

Inland Port Authority Amendments

2025 GENERAL SESSION

STATE OF UTAH

Chief Sponsor: Jerry W. Stevenson

House Sponsor:

LONG TITLE**General Description:**

This bill modifies provisions related to the Utah Inland Port Authority.

Highlighted Provisions:

This bill:

- ▶ defines terms;
- ▶ provides that the Utah Inland Port Authority (authority) may facilitate and provide funding for the development of land in a project area and land related to land in a project area, including:
 - the development of public infrastructure and improvements in a project area and directly adjacent to a project area; and
 - other infrastructure and improvements, including environmental sustainability projects, on or related to land in a project area;
- ▶ authorizes the authority to provide funding through grant or agreement to another governmental entity to fulfill the authority's duties and responsibilities;
- ▶ provides that contaminated land or land within a remediation project area may be used for a distribution center if the contaminated land is owned by a private landowner;
- ▶ provides that the authority executive director may make policies to allow the authority to classify a business proposal submitted to the authority by a nongovernment party as protected under Section 63G-2-305, for as long as is necessary to evaluate the proposal and determine whether to proceed or not proceed;
- ▶ requires the Utah Inland Port Authority Board (board) to conduct a review of the authority's statutory authority at least annually and, if necessary, recommend statutory changes to the Legislature;
- ▶ modifies the structure of the board;
- ▶ provides that the authority may use funding to pay for all of or part of development of land within or adjacent to a project area;
- ▶ modifies the timeline for an optional extension of nonmunicipal differential payments and

- 31 municipal deferential payments to the authority;
- 32 ▸ provides that the authority may use primary municipality differential funds on
- 33 environmental projects within or adjacent to authority jurisdictional land and economic
- 34 development activities within or adjacent to authority jurisdictional land; 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 **11-58-202**, as last amended by Laws of Utah 2022, Chapters 32, 82

43 **11-58-205**, as last amended by Laws of Utah 2024, Chapters 438, 535

44 **11-58-301**, as last amended by Laws of Utah 2020, Chapter 126

45 **11-58-302**, as last amended by Laws of Utah 2023, Chapter 259

46 **11-58-303**, as last amended by Laws of Utah 2023, Chapter 259

47 **11-58-601**, as last amended by Laws of Utah 2023, Chapter 259

48 **11-58-602**, as last amended by Laws of Utah 2024, Chapter 535

49 **11-58-604**, as last amended by Laws of Utah 2023, Chapter 259

50 **11-58-605**, as last amended by Laws of Utah 2024, Chapter 535

51 ENACTS:

52 **11-58-209**, Utah Code Annotated 1953

53

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

55 Section 1. Section **11-58-202** is amended to read:

56 **11-58-202 . Authority powers and duties.**

- 57 (1) The authority has exclusive jurisdiction, responsibility, and power to coordinate the
- 58 efforts of all applicable state and local government entities, property owners and other
- 59 private parties, and other stakeholders to:
- 60 (a) develop and implement a business plan for the authority jurisdictional land, to
- 61 include an environmental sustainability component, developed in conjunction with
- 62 the [~~Utah~~]Department of Environmental Quality, incorporating policies and best
- 63 practices to meet or exceed applicable federal and state standards, including:
- 64 (i) emissions monitoring and reporting; and

- 65 (ii) strategies that use ~~[the-]~~best available ~~[technology]~~ practices to mitigate
66 environmental impacts resulting from development and uses on the authority
67 jurisdictional land;
- 68 (b) plan and facilitate the development of inland port uses on authority jurisdictional
69 land and on land in other authority project areas;
- 70 (c) manage any inland port located on land owned or leased by the authority; and
- 71 (d) establish a foreign trade zone, as provided under federal law, covering some or all of
72 the authority jurisdictional land or land in other authority project areas.
- 73 (2) The authority may:
- 74 (a) facilitate and bring about the development of inland port uses on land that is part of
75 the authority jurisdictional land or that is in other authority project areas, including
76 engaging in marketing and business recruitment activities and efforts to encourage
77 and facilitate:
- 78 (i) the development of an inland port on the authority jurisdictional land; and
- 79 (ii) other development of the authority jurisdictional land consistent with the policies
80 and objectives described in Subsection 11-58-203(1);
- 81 (b) facilitate and provide funding for the development of land in a project area and land
82 related to land in a project area, including:
- 83 (i) the development of public infrastructure and improvements in a project area and
84 directly adjacent to a project area; and
- 85 (ii) other infrastructure and improvements, including environmental sustainability
86 projects, on or related to land in a project area;
- 87 (c) engage in marketing and business recruitment activities and efforts to encourage and
88 facilitate development of the authority jurisdictional land;
- 89 (d) apply for and take all other necessary actions for the establishment of a foreign trade
90 zone, as provided under federal law, covering some or all of the authority
91 jurisdictional land;
- 92 (e) as the authority considers necessary or advisable to carry out any of ~~[its]~~ the
93 authority's duties or responsibilities under this chapter:
- 94 (i) buy, obtain an option upon, or otherwise acquire any interest in real or personal
95 property;
- 96 (ii) sell, convey, grant, dispose of by gift, or otherwise dispose of any interest in real
97 or personal property;
- 98 (iii) provide funding, through a grant or agreement, to another governmental entity

