

David Shallenberger proposes the following substitute bill:

**Extracted Natural Resources Amendments**

2026 GENERAL SESSION

STATE OF UTAH

**Chief Sponsor: Ann Millner**

House Sponsor: David Shallenberger

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**LONG TITLE**

**General Description:**

This bill addresses natural resources within the state.

**Highlighted Provisions:**

This bill:

- ▶ facilitates faster permitting by the Department of Environmental Quality and the Division of Oil, Gas, and Mining;
- ▶ modifies the tax credit for mining exploration;
- ▶ creates the State Reinvestment Restricted Account and diverts various streams of income related to severance taxes into the State Reinvestment Restricted Account;
- ▶ requires additional reporting regarding mineral severance taxes;
- ▶ addresses property tax differentials based on critical minerals zones;
- ▶ defines terms;
- ▶ establishes the state critical minerals objectives and policy, including providing for annual reviews;
- ▶ creates the Critical Minerals Council (council), including establishing the council's operations, powers, and duties;
- ▶ makes money appropriated to the council nonlapsing;
- ▶ addresses areas of coordination by certain council members;
- ▶ establishes a process to designate critical minerals zones, including providing for property tax differential revenue;
- ▶ provides for the creation of a clearinghouse of data to be known as the "Critical Minerals Atlas";
- ▶ addresses the creation of the Minerals for Industrial, National, and Economic Security Center;
- ▶ creates the Critical Minerals Development Account;

- 29           ▸ coordinates with H.B. 373, Higher Education Innovation, to address inclusion of critical  
30 minerals projects in the eligible research areas for research grants; and  
31           ▸ makes technical and conforming amendments.

32 **Money Appropriated in this Bill:**

33           This bill appropriates \$14,016,200 in restricted fund and account transfers for fiscal year  
34 2026, all of which is from the various sources as detailed in this bill.

35           This bill appropriates \$11,000,000 in operating and capital budgets for fiscal year 2027, all of  
36 which is from the various sources as detailed in this bill.

37 **Other Special Clauses:**

38           This bill provides a special effective date.

39           This bill provides coordination clauses.

40           This bill provides retrospective operation.

41 **Utah Code Sections Affected:**

42 AMENDS:

43           **40-6-24 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37)**, as  
44 repealed and reenacted by Laws of Utah 2025, Chapter 159

45           **51-9-202 (Effective 07/01/26)**, as last amended by Laws of Utah 2021, Chapter 401

46           **51-9-302 (Effective 07/01/26)**, as last amended by Laws of Utah 2010, Chapter 219

47           **51-9-305 (Effective 07/01/26)**, as last amended by Laws of Utah 2014, Chapter 241

48           **59-2-924 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of  
49 Utah 2025, First Special Session, Chapter 15

50           **59-5-115 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of  
51 Utah 2023, Chapters 446, 537

52           **59-5-116 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of  
53 Utah 2021, Chapter 401

54           **59-5-119 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of  
55 Utah 2021, Chapter 401

56           **59-5-204 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of  
57 Utah 2008, Chapter 382

58           **59-5-215 (Effective 05/06/26) (Applies beginning 01/01/26)**, as last amended by Laws of  
59 Utah 2024, Chapter 25

60           **59-5-304 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37)**, as  
61 renumbered and amended by Laws of Utah 2025, Chapter 159

62           **63J-1-602.2 (Effective 05/06/26) (Partially Repealed 07/01/29)**, as last amended by Laws

63 of Utah 2025, First Special Session, Chapter 17  
 64 **79-2-201 (Effective 05/06/26) (Partially Repealed 07/01/29)**, as last amended by Laws of  
 65 Utah 2025, Chapter 93

66 ENACTS:

67 **19-1-209 (Effective 05/06/26)**, Utah Code Annotated 1953  
 68 **40-8-5.5 (Effective 05/06/26)**, Utah Code Annotated 1953  
 69 **51-9-1001 (Effective 07/01/26)**, Utah Code Annotated 1953  
 70 **51-9-1002 (Effective 07/01/26)**, Utah Code Annotated 1953  
 71 **51-9-1003 (Effective 07/01/26)**, Utah Code Annotated 1953  
 72 **79-10-101 (Effective 05/06/26)**, Utah Code Annotated 1953  
 73 **79-10-201 (Effective 05/06/26)**, Utah Code Annotated 1953  
 74 **79-10-202 (Effective 05/06/26)**, Utah Code Annotated 1953  
 75 **79-10-301 (Effective 05/06/26)**, Utah Code Annotated 1953  
 76 **79-10-302 (Effective 05/06/26)**, Utah Code Annotated 1953  
 77 **79-10-303 (Effective 05/06/26)**, Utah Code Annotated 1953  
 78 **79-10-401 (Effective 05/06/26)**, Utah Code Annotated 1953  
 79 **79-10-402 (Effective 05/06/26)**, Utah Code Annotated 1953  
 80 **79-10-403 (Effective 05/06/26)**, Utah Code Annotated 1953  
 81 **79-10-501 (Effective 05/06/26)**, Utah Code Annotated 1953  
 82 **79-10-601 (Effective 05/06/26)**, Utah Code Annotated 1953  
 83 **79-10-602 (Effective 05/06/26)**, Utah Code Annotated 1953  
 84 **79-10-701 (Effective 05/06/26)**, Utah Code Annotated 1953

85 REPEALS:

86 **51-9-301 (Effective 07/01/26)**, as last amended by Laws of Utah 2021, Chapter 401  
 87 **51-9-303 (Effective 07/01/26)**, as last amended by Laws of Utah 2016, Chapter 128  
 88 **51-9-307 (Effective 07/01/26)**, as last amended by Laws of Utah 2024, Chapter 25

89 **Utah Code Sections affected by Coordination Clause:**

90 **53H-8-211 (07/01/26)**, Utah Code Annotated 1953

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

93 Section 1. Section **19-1-209** is enacted to read:

94 **19-1-209 (Effective 05/06/26). Fast track permitting for critical minerals.**

95 (1) As used in this section:

96 (a) "Critical mineral" means the same as that term is defined in Section 79-10-101.

- 97           (b) "Critical minerals project" means an activity requiring one or more state permits  
 98           related to the extraction or processing of a critical mineral.
- 99           (c) "Critical minerals zone" means the same as that term is defined in Section 79-10-101.
- 100          (d) "Permit" means the same as that term is defined in Section 79-10-101.
- 101          (2)(a) A division within the department shall prioritize division resources to process a  
 102          permit that is:
- 103               (i) requested to be issued by the division; and  
 104               (ii) related to a critical minerals project described in Subsection (2)(b).
- 105          (b) This Subsection (2) applies to a critical mineral project that is:
- 106               (i) for the extraction or processing of a critical mineral within a critical minerals  
 107               zone; or
- 108               (ii) included in the strategic plan developed by the Critical Minerals Council under  
 109               Subsection 79-10-302(1).
- 110          (3) The department shall work cooperatively with the Division of Oil, Gas, and Mining to  
 111          develop processes under which permits for a critical minerals project described in  
 112          Subsection (2)(b) that are issued by a division within the department and the Division of  
 113          Oil, Gas, and Mining:
- 114               (a) may be issued at parallel times rather than sequentially; and  
 115               (b) minimize the need for a person to comply with duplicative, overlapping, or  
 116               conflicting requirements.
- 117          (4) Nothing in this section abrogates or interferes with the powers or duties of the Division  
 118          of Oil, Gas, and Mining.

119          Section 2. Section **40-6-24** is amended to read:

120               **40-6-24 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37).**

121          **Tax credit for mining exploration -- Division to issue certificates.**

122          (1) As used in this section:

123               (a) "Activity" means:

- 124                   (i) surveying by a geophysical method or by a geochemical method;  
 125                   (ii) drilling one or more exploration holes;  
 126                   (iii) conducting underground exploration;  
 127                   (iv) surface trenching or bulk sampling;  
 128                   (v) taking aerial photographs;  
 129                   (vi) geological and geophysical logging;  
 130                   (vii) sample analysis; or

- 131 (viii) metallurgical testing.
- 132 ~~[(b) "Assigned tax credit certificate" means a tax credit certificate the division issues to a~~  
 133 ~~person to which a claimant assigns the claimant's tax credit.]~~
- 134 ~~[(e)]~~ (b)(i) "Certified expenditure" means a cost incurred for an activity in direct  
 135 support of an eligible exploration activity conducted at a specific site.
- 136 (ii) "Certified expenditure" includes:
- 137 (A) the cost of obtaining an approval, a permit, a license, or a certificate for an  
 138 eligible exploration activity;
- 139 (B) a direct labor cost and the cost of benefits for employees directly associated  
 140 with work described in Subsection ~~[(1)(e)(i)]~~ (1)(b)(i);
- 141 (C) the cost of leasing equipment from a third party;
- 142 (D) the cost of owning, maintaining, or operating equipment;
- 143 (E) insurance and bond premiums associated with the activities described in  
 144 Subsections ~~[(1)(e)(ii)(A)]~~ (1)(b)(ii)(A) through (D);
- 145 (F) the cost of a consultant or an independent contractor; and
- 146 (G) any general expense related to operating the business engaged in the eligible  
 147 exploration activity to the extent the expense is directly attributable to the work  
 148 described in Subsection ~~[(1)(e)(i)]~~ (1)(b)(i).
- 149 (iii) "Certified expenditure" does not include:
- 150 (A) return on investment; or
- 151 (B) insurance or bond premiums not described in Subsection ~~[(1)(e)(ii)(E)]~~  
 152 (1)(b)(ii)(E).
- 153 ~~[(d)]~~ (c)(i) "Claimant" means a person that:
- 154 (A) is engaged in the business of mining or extracting minerals;
- 155 (B) is subject to a severance tax, for the taxable year in which the person applies  
 156 for a tax credit certificate, under Title 59, Chapter 5, Part 2, Mining Severance  
 157 Tax, as a direct result of minerals produced from eligible exploration activities;  
 158 and
- 159 (C) makes a certified expenditure.
- 160 (ii) "Claimant" does not include a person in the business of mining or extracting  
 161 minerals on the Great Salt Lake from:
- 162 (A) the brines of the Great Salt Lake, except for a person using a nonevaporative  
 163 mining or extraction method; or
- 164 (B) a material or secondary source, including tails, slag, waste dumps, or another

- 165 similar secondary source, derived from the brines of the Great Salt Lake.
- 166 ~~[(e) "Eligible claimant" means a claimant or a person to which a claimant assigns a tax~~  
167 ~~credit in accordance with Subsections (4)(a)(vi) and (7).]~~
- 168 ~~[(f)] (d) "Eligible exploration activity" means an activity performed in the state that is~~  
169 ~~associated with:~~
- 170 (i) producing a mineral from a natural deposit that is not part of a mine that exists at  
171 the time the activity begins;
- 172 (ii) producing a mineral not under production within a mine that exists at the time the  
173 activity begins; or
- 174 (iii) recovering a mineral not under production from a secondary source at the time  
175 the activity begins, including tails, slag, waste dumps, or another similar  
176 secondary source, whether in solution or otherwise[;] .
- 177 ~~[(iv) expanding production of a mineral using a mining method not used within a~~  
178 ~~mine that exists at the time the activity begins; or]~~
- 179 ~~[(v) expanding existing production of a mineral that requires a new exploration or~~  
180 ~~mining permit or the modification of a permit issued before the activity begins.]~~
- 181 ~~[(g)] (e) "Geochemical method" means a method of gathering geochemical data,~~  
182 ~~including collecting soil, rock, water, air, vegetation, or any other similar item and~~  
183 ~~performing a chemical analysis on the item.~~
- 184 ~~[(h)] (f) "Geophysical method" means a method of gathering geophysical data that is~~  
185 ~~used in mineral exploration, including seismic, gravity, magnetic, radiometric, radar,~~  
186 ~~electromagnetic, and other remote sensing measurements.~~
- 187 ~~[(i)] (g) "Mine" means the same as that term is defined in Section 59-5-201.~~
- 188 ~~[(j)] (h) "Mineral" means:~~
- 189 (i) a metalliferous mineral as defined in Section 59-5-201; or
- 190 (ii) a metalliferous compound as defined in Section 59-5-202.
- 191 ~~[(k)] (i) "Tax credit certificate" means a certificate the division issues that:~~
- 192 (i) lists the claimant's name and taxpayer identification number;
- 193 (ii) lists the amount of the claimant's tax credit authorized under this section for a  
194 taxable year; and
- 195 (iii) includes other information as determined by the division.
- 196 (2) Before claiming a tax credit under Section 59-5-304, a person shall apply to the division  
197 to enter into an agreement and, upon becoming [~~an eligible~~] a claimant, to receive a tax  
198 credit certificate.

