

1 **State Coordination of Regional and Local**
2 **Economic Development Projects Amendments**

3 2026 GENERAL SESSION

4 STATE OF UTAH

5 **Chief Sponsor: Calvin Roberts**

6 Senate Sponsor: Kirk A. Cullimore

7 **LONG TITLE**

8 **General Description:**

9 This bill addresses local and regional economic development projects and related
10 provisions.

11 **Highlighted Provisions:**

12 This bill:

- 13 ▶ defines terms and modifies definitions;
- 14 ▶ prohibits a political subdivision from providing an incentive to a large load data center,
15 with exceptions;
- 16 ▶ establishes the State Reinvestment Restricted Account (account);
- 17 ▶ describes the potential uses for money in the account;
- 18 ▶ directs the Utah Inland Port Authority to deposit certain revenues into the account;
- 19 ▶ modifies certain requirements for a public infrastructure district;
- 20 ▶ provides a process for the dissolution of a public infrastructure district;
- 21 ▶ requires the disclosure of the expected annual cost of a public infrastructure district's
22 certified tax rate, as shown on the last equalized assessment rolls, in the conveyance of
23 residential real property, if applicable;
- 24 ▶ creates the optional County Energy Excise Tax;
- 25 ▶ requires the State Tax Commission to deposit revenue, in certain circumstances, into the
26 account;
- ▶ provides that certain records related to economic development projects, including
nondisclosure agreements, may be classified as protected records;
- ▶ modifies the process for a person providing a record to a governmental entity to make a
claim of confidentiality regarding the record;

- 27 ▸ modifies provisions governing the sharing of a protected record;
- 28 ▸ requires the risk manager to make rules to establish the limit of liability for damages from
29 the intentional disclosure of a protected record;
- 30 ▸ provides that a housing and transit reinvestment zone, first home investment zone,
31 convention center reinvestment zone, or home ownership promotion zone may not be
32 created after January 1, 2028;
- 33 ▸ provides retrospective operation for certain provisions governing a housing and transit
34 reinvestment zone, first home investment zone, and convention center reinvestment zone
35 to May 4, 2022;
- 36 ▸ requires the Political Subdivisions Interim Committee to create a working group and
37 describes the membership of the working group;
- 38 ▸ creates a process for a county or city to propose a regionally significant development zone
39 (zone) and for a committee to approve the creation of a zone;
- 40 ▸ authorizes a zone to capture and utilize certain forms of tax increment;
- 41 ▸ describes how a zone will be managed, including how a community reinvestment agency
42 (agency) will manage zone funds, prepare zone budgets, conduct zone audits, and make
43 biennial reports;
- 44 ▸ describes the circumstances in which an agency or a county treasurer shall transfer a
45 percentage of zone revenue into the account;
- 46 ▸ modifies the prohibition on local government offering a financial incentive for an energy
47 development project outside an electrical energy development zone;
- 48 ▸ coordinates this bill with H.B. 475, Development Planning and Coordination
49 Amendments; and
- 50 ▸ makes technical and conforming changes.

51 **Money Appropriated in this Bill:**

52 None

53 **Other Special Clauses:**

54 This bill provides a coordination clause.

55 This bill provides retrospective operation.

56 **Utah Code Sections Affected:**

57 AMENDS:

58 **10-21-501 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
59 First Special Session, Chapter 15

60 **11-41-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special

61 Session, Chapter 16
62 **11-58-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2024, Chapters 53,
63 438 and 535
64 **11-58-602 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 459
65 **17-80-501 (Effective 05/06/26)**, as renumbered and amended by Laws of Utah 2025,
66 First Special Session, Chapter 14
67 **17B-2a-1302 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 388
68 **17C-1-102 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
69 Session, Chapter 16
70 **17C-1-409 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
71 Session, Chapter 16
72 **17C-1-603 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 480
73 **17D-4-201 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 347
74 **17D-4-202 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 347
75 **17D-4-202.1 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 29
76 **17D-4-203 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 498
77 **17D-4-204 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 347
78 **17D-4-303 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 347
79 **59-1-306 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 258
80 **59-2-924 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
81 Session, Chapter 15
82 **63G-2-206 (Effective 05/06/26)**, as last amended by Laws of Utah 2019, Chapter 334
83 **63G-2-305 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
84 Session, Chapter 17
85 **63G-2-309 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
86 Session, Chapter 9
87 **63G-2-802 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 188
88 **63G-7-605 (Effective 05/06/26)**, as last amended by Laws of Utah 2021, Chapter 33
89 **63I-2-263 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapters 182,
90 273 and 277
91 **63N-2-103 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 512
92 **63N-3-602 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29
93 **63N-3-603 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, First Special
94 Session, Chapter 15

95 **63N-3-604 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29
96 **63N-3-604.1 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 29
97 **63N-3-605 (Effective 05/06/26) (Applies beginning 05/04/22)**, as last amended by Laws
98 of Utah 2025, Chapter 29
99 **63N-3-607 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 404
100 **63N-3-608 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29
101 **63N-3-611 (Effective 05/06/26)**, as last amended by Laws of Utah 2025, Chapter 29
102 **63N-3-1603 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 537
103 **63N-3-1609 (Effective 05/06/26)**, as enacted by Laws of Utah 2024, Chapter 537
104 **79-6-1104 (Effective 05/06/26)**, as enacted by Laws of Utah 2025, Chapter 375

ENACTS:

106 **11-41-201 (Effective 05/06/26)**, Utah Code Annotated 1953
107 **11-41-202 (Effective 05/06/26)**, Utah Code Annotated 1953
108 **11-58-607 (Effective 05/06/26)**, Utah Code Annotated 1953
109 **17C-6-101 (Effective 05/06/26)**, Utah Code Annotated 1953
110 **17C-6-102 (Effective 05/06/26)**, Utah Code Annotated 1953
111 **17C-6-201 (Effective 05/06/26)**, Utah Code Annotated 1953
112 **17C-6-202 (Effective 05/06/26)**, Utah Code Annotated 1953
113 **17C-6-203 (Effective 05/06/26)**, Utah Code Annotated 1953
114 **17C-6-301 (Effective 05/06/26)**, Utah Code Annotated 1953
115 **17C-6-401 (Effective 05/06/26)**, Utah Code Annotated 1953
116 **17C-6-402 (Effective 05/06/26)**, Utah Code Annotated 1953
117 **17C-6-403 (Effective 05/06/26)**, Utah Code Annotated 1953
118 **17C-6-404 (Effective 05/06/26)**, Utah Code Annotated 1953
119 **17D-4-401 (Effective 05/06/26)**, Utah Code Annotated 1953
120 **51-9-1001 (Effective 05/06/26)**, Utah Code Annotated 1953
121 **51-9-1002 (Effective 05/06/26)**, Utah Code Annotated 1953
122 **51-9-1003 (Effective 05/06/26)**, Utah Code Annotated 1953
123 **57-1-49 (Effective 05/06/26)**, Utah Code Annotated 1953
124 **59-35-101 (Effective 05/06/26)**, Utah Code Annotated 1953
125 **59-35-201 (Effective 05/06/26)**, Utah Code Annotated 1953
126 **59-35-202 (Effective 05/06/26)**, Utah Code Annotated 1953
127 **59-35-301 (Effective 05/06/26)**, Utah Code Annotated 1953
128 **63N-3a-101 (Effective 05/06/26)**, Utah Code Annotated 1953

- 129 **63N-3a-102 (Effective 05/06/26)**, Utah Code Annotated 1953
- 130 **63N-3a-103 (Effective 05/06/26)**, Utah Code Annotated 1953
- 131 **63N-3a-104 (Effective 05/06/26)**, Utah Code Annotated 1953
- 132 **63N-3a-105 (Effective 05/06/26)**, Utah Code Annotated 1953
- 133 **63N-3a-106 (Effective 05/06/26)**, Utah Code Annotated 1953
- 134 **63N-3a-201 (Effective 05/06/26)**, Utah Code Annotated 1953
- 135 **63N-3a-202 (Effective 05/06/26)**, Utah Code Annotated 1953
- 136 **63N-3a-203 (Effective 05/06/26)**, Utah Code Annotated 1953
- 137 **63N-3a-204 (Effective 05/06/26)**, Utah Code Annotated 1953
- 138 **63N-3a-205 (Effective 05/06/26)**, Utah Code Annotated 1953
- 139 **63N-3a-206 (Effective 05/06/26)**, Utah Code Annotated 1953
- 140 **63N-3a-207 (Effective 05/06/26)**, Utah Code Annotated 1953
- 141 **63N-3a-208 (Effective 05/06/26)**, Utah Code Annotated 1953
- 142 **63N-3a-301 (Effective 05/06/26)**, Utah Code Annotated 1953
- 143 **63N-3a-302 (Effective 05/06/26)**, Utah Code Annotated 1953
- 144 **63N-3a-303 (Effective 05/06/26)**, Utah Code Annotated 1953
- 145 **63N-3a-401 (Effective 05/06/26)**, Utah Code Annotated 1953
- 146 **63N-3a-402 (Effective 05/06/26)**, Utah Code Annotated 1953
- 147 **63N-3a-403 (Effective 05/06/26)**, Utah Code Annotated 1953
- 148 **63N-3a-501 (Effective 05/06/26)**, Utah Code Annotated 1953

149 REPEALS:

150 **11-41-101 (Effective 05/06/26)**, as enacted by Laws of Utah 2004, Chapter 283

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

152 **63G-2-206**, as last amended by Laws of Utah 2019, Chapter 334

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

155 Section 1. Section **10-21-501** is amended to read:

156 **10-21-501 (Effective 05/06/26). Municipal designation of a home ownership**
 157 **promotion zone.**

158 (1) Subject to the requirements of Sections 10-21-502 and 10-21-503, a municipality may
 159 create a home ownership promotion zone[-] :

160 (a) before January 1, 2028; and

161 (b) as described in this section.

162 (2) A home ownership promotion zone created under this section:

- 163 (a) is an area of 10 contiguous acres or less located entirely within the boundaries of the
164 municipality, zoned for fewer than six housing units per acre before the creation of
165 the home ownership promotion zone;
- 166 (b) shall be re-zoned for at least six housing units per acre; and
- 167 (c) may not be encumbered by any residential building permits as of the day on which
168 the home ownership promotion zone is created.
- 169 (3)(a) The municipality shall designate the home ownership promotion zone by
170 resolution of the legislative body of the municipality, passed or adopted in a public
171 meeting of the legislative body of the municipality, following:
- 172 (i) the recommendation of the municipality planning commission; and
- 173 (ii) the notification requirements described in Section 10-21-503.
- 174 (b) The resolution described in Subsection (3)(a) shall describe how the home ownership
175 promotion zone created in accordance with this section meets the objectives and
176 requirements in Section 10-21-502.
- 177 (c) The home ownership promotion zone is created on the effective date of the resolution
178 described in Subsection (3)(a).
- 179 (4) If a home ownership promotion zone is created as described in this section:
- 180 (a) affected local taxing entities are required to participate according to the requirements
181 of the home ownership promotion zone established by the municipality; and
- 182 (b) each affected taxing entity is required to participate at the same rate.
- 183 (5) A home ownership promotion zone may be modified by the same manner it is created as
184 described in Subsection (3).
- 185 (6) Within 30 days after the day on which the municipality creates the home ownership
186 promotion zone as described in Subsection (3), the municipality shall:
- 187 (a) record with the recorder of the county in which the home ownership promotion zone
188 is located a document containing:
- 189 (i) a description of the land within the home ownership promotion zone; and
- 190 (ii) the date of creation of the home ownership promotion zone;
- 191 (b) transmit a copy of the description of the land within the home ownership promotion
192 zone and an accurate map or plat indicating the boundaries of the home ownership
193 promotion zone to the Utah Geospatial Resource Center created under Section
194 63A-16-505; and
- 195 (c) transmit a map and description of the land within the home ownership promotion
196 zone to:

- 197 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any
- 198 part of the home ownership promotion zone is located;
- 199 (ii) the officer or officers performing the function of auditor or assessor for each
- 200 taxing entity that does not use the county assessment roll or collect the taxing
- 201 entity's taxes through the county;
- 202 (iii) the legislative body or governing board of each taxing entity impacted by the
- 203 home ownership promotion zone;
- 204 (iv) the tax commission; and
- 205 (v) the State Board of Education.

206 (7) A municipality may receive tax increment and use home ownership promotion zone
 207 funds as described in Section 10-21-504.