- 99 for the governmental entity to fulfill the authority's duties and responsibilities; or
100 [~~(iii)~~] (iv) enter into a lease agreement on real or personal property, either as lessee or
101 lessor;
- 102 (f) sue and be sued;
- 103 (g) enter into contracts generally;
- 104 (h) provide funding for the development of public infrastructure and improvements or
105 other infrastructure and improvements on or related to the authority jurisdictional
106 land or other authority project areas;
- 107 (i) exercise powers and perform functions under a contract, as authorized in the contract;
- 108 (j) receive the property tax differential, as provided in this chapter;
- 109 (k) accept financial or other assistance from any public or private source for the
110 authority's activities, powers, and duties, and expend any funds so received for any of
111 the purposes of this chapter;
- 112 (l) borrow money, contract with, or accept financial or other assistance from the federal
113 government, a public entity, or any other source for any of the purposes of this
114 chapter and comply with any conditions of the loan, contract, or assistance;
- 115 (m) issue bonds to finance the undertaking of any development objectives of the
116 authority, including bonds under Chapter 17, Utah Industrial Facilities and
117 Development Act, bonds under Chapter 42, Assessment Area Act, and bonds under
118 Chapter 42a, Commercial Property Assessed Clean Energy Act;
- 119 (n) hire employees, including contract employees;
- 120 (o) transact other business and exercise all other powers provided for in this chapter;
- 121 (p) engage one or more consultants to advise or assist the authority in the performance
122 of the authority's duties and responsibilities;
- 123 (q) work with other political subdivisions and neighboring property owners and
124 communities to mitigate potential negative impacts from the development of
125 authority jurisdictional land;
- 126 (r) own, lease, operate, or otherwise control public infrastructure and improvements in a
127 project area;
- 128 (s) exercise powers and perform functions that the authority is authorized by statute to
129 exercise or perform;
- 130 (t) develop and implement world-class, state-of-the-art, zero-emissions logistics to:
131 (i) support continued growth of the state's economy;
132 (ii) promote the state as the global center of efficient and sustainable supply chain

- 133 logistics;
- 134 (iii) facilitate the efficient movement of goods on roads and rails and through the air;
- 135 and
- 136 (iv) benefit the commercial viability of tenants and users; and
- 137 (u) attract capital and expertise in pursuit of the next generation of logistics solutions.
- 138 (3)(a) Beginning April 1, 2020, the authority shall:
- 139 (i) be the repository of the official delineation of the boundary of the authority
- 140 jurisdictional land, identical to the boundary as delineated in the shapefile that is
- 141 the electronic component of H.B. 2001, Utah Inland Port Authority Amendments,
- 142 2018 Second Special Session, subject to Subsection (3)(b) and any later changes
- 143 to the boundary enacted by the Legislature; and
- 144 (ii) maintain an accurate digital file of the boundary that is easily accessible by the
- 145 public.
- 146 (b)(i) As used in this Subsection (3)(b), "split property" means a piece of land:
- 147 (A) with a single tax identification number; and
- 148 (B) that is partly included within and partly excluded from the authority
- 149 jurisdictional land by the boundary delineated in the shapefile described in
- 150 Subsection 11-58-102(2).
- 151 (ii) With the consent of the mayor of the municipality in which the split property is
- 152 located, the executive director may adjust the boundary of the authority
- 153 jurisdictional land to include an excluded portion of a split property or exclude an
- 154 included portion of a split property.
- 155 (iii) In adjusting the boundary under Subsection (3)(b)(ii), the executive director shall
- 156 consult with the county assessor, the county surveyor, the owner of the split
- 157 property, and the municipality in which the split property is located.
- 158 (iv) A boundary adjustment under this Subsection (3)(b) affecting the northwest
- 159 boundary of the authority jurisdictional land shall maintain the buffer area
- 160 between authority jurisdictional land intended for development and land outside
- 161 the boundary of the authority jurisdictional land to be preserved from
- 162 development.
- 163 (v) Upon completing boundary adjustments under this Subsection (3)(b), the
- 164 executive director shall cause to be recorded in the county recorder's office a map
- 165 or other description, sufficient for purposes of the county recorder, of the adjusted
- 166 boundary of the authority jurisdictional land.