- 199 (3)~~[(a) Except as provided in Subsection (3)(b), a]~~ A person shall enter into an  
 200 agreement with the division before beginning eligible exploration activities.
- 201 ~~[(b) A person that has certified expenditures from an eligible exploration activity for a~~  
 202 ~~taxable year beginning on or after January 1, 2025, and beginning before January 1,~~  
 203 ~~2026, shall enter an agreement with the division as provided by rule.]~~
- 204 (4)(a) The agreement shall provide:
- 205 (i) the eligible exploration activities for which the person may incur certified  
 206 expenditures eligible to receive a tax credit certificate, which may include  
 207 certified expenditures from a taxable year beginning on or after January 1, 2025,  
 208 and beginning before January 1, 2027;
- 209 (ii) the type of mineral the person intends to produce;
- 210 (iii) the maximum number of years a person has between the beginning of eligible  
 211 exploration activities and the production of minerals as a direct result of the  
 212 eligible exploration activities;
- 213 (iv) the maximum number of years, which may not exceed ~~[20]~~ five years, that a  
 214 person may receive a tax credit certificate; and
- 215 (v) the requirements for reporting certified expenditures and production of minerals  
 216 as a direct result of eligible exploration activity, including:
- 217 (A) a description of the mine where the eligible exploration activity occurred;
- 218 (B) evidence that the certified expenditure occurred and the amount of the  
 219 certified expenditure; and
- 220 (C) the means for verifying that severance tax liability occurs as a direct result of  
 221 an eligible exploration activity~~[-and] .~~
- 222 ~~[(vi) a requirement that, if a claimant intends to assign a tax credit, the claimant shall~~  
 223 ~~provide to the division a written notice of intent to assign the tax credit to another~~  
 224 ~~person, in a form the division approves, that includes:]~~
- 225 ~~[(A) written certification or other proof that the claimant irrevocably elects not to~~  
 226 ~~claim the tax credit authorized by the tax credit certificate; and]~~
- 227 ~~[(B) contact information for the person to which the claimant is assigning the tax~~  
 228 ~~credit.]~~
- 229 (b) The parties to the agreement may modify the terms of the agreement.
- 230 (c)(i) The division shall approve certified expenditures upon receiving a report of a  
 231 certified expenditure unless the division determines that the expenditure does not  
 232 meet the definition of certified expenditure.

- 233 (ii) If the division determines that an expenditure does not meet the definition of  
234 certified expenditure, the division shall provide the person a written explanation  
235 that states each reason the division denied the expenditure and give the person an  
236 opportunity to correct any deficiency or provide additional information.
- 237 (5)(a) A person with an agreement may apply for a tax credit certificate:
- 238 (i) upon becoming [~~an eligible~~] a claimant; and  
239 (ii) for a taxable year beginning on or after January 1, 2027.
- 240 (b) The person shall include in the application for a tax credit certificate the following  
241 information for the taxable year in which the person seeks a tax credit certificate:
- 242 (i) proof that the person is [~~an eligible~~] a claimant;  
243 (ii) a description of the mineral that the [~~eligible~~] claimant produced and evidence to  
244 support that the mineral is produced from an eligible exploration activity;  
245 (iii) the amount of severance tax liability as a direct result of minerals produced from  
246 an eligible exploration activity that the [~~eligible~~] claimant incurred for the taxable  
247 year; and  
248 (iv) any other information the division requests.
- 249 (6)(a) After the division receives an application for a tax credit certificate, the division  
250 shall:
- 251 (i) verify that the person is [~~an eligible~~] a claimant; and  
252 (ii) determine whether the [~~eligible~~] claimant has approved certified expenditures.
- 253 (b) Subject to Subsection (6)(c), the division shall issue a tax credit certificate in an  
254 amount equal to the lesser of:
- 255 (i) 50% of the amount of certified expenditures minus any certified expenditures for  
256 which the division previously issued a tax credit certificate; or  
257 (ii) 50% of the claimant's severance tax liability as a direct result of minerals  
258 produced from an eligible exploration activity for the taxable year.
- 259 (c)(i) The division may not issue a tax credit certificate if the aggregate value of tax  
260 credit certificates issued for certified expenditures related to eligible exploration  
261 activities at the same mine exceeds [~~\$20,000,000~~] \$10,000,000.
- 262 (ii) Notwithstanding Subsection (6)(c)(i), the division may issue a tax credit  
263 certificate up to an aggregate value of [~~\$30,000,000~~] \$15,000,000 for certified  
264 expenditures related to eligible exploration activities at the same mine if the  
265 certified expenditures that exceed [~~\$20,000,000~~] \$10,000,000 are for eligible  
266 exploration activities undertaken to produce a mineral for which the United States

276 is greater than 50% net import reliant, as provided in the Mineral Commodity  
 277 Summaries published by the United States Geological Survey, in the calendar year  
 278 in which an eligible exploration activity commences.

279 ~~[(7)(a) If the claimant meets the requirements of Subsection (4)(a)(vi), the division shall  
 280 issue an assigned tax credit certificate to the person identified by the claimant in an  
 281 amount equal to the lesser of:]~~

282 ~~[(i) the amount of the claimant's certified expenditures minus any certified  
 283 expenditures for which the division previously issued a tax credit certificate; or]~~

284 ~~[(ii) the person's severance tax liability as a direct result of minerals produced from  
 285 an eligible exploration activity for the taxable year.]~~

286 ~~[(b) A person that receives an assigned tax credit certificate may claim the tax credit  
 287 under Section 59-5-304 as if the person met the requirements of Section 59-5-304, if  
 288 the person files a return under Title 59, Chapter 5, Part 2, Mining Severance Tax.]~~

289 ~~[(8) (7) [An eligible] A claimant that receives a tax credit certificate [or assigned tax credit  
 290 certificate] in accordance with this section shall retain the tax credit certificate [or  
 291 assigned tax credit certificate] for the same time period that a person is required to keep  
 292 books and records under Section 59-1-1406.~~

293 ~~[(9) (8) The division shall submit annually to the State Tax Commission an electronic list  
 294 that includes:~~

295 ~~(a) the name and identifying information for[:]~~

296 ~~[(i) each claimant to which the division issues a tax credit certificate; and~~

297 ~~[(ii) each person to which the division issues an assigned tax credit certificate in  
 298 accordance with Subsection (7);]~~

299 ~~(b) for each [person described in Subsection (9)(a)] claimant, the amount of tax credit  
 300 stated on the tax credit certificate[ or assigned tax credit certificate; and] .~~

301 ~~[(c) for each person described in Subsection (9)(a)(ii), information necessary to identify  
 302 the original tax credit certificate and the assigned tax credit certificate.]~~

303 ~~[(10) (9) In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act,  
 304 the division may make rules governing the administration of the agreement and tax  
 305 credit certificate process described in this section.~~

306 Section 3. Section **40-8-5.5** is enacted to read:

307 **40-8-5.5 (Effective 05/06/26). Fast track permitting for critical minerals.**

308 (1) As used in this section:

309 (a) "Critical mineral" means the same as that term is defined in Section 79-10-101.

- 301 (b) "Critical minerals project" means an activity requiring one or more state permits  
302 related to the extraction or processing of a critical mineral.
- 303 (c) "Critical minerals zone" means the same as that term is defined in Section 79-10-101.
- 304 (d) "Permit" means the same as that term is defined in Section 79-10-101.
- 305 (2)(a) The division shall prioritize division resources to process a permit that is:  
306 (i) requested to be issued by the division; and  
307 (ii) related to a critical minerals project described in Subsection (2)(b).
- 308 (b) This Subsection (2) applies to a critical minerals project that is:  
309 (i) for the extraction or processing of a critical mineral within a critical minerals  
310 zone; or  
311 (ii) included in the strategic plan developed by the Critical Minerals Council under  
312 Subsection 79-10-302(1).
- 313 (3) The division shall work cooperatively with the Department of Environmental Quality to  
314 develop processes under which permits for a critical minerals project described in  
315 Subsection (2)(b) that are issued by the division and the Department of Environmental  
316 Quality:  
317 (a) may be issued at parallel times rather than sequentially; and  
318 (b) minimize the need for a person to comply with duplicative, overlapping, or  
319 conflicting requirements.
- 320 (4) Nothing in this section abrogates or interferes with the powers or duties of the  
321 Department of Environmental Quality.
- 322 Section 4. Section **51-9-202** is amended to read:  
323 **51-9-202 (Effective 07/01/26). Permanent state trust fund.**
- 324 (1) Until July 1, 2003, 50% of all funds of every kind that are received by the state that are  
325 related to the settlement agreement that the state entered into with leading tobacco  
326 manufacturers on November 23, 1998, shall be deposited into the permanent state trust  
327 fund created by and operated under Utah Constitution, Article XXII, Section 4.
- 328 (2) On and after July 1, 2003, and until July 1, 2004, 20% of the funds of any kind received  
329 by the state that are related to the settlement agreement that the state entered into with  
330 leading tobacco manufacturers shall be deposited into the permanent state trust fund  
331 created by and operated under Utah Constitution, Article XXII, Section 4.
- 332 (3) On and after July 1, 2004, and until July 1, 2005, 30% of all funds of any kind received  
333 by the state that are related to the settlement agreement that the state entered into with  
334 leading tobacco manufacturers shall be deposited into the General Fund Budget Reserve

- 335 Account created in Section 63J-1-312.
- 336 (4) On and after July 1, 2005, and until July 1, 2007, 25% of all funds of any kind received  
 337 by the state that are related to the settlement agreement that the state entered into with  
 338 leading tobacco manufacturers shall be deposited into the permanent state trust fund  
 339 created by and operated under Utah Constitution, Article XXII, Section 4.
- 340 (5) On and after July 1, 2007, 40% of all funds of every kind that are received by the state  
 341 that are related to the settlement agreement that the state entered into with leading  
 342 tobacco manufacturers on November 23, 1998, shall be deposited into the General Fund  
 343 and the remaining funds deposited as directed.
- 344 (6) Funds in the permanent state trust fund shall be deposited or invested [~~pursuant to~~] in  
 345 accordance with Chapter 7b, Investment of Permanent State Trust Fund Money.
- 346 (7)(a) In accordance with Utah Constitution, Article XXII, Section 4, the interest and  
 347 dividends earned annually from the permanent state trust fund shall be deposited in  
 348 the General Fund. There shall be transferred on an ongoing basis from the General  
 349 Fund to the permanent state trust fund created under Utah Constitution, Article XXII,  
 350 Section 4, an amount equal to 50% of the interest and dividends earned annually from  
 351 the permanent state trust fund. The amount transferred into the fund under this  
 352 Subsection (7)(a) shall be treated as principal.
- 353 (b) Any annual interest or dividends earned from the permanent state trust fund that  
 354 remain in the General Fund after Subsection (7)(a) may be appropriated by the  
 355 Legislature.
- 356 (c) Any realized or unrealized gains or losses on investments in the permanent state trust  
 357 fund shall remain in the permanent state trust fund.
- 358 (8) This section does not apply to funds deposited under [~~Chapter 9, Part 3, Infrastructure~~  
 359 ~~and Economic Diversification Investment Account and Deposit or Credit of Certain~~  
 360 ~~Severance Taxes Act]~~ Part 3, Deposit or Credit of Certain Severance Taxes and Interest  
 361 and Dividends, into the permanent state trust fund.

362 Section 5. Section **51-9-302** is amended to read:

363 **Part 3. Deposit or Credit of Certain Severance Taxes and Interest and Dividends**

364 **51-9-302 (Effective 07/01/26). Definitions.**

365 As used in this part[?]

- 366 [(1) "~~Infrastructure and Economic Diversification Investment Account~~" means the  
 367 ~~Infrastructure and Economic Diversification Investment Account~~ created in Section  
 368 51-9-303.]

369 [(2) "Permanent] , "permanent state trust fund" means the permanent state trust fund created  
 370 under Utah Constitution, Article XXII, Section 4.

371 Section 6. Section **51-9-305** is amended to read:

372 **51-9-305 (Effective 07/01/26). Deposit and credit of certain severance tax**  
 373 **revenue.**

374 (1) As used in this section, "aggregate annual revenue" means the aggregate annual revenue  
 375 collected in a fiscal year from the taxes imposed under Title 59, Chapter 5, Severance  
 376 Tax on Oil, Gas, and Mining, after subtracting the amounts required to be distributed  
 377 under Sections 59-5-116 and 59-5-119.

378 (2) After making the deposits of oil and gas severance tax revenue as required under  
 379 Sections 59-5-116 and 59-5-119, the Division of Finance shall make the credit required  
 380 under Subsection (3).

381 (3) Beginning on July 1, 2016, the Division of Finance shall credit to the permanent state  
 382 trust fund the following aggregate annual revenue:

383 (a) 25% of the first \$50,000,000 of aggregate annual revenue;

384 (b) 50% of the next \$50,000,000 of aggregate annual revenue; and

385 (c) 75% of the aggregate annual revenue that exceeds \$100,000,000.