208 (8) A home ownership promotion zone created before January 1, 2028, continues to exist,
 209 as described in this part, and shall comply with the provisions of this part until dissolved.

210 Section 2. Section **11-41-102** is amended to read:

211 **CHAPTER 41. Prohibited Local Economic Development Incentives**

212 **Part 1. Prohibition on Retail Facility Incentive Payments Act**

213 **11-41-102 (Effective 05/06/26). Definitions.**

214 As used in this [chapter] part:

- 215 (1) "Agreement" means an oral or written agreement between a public entity and a person.
- 216 (2) "Business entity" means a sole proprietorship, partnership, limited partnership, limited
- 217 liability company, corporation, or other entity or association used to carry on a business
- 218 for profit.
- 219 (3) "Determination of violation" means a determination by the Governor's Office of
- 220 Economic Opportunity of substantial likelihood that a retail facility incentive payment
- 221 has been made in violation of Section 11-41-103, in accordance with Section 11-41-104.
- 222 (4) "Environmental mitigation" means an action or activity intended to remedy known
- 223 negative impacts to the environment.
- 224 (5) "Executive director" means the executive director of the Governor's Office of Economic
- 225 Opportunity.
- 226 (6) "General plan" means the same as that term is defined in Section 23A-6-101.
- 227 (7) "Legislative body" means the same as that term is defined in:
- 228 (a) Section 10-20-102; or
- 229 (b) Section 17-79-102.

- 230 (8) "Mixed-use development" means development with mixed land uses, including housing.
- 231 (9) "Moderate income housing" means housing occupied or reserved for occupancy by
232 households with a gross household income equal to or less than 80% of the median gross
233 income for households of the same size in the county in which the housing is located.
- 234 (10) "Moderate income housing plan" means the moderate income housing plan element of
235 a general plan.
- 236 (11) "Office" means the Governor's Office of Economic Opportunity.
- 237 (12) "Political subdivision" means any county, city, town, school district, special district,
238 special service district, community reinvestment agency, or entity created by an
239 interlocal agreement adopted [~~under Chapter~~] under Chapter 13, Interlocal Cooperation
240 Act.
- 241 (13) "Public entity" means:
- 242 (a) a political subdivision;
- 243 (b) a department, commission, board, council, agency, institution, officer, corporation,
244 fund, division, office, committee, authority, laboratory, library, unit, bureau, panel, or
245 other administrative unit of the executive branch of the state;
- 246 (c) an institution of higher education as defined in Section 53H-1-101;
- 247 (d) the Military Installation Development Authority created in Section 63H-1-201;
- 248 (e) the Utah Inland Port Authority created in Section 11-58-201; or
- 249 (f) the Point of the Mountain State Land Authority created in Section 11-59-201.
- 250 (14) "Public funds" means any money received by a public entity that is derived from:
- 251 (a) a sales and use tax authorized under Title 59, Chapter 12, Sales and Use Tax Act; or
252 (b) a property tax levy.
- 253 (15) "Public infrastructure" means:
- 254 (a) a public facility, as defined in Section 11-36a-102;
- 255 (b) a system improvement, as defined in Section 11-36a-102; or
- 256 (c) infrastructure developed with public funds included as part of an infrastructure
257 master plan related to a general plan.
- 258 (16) "Retail facility" means any facility operated by a business entity for the primary
259 purpose of making retail transactions.
- 260 (17) "Retail facility incentive payment" means a payment of public funds:
- 261 (a) to a person by a public entity;
- 262 (b) for the development, construction, renovation, or operation of a retail facility within
263 an area of the state; and

- 264 (c) in the form of:
- 265 (i) a payment;
- 266 (ii) a rebate;
- 267 (iii) a refund;
- 268 (iv) a subsidy; or
- 269 (v) any other similar incentive, award, or offset.

270 (18) "Retail transaction" means any transaction subject to a sales and use tax under Title 59,
 271 Chapter 12, Sales and Use Tax Act.

- 272 (19)(a) "Small business" means a business entity that:
- 273 (i) has fewer than 30 full-time equivalent employees; and
- 274 (ii) maintains the business entity's principal office in the state.

- 275 (b) "Small business" does not include:
- 276 (i) a franchisee, as defined in 16 C.F.R. Sec. 436.1;
- 277 (ii) a dealer, as defined in Section 41-1a-102; or
- 278 (iii) a subsidiary or affiliate of another business entity that is not a small business.

279 Section 3. Section **11-41-201** is enacted to read:

Part 2. Prohibition on Tax Increment Incentives for Large Load Data Centers Act

11-41-201 (Effective 05/06/26). Definitions.

282 As used in this part:

- 283 (1) "Incentive" means a payment of public funds, funded by tax increment or personal
 284 property tax revenue:
 - 285 (a) from a political subdivision to a person;
 - 286 (b) for the development, construction, renovation, operating, or citing of a large load
 287 customer or qualifying data center within an area of the state; and
 - 288 (c) in the form of:
 - 289 (i) a payment, rebate, refund, subsidy, or other similar incentive, award, or offset; or
 - 290 (ii) a payment of public funds for the development, construction, renovation, or
 291 operation of public infrastructure and improvements that wholly or primarily
 292 support a large load customer.
- 293 (2) "Large load customer" means the same as that term is defined in Section 54-26-101.
- 294 (3) "Large load data center" means a large load customer that is also a qualifying data
 295 center.
- 296 (4) "Political subdivision" means any county, municipality, special district, special service
 297 district, public infrastructure district, community reinvestment agency, entity created by