- 167 (vi) The authority shall modify the official delineation of the boundary of the
 168 authority jurisdictional land under Subsection (3)(a) to reflect a boundary
 169 adjustment under this Subsection (3)(b).
- 170 (4)(a) The authority may establish a community enhancement program designed to
 171 address the impacts that development or inland port uses within project areas have on
 172 adjacent communities.
- 173 (b)(i) The authority may use authority money to support the community enhancement
 174 program and to pay for efforts to address the impacts described in Subsection
 175 (4)(a).
- 176 (ii) Authority money designated for use under Subsection (4)(b)(i) is exempt from
 177 execution or any other process in the collection of a judgment against or debt or
 178 other obligation of the authority arising out of the authority's activities with
 179 respect to the community enhancement program.

180 Section 2. Section **11-58-205** is amended to read:

181 **11-58-205 . Applicability of other law -- Cooperation of state and local**
 182 **governments -- Municipality to consider board input -- Prohibition relating to natural**
 183 **resources -- Inland port as permitted or conditional use -- Municipal services --**
 184 **Disclosure by nonauthority governing body member -- Services from state agencies --**
 185 **Procurement policy.**

- 186 (1) Except as otherwise provided in this chapter, the authority does not have and may not
 187 exercise any powers relating to the regulation of land uses on the authority jurisdictional
 188 land.
- 189 (2)(a) [The] Except as provided in Subsection (2)(b), the authority is subject to and
 190 governed by Sections 63E-2-106, 63E-2-107, 63E-2-108, 63E-2-109, 63E-2-110, and
 191 63E-2-111, but is not otherwise subject to or governed by Title 63E, Independent
 192 Entities Code.
- 193 (b) Notwithstanding Subsection 63E-2-109(2)(c), the executive director may make
 194 policies as approved by the board as described in Section 11-58-209.
- 195 (3) A department, division, or other agency of the state and a political subdivision of the
 196 state shall cooperate with the authority to the fullest extent possible to provide whatever
 197 support, information, or other assistance the board requests that is reasonably necessary
 198 to help the authority fulfill its duties and responsibilities under this chapter.
- 199 (4) In making decisions affecting the authority jurisdictional land, the legislative body of a
 200 municipality in which the authority jurisdictional land is located shall consider input

201 from the authority board.

202 (5)(a) No later than December 31, 2018, the ordinances of a municipality with authority
203 jurisdictional land within its boundary shall allow an inland port as a permitted or
204 conditional use, subject to standards that are:

205 (i) determined by the municipality; and

206 (ii) consistent with the policies and objectives stated in Subsection 11-58-203(1).

207 (b) A municipality whose ordinances do not comply with Subsection (5)(a) within the
208 time prescribed in that subsection shall allow an inland port as a permitted use
209 without regard to any contrary provision in the municipality's land use ordinances.

210 (6)(a) The transporting, unloading, loading, transfer, or temporary storage of natural
211 resources may not be prohibited on the authority jurisdictional land.

212 (b) Notwithstanding a permitted or conditional use allowed under applicable municipal
213 ordinances, contaminated land may not be used for a distribution center unless the
214 contaminated land is owned by a private landowner.

215 (7)(a) A municipality whose boundary includes authority jurisdictional land shall
216 provide the same municipal services to the area of the municipality that is within the
217 authority jurisdictional land as the municipality provides to other areas of the
218 municipality with similar zoning and a similar development level.

219 (b) The level and quality of municipal services that a municipality provides within
220 authority jurisdictional land shall be fairly and reasonably consistent with the level
221 and quality of municipal services that the municipality provides to other areas of the
222 municipality with similar zoning and a similar development level.

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

224 (i) "Direct financial benefit" means the same as that term is defined in Section
225 11-58-304.

226 (ii) "Nonauthority governing body member" means a member of the board or other
227 body that has authority to make decisions for a nonauthority government owner.