386 (4) The state treasurer shall invest and separately account for the earnings on funds that are  
 387 credited to the permanent state trust fund under this section.

388 (5)(a) In accordance with Utah Constitution, Article XXII, Section 4, the interest and  
 389 dividends earned annually on revenue from severance taxes that are credited to the  
 390 permanent state trust fund shall be credited to the General Fund.

391 (b) Interest and dividends earned on revenue from severance taxes that are credited to  
 392 the General Fund [~~pursuant to~~] in accordance with Subsection (5)(a) shall be credited  
 393 to the [~~Infrastructure and Economic Diversification Investment Account created in~~  
 394 ~~Section 51-9-303~~] State Reinvestment Restricted Account created in Section  
 395 51-9-1002.

396 Section 7. Section **51-9-1001** is enacted to read:

397 **Part 10. State Reinvestment Restricted Account**

398 **51-9-1001 (Effective 07/01/26). Definitions.**

399 As used in this part:

400 (1) "Account" means the State Reinvestment Restricted Account created in Section  
 401 51-9-1002.

402 (2) "Generational water infrastructure" means physical facilities or other physical assets

403 designed to meet generational demands for water.

404 (3) "New revenue" means revenue collected above \$100,000,000 from the taxes imposed  
 405 under Title 59, Chapter 5, Severance Tax on Oil, Gas, and Mining, after subtracting the  
 406 amounts required to be distributed under Sections 51-9-305, 51-9-306, 59-5-116,  
 407 59-5-119, and 59-5-121 and under Subsection 59-5-202(5)(c).

408 Section 8. Section **51-9-1002** is enacted to read:

409 **51-9-1002 (Effective 07/01/26). State Reinvestment Restricted Account created.**

410 (1) There is created within the General Fund a restricted account known as the "State  
 411 Reinvestment Restricted Account."

412 (2) The account shall consist of:

413 (a) new revenue that the State Tax Commission shall deposit into the account until the  
 414 new revenue equals or exceeds \$200,000,000 in a fiscal year;

415 (b) revenue credited to the account in accordance with Section 59-5-215;

416 (c) revenue credited to the account in accordance with Section 51-9-305; and

417 (d) interest and earnings on money in the account.

418 (3) The state treasurer shall invest the money in the fund according to Title 51, Chapter 7,  
 419 State Money Management Act, except that interest or other earnings derived from those  
 420 investments shall be deposited into the account.

421 Section 9. Section **51-9-1003** is enacted to read:

422 **51-9-1003 (Effective 07/01/26). Authorized use of the State Reinvestment**  
 423 **Restricted Account.**

424 (1) Money in the account is to be used, subject to appropriation, for:

425 (a) income tax relief;

426 (b) development of generational water infrastructure;

427 (c) facilitating preservation of the Great Salt Lake watershed, as described in Title 73,  
 428 Chapter 10g, Part 4, Great Salt Lake Watershed Integrated Water Assessment;

429 (d) regionally significant transit development and regionally significant transit  
 430 infrastructure;

431 (e) development of energy resources, as described in Title 79, Chapter 6, Utah Energy  
 432 Act; and

433 (f) development of critical mineral resources, as described in Title 79, Chapter 10,  
 434 Critical Minerals Strategic Act.

435 (2) Money in the account that is derived from a local source may not be used in an area  
 436 outside the area in which the money was generated unless the money is used for a

437 purpose described in Subsection (1).

438 Section 10. Section **59-2-924** is amended to read:

439 **59-2-924 (Effective 05/06/26) (Applies beginning 01/01/26). Definitions -- Report**  
440 **of valuation of property to county auditor and commission -- Transmittal by auditor to**  
441 **governing bodies -- Calculation of certified tax rate -- Rulemaking authority -- Adoption**  
442 **of tentative budget -- Notice provided by the commission.**

443 (1) As used in this section:

444 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with  
445 this chapter.

446 (ii) "Ad valorem property tax revenue" does not include:

447 (A) interest;

448 (B) penalties;

449 (C) collections from redemptions; or

450 (D) revenue received by a taxing entity from personal property that is  
451 semiconductor manufacturing equipment assessed by a county assessor in  
452 accordance with Part 3, County Assessment.

453 (b) "Adjusted tax increment" means the same as that term is defined in Section  
454 17C-1-102.

455 (c)(i) "Aggregate taxable value of all property taxed" means:

456 (A) the aggregate taxable value of all real property a county assessor assesses in  
457 accordance with Part 3, County Assessment, for the current year;

458 (B) the aggregate taxable value of all real and personal property the commission  
459 assesses in accordance with Part 2, Assessment of Property, for the current  
460 year; and

461 (C) the aggregate year end taxable value of all personal property a county assessor  
462 assesses in accordance with Part 3, County Assessment, contained on the prior  
463 year's tax rolls of the taxing entity.

464 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate  
465 year end taxable value of personal property that is:

466 (A) semiconductor manufacturing equipment assessed by a county assessor in  
467 accordance with Part 3, County Assessment; and

468 (B) contained on the prior year's tax rolls of the taxing entity.

469 (d) "Base taxable value" means:

470 (i) for an authority created under Section 11-58-201, the same as that term is defined

- 471 in Section 11-58-102;
- 472 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
473 the same as that term is defined in Section 11-59-207;
- 474 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section  
475 11-70-201, the same as that term is defined in Section 11-70-101;
- 476 (iv) for an agency created under Section 17C-1-201.5, the same as that term is  
477 defined in Section 17C-1-102;
- 478 (v) for an authority created under Section 63H-1-201, the same as that term is defined  
479 in Section 63H-1-102;
- 480 (vi) for a host local government, the same as that term is defined in Section  
481 63N-2-502;
- 482 (vii) for a housing and transit reinvestment zone or convention center reinvestment  
483 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit  
484 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 485 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part  
486 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,  
487 Part 5, Home Ownership Promotion Zone, a property's taxable value as shown  
488 upon the assessment roll last equalized during the base year, as that term is  
489 defined in Section 10-21-101 or Section 17-80-101;
- 490 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,  
491 First Home Investment Zone Act, a property's taxable value as shown upon the  
492 assessment roll last equalized during the base year, as that term is defined in  
493 Section 63N-3-1601;
- 494 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part  
495 17, Major Sporting Event Venue Zone Act, a property's taxable value as shown  
496 upon the assessment roll last equalized during the property tax base year, as that  
497 term is defined in Section 63N-3-1701;~~or~~
- 498 (xi) for an electrical energy development zone created under Section 79-6-1104, the  
499 value of the property within an electrical energy development zone, as shown on  
500 the assessment roll last equalized before the creation of the electrical development  
501 zone, as that term is defined in Section 79-6-1104[-] ; or
- 502 (xii) for a critical minerals zone created under Title 79, Chapter 10, Part 4, Critical  
503 Minerals Zone, the value of the property within a critical minerals zone, as shown  
504 on the assessment roll last equalized before the creation of the critical minerals

- 505                    zone, as that term is defined in Section 79-10-101.
- 506            (e) "Centrally assessed benchmark value" means an amount equal to the average year  
507                    end taxable value of real and personal property the commission assesses in  
508                    accordance with Part 2, Assessment of Property, for the previous three calendar  
509                    years, adjusted for taxable value attributable to:
- 510                    (i) an annexation to a taxing entity;
- 511                    (ii) an incorrect allocation of taxable value of real or personal property the  
512                    commission assesses in accordance with Part 2, Assessment of Property; or
- 513                    (iii) a change in value as a result of a change in the method of apportioning the value  
514                    prescribed by the Legislature, a court, or the commission in an administrative rule  
515                    or administrative order.
- 516            (f) "Centrally assessed industry" means the following industry classes the commission  
517                    assesses in accordance with Part 2, Assessment of Property:
- 518                    (i) air carrier;
- 519                    (ii) coal;
- 520                    (iii) coal load out property;
- 521                    (iv) electric generation;
- 522                    (v) electric rural;
- 523                    (vi) electric utility;
- 524                    (vii) gas utility;
- 525                    (viii) ground access property;
- 526                    (ix) land only property;
- 527                    (x) liquid pipeline;
- 528                    (xi) metalliferous mining;
- 529                    (xii) nonmetalliferous mining;
- 530                    (xiii) oil and gas gathering;
- 531                    (xiv) oil and gas production;
- 532                    (xv) oil and gas water disposal;
- 533                    (xvi) railroad;
- 534                    (xvii) sand and gravel; and
- 535                    (xviii) uranium.
- 536            (g)(i) "Centrally assessed new growth" means the greater of:
- 537                    (A) for each centrally assessed industry, zero; or
- 538                    (B) the amount calculated by subtracting the centrally assessed benchmark value

- 539 for each centrally assessed industry, adjusted for prior year end incremental  
540 value, from the taxable value of real and personal property the commission  
541 assesses in accordance with Part 2, Assessment of Property, for each centrally  
542 assessed industry for the current year, adjusted for current year incremental  
543 value.
- 544 (ii) "Centrally assessed new growth" does not include a change in value for a  
545 centrally assessed industry as a result of a change in the method of apportioning  
546 the value prescribed by the Legislature, a court, or the commission in an  
547 administrative rule or administrative order.
- 548 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property  
549 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 550 (i) "Community reinvestment agency" means the same as that term is defined in Section  
551 17C-1-102.
- 552 (j) "Eligible new growth" means the greater of:  
553 (i) zero; or  
554 (ii) the sum of:  
555 (A) locally assessed new growth;  
556 (B) centrally assessed new growth; and  
557 (C) project area new growth or hotel property new growth.
- 558 (k) "Host local government" means the same as that term is defined in Section  
559 63N-2-502.
- 560 (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 561 (m) "Hotel property new growth" means an amount equal to the incremental value that is  
562 no longer provided to a host local government as incremental property tax revenue.
- 563 (n) "Incremental property tax revenue" means the same as that term is defined in Section  
564 63N-2-502.
- 565 (o) "Incremental value" means:  
566 (i) for an authority created under Section 11-58-201, the amount calculated by  
567 multiplying:  
568 (A) the difference between the taxable value and the base taxable value of the  
569 property that is located within a project area and on which property tax  
570 differential is collected; and  
571 (B) the number that represents the percentage of the property tax differential that  
572 is paid to the authority;

- 573 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
574 an amount calculated by multiplying:
- 575 (A) the difference between the current assessed value of the property and the base  
576 taxable value; and
- 577 (B) the number that represents the percentage of the property tax augmentation, as  
578 defined in Section 11-59-207, that is paid to the Point of the Mountain State  
579 Land Authority;
- 580 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section  
581 11-70-201, the amount calculated by multiplying:
- 582 (A) the difference between the taxable value for the current year and the base  
583 taxable value of the property that is located within a project area; and
- 584 (B) the number that represents the percentage of enhanced property tax revenue,  
585 as defined in Section 11-70-101;
- 586 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by  
587 multiplying:
- 588 (A) the difference between the taxable value and the base taxable value of the  
589 property located within a project area and on which tax increment is collected;  
590 and
- 591 (B) the number that represents the adjusted tax increment from that project area  
592 that is paid to the agency;
- 593 (v) for an authority created under Section 63H-1-201, the amount calculated by  
594 multiplying:
- 595 (A) the difference between the taxable value and the base taxable value of the  
596 property located within a project area and on which property tax allocation is  
597 collected; and
- 598 (B) the number that represents the percentage of the property tax allocation from  
599 that project area that is paid to the authority;
- 600 (vi) for a housing and transit reinvestment zone or convention center reinvestment  
601 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit  
602 Reinvestment Zone Act, an amount calculated by multiplying:
- 603 (A) the difference between the taxable value and the base taxable value of the  
604 property that is located within a housing and transit reinvestment zone or  
605 convention center reinvestment zone and on which tax increment is collected;  
606 and

- 607 (B) the number that represents the percentage of the tax increment that is paid to  
608 the housing and transit reinvestment zone or convention center reinvestment  
609 zone;
- 610 (vii) for a host local government, an amount calculated by multiplying:  
611 (A) the difference between the taxable value and the base taxable value of the  
612 hotel property on which incremental property tax revenue is collected; and  
613 (B) the number that represents the percentage of the incremental property tax  
614 revenue from that hotel property that is paid to the host local government;
- 615 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part  
616 5, Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80,  
617 Part 5, Home Ownership Promotion Zone, an amount calculated by multiplying:  
618 (A) the difference between the taxable value and the base taxable value of the  
619 property that is located within a home ownership promotion zone and on which  
620 tax increment is collected; and  
621 (B) the number that represents the percentage of the tax increment that is paid to  
622 the home ownership promotion zone;
- 623 (ix) for a first home investment zone created in accordance with Title 63N, Chapter  
624 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:  
625 (A) the difference between the taxable value and the base taxable value of the  
626 property that is located within a first home investment zone and on which tax  
627 increment is collected; and  
628 (B) the number that represents the percentage of the tax increment that is paid to  
629 the first home investment zone;
- 630 (x) for a major sporting event venue zone created ~~[pursuant to]~~ in accordance with  
631 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount  
632 calculated by multiplying:  
633 (A) the difference between the taxable value and the base taxable value of the  
634 property located within a qualified development zone for a major sporting  
635 event venue zone and upon which property tax increment is collected; and  
636 (B) the number that represents the percentage of tax increment that is paid to the  
637 major sporting event venue zone, as approved by a major sporting event venue  
638 zone committee described in Section 63N-1a-1706;~~[-or]~~
- 639 (xi) for an electrical energy development zone created under Section 79-6-1104, the  
640 amount calculated by multiplying:

- 641 (A) the difference between the taxable value and the base taxable value of the  
 642 property that is located within the electrical energy developmental zone; and  
 643 (B) the number that represents the percentage of the tax increment that is paid to a  
 644 community reinvestment agency and the Electrical Energy Development  
 645 Investment Fund created in Section 79-6-1105[-] ; or  
 646 (xii) for a critical minerals zone created under Section 79-10-403, the amount  
 647 calculated by multiplying:  
 648 (A) the difference between the taxable value and the base taxable value of the  
 649 property that is located within the critical minerals zone; and  
 650 (B) the number that represents the percentage of the tax increment that is paid to a  
 651 community reinvestment agency or a state land use authority, as defined in  
 652 Section 79-10-401, and the Critical Minerals Development Account created in  
 653 Section 79-10-701.
- 654 (p)(i) "Locally assessed new growth" means the greater of:  
 655 (A) zero; or  
 656 (B) the amount calculated by subtracting the year end taxable value of real  
 657 property the county assessor assesses in accordance with Part 3, County  
 658 Assessment, for the previous year, adjusted for prior year end incremental  
 659 value from the taxable value of real property the county assessor assesses in  
 660 accordance with Part 3, County Assessment, for the current year, adjusted for  
 661 current year incremental value.
- 662 (ii) "Locally assessed new growth" does not include a change in:  
 663 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,  
 664 or another adjustment;  
 665 (B) assessed value based on whether a property is allowed a residential exemption  
 666 for a primary residence under Section 59-2-103;  
 667 (C) assessed value based on whether a property is assessed under Part 5, Farmland  
 668 Assessment Act; or  
 669 (D) assessed value based on whether a property is assessed under Part 17, Urban  
 670 Farming Assessment Act.
- 671 (q) "Project area" means:  
 672 (i) for an authority created under Section 11-58-201, the same as that term is defined  
 673 in Section 11-58-102;  
 674 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section

- 675 11-70-201, the same as that term is defined in Section 11-70-101;
- 676 (iii) for an agency created under Section 17C-1-201.5, the same as that term is  
677 defined in Section 17C-1-102;
- 678 (iv) for an authority created under Section 63H-1-201, the same as that term is  
679 defined in Section 63H-1-102;
- 680 (v) for a housing and transit reinvestment zone or convention center reinvestment  
681 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit  
682 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 683 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,  
684 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part  
685 5, Home Ownership Promotion Zone, the same as that term is defined in Section  
686 10-21-101 or Section 17-80-101;
- 687 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,  
688 First Home Investment Zone Act, the same as that term is defined in Section  
689 63N-3-1601; or
- 690 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,  
691 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,  
692 as defined in Section 63N-3-1701.
- 693 (r) "Project area new growth" means:
- 694 (i) for an authority created under Section 11-58-201, an amount equal to the  
695 incremental value that is no longer provided to an authority as property tax  
696 differential;
- 697 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,  
698 an amount equal to the incremental value that is no longer provided to the Point of  
699 the Mountain State Land Authority as property tax augmentation, as defined in  
700 Section 11-59-207;
- 701 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section  
702 11-70-201, an amount equal to the incremental value that is no longer provided to  
703 the Utah Fairpark Area Investment and Restoration District;
- 704 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the  
705 incremental value that is no longer provided to an agency as tax increment;
- 706 (v) for an authority created under Section 63H-1-201, an amount equal to the  
707 incremental value that is no longer provided to an authority as property tax  
708 allocation;

- 709 (vi) for a housing and transit reinvestment zone or convention center reinvestment  
710 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit  
711 Reinvestment Zone Act, an amount equal to the incremental value that is no  
712 longer provided to a housing and transit reinvestment zone or convention center  
713 reinvestment zone as tax increment;
- 714 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,  
715 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part  
716 5, Home Ownership Promotion Zone, an amount equal to the incremental value  
717 that is no longer provided to a home ownership promotion zone as tax increment;
- 718 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,  
719 First Home Investment Zone Act, an amount equal to the incremental value that is  
720 no longer provided to a first home investment zone as tax increment; or
- 721 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part  
722 17, Major Sporting Event Venue Zone Act, an amount equal to the incremental  
723 value that is no longer provided to the creating entity of a major sporting event  
724 venue zone as property tax increment.
- 725 (s) "Project area incremental revenue" means the same as that term is defined in Section  
726 17C-1-1001.
- 727 (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 728 (u) "Property tax differential" means the same as that term is defined in Sections  
729 11-58-102[~~and~~] , 79-6-1104, and 79-10-401.
- 730 (v) "Tax increment" means:
- 731 (i) for a project created under Section 17C-1-201.5, the same as that term is defined  
732 in Section 17C-1-102;
- 733 (ii) for a housing and transit reinvestment zone or convention center reinvestment  
734 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit  
735 Reinvestment Zone Act, the same as the term "property tax increment" is defined  
736 in Section 63N-3-602;
- 737 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,  
738 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part  
739 5, Home Ownership Promotion Zone, the same as that term is defined in Section  
740 10-21-101 or Section 17-80-101;
- 741 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,  
742 First Home Investment Zone Act, the same as that term is defined in Section

- 743                   63N-3-1601; or
- 744                   (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part
- 745                   17, Major Sporting Event Venue Zone Act, property tax increment, as that term is
- 746                   defined in Section 63N-3-1701.
- 747                   (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and
- 748                   the commission the following statements:
- 749                   (a) a statement containing the aggregate valuation of all taxable real property a county
- 750                   assessor assesses in accordance with Part 3, County Assessment, for each taxing
- 751                   entity; and
- 752                   (b) a statement containing the taxable value of all personal property a county assessor
- 753                   assesses in accordance with Part 3, County Assessment, from the prior year end
- 754                   values.
- 755                   (3) The county auditor shall, on or before June 8, transmit to the governing body of each
- 756                   taxing entity:
- 757                   (a) the statements described in Subsections (2)(a) and (b);
- 758                   (b) an estimate of the revenue from personal property;
- 759                   (c) the certified tax rate; and
- 760                   (d) all forms necessary to submit a tax levy request.
- 761                   (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
- 762                   calculated by dividing the ad valorem property tax revenue that a taxing entity
- 763                   budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 764                   (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
- 765                   calculate an amount as follows:
- 766                   (i) calculate for the taxing entity the difference between:
- 767                   (A) the aggregate taxable value of all property taxed; and
- 768                   (B) any adjustments for current year incremental value;
- 769                   (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
- 770                   determined by increasing or decreasing the amount calculated under Subsection
- 771                   (4)(b)(i) by the average of the percentage net change in the value of taxable
- 772                   property for the equalization period for the three calendar years immediately
- 773                   preceding the current calendar year;
- 774                   (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
- 775                   product of:
- 776                   (A) the amount calculated under Subsection (4)(b)(ii); and

- 777 (B) the percentage of property taxes collected for the five calendar years  
778 immediately preceding the current calendar year; and
- 779 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an  
780 amount determined by:
- 781 (A) multiplying the percentage of property taxes collected for the five calendar  
782 years immediately preceding the current calendar year by eligible new growth;  
783 and
- 784 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the  
785 amount calculated under Subsection (4)(b)(iii).
- 786 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated  
787 as follows:
- 788 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified  
789 tax rate is zero;
- 790 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 791 (i) in a county of the first, second, or third class, the levy imposed for municipal-type  
792 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services  
793 to Unincorporated Areas; and
- 794 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county  
795 purposes and such other levies imposed solely for the municipal-type services  
796 identified in Section 17-78-501 and Subsection 17-63-101(23);
- 797 (c) for a community reinvestment agency that received all or a portion of a taxing  
798 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,  
799 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in  
800 Subsection (4) except that the commission shall treat the total revenue transferred to  
801 the community reinvestment agency as ad valorem property tax revenue that the  
802 taxing entity budgeted for the prior year; and
- 803 (d) for debt service voted on by the public, the certified tax rate is the actual levy  
804 imposed by that section, except that a certified tax rate for the following levies shall  
805 be calculated in accordance with Section 59-2-913 and this section:
- 806 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and  
807 (ii) a levy to pay for the costs of state legislative mandates or judicial or  
808 administrative orders under Section 59-2-1602.
- 809 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or  
810 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy

- 811 one or more eligible judgments.
- 812 (b) The ad valorem property tax revenue generated by a judgment levy described in  
813 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate  
814 certified tax rate.
- 815 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 816 (i) the taxable value of real property:
- 817 (A) the county assessor assesses in accordance with Part 3, County Assessment;  
818 and  
819 (B) contained on the assessment roll;
- 820 (ii) the year end taxable value of personal property:
- 821 (A) a county assessor assesses in accordance with Part 3, County Assessment; and  
822 (B) contained on the prior year's assessment roll; and
- 823 (iii) the taxable value of real and personal property the commission assesses in  
824 accordance with Part 2, Assessment of Property.
- 825 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new  
826 growth.
- 827 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 828 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify  
829 the county auditor of:
- 830 (i) the taxing entity's intent to exceed the certified tax rate; and  
831 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 832 (c) The county auditor shall notify property owners of any intent to levy a tax rate that  
833 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 834 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through  
835 electronic means on or before July 31, to a taxing entity and the Revenue and  
836 Taxation Interim Committee if:
- 837 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end  
838 taxable value of the real and personal property the commission assesses in  
839 accordance with Part 2, Assessment of Property, for the previous year, adjusted  
840 for prior year end incremental value; and
- 841 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year  
842 end taxable value of the real and personal property of a taxpayer the commission  
843 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 844 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by

845 subtracting the taxable value of real and personal property the commission assesses  
846 in accordance with Part 2, Assessment of Property, for the current year, adjusted for  
847 current year incremental value, from the year end taxable value of the real and  
848 personal property the commission assesses in accordance with Part 2, Assessment of  
849 Property, for the previous year, adjusted for prior year end incremental value.

850 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by  
851 subtracting the total taxable value of real and personal property of a taxpayer the  
852 commission assesses in accordance with Part 2, Assessment of Property, for the  
853 current year, from the total year end taxable value of the real and personal property of  
854 a taxpayer the commission assesses in accordance with Part 2, Assessment of  
855 Property, for the previous year.

856 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the  
857 requirement under Subsection (9)(a)(ii).

858 Section 11. Section **59-5-115** is amended to read:

859 **59-5-115 (Effective 05/06/26) (Applies beginning 01/01/26). Disposition of taxes**  
860 **collected -- Credit to General Fund.**

861 (1) As used in this section, "above-trend revenue" means the amount by which the actual  
862 revenue from the oil and gas severance tax deposited into the General Fund under  
863 Subsection (2) exceeds the long-term trend of oil and gas severance tax revenue to the  
864 General Fund as determined by the Office of the Legislative Fiscal Analyst and the  
865 Governor's Office of Planning and Budget.

866 (2) Except as provided in Section 51-9-305, 51-9-306, [~~51-9-307,~~] 51-9-1002, 59-5-116,  
867 59-5-119, or 59-5-121, a tax imposed and collected under Section 59-5-102 shall be paid  
868 to the commission, promptly remitted to the state treasurer, and credited to the General  
869 Fund.

870 (3) The Division of Finance shall transfer above-trend revenue up to [~~\$20 million~~]  
871 \$20,000,000 from the General Fund into the Transportation Investment Fund each year  
872 beginning in the fiscal year beginning July 1, 2023, until the amount deposited into the  
873 Transportation Investment Fund totals [~~\$88.5 million~~] \$88,500,000.