- 298 an interlocal agreement adopted under Chapter 13, Interlocal Cooperation Act, or
 299 regional economic development authority.
- 300 (5)(a) "Public infrastructure and improvements" means infrastructure, improvements,
 301 facilities, or buildings that:
- 302 (i)(A) benefit the public and are owned by a public entity or a utility; or
 303 (B) benefit the public and are publicly maintained or operated by a public entity; or
 304 (ii) are privately owned.
- 305 (b) "Public infrastructure and improvements" includes:
- 306 (i) facilities, lines, or systems that provide:
 307 (A) water, chilled water, or steam; or
 308 (B) sewer, storm drainage, natural gas, electricity, energy storage, clean energy,
 309 microgrids, or telecommunications service; and
- 310 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
 311 facilities, rail lines, intermodal facilities, multimodal facilities, and public
 312 transportation facilities.
- 313 (6) "Qualifying data center" means the same as that term is defined in Section 59-12-102.
- 314 (7) "Regional economic development authority" means the same as that term is defined in
 315 Section 63N-3a-101.
- 316 (8) "Tax increment" means the same as that term is defined in Section 59-2-924.
- 317 Section 4. Section **11-41-202** is enacted to read:
- 318 **11-41-202 (Effective 05/06/26). Political subdivisions prohibited from providing**
 319 **incentives -- Exceptions.**
- 320 (1) Beginning on May 6, 2027, except as provided in Subsections (2) and (3), a political
 321 subdivision may not provide an incentive to a large load data center.
- 322 (2)(a) A municipality or county, or agency created by a municipality or county, may
 323 provide an incentive to a large load data center:
- 324 (i) only if the large load data center is located within a regionally significant
 325 development zone, as described in Title 63N, Chapter 3a, Part 4, Regionally
 326 Significant Zones with Energy Implications; and
- 327 (ii) with regionally significant development zone funds described in Subsection
 328 63N-3a-403(5).
- 329 (b) A regional economic development authority may provide an incentive to a large load
 330 data center:
- 331 (i) if the large load data center is located in a project area created by the regional

- 332 economic development authority;
333 (ii) if the regional economic development authority's project area overlaps with a
334 regionally significant development zone, as described in Subsection
335 63N-3a-208(7)(b); and
336 (iii) the incentive is funded by:
337 (A) regionally significant development zone funds described in Section
338 63N-3a-403 that have been shared with the regional economic development
339 authority; or
340 (B) the regional economic development authority's project area funds, subject to a
341 maximum cap of 60% of property tax increment generated within the
342 overlapping project area.
343 (c) A county that levies the county energy excise tax authorized in Section 59-35-201
344 may provide up to 80% of the revenue generated by the county energy excise tax as
345 an incentive to a large load data center.
346 (d) A municipality that levies the municipal energy tax authorized in Title 10, Chapter 1,
347 Part 3, Municipal Energy Sales and Use Tax Act, may provide up to 80% of the
348 revenue generated by the municipal energy tax as an incentive to a large load data
349 center.
350 (e) A sales and use tax exemption described in Section 59-12-104 does not constitute an
351 incentive.
352 (3) A political subdivision that entered into an agreement to provide an incentive to a large
353 load data center, or has adopted a survey area resolution in accordance with Section
354 17C-5-103 with intent to provide an incentive to a large load data center, before May 6,
355 2027:
356 (a) may continue to provide the incentive according to the terms of the political
357 subdivision's agreement;
358 (b) may not extend the term of the agreement; and
359 (c) may not increase the value of the incentive under the agreement.

360 Section 5. Section **11-58-102** is amended to read:

361 **11-58-102 (Effective 05/06/26). Definitions.**

362 As used in this chapter:

- 363 (1) "Authority" means the Utah Inland Port Authority, created in Section 11-58-201.
364 (2) "Authority jurisdictional land" means land within the authority boundary delineated:
365 (a) in the electronic shapefile that is the electronic component of H.B. 2001, Utah Inland

- 366 Port Authority Amendments, 2018 Second Special Session; and
367 (b) beginning April 1, 2020, as provided in Subsection 11-58-202(3).
- 368 (3) "Base taxable value" means:
- 369 (a)(i) except as provided in Subsection (3)(a)(ii), for a project area that consists of the
370 authority jurisdictional land, the taxable value of authority jurisdictional land in
371 calendar year 2018; and
372 (ii) for an area described in Section 11-58-600.7, the taxable value of that area in
373 calendar year 2017; or
- 374 (b) for a project area that consists of land outside the authority jurisdictional land, the
375 taxable value of property within any portion of a project area, as designated by board
376 resolution, from which the property tax differential will be collected, as shown upon
377 the assessment roll last equalized before the year in which the authority adopts a
378 project area plan for that area.
- 379 (4) "Board" means the authority's governing body, created in Section 11-58-301.
- 380 (5) "Business plan" means a plan designed to facilitate, encourage, and bring about
381 development of the authority jurisdictional land to achieve the goals and objectives
382 described in Subsection 11-58-203(1), including the development and establishment of
383 an inland port.
- 384 (6) "Contaminated land" means land:
- 385 (a) within a project area; and
386 (b) that contains hazardous materials, as defined in Section 19-6-302, hazardous
387 substances, as defined in Section 19-6-302, or landfill material on, in, or under the
388 land.
- 389 (7) "Development" means:
- 390 (a) the demolition, construction, reconstruction, modification, expansion, or
391 improvement of a building, utility, infrastructure, landscape, parking lot, park, trail,
392 recreational amenity, or other facility, including public infrastructure and
393 improvements; and
394 (b) the planning of, arranging for, or participation in any of the activities listed in
395 Subsection (7)(a).
- 396 (8) "Development project" means a project for the development of land within a project
397 area.
- 398 (9) "Distribution center" means a building that is:
- 399 (a) used for the storage, sorting, and distribution of goods intended for sale; and

- 400 (b) not associated with or operated in conjunction with an adjacent manufacturing
401 facility.
- 402 (10) "Inland port" means one or more sites that:
- 403 (a) contain multimodal facilities, intermodal facilities, or other facilities that:
- 404 (i) are related but may be separately owned and managed; and
- 405 (ii) together are intended to:
- 406 (A) allow global trade to be processed and altered by value-added services as
407 goods move through the supply chain;
- 408 (B) provide a regional merging point for transportation modes for the distribution
409 of goods to and from ports and other locations in other regions;
- 410 (C) provide cargo-handling services to allow freight consolidation and
411 distribution, temporary storage, customs clearance, and connection between
412 transport modes; and
- 413 (D) provide international logistics and distribution services, including freight
414 forwarding, customs brokerage, integrated logistics, and information systems;
415 and
- 416 (b) may include a satellite customs clearance terminal, an intermodal facility, a customs
417 pre-clearance for international trade, or other facilities that facilitate, encourage, and
418 enhance regional, national, and international trade.
- 419 (11) "Inland port use" means a use of land:
- 420 (a) for an inland port;
- 421 (b) that directly implements or furthers the purposes of an inland port, as stated in
422 Subsection (10);
- 423 (c) that complements or supports the purposes of an inland port, as stated in Subsection
424 (10); or
- 425 (d) that depends upon the presence of the inland port for the viability of the use.
- 426 (12) "Intermodal facility" means a facility for transferring containerized cargo between rail,
427 truck, air, or other transportation modes.
- 428 (13) "Landfill material" means garbage, waste, debris, or other materials disposed of or
429 placed in a landfill.
- 430 (14) "Multimodal facility" means a hub or other facility for trade combining any
431 combination of rail, trucking, air cargo, and other transportation services.
- 432 (15) "Nonvoting member" means an individual appointed as a member of the board under
433 Subsection 11-58-302(3) who does not have the power to vote on matters of authority

434 business.

