ (6) Housing and transit reinvestment zone funds may be paid to a participant, if the
 5460 agency and participant enter into a participation agreement which requires the
 5461 participant to utilize the housing and transit reinvestment zone funds as allowed in this
 5462 section.

5463 ~~[(6)]~~ (7)(a) Housing and transit reinvestment zone funds may be used to pay all of the
 5464 costs of bonds issued by the municipality or public transit county in accordance with
 5465 Title 17C, Chapter 1, Part 5, Agency Bonds, including the cost to issue and repay the
 5466 bonds including interest.

5467 (b) Convention center reinvestment zone funds may be used to pay all of the costs of
 5468 debt incurred by the public infrastructure district, including the cost to issue and

5469 repay the bonds including interest.

5470 ~~[(7)]~~ (8)(a) A municipality or public transit county may create one or more public
 5471 infrastructure districts within the housing and transit reinvestment zone under Title
 5472 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the housing
 5473 and transit reinvestment zone funds to guarantee the payment of public infrastructure
 5474 bonds issued by a public infrastructure district.

5475 (b) An eligible municipality that is a capital city shall create one or more public
 5476 infrastructure districts within the convention center reinvestment zone under Title
 5477 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the
 5478 convention center reinvestment zone funds to guarantee the payment of public
 5479 infrastructure bonds issued by a public infrastructure district.

5480 Section 42. Section **63N-3-608** is amended to read:

5481 **63N-3-608 . Applicability to an existing community reinvestment project.**

5482 (1) For a housing and transit reinvestment zone created under this part that overlaps
 5483 any portion of an existing inactive industrial site community reinvestment project area
 5484 plan created ~~[pursuant to]~~ in accordance with Title 17C, Limited Purpose Local
 5485 Government Entities - Community Reinvestment Agency Act:

5486 ~~[(1)]~~ (a) if the community reinvestment project area plan captures less than 80% of the
 5487 property tax increment from a taxing entity, or if a taxing entity is not participating in
 5488 the community reinvestment project area plan, the housing and transit reinvestment
 5489 zone may capture the difference between:

5490 ~~[(a)]~~ (i) 80%; and

5491 ~~[(b)]~~ (ii) the percentage of property tax increment captured pursuant to the community
 5492 reinvestment project area plan; and

5493 ~~[(2)]~~ (b) if a community reinvestment project area plan expires before the housing and
 5494 transit reinvestment zone, the housing and transit reinvestment zone may capture the
 5495 property tax increment allocated to the community reinvestment project area plan for
 5496 any remaining portion of the term of the housing and transit reinvestment zone and
 5497 the base year shall be updated in accordance with Subsection 63N-3-602(4).

5498 (2) For a convention center reinvestment zone created under this part that overlaps any
 5499 portion of an existing community reinvestment project area plan created in accordance
 5500 with Title 17C, Limited Purpose Local Government Entities - Community Reinvestment
 5501 Agency Act:

5502 (a) if the community reinvestment project area plan captures less than 100% of the

5503 property tax increment from a taxing entity, or if a taxing entity is not participating in
 5504 the community reinvestment project area plan, the convention center reinvestment
 5505 zone may capture the difference between:

5506 (i) 100%; and

5507 (ii) the percentage of property tax increment captured pursuant to the community
 5508 reinvestment project area plan for each taxing entity; and

5509 (b) if a community reinvestment project area plan expires before the convention center
 5510 reinvestment zone, the convention center reinvestment zone may capture the property
 5511 tax increment allocated to the community reinvestment project area plan for any
 5512 remaining portion of the term of the convention center reinvestment zone with the
 5513 base year relating back to the base year established by the community reinvestment
 5514 project area plan.

5515 Section 43. Section **63N-3-609** is amended to read:

5516 **63N-3-609 . Property tax increment protections.**

5517 (1) Upon petition by a participating taxing entity or on the initiative of the housing and
 5518 transit reinvestment zone committee creating a housing and transit reinvestment zone or
 5519 convention center reinvestment zone, a housing and transit reinvestment zone or
 5520 convention center reinvestment zone may suspend or terminate the collection of
 5521 property tax increment in a housing and transit reinvestment zone or convention center
 5522 reinvestment zone if the housing and transit reinvestment zone committee determines,
 5523 by clear and convincing evidence, presented in a public meeting of the housing and
 5524 transit reinvestment zone committee, that:

5525 (a) a substantial portion of the property tax increment collected in the housing and transit
 5526 reinvestment zone or convention center reinvestment zone has not or will not be used
 5527 for the purposes provided in Section 63N-3-607; and

5528 (b)(i) the housing and transit reinvestment zone or convention center reinvestment
 5529 zone and related public infrastructure district has no indebtedness; or

5530 (ii) the housing and transit reinvestment zone or convention center reinvestment zone
 5531 and related public infrastructure district has no binding financial obligations.