874 Section 12. Section **59-5-116** is amended to read:

875 **59-5-116 (Effective 05/06/26) (Applies beginning 01/01/26). Disposition of certain**  
876 **taxes collected on Ute Indian land.**

877 (1) Except as provided in Subsection (2), there shall be deposited into the Uintah Basin  
878 Revitalization Fund established in Section 35A-8-1602:

- 879 (a) for taxes imposed under this part, 33% of the taxes collected on oil, gas, or other  
880 hydrocarbon substances produced from a well:  
881 (i) for which production began on or before June 30, 1995; and  
882 (ii) attributable to interests:  
883 (A) held in trust by the United States for the Tribe and [its] the Tribe's members; or  
884 (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948);
- 885 (b) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other  
886 hydrocarbon substances produced from a well:  
887 (i) for which production began on or after July 1, 1995; and  
888 (ii) attributable to interests:  
889 (A) held in trust by the United States for the Tribe and [its] the Tribe's members; or  
890 (B) on lands identified in Pub. L. No. 440, 62 Stat. 72 (1948); and
- 891 (c) for taxes imposed under this part, 80% of taxes collected on oil, gas, or other  
892 hydrocarbon substances produced from a well:  
893 (i) for which production began on or after January 1, 2001; and  
894 (ii) attributable to interests on lands conveyed to the tribe under the Ute-Moab Land  
895 Restoration Act, Pub. L. No. 106-398, Sec. 3303.
- 896 (2)(a) The maximum amount deposited in the Uintah Basin Revitalization Fund may not  
897 exceed:  
898 (i) \$3,000,000 in fiscal year 2005-06;  
899 (ii) \$5,000,000 in fiscal year 2006-07;  
900 (iii) \$6,000,000 in fiscal years 2007-08 and 2008-09; and  
901 (iv) for fiscal years beginning with fiscal year 2009-10, the amount determined by the  
902 commission as described in Subsection (2)(b).
- 903 (b)(i) The commission shall increase or decrease the dollar amount described in  
904 Subsection (2)(a)(iii) by a percentage equal to the percentage difference between  
905 the consumer price index for the preceding calendar year and the consumer price  
906 index for calendar year 2008; and  
907 (ii) after making an increase or decrease under Subsection (2)(b)(i), round the dollar  
908 amount to the nearest whole dollar.
- 909 (c) For purposes of this Subsection (2), "consumer price index" is as described in  
910 Section 1(f)(4), Internal Revenue Code, and defined in Section (1)(f)(5), Internal  
911 Revenue Code.
- 912 (d) Any amounts in excess of the maximum described in Subsection (2)(a) shall be

913 credited as provided in Sections 51-9-305, 51-9-306, [51-9-307] 51-9-1002, and  
 914 59-5-115.

915 Section 13. Section **59-5-119** is amended to read:

916 **59-5-119 (Effective 05/06/26) (Applies beginning 01/01/26). Disposition of certain**  
 917 **taxes collected on Navajo Nation land located in Utah.**

918 (1) Except as provided in Subsection (2), there shall be deposited into the Navajo  
 919 Revitalization Fund established in Section 35A-8-1704 for taxes imposed under this part  
 920 beginning on July 1, 1997:

921 (a) 33% of the taxes collected on oil, gas, or other hydrocarbon substances produced  
 922 from a well:

923 (i) for which production began on or before June 30, 1996; and

924 (ii) attributable to interests in Utah held in trust by the United States for the Navajo  
 925 Nation and [its] the Navajo Nation's members; and

926 (b) 80% of the taxes collected on oil, gas, or other hydrocarbon substances produced  
 927 from a well:

928 (i) for which production began on or after July 1, 1996; and

929 (ii) attributable to interests in Utah held in trust by the United States for the Navajo  
 930 Nation and [its] the Navajo Nation's members.

931 (2)(a) The maximum amount deposited in the Navajo Revitalization Fund may not  
 932 exceed:

933 (i) \$2,000,000 in fiscal year 2006-07; and

934 (ii) \$3,000,000 for fiscal years beginning with fiscal year 2007-08.

935 (b) Any amounts in excess of the maximum described in Subsection (2)(a) shall be  
 936 credited as provided in Sections 51-9-305, 51-9-306, [51-9-307] 51-9-1002, and  
 937 59-5-115.

938 Section 14. Section **59-5-204** is amended to read:

939 **59-5-204 (Effective 05/06/26) (Applies beginning 01/01/26). Statements filed --**  
 940 **Contents -- Verification -- Falsification as perjury.**

941 (1) Every person engaged in the business of mining or extracting metalliferous minerals  
 942 shall make and file with the commission, on or before June 1 of each year on forms  
 943 furnished by the commission, a statement containing:

944 (a) the name, description, and location of the mine owned and operated by the person  
 945 during the preceding calendar year;

946 (b) the number of tons of minerals described in Subsection ~~Ĥ~~→ **59-5-215** ←~~Ĥ~~ (2)(b)(ii)

946a that are mined  
 947 during the preceding calendar year and the disposition of the minerals;  
 948 (c) the total amount received during the preceding year from the sale of the minerals  
 949 described in Subsection (1)(b);  
 950 ~~[(b)]~~ (d) the number of tons of ~~[mineral]~~ minerals not described in Subsection (1)(b) that  
 951 are mined during the preceding calendar year and the disposition of the ~~[mineral]~~  
 952 minerals;  
 953 ~~[(e)]~~ (e) the total amount received during the preceding calendar year from the sale of  
 954 minerals not described in Subsection (1)(b); and  
 955 ~~[(f)]~~ (f) such other reasonable and necessary information as the commission may require  
 956 for the proper enforcement of this chapter as specified in a rule adopted under Title  
 957 63G, Chapter 3, Utah Administrative Rulemaking Act.

958 (2) The owner of the mine shall be responsible for the statement or report required by this  
 959 section, but the principal lessee, contractor, or operator may, with the consent of the  
 960 commission, report and pay the tax as agent for the owner. The owner shall be entitled  
 961 to deduct and remit to the commission any tax chargeable upon the operations conducted  
 962 by the lessees or other parties.

963 (3) The statements or reports required to be filed with the commission shall be signed and  
 964 sworn to by the person required to file the statements or reports, by a partner if a  
 965 partnership, or by the president, secretary, or managing officer, if a corporation. Any  
 966 willful false swearing as to the purported material facts set out in this report constitutes  
 967 the crime of perjury and shall be punished as such under Title 76, Utah Criminal Code.

968 Section 15. Section **59-5-215** is amended to read:

969 **59-5-215 (Effective 05/06/26) (Applies beginning 01/01/26). Disposition of taxes**  
 970 **collected -- Credit to General Fund -- Transfer to State Reinvestment Restricted Account.**

971 (1) Except as provided in Section 51-9-305, 51-9-306, or ~~[51-9-307]~~ 51-9-1002, or  
 972 Subsection 59-5-202(5), a tax imposed and collected under Section 59-5-202 shall be  
 973 paid to the commission, promptly remitted to the state treasurer, and credited to the  
 974 General Fund.

975 (2)(a) For fiscal year 2027, the Division of Finance shall transfer 50% of the revenue  
 976 collected under Section 59-5-202 for calendar year 2026 that exceeds \$11,526,000  
 977 from the General Fund to the State Reinvestment Restricted Account created in  
 978 Section 51-9-1002.

979 (b) For a fiscal year beginning on or after July 1, 2027, the Division of Finance shall:

- 980 (i) determine from the commission the amount of revenue that is collected for  
 981 calendar year 2026 under Section 59-5-202 for a mineral for which the United  
 982 States is greater than 50% net import reliant as provided in the Mineral  
 983 Commodity Summaries published by the United States Geological Survey, as of  
 984 ~~Ĥ→ [the December 15 immediately preceding the calendar year for which the tax~~  
 984a ~~is-] ←Ĥ~~  
 985 ~~Ĥ→ [collected and published by the Division of Oil, Gas, and Mining under~~  
 985a ~~Subsection-] ←Ĥ~~  
 986 ~~Ĥ→ [(3)] December 15, 2025 ←Ĥ ;~~  
 987 (ii) determine from the commission the amount of revenue that is collected for the  
 988 previous calendar year for a mineral for which the United States is greater than  
 989 50% net import reliant as provided in the Mineral Commodity Summaries  
 990 published by the United States Geological Survey, as of the December 15  
 991 immediately preceding the calendar year for which the tax is collected and  
 992 published by the Division of Oil, Gas, and Mining under Subsection (3); and  
 993 (iii) transfer from the General Fund to the State Reinvestment Restricted Account  
 994 created in Section 51-9-1002 the greater of 0 or the difference calculated by  
 995 subtracting (2)(b)(i) from (ii).
- 996 (3) The Division of Oil, Gas, and Mining shall by no later than December 31 Ĥ→ , 2026,  
 996a and by no later than December 31 ←Ĥ of each Ĥ→ subsequent ←Ĥ year:
- 997 (a) publish a list of minerals that meet the condition described in Subsection Ĥ→ [  
 997a ~~(1)(b)(ii)] (2)(b)(ii) ←Ĥ ;~~  
 998 and
- 999 (b) submit an electronic copy of the list described in Subsection (3)(a) to the Ĥ→  
 999a commission and the ←Ĥ Division of  
 1000 Finance.
- 1001 Section 16. Section **59-5-304** is amended to read:  
 1002 **59-5-304 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37).**
- 1003 **Tax credit for mining exploration.**
- 1004 (1) As used in this section:
- 1005 [(a) "Assigned tax credit certificate" means the same as that term is defined in Section  
 1006 40-6-24.]
- 1007 [(b)] (a) "Eligible claimant" means a person[:]

- 1008            ~~[(i)]~~ that is a claimant as defined in Section 40-6-24 and obtains a tax credit  
 1009            certificate~~;~~ ~~or~~ .
- 1010            ~~[(ii) to which a person described in Subsection (1)(b)(i) assigns a tax credit certificate~~  
 1011            ~~and that obtains an assigned tax credit certificate in accordance with Section~~  
 1012            ~~40-6-24.]~~
- 1013            ~~[(e)]~~ (b) "Tax credit certificate" means the same as that term is defined in Section 40-6-24.
- 1014            (2) For a taxable year beginning on or after January 1, 2027, an eligible claimant may claim  
 1015            a nonrefundable tax credit against severance tax otherwise due under Part 2, Mining  
 1016            Severance Tax, in an amount equal to the amount stated on~~[:]~~ the tax credit certificate  
 1017            for the taxable year.
- 1018            ~~[(a) the tax credit certificate for the taxable year for an eligible claimant described in~~  
 1019            ~~Subsection (1)(b)(i); or]~~
- 1020            ~~[(b) the assigned tax credit certificate for the taxable year for an eligible claimant~~  
 1021            ~~described in Subsection (1)(b)(ii).]~~
- 1022            (3) An eligible claimant may carry forward to the next 15 taxable years the amount of the  
 1023            eligible claimant's tax credit that exceeds the amount described in Subsection (2).
- 1024            Section 17. Section **63J-1-602.2** is amended to read:
- 1025            **63J-1-602.2 (Effective 05/06/26) (Partially Repealed 07/01/29). List of nonlapsing**  
 1026            **appropriations to programs.**
- 1027            Appropriations made to the following programs are nonlapsing:
- 1028            (1) The Legislature and the Legislature's committees.
- 1029            (2) The State Board of Education, including all appropriations to agencies, line items, and  
 1030            programs under the jurisdiction of the State Board of Education, in accordance with  
 1031            Section 53F-9-103.
- 1032            (3) The Rangeland Improvement Act created in Section 4-20-101.
- 1033            (4) The Percent-for-Art Program created in Section 9-6-404.
- 1034            (5) The LeRay McAllister Working Farm and Ranch Fund Program created in Title 4,  
 1035            Chapter 46, Part 3, LeRay McAllister Working Farm and Ranch Fund.
- 1036            (6) The Utah Lake Authority created in Section 11-65-201.
- 1037            (7) Dedicated credits accrued to the Utah Marriage Commission as provided under  
 1038            Subsection 17-66-303(2)(d)(ii).
- 1039            (8) The Wildlife Land and Water Acquisition Program created in Section 23A-6-205.
- 1040            (9) Sanctions collected as dedicated credits from Medicaid providers under Subsection  
 1041            26B-3-108(7).