435 (16) "Project area" means:

436 (a) the authority jurisdictional land, subject to Section 11-58-605; or

437 (b) land outside the authority jurisdictional land, whether consisting of a single
438 contiguous area or multiple noncontiguous areas, described in a project area plan or
439 draft project area plan, where the development project set forth in the project area
440 plan or draft project area plan takes place or is proposed to take place.

441 (17) "Project area budget" means a multiyear projection of annual or cumulative revenues
442 and expenses and other fiscal matters pertaining to the project area.

443 (18) "Project area plan" means a written plan that, after its effective date, guides and
444 controls the development within a project area.

445 (19) "Property tax" includes a privilege tax and each levy on an ad valorem basis on
446 tangible or intangible personal or real property.

447 (20) "Property tax differential":

448 (a) means the difference between:

449 (i) the amount of property tax revenues generated each tax year by all taxing entities
450 from a project area, using the current assessed value of the property; and

451 (ii) the amount of property tax revenues that would be generated from that same area
452 using the base taxable value of the property; and

453 (b) does not include property tax revenue from:

454 (i) a county additional property tax or multicounty assessing and collecting levy
455 imposed in accordance with Section 59-2-1602;

456 (ii) a judgment levy imposed by a taxing entity under Section 59-2-1328 or 59-2-1330;
457 or

458 (iii) a levy imposed by a taxing entity under Section 11-14-310 to pay for a general
459 obligation bond.

460 (21) "Public entity" means:

461 (a) the state, including each department, division, or other agency of the state; or

462 (b) a county, city, town, school district, special district, special service district, interlocal
463 cooperation entity, community reinvestment agency, or other political subdivision of
464 the state, including the authority.

465 (22)(a) "Public infrastructure and improvements" means infrastructure, improvements,
466 facilities, or buildings that:

467 (i)(A) benefit the public and are owned by a public entity or a utility; or

- 468 (B) benefit the public and are publicly maintained or operated by a public entity; or
 469 (ii)(A) are privately owned;
 470 (B) benefit the public;
 471 (C) as determined by the board, provide a substantial benefit to the development
 472 and operation of a project area; and
 473 (D) are built according to applicable county or municipal design and safety
 474 standards.
- 475 (b) "Public infrastructure and improvements" includes:
 476 (i) facilities, lines, or systems that provide:
 477 (A) water, chilled water, or steam; or
 478 (B) sewer, storm drainage, natural gas, electricity, energy storage, clean energy,
 479 microgrids, or telecommunications service;
 480 (ii) streets, roads, curb, gutter, sidewalk, walkways, solid waste facilities, parking
 481 facilities, rail lines, intermodal facilities, multimodal facilities, and public
 482 transportation facilities;
 483 (iii) an inland port; and
 484 (iv) infrastructure, improvements, facilities, or buildings that are developed as part of
 485 a remediation project.
- 486 (23) "Reinvestment account" means the State Reinvestment Restricted Account created in
 487 Section 51-9-1002.
- 488 (24) "Remediation" includes:
 489 (a) activities for the cleanup, rehabilitation, and development of contaminated land; and
 490 (b) acquiring an interest in land within a remediation project area.
- 491 [~~(24)~~] (25) "Remediation differential" means property tax differential generated from a
 492 remediation project area.
- 493 [~~(25)~~] (26) "Remediation project" means a project for the remediation of contaminated land
 494 that:
 495 (a) is owned by:
 496 (i) the state or a department, division, or other instrumentality of the state;
 497 (ii) an independent entity, as defined in Section 63E-1-102; or
 498 (iii) a political subdivision of the state; and
 499 (b) became contaminated land before the owner described in Subsection [~~(24)~~](a) (26)(a)
 500 obtained ownership of the land.
- 501 [~~(26)~~] (27) "Remediation project area" means a project area consisting of contaminated land

502 that is or is expected to become the subject of a remediation project.

503 [~~(27)~~] (28) "Shapefile" means the digital vector storage format for storing geometric
504 location and associated attribute information.

505 [~~(28)~~] (29) "Taxable value" means the value of property as shown on the last equalized
506 assessment roll.

507 [~~(29)~~] (30) "Taxing entity":

508 (a) means a public entity that levies a tax on property within a project area; and

509 (b) does not include a public infrastructure district that the authority creates under Title
510 17D, Chapter 4, Public Infrastructure District Act.

511 [~~(30)~~] (31) "Voting member" means an individual appointed or designated as a member of
512 the board under Subsection 11-58-302(2).

513 Section 6. Section **11-58-602** is amended to read:

514 **11-58-602 (Effective 05/06/26). Allowable uses of property tax differential and**
515 **other funds.**

516 (1)(a) The authority may use money from property tax differential, money the authority
517 receives from the state, money the authority receives under Subsection
518 59-12-205(2)(a)(ii)(C), and other money available to the authority:

519 (i) for any purpose authorized under this chapter;

520 (ii) for administrative, overhead, legal, consulting, and other operating expenses of
521 the authority;

522 (iii) to pay for, including financing or refinancing, all or part of the development of
523 land within or adjacent to a project area, including assisting the ongoing operation
524 of a development or facility within or adjacent to the project area;

525 (iv) to pay the cost of the installation and construction of public infrastructure and
526 improvements within the project area from which the property tax differential
527 funds were collected;

528 (v) to pay the cost of the installation of public infrastructure and improvements
529 outside a project area if the board determines by resolution that the infrastructure
530 and improvements are of benefit to the project area;

531 (vi) to pay to a community reinvestment agency for affordable housing, as provided
532 in Subsection 11-58-606(2);