5532 (2) A housing and transit reinvestment zone or convention center reinvestment zone may
 5533 not collect property tax increment in excess of the property tax increment projections or
 5534 limitations set forth in the housing and transit reinvestment zone or convention center
 5535 reinvestment zone proposal.

5536 (3) The agency administering the property tax increment collected in a housing and transit

5537 reinvestment zone under Subsection 63N-3-607(2)(c) or the public infrastructure district
5538 administering the property tax increment collected in a convention center reinvestment
5539 zone under Subsection 63N-3-607(3)(c), shall have standing in a court with proper
5540 jurisdiction to enforce provisions of the housing and transit reinvestment zone or
5541 convention center reinvestment zone proposal, participation agreements, and other
5542 agreements for the use of the property tax increment collected.

5543 (4) The agency administering property tax increment from a housing and transit
5544 reinvestment zone under Subsection 63N-3-607(2)(c) or the public infrastructure district
5545 administering the property tax increment collected in a convention center reinvestment
5546 zone under Subsection 63N-3-607(3)(c) which is collecting property tax increment shall
5547 follow the reporting requirements described in Section 17C-1-603 and the audit
5548 requirements described in Sections 17C-1-604 and 17C-1-605.

5549 (5) For each housing and transit reinvestment zone or convention center reinvestment zone
5550 collecting tax increment within a county, the county auditor shall follow the reporting
5551 requirement found in Section 17C-1-606.

5552 Section 44. Section **63N-3-610** is amended to read:

5553 **63N-3-610 . Sales and use tax increment in a housing and transit reinvestment**
5554 **zone.**

5555 (1) A housing and transit reinvestment proposal shall, in consultation with the tax
5556 commission:

5557 (a) create a sales and use tax boundary as described in Subsection (2); and

5558 (b) establish a sales and use tax base year and collection period to calculate and transfer
5559 the state sales and use tax increment within the housing and transit reinvestment
5560 zone, which sales and use tax base year is established prospectively, 90 days after the
5561 date of the notice described in Subsection (4).

5562 (2)(a) The municipality or public transit county, in consultation with the tax
5563 commission, shall establish a sales and use tax boundary that:

5564 (i) is based on state sales and use tax collection boundaries, which are determined
5565 using the ZIP Code as defined in Section 59-12-102, including the four digit
5566 delivery route extension;

5567 (ii) follows as closely as reasonably practicable the boundary of the housing and
5568 transit reinvestment zone; and

5569 (iii) is one contiguous area that includes at least the entire boundary of the housing
5570 and transit reinvestment zone.

5571 (b) If a state sales and use tax boundary is [~~bisected~~] intersected by the boundary of the
 5572 housing and transit reinvestment zone, the housing and transit reinvestment zone may
 5573 include the entire state sales and use tax boundary.

5574 (c) The municipality or public transit county shall include the sales and use tax boundary
 5575 in the housing and transit reinvestment zone proposal as described in Section
 5576 63N-3-604.

5577 (3)(a) Beginning the first day of the calendar quarter one year after the sales and use tax
 5578 boundary for a housing and transit reinvestment zone is established, the tax
 5579 commission shall, at least annually, transfer an amount equal to 15% of the sales and
 5580 use tax increment within an established sales and use tax boundary into the Transit
 5581 Transportation Investment Fund created in Section 72-2-124.

5582 (b) A municipality or public transit county may only propose one sales and use tax
 5583 increment period and one sales and use tax base year for a housing and transit
 5584 reinvestment zone established under this [~~section~~] part.

5585 (4)(a) The establishment of a sales and use tax base year and the requirement described
 5586 in Subsection (3) to transfer incremental sales tax revenue shall take effect:

5587 (i) on the first day of a calendar quarter; and

5588 (ii) after a 90-day waiting period, beginning on the date the commission receives
 5589 notice from the municipality or public transit county meeting the requirements of
 5590 Subsection (4)(b).