228 (iii) "Nonauthority government owner" mean a state agency or nonauthority local
229 government entity that owns land that is part of the authority jurisdictional land.

230 (iv) "Nonauthority local government entity":

231 (A) means a county, city, town, special district, special service district, community
232 reinvestment agency, or other political subdivision of the state; and

233 (B) excludes the authority.

234 (v) "State agency" means a department, division, or other agency or instrumentality

- 235 of the state, including an independent state agency.
- 236 (b) A nonauthority governing body member who owns or has a financial interest in land
237 that is part of the authority jurisdictional land or who reasonably expects to receive a
238 direct financial benefit from development of authority jurisdictional land shall submit
239 a written disclosure to the authority board and the nonauthority government owner.
- 240 (c) A written disclosure under Subsection (8)(b) shall describe, as applicable:
241 (i) the nonauthority governing body member's ownership or financial interest in
242 property that is part of the authority jurisdictional land; and
243 (ii) the direct financial benefit the nonauthority governing body member expects to
244 receive from development of authority jurisdictional land.
- 245 (d) A nonauthority governing body member required under Subsection (8)(b) to submit a
246 written disclosure shall submit the disclosure no later than 30 days after:
247 (i) the nonauthority governing body member:
248 (A) acquires an ownership or financial interest in property that is part of the
249 authority jurisdictional land; or
250 (B) first knows that the nonauthority governing body member expects to receive a
251 direct financial benefit from the development of authority jurisdictional land; or
252 (ii) the effective date of this Subsection (8), if that date is later than the period
253 described in Subsection (8)(d)(i).
- 254 (e) A written disclosure submitted under this Subsection (8) is a public record.
- 255 (9)(a) The authority may request and, upon request, shall receive:
256 (i) fuel dispensing and motor pool services provided by the Division of Fleet
257 Operations;
258 (ii) surplus property services provided by the Division of Purchasing and General
259 Services;
260 (iii) information technology services provided by the Division of Technology
261 Services;
262 (iv) archive services provided by the Division of Archives and Records Service;
263 (v) financial services provided by the Division of Finance;
264 (vi) human resources services provided by the Division of Human Resource
265 Management;
266 (vii) legal services provided by the Office of the Attorney General; and
267 (viii) banking services provided by the Office of the State Treasurer.
- 268 (b) Nothing in Subsection (9)(a) may be construed to relieve the authority of the

- 269 obligation to pay the applicable fee for the service provided.
- 270 (10)(a) To govern authority procurements, the board shall adopt a procurement policy
271 that the board determines to be substantially consistent with applicable provisions of
272 Title 63G, Chapter 6a, Utah Procurement Code.
- 273 (b) The board may delegate to the executive director the responsibility to adopt a
274 procurement policy.
- 275 (c) The board's determination under Subsection (10)(a) of substantial consistency is final
276 and conclusive.

277 Section 3. Section **11-58-209** is enacted to read:

278 **11-58-209 . Evaluating business proposals.**

- 279 (1) The executive director may make policies as approved by the board that allow the
280 authority to classify a business proposal submitted to the authority by a
281 nongovernmental party as protected under Section 63G-2-305, for as long as is
282 necessary to evaluate the proposal and determine whether to proceed or not proceed.
- 283 (2) If, after evaluation of a business proposal, the authority determines not to proceed with
284 the business proposal, the authority:
- 285 (a) shall return the business proposal to the nongovernmental party that submitted the
286 business proposal; and
- 287 (b) incurs no duties or obligations under Title 63G, Chapter 2, Government Records
288 Access and Management Act, in regard to the business proposal.
- 289 (3) The authority shall classify the business proposal pursuant to Title 63G, Chapter 2,
290 Government Records Access and Management Act, if the authority proceeds with the
291 business proposal.
- 292 (4) Section 63G-2-403 does not apply in regard to the authority or a business proposal in
293 the possession of the authority during the evaluation period of the business proposal.
- 294 (5) Nothing in this section limits the ability of the authority to properly classify a record in
295 the authority's possession as protected pursuant to Section 63G-2-305.