533 (vii) to pay the principal and interest on bonds issued by the authority;

534 (viii) to pay the cost of acquiring land or an easement on land that is part of or
535 adjacent to authority jurisdictional land:

- 536 (A) for the perpetual preservation of the land from development; and
537 (B) to provide a buffer area between authority jurisdictional land intended for
538 development and land outside the boundary of the authority jurisdictional land;
539 and
- 540 (ix) subject to Subsection (1)(b), to encourage, incentivize, or require development
541 that:
- 542 (A) mitigates noise, air pollution, light pollution, surface and groundwater
543 pollution, and other negative environmental impacts;
544 (B) mitigates traffic congestion; or
545 (C) uses high efficiency building construction and operation.
- 546 (b)(i)(A) The authority shall establish minimum mitigation and environmental
547 standards that a landowner is required to meet to qualify for the use of property
548 tax differential under Subsection (1)(a)(ix) in the landowner's development.
- 549 (B) Minimum mitigation and environmental standards established under
550 Subsection (1)(b)(i)(A) shall include a standard prohibiting the use of property
551 tax differential as a business recruitment incentive, as defined in Section
552 11-58-603, for new commercial or industrial development or an expansion of
553 existing commercial or industrial development within the authority
554 jurisdictional land if the new or expanded development will consume on an
555 annual basis more than 200,000 gallons of potable water per day.
- 556 (ii) In establishing minimum mitigation and environmental standards, the authority
557 shall consult with:
- 558 (A) the municipality in which the development is expected to occur, for
559 development expected to occur within a municipality; or
560 (B) the county in whose unincorporated area the development is expected to
561 occur, for development expected to occur within the unincorporated area of a
562 county.
- 563 (iii) The authority may not use property tax differential under Subsection (1)(a)(viii)
564 for a landowner's development in a project area unless the minimum mitigation
565 and environmental standards are followed with respect to that landowner's
566 development.
- 567 (2) The authority may use revenue generated from the operation of public infrastructure
568 operated by the authority or improvements, including an intermodal facility, operated by
569 the authority to:

- 570 (a) operate and maintain the infrastructure or improvements; and
571 (b) pay for authority operating expenses, including administrative, overhead, and legal
572 expenses.
- 573 (3) The determination of the board under Subsection (1)(a)(v) regarding benefit to the
574 project area is final.
- 575 (4) [The-] Subject to Subsection (7), the authority may not use property tax differential
576 revenue collected from one project area for a development project within another project
577 area.
- 578 (5)(a) The authority may use up to 10% of the general differential revenue generated
579 from a project area to pay for affordable housing within or near the project area.
- 580 (b) In using general differential revenue described in Subsection (5)(a), the authority
581 may provide general differential revenue generated from a project area to a non-profit
582 housing fund, as defined in Section 17C-1-102:
- 583 (i) for that non-profit housing fund to assist low-income individuals and families who
584 would qualify for income targeted housing to achieve homeownership, or retain
585 homeownership, within a 15 mile radius of the project area that generated the
586 general differential revenue, in accordance with the mission of the non-profit
587 housing fund; and
- 588 (ii) pursuant to an agreement between the non-profit housing fund and the authority
589 governing appropriate uses of general differential revenue.
- 590 (6) The authority may share general differential funds with a taxing entity that levies a
591 property tax on land within the project area from which the general differential is
592 generated.
- 593 (7)(a) For a project area adopted on or after September 30, 2026, the authority shall
594 contribute at least 1% but no more than 5%, as determined by the board, of all tax
595 differential revenue generated from the project area to the reinvestment account.
- 596 (b) In coordination with the authority, a county or municipality that is participating in a
597 project area adopted before September 30, 2026, may designate a portion of the tax
598 differential revenue generated in the project area that would otherwise be collected
599 and used by the authority, not to exceed 5%, for contribution to the reinvestment
600 account.
- 601 (c) The authority shall make a contribution described in this Subsection (7) annually or
602 quarterly, as determined by the board.

603 Section 7. Section ~~11-58-607~~ is enacted to read:

604 **11-58-607 (Effective 05/06/26). Revenue sharing agreements.**

605 (1)(a) Whenever a private entity's real estate development is supported by funding from
606 the authority, authority staff may negotiate and enter into a revenue sharing
607 agreement with the private entity.

608 (b) The revenue sharing agreement shall establish, at a minimum:

609 (i) a flat amount from or a percentage of the funds generated from the development
610 that the private entity agrees to provide to the authority for contribution into the
611 reinvestment account; and

612 (ii) if the authority and private entity agree on a percentage of funds:

613 (A) how often the private entity shall provide the percentage to the authority; and

614 (B) the amount of time the private entity shall provide the percentage to the
615 authority.

616 (2)(a) Following the remediation and development of land included in a remediation
617 project area, as described in Section 11-58-605, the authority shall ensure that a
618 percentage of the profits derived from private sector activities in the project area are
619 deposited into the reinvestment account on an annual basis.

620 (b) The board, in consultation with the Office of the Legislative Fiscal Analyst, shall
621 establish the percentage of profits described in Subsection (2)(a) for each remediation
622 project area, which shall be no more than 50% of annual revenues from a remediation
623 project area.

624 Section 8. Section **17-80-501** is amended to read:

625 **17-80-501 (Effective 05/06/26). County designation of a home ownership**
626 **promotion zone.**

627 (1) Subject to Sections 17-80-502 and 17-80-503, a county may create a home ownership
628 promotion zone:

629 (a) before January 1, 2028; and

630 (b) as described in this section.

631 (2) A home ownership promotion zone created under this section:

632 (a) is an area of 10 contiguous unincorporated acres or less located entirely within the
633 boundaries of the county, zoned for fewer than six housing units per acre before the
634 creation of the home ownership promotion zone;

635 (b) shall be re-zoned for at least six housing units per acre; and

636 (c) may not be encumbered by any residential building permits as of the day on which
637 the home ownership promotion zone is created.