5591 (b) The notice described in Subsection (4)(a) shall include:

5592 (i) a statement that the housing and transit reinvestment zone will be established
 5593 under this part;

5594 (ii) the approval date and effective date of the housing and transit reinvestment zone;
 5595 and

5596 (iii) the definitions of the sales and use tax boundary and sales and use tax base year.

5597 (5) The State Tax Commission may retain and deposit an administrative charge in
 5598 accordance with Section 59-1-306 from sales and use tax increment the State Tax
 5599 Commission collects and administers under this section.

5600 Section 45. Section **63N-3-610.1** is enacted to read:

5601 **63N-3-610.1 . Sales and use tax increment in a convention center reinvestment**
 5602 **zone.**

5603 (1) A convention center revitalization zone proposal shall, in consultation with the State
 5604 Tax Commission:

- 5605 (a) create a sales and use tax boundary as described in Subsection (2); and
5606 (b) establish a sales and use tax base year to calculate and transfer the sales and use tax
5607 increment within the convention center revitalization zone 90 days after the date of
5608 the notice described in Subsection (4).
- 5609 (2)(a) The Governor's Office of Economic Opportunity, in consultation with the State
5610 Tax Commission, shall establish a sales and use tax boundary that:
- 5611 (i) is based on state sales and use tax collection boundaries, which are determined
5612 using the ZIP Code as defined in Section 59-12-102, including the four digit
5613 delivery route extension;
- 5614 (ii) follows as closely as reasonably practicable the boundary of the convention
5615 center revitalization zone; and
- 5616 (iii) is one contiguous area that includes at least the entire boundary of the convention
5617 center revitalization zone.
- 5618 (b) If a state sales and use tax boundary is intersected by the boundary of the convention
5619 center revitalization zone, the convention center revitalization zone may include the
5620 entire state sales and use tax boundary.
- 5621 (c) The Governor's Office of Economic Opportunity shall include the sales and use tax
5622 boundary in the convention center revitalization zone proposal as described in
5623 Section 63N-3-603.1.
- 5624 (3) The Governor's Office of Economic Opportunity may only propose one sales and use
5625 tax increment period and one sales and use tax base year for a convention center
5626 revitalization zone established under this part.
- 5627 (4)(a) The distribution of the sales and use tax increment shall begin:
- 5628 (i) on the first day of a calendar quarter; and
5629 (ii) after a 90-day waiting period, beginning on the date the State Tax Commission
5630 receives notice from the Governor's Office of Economic Opportunity meeting the
5631 requirements of Subsection (4)(b).
- 5632 (b) The notice described in Subsection (4)(a) shall include:
- 5633 (i) a statement that the convention center revitalization zone will be established under
5634 this part;
- 5635 (ii) the approval date and effective date of the convention center revitalization zone;
5636 and
- 5637 (iii) the definitions of the sales and use tax boundary and sales and use tax base year.
- 5638 (5) The State Tax Commission may retain and deposit an administrative charge in

5639 accordance with Section 59-1-306 from sales and use tax revenues the State Tax
 5640 Commission collects and administers under this section.

5641 Section 46. Section **63N-3-611** is amended to read:

5642 **63N-3-611 . Boundary adjustments.**

5643 If the relevant county assessor or county auditor adjusts parcel boundaries relevant to a
 5644 housing and transit reinvestment zone, the municipality administering the property tax
 5645 increment collected in the housing and transit reinvestment zone may make corresponding
 5646 adjustments to the boundary of the housing and transit reinvestment zone.

5647 Section 47. Section **72-1-214** is amended to read:

5648 **72-1-214 . Department designated as state safety oversight agency for rail fixed**
 5649 **guideway public transportation safety -- Powers and duties -- Rulemaking.**

5650 (1)(a) Except as provided in Subsection (1)(b), as used in this section, "fixed guideway"
 5651 means the same as that term is defined in Section 59-12-102.

5652 (b) For purposes of this section, "fixed guideway" does not include a rail system subject
 5653 to regulation by the Federal Railroad Administration.

5654 (2) The department is designated as the state safety oversight agency for rail fixed
 5655 guideway public transportation safety in accordance with 49 U.S.C. Sec. 5329(e)(4).