296 Section 4. Section **11-58-301** is amended to read:

297 **11-58-301 . Port authority board -- Delegation of power.**

- 298 (1) The authority shall be governed by a board which:
- 299 (a) shall manage and conduct the business and affairs of the authority~~[-and]~~ ;
- 300 (b) shall determine all questions of authority policy~~[-]~~ ; and
- 301 (c) constitutes a mixed-function board.
- 302 (2) All powers of the authority are exercised through the board or, as provided in Section

- 303 11-58-305, the executive director.
- 304 (3) The board may by resolution delegate powers to authority staff.
- 305 (4) The board shall, at least annually:
- 306 (a) review the statutory authority of the authority, the board, and the executive director;
- 307 (b) evaluate whether the authority is achieving the objectives outlined in Section
- 308 11-58-203;
- 309 (c) determine whether changes to board rules, policies, or guidelines are advisable and,
- 310 if so, modify the rule, policy, or guideline; and
- 311 (d) determine whether to recommend statutory changes to Chapter 58, Utah Inland Port
- 312 Authority Act, to the Legislature.

313 Section 5. Section **11-58-302** is amended to read:

314 **11-58-302 . Number of board members -- Appointment -- Vacancies.**

- 315 (1) The authority's board shall consist of five voting members, as provided in Subsection (2).
- 316 (2)(a) The governor shall appoint as board members [~~two~~] three individuals who are not
- 317 elected government officials:
- 318 (i) one of whom shall be an individual engaged in statewide economic development
- 319 or corporate recruitment and retention; [~~and~~]
- 320 (ii) one of whom shall be an individual engaged in statewide trade, import and export
- 321 activities, foreign direct investment, or public-private partnerships[~~;~~] ; and
- 322 (iii) one of whom shall be an individual with relevant business expertise.
- 323 (b) The president of the Senate shall appoint as a board member one individual with
- 324 relevant business expertise.
- 325 (c) The speaker of the House of Representatives shall appoint as a board member one
- 326 individual with relevant business expertise.
- 327 [~~(d) The president of the Senate and speaker of the House of Representatives shall~~
- 328 ~~jointly appoint as a board member one individual with relevant business expertise.]~~
- 329 (3)(a) The board shall include three nonvoting board members.
- 330 (b) The board shall appoint as nonvoting board members two individuals with expertise
- 331 in transportation and logistics.
- 332 (c) One of the nonvoting board members shall be a member of the Salt Lake City
- 333 Council, designated by the Salt Lake City Council, who represents a council district
- 334 whose boundary includes authority jurisdictional land.
- 335 (d) The board may set the term of office for nonvoting board members appointed under
- 336 Subsection (3)(b).

- 337 (4) An individual required under Subsection (2) to appoint a board member shall appoint
 338 each initial board member the individual is required to appoint no later than [~~June 1,~~
 339 ~~2022~~] July 1, 2025.
- 340 (5)(a) A vacancy in the board shall be filled in the same manner under this section as the
 341 appointment of the member whose vacancy is being filled.
- 342 (b) A person appointed to fill a vacancy shall serve the remaining unexpired term of the
 343 member whose vacancy the person is filling.
- 344 (6) A member of the board appointed under Subsection (2) serves at the pleasure of and
 345 may be removed and replaced at any time, with or without cause, by the individual or
 346 individuals who appointed the member.
- 347 (7) Upon a vote of a majority of all voting members, the board may appoint a board chair
 348 and any other officer of the board.
- 349 (8) The board may appoint one or more advisory committees that may include individuals
 350 from impacted public entities, community organizations, environmental organizations,
 351 business organizations, or other organizations or associations.
- 352 Section 6. Section **11-58-303** is amended to read:
- 353 **11-58-303 . Term of board members -- Quorum -- Compensation.**
- 354 (1) The term of a board member appointed under Subsection 11-58-302(2) is four years,
 355 except that the initial term of [~~one~~] two of the [~~two~~] three members appointed under
 356 Subsection 11-58-302(2)(a)[~~and of the member appointed under Subsection~~
 357 ~~11-58-302(2)(d)~~] is two years.
- 358 (2) Each board member shall serve until a successor is duly appointed and qualified.
- 359 (3) A board member may serve multiple terms if duly appointed to serve each term under
 360 Subsection 11-58-302(2).
- 361 (4) A majority of voting members constitutes a quorum, and the action of a majority of
 362 voting members constitutes action of the board.
- 363 (5)(a) A board member who is not a legislator may not receive compensation or benefits
 364 for the member's service on the board, but may receive per diem and reimbursement
 365 for travel expenses incurred as a board member as allowed in:
- 366 (i) Sections 63A-3-106 and 63A-3-107; and
- 367 (ii) rules made by the Division of Finance according to Sections 63A-3-106 and
 368 63A-3-107.
- 369 (b) Compensation and expenses of a board member who is a legislator are governed by
 370 Section 36-2-2 and Legislative Joint Rules, Title 5, Chapter 3, Legislator

371 Compensation.

372 Section 7. Section **11-58-601** is amended to read:

373 **11-58-601 . General differential and nonmunicipal differential.**

374 (1) As used in this section:

375 (a) "Designation resolution" means a resolution adopted by the board that designates a
376 transition date and a trigger date, which may be the same date, for the parcel
377 specified in the resolution.