- 638 (3)(a) The county shall designate the home ownership promotion zone by resolution of
639 the legislative body of the county following:
- 640 (i) the recommendation of the county planning commission; and
 - 641 (ii) the notification requirements described in Section 17-80-503.
- 642 (b) The resolution described in Subsection (3)(a) shall describe how the home ownership
643 promotion zone created in accordance with this section meets the objectives and
644 requirements of Section 17-80-502.
- 645 (c) The home ownership promotion zone is created on the effective date of the resolution
646 described in Subsection (3)(a).
- 647 (4) If a home ownership promotion zone is created as described in this section:
- 648 (a) affected local taxing entities are required to participate according to the requirements
649 of the home ownership promotion zone established by the county; and
 - 650 (b) each affected taxing entity is required to participate at the same rate.
- 651 (5) A home ownership promotion zone may be modified by the same manner it is created as
652 described in Subsection (3).
- 653 (6) Within 30 days after the day on which the county creates the home ownership
654 promotion zone as described in Subsection (3), the county shall:
- 655 (a) record with the recorder a document containing:
 - 656 (i) a description of the land within the home ownership promotion zone; and
 - 657 (ii) the date of creation of the home ownership promotion zone;
 - 658 (b) transmit a copy of the description of the land within the home ownership promotion
659 zone and an accurate map or plat indicating the boundaries of the home ownership
660 promotion zone to the Utah Geospatial Resource Center created under Section
661 63A-16-505; and
 - 662 (c) transmit a map and description of the land within the home ownership promotion
663 zone to:
 - 664 (i) the auditor, recorder, attorney, surveyor, and assessor of the county in which any
665 part of the home ownership promotion zone is located;
 - 666 (ii) the officer or officers performing the function of auditor or assessor for each
667 taxing entity that does not use the county assessment roll or collect the taxing
668 entity's taxes through the county;
 - 669 (iii) the legislative body or governing board of each taxing entity impacted by the
670 home ownership promotion zone;
 - 671 (iv) the tax commission; and

672 (v) the State Board of Education.

673 (7) A county may receive tax increment and use home ownership promotion zone funds as
674 described in Section 17-80-504.

675 (8) A home ownership promotion zone created before January 1, 2028, continues to exist,
676 as described in this part, and shall comply with the provisions of this part until dissolved.

677 Section 9. Section **17B-2a-1302** is amended to read:

678 **17B-2a-1302 (Effective 05/06/26). Provisions applicable to infrastructure**
679 **financing district -- Exceptions -- Conflicting provisions -- Contract for administrative**
680 **services.**

681 (1) An infrastructure financing district is governed by and has the powers stated in:

682 (a) this part; and

683 (b) Chapter 1, Provisions Applicable to All Special Districts, except as provided in [
684 ~~Subsection (1)(b)] Subsection (5).~~

685 (2)(a) Notwithstanding Subsection 17B-1-103(2)(f) and except as provided in
686 Subsection (2)(b), an infrastructure financing district may issue bonds only as
687 provided in Title 11, Chapter 42, Assessment Area Act, subject to Subsection [~~(2)(b)]~~
688 (2)(c), and Title 11, Chapter 42a, Commercial Property Assessed Clean Energy Act.

689 (b) If an infrastructure financing district is created to facilitate a regionally significant
690 development zone, as described in Title 17C, Chapter 6, Regionally Significant
691 Development Zone Act, the infrastructure financing district may issue negotiable
692 bonds in accordance with Title 11, Chapter 14, Local Government Bonding Act, to
693 pay all or part of the costs of acquiring, acquiring an interest in, improving, or
694 extending any of the improvements, facilities, or property allowed under Section
695 11-14-103.

696 [~~(b)] (c) To the extent that the provisions of Title 11, Chapter 42, Assessment Area Act,~~

697 apply to the use of funds from an assessment or an assessment bond for infrastructure

698 operation and maintenance costs or for the cost of conducting economic promotion

699 activities, those provisions do not apply to an infrastructure financing district.

700 [~~(e)] (d) Before a county or municipality's final inspection required for the issuance of a~~

701 certificate of occupancy for a residential unit that is subject to an assessment levied

702 by an infrastructure financing district under Title 11, Chapter 42, Assessment Area

703 Act, the infrastructure financing district shall ensure that the assessment allocable to

704 that unit is paid in full and that any assessment lien on that unit is satisfied and

705 released.

706 (3) Notwithstanding Subsection 17B-1-103(2)(h), an infrastructure financing district may
707 not exercise the power of eminent domain.

708 (4) This part applies only to an infrastructure financing district.

709 (5) If there is a conflict between a provision in Chapter 1, Provisions Applicable to All
710 Special Districts, and a provision in this part, the provision in this part governs.

711 (6) An infrastructure financing district may contract with another governmental entity for
712 the other governmental entity to provide administrative services to the infrastructure
713 financing district.

714 Section 10. Section **17C-1-102** is amended to read:

715 **17C-1-102 (Effective 05/06/26). Definitions.**

716 As used in this title:

717 (1) "Active project area" means a project area that has not been dissolved in accordance
718 with Section 17C-1-702.

719 (2) "Adjusted tax increment" means the percentage of tax increment, if less than 100%, that
720 an agency is authorized to receive:

721 (a) for a pre-July 1, 1993, project area plan, under Section 17C-1-403, excluding tax
722 increment under Subsection 17C-1-403(3);

723 (b) for a post-June 30, 1993, project area plan, under Section 17C-1-404, excluding tax
724 increment under Section 17C-1-406;

725 (c) under a project area budget approved by a taxing entity committee; or

726 (d) under an interlocal agreement that authorizes the agency to receive a taxing entity's
727 tax increment.

728 (3) "Affordable housing" means housing owned or occupied by a low or moderate income
729 family, as determined by resolution of the agency.