5656 (3) As the state safety oversight agency, the department may, to the extent necessary to
 5657 fulfill the department's obligations under federal law:

5658 (a) enter into and inspect the property of a fixed guideway rail system receiving federal
 5659 funds without prior notice to the operator;

5660 (b) audit an operator of a fixed guideway rail system receiving federal funds for
 5661 compliance with:

5662 (i) federal and state laws regarding the safety of the fixed guideway rail system; and

5663 (ii) a public transportation agency safety plan adopted by a specific operator in
 5664 accordance with 49 U.S.C. Sec. 5329(d);

5665 (c) direct the operator of a fixed guideway rail system to correct a safety hazard by a
 5666 specified date and time;

5667 (d) prevent the operation of all or part of a fixed guideway rail system that the
 5668 department has determined to be unsafe;

5669 (e) audit, review, approve, and oversee an operator of a fixed guideway rail system
 5670 receiving federal funds for compliance with a plan adopted by the operator in
 5671 compliance with 49 U.S.C. Sec. 5329(d); and

5672 (f) enforce statutes, rules, regulations, and executive orders relating to the operation of a

- 5673 fixed guideway rail public transportation system in Utah.
- 5674 (4) The department shall, at least annually, provide a status report on the safety of the rail
5675 fixed guideway public transportation systems the department oversees to:
- 5676 (a) the Federal Transit Administration;
- 5677 (b) the governor; and
- 5678 (c) members of the board of any rail fixed guideway public transportation system that
5679 the department oversees in accordance with this section.
- 5680 (5)(a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
5681 the department shall make rules necessary to administer and enforce this section,
5682 including rules providing for the legal and financial independence of state safety
5683 oversight agency activities and functions.
- 5684 (b) The rules made in accordance with Subsection (5)(a) shall conform to the
5685 requirements of and regulations enacted in accordance with 49 U.S.C. Sec. 5329.
- 5686 (6)(a) Notwithstanding any other agreement, a county, city, or town with fixed guideway
5687 rail transit service provided by a public transit district that is subject to safety
5688 oversight as provided in this section may request local option transit sales tax in
5689 accordance with Section 59-12-2206 and spend local option transit sales tax in the
5690 amount requested by the department to meet nonfederal match requirements for costs
5691 of safety oversight described in this section.
- 5692 (b) A county, city, or town that requests local option transit sales tax as described in
5693 Subsection (6)(a) shall transmit to the department all of the funds requested under
5694 Subsection (6)(a) and transmitted to the county, city, or town under Subsection [
5695 ~~59-12-2206(5)(b)~~] 59-12-2206(6)(b).
- 5696 (c) A county, city, or town that requests local option transit sales tax as described in
5697 Subsection (6)(a) may not request more local option transit sales tax than is necessary
5698 to carry out the state safety oversight functions under this section and the amount
5699 shall only reflect a maximum of 20% nonfederal match requirement of eligible costs
5700 of state safety oversight.
- 5701 Section 48. Section **72-1-304** is amended to read:
- 5702 **72-1-304 . Written project prioritization process for new transportation capacity**
5703 **projects -- Rulemaking.**
- 5704 (1)(a) The Transportation Commission, in consultation with the department and the
5705 metropolitan planning organizations as defined in Section 72-1-208.5, shall develop a
5706 written prioritization process for the prioritization of:

- 5707 (i) new transportation capacity projects that are or will be part of the state highway
5708 system under Chapter 4, Part 1, State Highways;
- 5709 (ii) paved pedestrian or paved nonmotorized transportation projects described in
5710 Section 72-2-124;
- 5711 (iii) public transit projects that directly add capacity to the public transit systems
5712 within the state, not including facilities ancillary to the public transit system; and
- 5713 (iv) pedestrian or nonmotorized transportation projects that provide connection to a
5714 public transit system.
- 5715 (b)(i) A local government or public transit district may nominate a project for
5716 prioritization in accordance with the process established by the commission in rule.
- 5717 (ii) If a local government or public transit district nominates a project for
5718 prioritization by the commission, the local government or public transit district
5719 shall provide data and evidence to show that:
- 5720 (A) the project will advance the purposes and goals described in Section 72-1-211;
- 5721 (B) for a public transit project, the local government or public transit district has
5722 an ongoing funding source for operations and maintenance of the proposed
5723 development; and
- 5724 (C) the local government or public transit district will provide the percentage of
5725 the costs for the project as required by Subsection 72-2-124(4)(a)(viii) or
5726 72-2-124(9)(e).
- 5727 (2) The following shall be included in the written prioritization process under Subsection
5728 (1):
- 5729 (a) a description of how the strategic initiatives of the department adopted under Section
5730 72-1-211 are advanced by the written prioritization process;
- 5731 (b) a definition of the type of projects to which the written prioritization process applies;
- 5732 (c) specification of a weighted criteria system that is used to rank proposed projects and
5733 how it will be used to determine which projects will be prioritized;
- 5734 (d) specification of the data that is necessary to apply the weighted ranking criteria; and
- 5735 (e) any other provisions the commission considers appropriate, which may include
5736 consideration of:
- 5737 (i) regional and statewide economic development impacts, including improved local
5738 access to:
- 5739 (A) employment;
- 5740 (B) educational facilities;