378 (b) "Post-designation parcel" means a parcel within a project area after the transition
379 date for that parcel.

380 (c) "Pre-designation parcel" means a parcel within a project area before the transition
381 date for that parcel.

382 (d) "Transition date" means the date indicated in a designation resolution after which the
383 parcel that is the subject of the designation resolution is a post-designation parcel.

384 (e) "Trigger date" means the date indicated in a designation resolution upon which tax
385 differential payments due to the authority commence.

386 (2) This section applies to nonmunicipal differential and general differential to be paid to
387 the authority.

388 (3) The authority shall be paid 75% of nonmunicipal differential generated from a
389 pre-designation parcel that is part of the authority jurisdictional land:

390 (a) for the period beginning November 2019 and ending the earlier of:

391 (i) the transition date for that parcel; and

392 (ii) November 30, 2044; and

393 (b) for a period of up to 15 years following November 2044 if, before the end of
394 November 2044:

395 (i) the parcel has not become a post-designation parcel; and

396 (ii) the board adopts a resolution approving the [~~15-year~~]extension.

397 (4)(a) As provided in Subsection (4)(b), the authority shall be paid:

398 (i) 75% of nonmunicipal differential generated from a post-designation parcel that is
399 part of the authority jurisdictional land; and

400 (ii) 75% of general differential generated from a post-designation parcel that is not
401 part of the authority jurisdictional land.

402 (b) The property tax differential paid under Subsection (4)(a) from a post-designation
403 parcel shall be paid:

404 (i) for a period of 25 years beginning on the [~~transition~~] trigger date for that parcel;

405 and
 406 (ii) for a period of up to an additional 15 years beyond the period stated in Subsection
 407 (4)(b)(i) if the board determines by resolution that the additional years of
 408 nonmunicipal differential or general differential, as the case may be, from that
 409 parcel will produce a significant benefit.

410 (5)(a) For purposes of this section, the authority may designate an improved portion of a
 411 parcel in a project area as a separate parcel.

412 (b) An authority designation of an improved portion of a parcel as a separate parcel
 413 under Subsection (5)(a) does not constitute a subdivision, as defined in Section
 414 10-9a-103 or Section 17-27a-103.

415 (c) A county recorder shall assign a separate tax identification number to the improved
 416 portion of a parcel designated by the authority as a separate parcel under Subsection
 417 (5)(a).

418 Section 8. Section **11-58-602** is amended to read:

419 **11-58-602 . Allowable uses of property tax differential and other funds.**

420 (1)(a) The authority may use money from property tax differential, money the authority
 421 receives from the state, money the authority receives under Subsection 59-12-205
 422 (2)(a)(ii)(C), and other money available to the authority:

- 423 (i) for any purpose authorized under this chapter;
- 424 (ii) for administrative, overhead, legal, consulting, and other operating expenses of
 425 the authority;
- 426 (iii) to pay for, including financing or refinancing, all or part of the development of
 427 land within or adjacent to a project area, including assisting the ongoing operation
 428 of a development or facility within or adjacent to the project area;
- 429 (iv) to pay the cost of the installation and construction of public infrastructure and
 430 improvements within the project area from which the property tax differential
 431 funds were collected;
- 432 (v) to pay the cost of the installation of public infrastructure and improvements
 433 outside a project area if the board determines by resolution that the infrastructure
 434 and improvements are of benefit to the project area;
- 435 (vi) to pay to a community reinvestment agency for affordable housing, as provided
 436 in Subsection 11-58-606(2);
- 437 (vii) to pay the principal and interest on bonds issued by the authority;
- 438 (viii) to pay the cost of acquiring [~~a conservation~~] land or an easement on land that is