- 1042 (10) The primary care grant program created in Section 26B-4-310.
- 1043 (11) The Opiate Overdose Outreach Pilot Program created in Section 26B-4-512.
- 1044 (12) The Utah Health Care Workforce Financial Assistance Program created in Section  
1045 26B-4-702.
- 1046 (13) The Rural Physician Loan Repayment Program created in Section 26B-4-703.
- 1047 (14) The Utah Medical Education Council for the:
- 1048 (a) administration of the Utah Medical Education Program created in Section 26B-4-707;
- 1049 (b) provision of medical residency grants described in Section 26B-4-711; and
- 1050 (c) provision of the forensic psychiatric fellowship grant described in Section 26B-4-712.
- 1051 (15) The Division of Services for People with Disabilities, as provided in Section 26B-6-402.
- 1052 (16) The Communication Habits to reduce Adolescent Threats (CHAT) Pilot Program  
1053 created in Section 26B-7-122.
- 1054 (17) Funds that the Department of Alcoholic Beverage Services retains in accordance with  
1055 Subsection 32B-2-301(8)(a) or (b).
- 1056 (18) The General Assistance program administered by the Department of Workforce  
1057 Services, as provided in Section 35A-3-401.
- 1058 (19) The Utah National Guard, created in Title 39A, National Guard and Militia Act.
- 1059 (20) The Search and Rescue Financial Assistance Program, as provided in Section  
1060 53-2a-1102.
- 1061 (21) The Emergency Medical Services Grant Program, as provided in Section 53-2d-207.
- 1062 (22) The Motorcycle Rider Education Program, as provided in Section 53-3-905.
- 1063 (23) The Utah Board of Higher Education for teacher preparation programs, as provided in  
1064 Section 53H-5-402.
- 1065 (24) Innovation grants under Section 53G-10-608, except as provided in Subsection  
1066 53G-10-608(3).
- 1067 (25) The Division of Fleet Operations for the purpose of upgrading underground storage  
1068 tanks under Section 63A-9-401.
- 1069 (26) The Division of Technology Services for technology innovation as provided under  
1070 Section 63A-16-903.
- 1071 (27) The State Capitol Preservation Board created by Section 63O-2-201.
- 1072 (28) The Office of Administrative Rules for publishing, as provided in Section 63G-3-402.
- 1073 (29) The Colorado River Authority of Utah, created in Title 63M, Chapter 14, Colorado  
1074 River Authority of Utah Act.
- 1075 (30) The Governor's Office of Economic Opportunity to fund the Enterprise Zone Act, as

- 1076 provided in Title 63N, Chapter 2, Part 2, Enterprise Zone Act.
- 1077 (31) The Governor's Office of Economic Opportunity's Rural Employment Expansion  
1078 Program, as described in Title 63N, Chapter 4, Part 4, Rural Employment Expansion  
1079 Program.
- 1080 (32) County correctional facility contracting program for state inmates as described in  
1081 Section 64-13e-103.
- 1082 (33) County correctional facility reimbursement program for state probationary inmates and  
1083 state parole inmates as described in Section 64-13e-104.
- 1084 (34) Programs for the Jordan River Recreation Area as described in Section 65A-2-8.
- 1085 (35) The Division of Human Resource Management user training program, as provided in  
1086 Section 63A-17-106.
- 1087 (36) A public safety answering point's emergency telecommunications service fund, as  
1088 provided in Section 69-2-301.
- 1089 (37) The Traffic Noise Abatement Program created in Section 72-6-112.
- 1090 (38) The money appropriated from the Navajo Water Rights Negotiation Account to the  
1091 Division of Water Rights, created in Section 73-2-1.1, for purposes of participating in a  
1092 settlement of federal reserved water right claims.
- 1093 (39) The Judicial Council for compensation for special prosecutors, as provided in Section  
1094 77-10a-19.
- 1095 (40) A state rehabilitative employment program, as provided in Section 78A-6-210.
- 1096 (41) The Utah Geological Survey, as provided in Section 79-3-401.
- 1097 (42) The Bonneville Shoreline Trail Program created under Section 79-5-503.
- 1098 (43) Adoption document access as provided in Sections 81-13-103, 81-13-504, and  
1099 81-13-505.
- 1100 (44) Indigent defense as provided in Title 78B, Chapter 22, Part 4, Utah Indigent Defense  
1101 Commission.
- 1102 (45) The program established by the Division of Facilities Construction and Management  
1103 under Section 63A-5b-703 under which state agencies receive an appropriation and pay  
1104 lease payments for the use and occupancy of buildings owned by the Division of  
1105 Facilities Construction and Management.
- 1106 (46) The State Tax Commission for reimbursing counties for deferrals in accordance with  
1107 Section 59-2-1802.5.
- 1108 (47) The Veterinarian Education Loan Repayment Program created in Section 4-2-902.
- 1109 (48) The Critical Minerals Council created by Section 79-10-301.

1110 Section 18. Section **79-2-201** is amended to read:

1111 **79-2-201 (Effective 05/06/26) (Partially Repealed 07/01/29). Department of**  
 1112 **Natural Resources created.**

1113 (1) There is created the Department of Natural Resources.

1114 (2) The department comprises the following:

1115 (a) Board of Water Resources, created in Section 73-10-1.5;

1116 (b) Board of Oil, Gas, and Mining, created in Section 40-6-4;

1117 (c) Office of Energy Development, created in Section 79-6-401;

1118 (d) Wildlife Board, created in Section 23A-2-301;

1119 (e) Board of the Utah Geological Survey, created in Section 79-3-301;

1120 (f) Water Development Coordinating Council, created in Section 73-10c-3;

1121 (g) Division of Water Rights, created in Section 73-2-1.1;

1122 (h) Division of Water Resources, created in Section 73-10-18;

1123 (i) Division of Forestry, Fire, and State Lands, created in Section 65A-1-4;

1124 (j) Division of Oil, Gas, and Mining, created in Section 40-6-15;

1125 (k) Division of State Parks, created in Section 79-4-201;

1126 (l) Division of Outdoor Recreation, created in Section 79-7-201;

1127 (m) Division of Wildlife Resources, created in Section 23A-2-201;

1128 (n) Utah Geological Survey, created in Section 79-3-201;

1129 (o) Utah Outdoor Recreation Infrastructure Advisory Committee, created in Section  
 1130 79-7-206;

1131 (p)(i) an advisory council that includes in the advisory council's duties advising on  
 1132 state boating policy, authorized by Section 73-18-3.5; or

1133 (ii) an advisory council that includes in the advisory council's duties advising on  
 1134 off-highway vehicle use, authorized by Section 41-22-10;

1135 (q) Wildlife Board Nominating Committee, created in Section 23A-2-302;

1136 (r) Wildlife Regional Advisory Councils, created in Section 23A-2-303;

1137 (s) Utah Watersheds Council, created in Section 73-10g-304;

1138 (t) Public Lands Policy Coordinating Office created in Section 63L-11-201;[-and]

1139 (u) the Great Salt Lake commissioner, appointed under Section 73-32-201, and the  
 1140 Office of the Great Salt Lake Commissioner, created in Section 73-32-301[=]; and

1141 (v) the Critical Minerals Council, created in Section 79-10-301.

1142 Section 19. Section **79-10-101** is enacted to read:

1143 **CHAPTER 10. Critical Minerals Strategic Act**

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## Part 1. General Provisions

### **79-10-101 (Effective 05/06/26). Definitions.**

As used in this chapter:

- (1) "Atlas" means a depository of geological data maintained in accordance with Part 5, Critical Minerals Atlas.
- (2) "Center" means the Minerals for Industrial, National, and Economic Security Center created in accordance with Part 6, Minerals for Industrial, National, and Economic Security Center.
- (3) "Council" means the Critical Minerals Council created in Section 79-10-301.
- (4) "Critical mineral" means a mineral identified by the United States Geological Survey or the council as essential to the economic security of the state or national security.
- (5) "Critical minerals zone" means a critical minerals zone designated by the council under Part 4, Critical Minerals Zone.
- (6) "Permit" means one of the following issued by a state agency:
  - (a) a permit;
  - (b) a plan;
  - (c) a license;
  - (d) an approval order; or
  - (e) another administrative authorization.

Section 20. Section **79-10-201** is enacted to read:

## Part 2. State Critical Minerals Objectives and Policy

### **79-10-201 (Effective 05/06/26). State critical mineral objectives and policy.**

- (1) The state's long-term objectives related to critical minerals are:
  - (a) to capture 20% to 25% of United States domestic critical minerals demand;
  - (b) to process within the state 50% of the critical minerals extracted from within the state;
  - (c) to reduce average permitting timelines to less than 18 months;
  - (d) to establish and build out the Minerals for Industrial, National, and Economic Security Center, as provided in Part 6, Minerals for Industrial, National, and Economic Security Center; and
  - (e) to secure federal designation of an entity within the state as a United States critical minerals national laboratory.
- (2) The state's policy related to critical minerals is to:

- 1177 (a) pursue market-based solutions while using public policy to accelerate market  
 1178 performance;
- 1179 (b) foster the long-term viability of extraction and processing operations;
- 1180 (c) foster the long-term health of marketplaces to ensure private parties can invest  
 1181 confidently in the critical minerals industry;
- 1182 (d) maximize resources available across the state, including natural, talent, processing,  
 1183 financial, and technological resources;
- 1184 (e) leverage the Utah System of Higher Education, including technical colleges, to create  
 1185 a specialized talent pipeline for mining, geology, and processing;
- 1186 (f) create a positive regulatory framework, including streamlined permitting for critical  
 1187 minerals processes;
- 1188 (g) create intrastate, interstate, and federal partnerships that leverage available resources  
 1189 for state, regional, and national benefit;
- 1190 (h) accelerate development of critical minerals zones; and
- 1191 (i) support applied research partnerships between higher education, industry, and the  
 1192 state that support commercialization.
- 1193 (3) State agencies, academia, and industry are encouraged to conduct activities consistent  
 1194 with Subsections (1) and (2).
- 1195 (4) This section does not create a cause of action against the state's or a state agency's action  
 1196 that is inconsistent with Subsections (1) and (2) and does not waive governmental  
 1197 immunity under Title 63G, Chapter 7, Governmental Immunity Act of Utah.

1198 Section 21. Section **79-10-202** is enacted to read:

1199 **79-10-202 (Effective 05/06/26). Legislative review of objectives and policy.**

1200 The Natural Resources, Agriculture, and Environment Interim Committee shall annually  
 1201 review the state's critical mineral objectives and policy under Section 79-10-201 and propose  
 1202 any changes to the Legislature.

1203 Section 22. Section **79-10-301** is enacted to read:

### 1204 **Part 3. Critical Minerals Coordinating Council**

1205 **79-10-301 (Effective 05/06/26). Critical Minerals Council created.**

- 1206 (1) There is created within the Department of Natural Resources a mixed purpose board  
 1207 known as the "Critical Minerals Council."
- 1208 (2) The council consists of the following 11 members:
- 1209 (a) the director of the Office of Energy Development, or the director's designee;
- 1210 (b) the director of the Division of Oil, Gas, and Mining, or the director's designee;

- 1211 (c) one of the following appointed by the governor:
- 1212 (i) the executive director of the Governor's Office of Economic Opportunity; or
- 1213 (ii) the executive director of the Nucleus Institute, created in Section 53H-16-202;
- 1214 (d) a member of the House of Representatives, appointed by the speaker of the House of
- 1215 Representatives;
- 1216 (e) a member of the Senate, appointed by the president of the Senate;
- 1217 (f) the president of the University of Utah, or the president's designee;
- 1218 (g) the president of an association representing Utah's mining industry, including
- 1219 hardrock operators, industrial mineral operators, coal operators, mineral processing
- 1220 operations, and mining services companies, appointed by the governor;
- 1221 (h) a representative from an organization designed to create jobs in Utah by expanding
- 1222 international sales, attracting foreign investment, and facilitating international
- 1223 partnerships, appointed by the governor;
- 1224 (i) a representative from a state land use authority, as defined in Section 79-10-401,
- 1225 appointed by the governor; and
- 1226 (j) two at-large members who represent a relevant industry, represent a state research
- 1227 center, or have expertise in environmental regulation, appointed by the members of
- 1228 the council described in Subsections (2)(a) through (i).
- 1229 (3)(a)(i) The director of the Office of Energy Development, or the director's designee,
- 1230 is the co-chair of the council.
- 1231 (ii) The president of the Senate and the speaker of the House of Representatives shall
- 1232 jointly appoint a co-chair of the council from members of the council.
- 1233 (b) The vice-chairs of the council are:
- 1234 (i) the director of the Division of Oil, Gas, and Mining, or the director's designee; and
- 1235 (ii) the individual appointed under Subsection (1)(c).
- 1236 (4)(a) The majority of the members constitutes a quorum of the council.
- 1237 (b) The majority vote of the members present when a quorum is present constitutes
- 1238 action of the council.
- 1239 (5) The council shall meet:
- 1240 (a) at the time and place designated by the chairs; and
- 1241 (b) no less than once every month or as frequently as the council determines.
- 1242 (6)(a) A member appointed under Subsections (2)(g) through (j) shall serve a term of
- 1243 four years.
- 1244 (b) The appointing authority may appoint an individual to a position under Subsections