- 5741 (C) recreation;
- 5742 (D) commerce; and
- 5743 (E) residential areas, including moderate income housing as demonstrated in the
- 5744 local government's or public transit district's general plan pursuant to Section
- 5745 10-9a-403 or 17-27a-403;
- 5746 (ii) the extent to which local land use plans relevant to a project support and
- 5747 accomplish the strategic initiatives adopted under Section 72-1-211; and
- 5748 (iii) any matching funds provided by a political subdivision or public transit district
- 5749 in addition to the percentage of costs required by Subsections 72-2-124(4)(a)(viii)
- 5750 and 72-2-124(9)(e).
- 5751 (3)(a) When prioritizing a public transit project that increases capacity, the commission:
- 5752 (i) may give priority consideration to projects that are part of a transit-oriented
- 5753 development or transit-supportive development as defined in Section 17B-2a-802;
- 5754 and
- 5755 (ii) shall give priority consideration to projects that are within the boundaries of a
- 5756 housing and transit reinvestment zone created pursuant to Title 63N, Chapter 3,
- 5757 Part 6, Housing and Transit Reinvestment Zone Act.
- 5758 (b) When prioritizing a transportation project that increases capacity, the commission
- 5759 may give priority consideration to projects that are:
- 5760 (i) part of a transportation reinvestment zone created under Section 11-13-227 if:
- 5761 (A) the state is a participant in the transportation reinvestment zone; or
- 5762 (B) the commission finds that the transportation reinvestment zone provides a
- 5763 benefit to the state transportation system; or
- 5764 (ii) within the boundaries of a housing and transit reinvestment zone created pursuant
- 5765 to Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act.
- 5766 (c) If the department receives a notice of prioritization for a municipality as described in [~~Subsection 10-9a-408(5)~~ Section 10-9a-408, or a notice of prioritization for a county
- 5767 as described in [~~Subsection 17-27a-408(5)~~ Section 17-27a-408, the commission may
- 5768 give priority consideration to transportation projects that are within the boundaries of
- 5769 the municipality or the unincorporated areas of the county until the department
- 5770 receives notification from the Housing and Community Development Division within
- 5771 the Department of Workforce Services that the municipality or county no longer
- 5772 qualifies for prioritization under this Subsection (3)(c).
- 5773
- 5774 (4) In developing the written prioritization process, the commission:

- 5775 (a) shall seek and consider public comment by holding public meetings at locations
5776 throughout the state; and
5777 (b) may not consider local matching dollars as provided under Section 72-2-123 unless
5778 the state provides an equal opportunity to raise local matching dollars for state
5779 highway improvements within each county.

5780 (5) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
5781 Transportation Commission, in consultation with the department, shall make rules
5782 establishing the written prioritization process under Subsection (1).

5783 (6) The commission shall submit the proposed rules under this section to a committee or
5784 task force designated by the Legislative Management Committee for review prior to
5785 taking final action on the proposed rules or any proposed amendment to the rules
5786 described in Subsection (5).

5787 Section 49. Section **72-17-105** is amended to read:

5788 **72-17-105 . Establishment of administrative fees -- Payment -- Expenditures.**

5789 (1) The provisions in this section apply beginning on May 7, 2025.

5790 (2) The office shall annually determine a fee to be paid by each railroad that operated
5791 within the state and is subject to the jurisdiction of the office on a pro rata basis as
5792 described in Subsection (3).

5793 (a) The office and the department shall establish the annual fee to produce a total
5794 amount not less than the amount required to regulate railroads and carry out the
5795 duties described in this part.

5796 (b) The office shall use the revenue generated by the fees paid by each railroad for the
5797 investigation and enforcement activities of the office as authorized under this part.