- 439 part of or adjacent to authority jurisdictional land:
- 440 (A) for the perpetual preservation of the land from development; and
- 441 (B) to provide a buffer area between authority jurisdictional land intended for
- 442 development and land outside the boundary of the authority jurisdictional land;
- 443 and
- 444 (ix) subject to Subsection (1)(b), to encourage, incentivize, or require development
- 445 that:
- 446 (A) mitigates noise, air pollution, light pollution, surface and groundwater
- 447 pollution, and other negative environmental impacts;
- 448 (B) mitigates traffic congestion; or
- 449 (C) uses high efficiency building construction and operation.
- 450 (b)(i)(A) The authority shall establish minimum mitigation and environmental
- 451 standards that a landowner is required to meet to qualify for the use of property
- 452 tax differential under Subsection (1)(a)(ix) in the landowner's development.
- 453 (B) Minimum mitigation and environmental standards established under
- 454 Subsection (1)(b)(i)(A) shall include a standard prohibiting the use of property
- 455 tax differential as a business recruitment incentive, as defined in Section
- 456 11-58-603, for new commercial or industrial development or an expansion of
- 457 existing commercial or industrial development within the authority
- 458 jurisdictional land if the new or expanded development will consume on an
- 459 annual basis more than 200,000 gallons of potable water per day.
- 460 (ii) In establishing minimum mitigation and environmental standards, the authority
- 461 shall consult with:
- 462 (A) the municipality in which the development is expected to occur, for
- 463 development expected to occur within a municipality; or
- 464 (B) the county in whose unincorporated area the development is expected to
- 465 occur, for development expected to occur within the unincorporated area of a
- 466 county.
- 467 (iii) The authority may not use property tax differential under Subsection (1)(a)(viii)
- 468 for a landowner's development in a project area unless the minimum mitigation
- 469 and environmental standards are followed with respect to that landowner's
- 470 development.
- 471 (2) The authority may use revenue generated from the operation of public infrastructure
- 472 operated by the authority or improvements, including an intermodal facility, operated by

- 473 the authority to:
- 474 (a) operate and maintain the infrastructure or improvements; and
- 475 (b) pay for authority operating expenses, including administrative, overhead, and legal
- 476 expenses.
- 477 (3) The determination of the board under Subsection (1)(a)(v) regarding benefit to the
- 478 project area is final.
- 479 (4) The authority may not use property tax differential revenue collected from one project
- 480 area for a development project within another project area.
- 481 (5) The authority may use up to 10% of the general differential revenue generated from a
- 482 project area to pay for affordable housing within or near the project area.
- 483 (6) The authority may share general differential funds with a taxing entity that levies a
- 484 property tax on land within the project area from which the general differential is
- 485 generated.

486 Section 9. Section **11-58-604** is amended to read:

487 **11-58-604 . Distribution and use of primary municipality differential.**

- 488 (1) This section applies to the payment and use of primary municipality differential.
- 489 (2) Beginning the first tax year that begins on or after January 1, 2023:
- 490 (a) the authority shall be paid 25% of primary municipality differential:
- 491 (i) for the authority's use as provided in Subsection (4); and
- 492 (ii)(A) for a period of 25 years beginning January 1, 2023; and
- 493 (B) for a period of time, not [~~exceeding~~] to exceed an additional 15 years beyond
- 494 the period stated in Subsection (2)(a)(ii)(A), if the board determines by
- 495 resolution, adopted before the expiration of the 25-year period under
- 496 Subsection (2)(a)(ii)(A), that the additional years will produce a significant
- 497 benefit to the uses described in Subsection (4) and if the primary municipality
- 498 and the authority agree to the additional period of time;
- 499 (b) the authority shall be paid, in addition to the amounts under Subsection (2)(a), a
- 500 percentage, as defined in Subsection (3), of primary municipality differential for the
- 501 authority's use as provided in Subsection (4); and
- 502 (c) the primary municipality shall be paid, for the primary municipality's use for
- 503 municipal operations, all primary municipality differential remaining after the
- 504 payment of primary municipality differential to the authority as required under
- 505 Subsections (2)(a) and (b).
- 506 (3) The percentage of primary municipality differential paid to the authority as provided in