- 1245 (2)(g) through (j) to more than one term.
- 1246 (c) Notwithstanding Subsection (6)(a), the council shall, at the time of appointment or
- 1247 reappointment, adjust the length of terms to ensure that the terms of the members
- 1248 appointed under Subsections (2)(g) through (j) are staggered so that approximately
- 1249 half of the members appointed under Subsections (2)(g) through (j) are appointed
- 1250 every two years.
- 1251 (7)(a) A vacancy that occurs on the council for any reason shall be filled in the same
- 1252 manner as the original appointment.
- 1253 (b) If an at-large representative vacates the position, the council shall appoint a new
- 1254 member for the unexpired term of the vacated member.
- 1255 (8) A member may not receive compensation or benefits for the member's service, but may
- 1256 receive per diem and travel expenses in accordance with:
- 1257 (a) Section 63A-3-106;
- 1258 (b) Section 63A-3-107; and
- 1259 (c) rules made by the Division of Finance in accordance with Sections 63A-3-106 and
- 1260 63A-3-107.
- 1261 (9)(a) A council member who has, will have, or later acquires an interest, direct or
- 1262 indirect, in a transaction with the council shall immediately disclose the nature and
- 1263 extent of that interest in writing to the council as soon as the council member has
- 1264 knowledge of the actual or prospective interest.
- 1265 (b) The council shall enter a disclosure described in this Subsection (9) upon the minutes
- 1266 of the council.
- 1267 (c) Upon disclosure, that council member may participate in an action by the council
- 1268 authorizing the transaction.
- 1269 (10) The Department of Natural Resources shall provide staff support to the council.
- 1270 Section 23. Section **79-10-302** is enacted to read:
- 1271 **79-10-302 (Effective 05/06/26). Powers and duties of the council.**
- 1272 (1) The council shall:
- 1273 (a) develop a strategic plan to prioritize activities and projects related to the exploration,
- 1274 development, production, and processing of critical minerals in the state consistent
- 1275 with the state's critical minerals objectives and policy as outlined in Section
- 1276 79-10-201;
- 1277 (b) ensure that efforts among Utah public, private, and academic partners regarding
- 1278 critical minerals are coordinated efficiently and effectively;

- 1279 (c) act as a clearinghouse for information related to federal, state, or local grants and  
1280 determine whether a grant application is consistent with the strategic plan developed  
1281 under Subsection (1)(a);
- 1282 (d) investigate and participate in studies of problems unique to the exploration,  
1283 development, production, and processing of critical minerals in the state;
- 1284 (e) oversee the development of the center in accordance with Part 6, Minerals for  
1285 Industrial, National, and Economic Security Center;
- 1286 (f) take actions consistent with this chapter to promote, protect, and stabilize the critical  
1287 minerals industry;
- 1288 (g) cooperate with local, state, or national organizations engaged in activities similar to  
1289 those of the council;
- 1290 (h) partner with other western states for the development of critical minerals mining and  
1291 processing capabilities;
- 1292 (i) accept grants, donations, or gifts for use consistent with this chapter;
- 1293 (j) catalyze critical minerals extraction and processing for industries in the state;
- 1294 (k) accelerate development of critical minerals zones in the state for extraction and  
1295 processing of critical minerals;
- 1296 (l) identify transportation and logistics needs and strategic investments to facilitate  
1297 high-capacity, efficient handling of critical minerals; and
- 1298 (m) advise the Legislature about the need, if any, for legislative action.
- 1299 (2) The council may enter into agreements necessary to fulfill the council's duties.
- 1300 (3) The council may make rules, in accordance with Title 63G, Chapter 3, Utah  
1301 Administrative Rulemaking Act, creating a dispute resolution process to resolve  
1302 conflicts between agencies or private entities represented by a member of the council.
- 1303 (4)(a) The council may organize standing or ad hoc committees that operate in  
1304 accordance with guidelines established by the council, regarding specific state and  
1305 industry needs related to critical minerals development, including:
- 1306 (i) education and workforce needs;
- 1307 (ii) research and commercialization;
- 1308 (iii) entrepreneurship and investment;
- 1309 (iv) aerospace and defense requirements;
- 1310 (v) logistics and infrastructure;
- 1311 (vi) international trade; or
- 1312 (vii) other needs related to critical minerals development.

- 1313 (b) The council may appoint a member of a standing or ad hoc committee that is not a  
1314 member of the council.
- 1315 (5)(a) The council shall report annually by no later than October 1 to the Natural  
1316 Resources, Agriculture, and Environment Interim Committee.
- 1317 (b) The report required by this Subsection (5) shall include information regarding:  
1318 (i) the state's progress towards the objectives described in Subsection 79-10-201(1);  
1319 (ii) critical minerals zones as required by Section 79-10-402;  
1320 (iii) the state's progress towards development of the center, including the center's  
1321 activities and fiscal needs; and  
1322 (iv) the Critical Minerals Development Account required by Section 79-10-701.
- 1323 (6) Notwithstanding the other provisions of this chapter, the council may not:  
1324 (a) interfere or impair with the statutory authority of a state agency to issue a permit; or  
1325 (b) vote on an individual permit.
- 1326 Section 24. Section **79-10-303** is enacted to read:  
1327 **79-10-303 (Effective 05/06/26). Areas for coordination.**
- 1328 (1) Council members are designated as area leads as provided in this section. In conducting  
1329 the council's business, the council may assign a council member who is an area lead to  
1330 coordinate on an issue within the council member's area.
- 1331 (2) The council shall ensure:  
1332 (a) the coordination of state policy with federal policy; and  
1333 (b) the development of infrastructure within the state related to critical minerals.
- 1334 (3)(a) The director of the Division of Oil, Gas, and Mining, or the director's designee,  
1335 shall address regulation and permitting and coordinate with state agencies related to:  
1336 (i) permitting for extraction or reclamation projects; and  
1337 (ii) information gathering for extraction or reclamation projects.
- 1338 (b) In coordinating under this Subsection (3), the director of the Division of Oil, Gas,  
1339 and Mining, or the director's designee, shall at a minimum coordinate with:  
1340 (i) the Department of Environmental Quality; and  
1341 (ii) the Utah Geological Survey.
- 1342 (4)(a) The council member appointed under Subsection 79-10-301(2)(c) shall address  
1343 incentives and critical minerals zones and coordinate:  
1344 (i) implementation of state tax incentives;  
1345 (ii) domestic recruitment;  
1346 (iii) foreign investment;

- 1347 (iv) accessing federal appropriations and other federal funding sources; and  
 1348 (v) defense or national security requirements.
- 1349 (b) In coordinating under this Subsection (4), the council member appointed under  
 1350 Subsection 79-10-301(2)(c) shall at a minimum coordinate with:
- 1351 (i) the council member appointed under Subsection 79-10-301(2)(h); and  
 1352 (ii) public and private entities that may act as a liaison with federal agencies that may  
 1353 provide funding for critical minerals.
- 1354 (5)(a) The council member representing the University of Utah shall coordinate issues  
 1355 related to innovation including:
- 1356 (i) workforce training and talent pipelines;  
 1357 (ii) pilot technology testing;  
 1358 (iii) research and development; and  
 1359 (iv) industry concerns.
- 1360 (b) In coordinating under this Subsection (5), the council member representing the  
 1361 University of Utah shall at a minimum coordinate with:
- 1362 (i) the center;  
 1363 (ii) other institutions of higher education, including Utah State University;  
 1364 (iii) an association representing Utah's mining industry, including hardrock operators,  
 1365 industrial mineral operators, coal operators, mineral processing operations, and  
 1366 mining services companies; and  
 1367 (iv) the aerospace and defense industry.

1368 Section 25. Section **79-10-401** is enacted to read:

1369 **Part 4. Critical Minerals Zone**

1370 **79-10-401 (Effective 05/06/26). Definitions.**

1371 As used in this part:

- 1372 (1) "Base taxable value" means the value of property within a critical minerals zone, as  
 1373 shown on the assessment roll last equalized before the creation of the critical minerals  
 1374 zone.
- 1375 (2) "Community reinvestment agency" means the same as that term is defined in Section  
 1376 17C-1-102.
- 1377 (3) "Community reinvestment project area" means a project area under a community  
 1378 reinvestment project area plan as defined in Section 17C-1-102.
- 1379 (4) "Property tax differential" means the difference between:
- 1380 (a) the amount of property tax revenues generated each tax year by all taxing entities

- 1381 from a critical minerals zone, using the current assessed value of the property; and  
 1382 (b) the amount of property tax revenues that would be generated from that same area  
 1383 using the base taxable value of the property.
- 1384 (5) "Property tax differential revenue" means revenue generated based on the property tax  
 1385 differential.
- 1386 (6) "State land use authority" means:
- 1387 (a) the Utah Inland Port Authority created in Section 11-58-201;  
 1388 (b) the Military Installation Development Authority created in Section 63H-1-201;  
 1389 (c) the School and Institutional Trust Lands Administration created in Section 53C-1-201;  
 1390 or  
 1391 (d) any other land use authority created by the state that has jurisdiction over state lands.
- 1392 Section 26. Section **79-10-402** is enacted to read:
- 1393 **79-10-402 (Effective 05/06/26). Council responsibilities and powers.**
- 1394 (1) The council shall:
- 1395 (a) establish and implement:
- 1396 (i) processes for designating critical minerals zones; and  
 1397 (ii) criteria for evaluating proposed critical minerals zones;
- 1398 (b) consult with state land use authorities regarding:
- 1399 (i) identification of state lands suitable for critical minerals extraction or processing;  
 1400 (ii) designation of critical minerals zones; and  
 1401 (iii) opportunities for coordinated development of extraction or processing projects  
 1402 on state lands;
- 1403 (c) assess and address potential public health impacts of critical minerals zones;
- 1404 (d) report annually by October 1 to the Natural Resources, Agriculture, and Environment  
 1405 Interim Committee regarding:
- 1406 (i) infrastructure needs related to extraction and processing of critical minerals;  
 1407 (ii) the status of designated critical minerals zones; and  
 1408 (iii) recommendations for how the property tax differential revenue collected under  
 1409 this section should be divided and distributed between the state, counties, and  
 1410 municipalities; and
- 1411 (e) negotiate with the applicable county or municipality regarding the distribution of  
 1412 property tax differential revenue.
- 1413 (2) The council may enter agreements with state land use authorities to address the  
 1414 implementation of critical minerals zones and the administration of property tax

1415 differential revenue.

1416 Section 27. Section **79-10-403** is enacted to read:

1417 **79-10-403** (Effective **05/06/26**). **Critical minerals zones designated.**

1418 (1)(a) Except as provided in Subsection (1)(b), a county or municipality may not offer  
1419 financial incentives for a critical minerals extraction or processing project that is not  
1420 located within a designated critical minerals zone.

1421 (b) Subsection (1)(a) does not apply to a critical minerals extraction or processing  
1422 project for which a project area plan has been approved before May 6, 2026.

1423 (2) A county or municipality may:

1424 (a) pass a resolution declaring an intent to establish within the county or municipality  
1425 boundaries a critical minerals zone;

1426 (b) enter into an interlocal agreement with the council outlining each parties'  
1427 responsibilities relating to a critical minerals zone; and

1428 (c) apply to the council for the designation of a critical minerals zone by submitting:

1429 (i) a description of the proposed boundaries of the critical minerals zone;

1430 (ii) an assessment of existing critical minerals extraction or processing infrastructure  
1431 within and proximate to the proposed critical minerals zone;

1432 (iii) a development plan that includes:

1433 (A) proposed critical minerals extraction or processing projects;

1434 (B) anticipated infrastructure improvements;

1435 (C) projected economic benefits to the county; and

1436 (D) evidence of local support including any interlocal agreement entered into  
1437 between the county or municipality and the council, as applicable;

1438 (iv) if the applicant is a municipality, evidence of coordination with the county in  
1439 which the proposed critical minerals zone is located, including any interlocal  
1440 agreement entered into between the county or municipality and the council, as  
1441 applicable;

1442 (v) if the applicant is a county and any portion of the proposed critical minerals zone  
1443 is within the boundaries of a municipality, evidence of an agreement with the  
1444 municipality regarding the establishment of the critical minerals zone; and

1445 (vi) any other information required by the council.