5798 (3)(a) For grade crossings inspections and services, the office shall establish and each
5799 railroad shall pay a fee based on:

5800 (i) as of January 1 of each year, the number of crossings the railroad operates within
5801 this state that cross a highway, whether at grade, by overhead structure, or
5802 subway; and

5803 (ii) the frequency of use of each crossing the railroad operates, including:

5804 (A) the frequency of train operation at the crossing; and

5805 (B) the frequency of highway traffic at the crossing.

5806 (b) For hazardous materials related inspections and services, the office shall establish
5807 and each railroad shall pay a fee based on the tonnage of hazardous materials
5808 transported in this state during a given year.

- 5809 (c) For motive power and equipment related inspections and services, the office shall
5810 establish and each railroad shall pay a fee based on the number of motive power units
5811 and other equipment units operated by the railroad in this state.
- 5812 (d) For track related inspections and services, the office shall establish and each railroad
5813 shall pay a fee based on the number of miles of track owned or operated by the
5814 railroad within this state.
- 5815 (e) For signal and train control inspections and services, as well as operating practices
5816 inspections and services, the office shall establish and each railroad shall pay a fee
5817 based on gross operating revenue of each railroad generated within this state.
- 5818 (f)(i) For inspection services related to commuter rail, notwithstanding any other
5819 agreement, a county or municipality with commuter rail service provided by a
5820 public transit district may request local option transit sales tax in accordance with
5821 Section 59-12-2206 and spend local option transit sales tax in the amount
5822 requested by the office.
- 5823 (ii) A county or municipality that requests local option transit sales tax as described
5824 in Subsection (3)(f)(i) may transmit to the office the funds requested under
5825 Subsection (3)(f)(i) and transmitted to the county or municipality under
5826 Subsection [~~59-12-2206(5)(b)~~] 59-12-2206(6)(b).
- 5827 (iii) A county or municipality that requests local option transit sales tax as described
5828 in Subsection (3)(f)(i) may not request more local option transit sales tax than is
5829 necessary to carry out the safety inspection and functions under this chapter.
- 5830 (iv) The office is not required to charge or collect a fee related to inspections of
5831 commuter rail.
- 5832 (4)(a) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,
5833 the department shall make rules to establish each of the fee amounts described in
5834 Subsection (3):
- 5835 (i) according to the data described in Subsection (3); and
5836 (ii) to collect an amount sufficient to cover the budget and costs to administer the
5837 duties of the office.
- 5838 (b) The department shall annually adjust the fees established in accordance with
5839 Subsection (4)(a) to account for inflation and other budgetary factors.
- 5840 (5) Each railroad that operates within this state shall pay to the office the fees described and
5841 established by the office.
- 5842 Section 50. Section **73-10-36** is amended to read:

- 5843 **73-10-36 . Division to provide technical assistance in local government planning.**
- 5844 (1) As used in this section:
- 5845 (a) "Division" means the Division of Water Resources.
- 5846 (b) "General plan":
- 5847 (i) for a municipality, means the same as that term is defined in Section 10-9a-103;
- 5848 and
- 5849 (ii) for a county, means the same as that term is defined in Section 17-27a-103.
- 5850 (c) "Local government" means a county or a municipality, as defined in Section 10-1-104.
- 5851 (d) "Watershed council" means a council created under Chapter 10g, Part 3, Watershed
- 5852 Councils Act.
- 5853 (2) The division shall provide technical assistance to a local government to support the
- 5854 local government's adoption of a water use and preservation element in a general plan.
- 5855 (3) When consulted by a local government for information and technical resources
- 5856 regarding regional water conservation goals under Subsection 10-9a-403(2)(f)(vi) or [
- 5857 ~~17-27a-403(2)(f)(ii)] 17-27a-403(2)(e)(ii), the division may seek input from the~~
- 5858 appropriate watershed council or councils.
- 5859 Section 51. **Effective Date.**
- 5860 This bill takes effect:
- 5861 (1) except as provided in Subsection (2), May 7, 2025; or
- 5862 (2) if approved by two-thirds of all members elected to each house:
- 5863 (a) upon approval by the governor;
- 5864 (b) without the governor's signature, the day following the constitutional time limit of
- 5865 Utah Constitution, Article VII, Section 8; or
- 5866 (c) in the case of a veto, the date of veto override.