- 507 Subsection (2)(b):
- 508 (a) shall be 40% for the first tax year that begins on or after January 1, 2023, decreasing
- 509 2% each year after the 2023 tax year, so that in 2029 the percentage is 28;
- 510 (b) beginning January 1, 2030, and for a period of seven years, shall be 10%;
- 511 (c) beginning January 1, 2037, and for a period of 11 years, shall be 8%; and
- 512 (d) after 2047, shall be 0%.
- 513 (4) Of the primary municipality differential the authority receives, the authority shall use:
- 514 (a) 40% for environmental mitigation projects within or adjacent to the authority
- 515 jurisdictional land;
- 516 (b) 40% for mitigation projects, which may include a regional traffic study and an
- 517 environmental impact mitigation analysis, for communities that are:
- 518 (i) within the primary municipality;
- 519 (ii) adjacent to the authority jurisdictional land; and
- 520 (iii) west of the east boundary of the right of way of a fixed guideway used, as of
- 521 January 1, 2022, for commuter rail within the primary municipality; and
- 522 (c) 20% for economic development activities ~~[on]~~ within or adjacent to the authority
- 523 jurisdictional land.
- 524 Section 10. Section **11-58-605** is amended to read:
- 525 **11-58-605 . Creation of remediation project area and payment of remediation**
- 526 **differential.**
- 527 (1) As used in this section:
- 528 (a) "Remedial action plan" means a plan for the cleanup of contaminated land under a
- 529 voluntary cleanup agreement under Title 19, Chapter 8, Voluntary Cleanup Program.
- 530 (b) "Subsidiary district" means a public infrastructure district that is a subsidiary of the
- 531 authority.
- 532 (2) This section applies to a remediation project area and to remediation differential.
- 533 (3)(a) The authority may adopt a resolution creating a remediation project area[-].
- 534 (b) Land within a remediation project area may not be used for a distribution center
- 535 unless the land within the remediation project area is owned by a private landowner.
- 536 (4) If the authority adopts a resolution creating a remediation project area, the authority
- 537 shall reconfigure the boundary of the project area that consists of the authority
- 538 jurisdictional land to exclude the remediation project area.
- 539 (5) The authority may pay the costs of a remediation project from funds available to the
- 540 authority, including funds of a subsidiary district.

- 541 (6)(a) If the authority pays some or all the costs of a remediation project, the authority
542 shall be paid 100% of the remediation differential, subject to Subsection (6)(b), until
543 the authority is fully reimbursed for the costs the authority paid for the remediation
544 project.
- 545 (b)(i) Subject to Subsection (6)(b)(iii), the authority's use of remediation differential
546 paid to the authority under Subsection (6)(a) is subject to any bonds of a
547 subsidiary district issued before May 3, 2023, pledging property tax differential
548 funds generated from the contaminated land.
- 549 (ii) Before using remediation differential to pay subsidiary district bonds described in
550 Subsection (6)(b)(i), the authority shall use other funds available to the authority
551 to pay the bonds.
- 552 (iii) A pledge of property tax differential under subsidiary district bonds issued
553 before May 3, 2023, may be satisfied if:
- 554 (A) the authority or the subsidiary district pledges additional property tax
555 differential, other than remediation differential, or other authority or subsidiary
556 district funds to offset any decrease in property tax differential resulting from
557 the payment under Subsection (6)(a) of remediation differential funds that
558 would otherwise have been available to pay the subsidiary district bonds; and
- 559 (B) the pledge described in Subsection (6)(b)(iii)(A) is senior in right to any
560 pledge of remediation differential for a commitment the authority makes in
561 connection with a remediation project.
- 562 (7) If a remediation project is conducted pursuant to a remedial action plan, the use of the
563 land that is the subject of the remediation project shall be consistent with the remedial
564 action plan unless the change of use:
- 565 (a) occurs after the government owner, as defined in Subsection 63G-7-201(3)(b), is
566 environmentally compliant, as defined in Subsection 63G-7-201(3)(b), with respect
567 to the land that is the subject of the remediation project; and
- 568 (b) is approved by the board following a public hearing on the proposed change of use.
- 569 (8)(a) Upon the authority receiving full reimbursement for the authority's payment of
570 costs for a remediation project, the remediation project area is automatically and
571 immediately dissolved and the land within the remediation project area automatically
572 and immediately becomes part of the project area consisting of the authority
573 jurisdictional land.
- 574 (b) The board shall take any action necessary to effectuate and reflect in authority

575 project area records and any other applicable records the reincorporation of the
576 remediation project area under Subsection (8)(a) into the project area consisting of
577 the authority jurisdictional land.

578 Section 11. **Effective Date.**

579 This bill takes effect:

580 (1) except as provided in Subsection (2), May 7, 2025; or

581 (2) if approved by two-thirds of all members elected to each house:

582 (a) upon approval by the governor;

583 (b) without the governor's signature, the day following the constitutional time limit of

584 Utah Constitution, Article VII, Section 8; or

585 (c) in the case of a veto, the date of veto override.