1446 (3) A state land use authority may:

1447 (a) propose a critical minerals zone within lands under the state land use authority's  
1448 jurisdiction; and

- 1449 (b) apply to the council for the designation of a critical minerals zone by submitting:  
1450 (i) a description of the proposed boundaries of the critical minerals zone;  
1451 (ii) an assessment of existing critical minerals extraction or processing infrastructure  
1452 within and proximate to the proposed critical minerals zone;  
1453 (iii) a development plan that includes:  
1454 (A) proposed critical minerals extraction or processing projects;  
1455 (B) anticipated infrastructure improvements; and  
1456 (C) projected economic benefits;  
1457 (iv) evidence that the proposed critical minerals zone is consistent with applicable  
1458 land use plans and regulations; and  
1459 (v) any other information required by the council.
- 1460 (4) The council shall:
- 1461 (a) approve an application for a critical minerals zone designation if the application  
1462 demonstrates:
- 1463 (i) the proposed critical minerals zone includes land suitable for critical minerals  
1464 extraction or processing development based on:  
1465 (A) adequate transportation access; and  
1466 (B) sufficient land area for proposed development; and  
1467 (ii) the critical minerals zone plan:  
1468 (A) aligns with state critical minerals objectives and policy under Section  
1469 79-10-201;  
1470 (B) includes realistic timelines and milestones;  
1471 (C) identifies specific infrastructure improvements; and  
1472 (D) quantifies projected economic benefits;
- 1473 (b) make a determination on an application within 60 days of submission;  
1474 (c) provide written notice to the applicant explaining the basis for approval or denial;  
1475 (d) if a critical minerals zone overlaps with an area designated by a community  
1476 reinvestment agency as a community reinvestment project area as of May 6, 2026,  
1477 enter into an agreement with the community reinvestment agency to determine the  
1478 percentage division of the property tax differential between:  
1479 (i) the Critical Minerals Development Account; and  
1480 (ii) the community reinvestment agency; and  
1481 (e) if a critical minerals zone overlaps with a project area of a state land use authority,  
1482 enter into an agreement with the state land use authority to determine the percentage

- 1483 division of the property tax differential between:  
 1484 (i) the Critical Minerals Development Account; and  
 1485 (ii) the state land use authority.
- 1486 (5) Within 30 days after the council designates a critical minerals zone:  
 1487 (a) the county auditor shall certify to the council the base taxable value of property  
 1488 within the critical minerals zone; and  
 1489 (b) the county shall transmit to the council copies of the property tax assessment rolls for  
 1490 the property within the critical minerals zone.
- 1491 (6)(a) Each year, the county auditor shall:  
 1492 (i) determine the amount of the property tax differential for the critical minerals zone  
 1493 by comparing:  
 1494 (A) the current assessed value of property within the critical minerals zone; and  
 1495 (B) the base taxable value of property within the critical minerals zone;  
 1496 (ii) inform the county treasurer of the property tax differential amount; and  
 1497 (iii) provide notice to the council of the amount calculated under this Subsection  
 1498 (6)(a).
- 1499 (b) The county treasurer shall transfer the property tax differential to the council for  
 1500 deposit into the Critical Minerals Development Account created in Section 79-10-701,  
 1501 subject to any agreements entered into under Subsections (4)(d) and (4)(e).
- 1502 (c) The county treasurer shall make a distribution required under this section:  
 1503 (i) at the same time as regular annual property tax distributions; and  
 1504 (ii) using the same method as other property tax distributions.
- 1505 (d) For property tax differential not subject to Subsection (4)(d) or (4)(e), the council  
 1506 may enter into agreements with taxing entities regarding the allocation of the  
 1507 property tax differential.

1508 Section 28. Section **79-10-501** is enacted to read:

1509 **Part 5. Critical Minerals Atlas**

1510 **79-10-501 (Effective 05/06/26). Critical Minerals Atlas created -- Processes to be**  
 1511 **developed.**

- 1512 (1)(a) The Division of Oil, Gas, and Mining shall lead a joint effort with the Utah  
 1513 Geological Survey and Office of Energy Development to organize and maintain a  
 1514 clearinghouse of geological data related to critical minerals known as the "Critical  
 1515 Minerals Atlas."
- 1516 (b) The purpose of the atlas is to:

- 1517 (i) compile reliable data that can be used by:  
1518 (A) the council, including the council using the data in developing the strategic  
1519 plan required under Subsection 79-10-302(1);  
1520 (B) other government agencies;  
1521 (C) academia; and  
1522 (D) private entities; and  
1523 (ii) reconcile differences in the data submitted to the atlas.
- 1524 (2)(a) The agencies described in Subsection (1)(a) shall:  
1525 (i) develop a process by which a state agency, state institution of higher education, or  
1526 private entity, including a nonprofit entity, may submit information to the atlas;  
1527 (ii) recommend which state agencies and state institutions of higher education should  
1528 be required to submit data to the atlas;  
1529 (iii) develop a process by which differences in the data submitted to the atlas may be  
1530 reconciled; and  
1531 (iv) develop policies consistent with Title 63G, Chapter 2, Government Records  
1532 Access and Management Act, related to confidentiality of information submitted  
1533 to the atlas.
- 1534 (b) The Division of Oil, Gas, and Mining shall report the processes, recommendations,  
1535 and policies described in Subsection (2)(a) to the Natural Resources, Agriculture, and  
1536 Environment Interim Committee by no later than October 1, 2026.

1537 Section 29. Section **79-10-601** is enacted to read:

1538 **Part 6. Minerals for Industrial, National, and Economic Security Center**

1539 **79-10-601 (Effective 05/06/26). Minerals for Industrial, National, and Economic**  
1540 **Security Center process for creation -- Governance.**

- 1541 (1) There is created under the general supervision of the council a center known as the  
1542 "Minerals for Industrial, National, and Economic Security Center," to serve the  
1543 objectives described in Section 79-10-602.
- 1544 (2) The council shall create a plan and budget for the center that address:  
1545 (a) the governance of the center;  
1546 (b) the operations of the center;  
1547 (c) how the creation and activities of the center are to be funded; and  
1548 (d) other issues the council determines are relevant to the governance and operations of  
1549 the center.
- 1550 (3) The council shall report the council's development of a plan and budget under this

1551 section to:

- 1552 (a) the Executive Appropriations Committee by no later than the 2026 September  
 1553 meeting of the Executive Appropriations Committee; and  
 1554 (b) the Natural Resources, Agriculture, and Environment Interim Committee by no later  
 1555 than the 2026 October interim meeting of the Natural Resources, Agriculture, and  
 1556 Environment Interim Committee.

1557 Section 30. Section **79-10-602** is enacted to read:

1558 **79-10-602 (Effective 05/06/26). Center objectives.**

1559 The center shall:

- 1560 (1) serve as the state's primary partner for issues related to developing critical mineral  
 1561 extraction and processing from research to commercialization, including:  
 1562 (a) workforce training;  
 1563 (b) the testing and piloting of technology;  
 1564 (c) federal grant coordination; and  
 1565 (d) development of processing capacity;  
 1566 (2) coordinate the center's operations with the strategic plan established by the council in  
 1567 accordance with Subsection 79-10-302(1);  
 1568 (3) partner with industry and academia to:  
 1569 (a) develop processing and separation processes;  
 1570 (b) provide technology benchmarking and performance validation;  
 1571 (c) provide pilot-scale demonstrations and scale-up;  
 1572 (d) integrate physical, chemical, electrochemical, and thermal processing; and  
 1573 (e) provide for autonomous sampling and real-time analysis; and  
 1574 (4) lay groundwork for securing federal designation of an entity within the state as a United  
 1575 States critical minerals national laboratory.

1576 Section 31. Section **79-10-701** is enacted to read:

1577 **Part 7. Fiscal Matters**

1578 **79-10-701 (Effective 05/06/26). Critical Minerals Development Account.**

- 1579 (1) There is created within the General Fund a restricted account known as the "Critical  
 1580 Minerals Development Account."  
 1581 (2) Subject to appropriation, the council shall administer the Critical Minerals Development  
 1582 Account for the purposes described in Subsection (5).  
 1583 (3) The Critical Minerals Development Account consists of:  
 1584 (a) revenue deposited into the Critical Minerals Development Account under Section

- 1585            79-10-403;  
 1586            (b) money appropriated by the Legislature;  
 1587            (c) federal money;  
 1588            (d) donations or grants from public or private entities; and  
 1589            (e) interest and other earnings earned on money in the Critical Minerals Development  
 1590            Account.

1591            (4)(a) The Critical Minerals Development Account shall earn interest.

- 1592            (b) The state treasurer shall invest account money in accordance with Title 51, Chapter  
 1593            7, State Money Management Act, and credit the interest and earnings from the  
 1594            investments to the Critical Minerals Development Account.

1595            (5) Subject to appropriation, the council may use account money to:

- 1596            (a) pay the costs of administering this chapter;  
 1597            (b) fund the operations of the center in accordance with the plan and budget developed  
 1598            by the council in accordance with Section 79-10-601;  
 1599            (c) facilitate critical minerals extraction and processing infrastructure development  
 1600            within the state, including funding research, site selection, permitting, public  
 1601            outreach, and other activities related to the development of critical minerals  
 1602            extraction or processing infrastructure;  
 1603            (d) provide matching funds for federal critical minerals grants;  
 1604            (e) support critical minerals workforce development programs; and  
 1605            (f) provide incentives for critical minerals extraction or processing projects.

1606            (6) The council shall include a report of how money from the Critical Minerals  
 1607            Development Account was used in the annual report described in Section 79-10-302.

1608            Section 32. **Repealer.**

1609            This bill repeals:

1610            Section **51-9-301, Title.**

1611            Section **51-9-303, Creation of Infrastructure and Economic Diversification Investment**  
 1612            **Account.**

1613            Section **51-9-307, New Severance Tax Revenue Special Revenue Fund.**

1614            Section 33. **FY 2026 Appropriations.**

1615            The following sums of money are appropriated for the fiscal year beginning July 1,  
 1616            2025, and ending June 30, 2026. These are additions to amounts previously appropriated for  
 1617            fiscal year 2026.

1618            Subsection 33(a). **Restricted Fund and Account Transfers**

1619 The Legislature authorizes the State Division of Finance to transfer the following  
 1620 amounts between the following funds or accounts as indicated. Expenditures and outlays from  
 1621 the funds to which the money is transferred must be authorized by an appropriation.

1622 ITEM 1 To General Fund Restricted - State Reinvestment Restricted Account  
 1623 From Infrastructure and Economic Diversification  
 1624 Investment Account, One-time 14,016,200

1625 Schedule of Programs:

1626 State Reinvestment Restricted Account 14,016,200

1627 The Legislature intends that the Division of  
 1628 Finance transfer any balances remaining in the  
 1629 Infrastructure and Economic Diversification Investment  
 1630 Account after fiscal year 2026 closeout to the State  
 1631 Reinvestment Restricted Account.

1632 Section 34. **FY 2027 Appropriations.**

1633 The following sums of money are appropriated for the fiscal year beginning July 1,  
 1634 2026, and ending June 30, 2027. These are additions to amounts previously appropriated for  
 1635 fiscal year 2027.

1636 Subsection 34(a). **Operating and Capital Budgets**

1637 Under the terms and conditions of Title 63J, Chapter 1, Budgetary Procedures Act, the  
 1638 Legislature appropriates the following sums of money from the funds or accounts indicated for  
 1639 the use and support of the government of the state of Utah.

1640 ITEM 2 To Department of Natural Resources - Critical Minerals Council  
 1641 From State Reinvestment Restricted Account 1,000,000  
 1642 From State Reinvestment Restricted Account, One-time 10,000,000

1643 Schedule of Programs:

1644 Critical Minerals Council 11,000,000

1645 Section 35. **Effective Date.**

1646 (1) Except as provided in Subsection (2), this bill takes effect May 6, 2026.

1647 (2) The actions affecting the following sections take effect on July 1, 2026:

1648 (a) Section 51-9-202 (Effective 07/01/26);

1649 (b) Section 51-9-301;

1650 (c) Section 51-9-302 (Effective 07/01/26);

1651 (d) Section 51-9-303;

1652 (e) Section 51-9-305 (Effective 07/01/26);

- 1653 (f) Section 51-9-307;  
1654 (g) Section 51-9-1001 (Effective 07/01/26);  
1655 (h) Section 51-9-1002 (Effective 07/01/26); and  
1656 (i) Section 51-9-1003 (Effective 07/01/26).

1657 Section 36. **Retrospective operation.**

1658 The following sections have retrospective operation to January 1, 2026:

- 1659 (1) Section 40-6-24 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37);  
1660 (2) Section 59-2-924 (Effective 05/06/26) (Applies beginning 01/01/26);  
1661 (3) Section 59-5-115 (Effective 05/06/26) (Applies beginning 01/01/26);  
1662 (4) Section 59-5-116 (Effective 05/06/26) (Applies beginning 01/01/26);  
1663 (5) Section 59-5-119 (Effective 05/06/26) (Applies beginning 01/01/26);  
1664 (6) Section 59-5-204 (Effective 05/06/26) (Applies beginning 01/01/26);  
1665 (7) Section 59-5-215 (Effective 05/06/26) (Applies beginning 01/01/26); and  
1666 (8) Section 59-5-304 (Effective 05/06/26) (Applies beginning 01/01/26) (Repealed 07/01/37).

1667 Section 37. **Coordinating S.B. 254 with H.B. 373.**

1668 If S.B. 254, Critical Minerals Amendments, and H.B. 373, Higher Education Innovation,  
1669 both pass and become law, the Legislature intends that, on July 1, 2026:

1670 (1) Subsection 53H-8-211(4)(a)(ii)(C) enacted in H.B. 373 be amended to read:

1671 "(C) ensure that the eligible research areas described in Subsection (4)(a)(ii)(A) reflect the  
1672 state's priority industry clusters and public policy needs and include critical minerals projects  
1673 that are consistent with the strategic plan of the Critical Minerals Council created under  
1674 Subsection 79-10-302(1);"; and

1675 (2) Subsection 53H-8-211(5)(a) enacted in H.B. 373 be amended to read:

1676 "(a) the eligible research areas described in Subsection (4)(a)(ii) and the extent to which the  
1677 areas reflect the state's priority industry clusters and public policy needs, including critical  
1678 minerals projects described in Subsection (4)(a)(ii)(C); and".