730 (4) "Agency" or "community reinvestment agency" means a separate body corporate and
731 politic, created under Section 17C-1-201.5 or as a redevelopment agency or community
732 development and renewal agency under previous law:

733 (a) that is a political subdivision of the state;

734 (b) that is created to undertake or promote project area development as provided in this
735 title;

736 (c) that may, at the direction of the county or municipality that creates the agency, fulfill
737 the duties described in Chapter 6, Regionally Significant Development Zones Act;

738 and

739 [(e)] (d) whose geographic boundaries are coterminous with:

- 740 (i) for an agency created by a county, the unincorporated area of the county; and
741 (ii) for an agency created by a municipality, the boundaries of the municipality.
- 742 (5) "Agency funds" means money that an agency collects or receives for agency operations,
743 implementing a project area plan or an implementation plan as defined in Section
744 17C-1-1001, or other agency purposes, including:
- 745 (a) project area funds;
746 (b) income, proceeds, revenue, or property derived from or held in connection with the
747 agency's undertaking and implementation of project area development or
748 agency-wide project development as defined in Section 17C-1-1001;
749 (c) a contribution, loan, grant, or other financial assistance from any public or private
750 source;
751 (d) project area incremental revenue as defined in Section 17C-1-1001; or
752 (e) property tax revenue as defined in Section 17C-1-1001.
- 753 (6) "Annual income" means the same as that term is defined in regulations of the United
754 States Department of Housing and Urban Development, 24 C.F.R. Sec. 5.609, as
755 amended or as superseded by replacement regulations.
- 756 (7) "Assessment roll" means the same as that term is defined in Section 59-2-102.
- 757 (8) "Base taxable value" means, unless otherwise adjusted in accordance with provisions of
758 this title, a property's taxable value as shown upon the assessment roll last equalized
759 during the base year.
- 760 (9) "Base year" means, except as provided in Subsection 17C-1-402(4)(c), the year during
761 which the assessment roll is last equalized:
- 762 (a) for a pre-July 1, 1993, urban renewal or economic development project area plan,
763 before the project area plan's effective date;
764 (b) for a post-June 30, 1993, urban renewal or economic development project area plan,
765 or a community reinvestment project area plan that is subject to a taxing entity
766 committee:
767 (i) before the date on which the taxing entity committee approves the project area
768 budget; or
769 (ii) if taxing entity committee approval is not required for the project area budget,
770 before the date on which the community legislative body adopts the project area
771 plan;
772 (c) for a project on an inactive airport site, after the later of:
773 (i) the date on which the inactive airport site is sold for remediation and

- 774 development; or
- 775 (ii) the date on which the airport that operated on the inactive airport site ceased
- 776 operations; or
- 777 (d) for a community development project area plan or a community reinvestment project
- 778 area plan that is subject to an interlocal agreement, as described in the interlocal
- 779 agreement.
- 780 (10) "Basic levy" means the portion of a school district's tax levy constituting the minimum
- 781 basic levy under Section 59-2-902.
- 782 (11) "Board" means the governing body of an agency, as described in Section 17C-1-203.
- 783 (12) "Budget hearing" means the public hearing on a proposed project area budget required
- 784 under Subsection 17C-2-201(2)(d) for an urban renewal project area budget, Subsection
- 785 17C-3-201(2)(d) for an economic development project area budget, or Subsection
- 786 17C-5-302(2)(e) for a community reinvestment project area budget.
- 787 (13) "Closed military base" means land within a former military base that the Defense Base
- 788 Closure and Realignment Commission has voted to close or realign when that action has
- 789 been sustained by the president of the United States and Congress.
- 790 (14) "Combined incremental value" means the combined total of all incremental values
- 791 from all project areas, except project areas that contain some or all of a military
- 792 installation or inactive industrial site, within the agency's boundaries under project area
- 793 plans and project area budgets at the time that a project area budget for a new project
- 794 area is being considered.
- 795 (15) "Community" means a county or municipality.
- 796 (16) "Community development project area plan" means a project area plan adopted under
- 797 Chapter 4, Part 1, Community Development Project Area Plan.
- 798 (17) "Community legislative body" means the legislative body of the community that
- 799 created the agency.
- 800 (18) "Community reinvestment project area plan" means a project area plan adopted under
- 801 Chapter 5, Part 1, Community Reinvestment Project Area Plan.
- 802 (19) "Contest" means to file a written complaint in a court with jurisdiction under Title
- 803 78A, Judiciary and Judicial Administration, and in a county in which the agency is
- 804 located if the action is filed in the district court.
- 805 (20) "Development impediment" means a condition of an area that meets the requirements
- 806 described in Section 17C-2-303 for an urban renewal project area or Section 17C-5-405
- 807 for a community reinvestment project area.

- 808 (21) "Development impediment hearing" means a public hearing regarding whether a
809 development impediment exists within a proposed:
- 810 (a) urban renewal project area under Subsection 17C-2-102(1)(a)(i)(C) and Section
811 17C-2-302; or
- 812 (b) community reinvestment project area under Section 17C-5-404.
- 813 (22) "Development impediment study" means a study to determine whether a development
814 impediment exists within a survey area as described in Section 17C-2-301 for an urban
815 renewal project area or Section 17C-5-403 for a community reinvestment project area.
- 816 (23) "Economic development project area plan" means a project area plan adopted under
817 Chapter 3, Part 1, Economic Development Project Area Plan.
- 818 (24) "Fair share ratio" means the ratio derived by:
- 819 (a) for a municipality, comparing the percentage of all housing units within the
820 municipality that are publicly subsidized income targeted housing units to the
821 percentage of all housing units within the county in which the municipality is located
822 that are publicly subsidized income targeted housing units; or
- 823 (b) for the unincorporated part of a county, comparing the percentage of all housing
824 units within the unincorporated county that are publicly subsidized income targeted
825 housing units to the percentage of all housing units within the whole county that are
826 publicly subsidized income targeted housing units.
- 827 (25) "Family" means the same as that term is defined in regulations of the United States
828 Department of Housing and Urban Development, 24 C.F.R. [~~Section~~] Sec. 5.403, as
829 amended or as superseded by replacement regulations.
- 830 (26) "Greenfield" means land not developed beyond agricultural, range, or forestry use.
- 831 (27) "Hazardous waste" means any substance defined, regulated, or listed as a hazardous
832 substance, hazardous material, hazardous waste, toxic waste, pollutant, contaminant, or
833 toxic substance, or identified as hazardous to human health or the environment, under
834 state or federal law or regulation.
- 835 (28) "Housing allocation" means project area funds allocated for housing under Section
836 17C-2-203, 17C-3-202, or 17C-5-307 for the purposes described in Section 17C-1-412.
- 837 (29) "Housing fund" means a fund created by an agency for purposes described in Section
838 17C-1-411 or 17C-1-412 that is comprised of:
- 839 (a) project area funds, project area incremental revenue as defined in Section 17C-1-1001,
840 or property tax revenue as defined in Section 17C-1-1001 allocated for the purposes
841 described in Section 17C-1-411; or

- 842 (b) an agency's housing allocation.
- 843 (30)(a) "Inactive airport site" means land that:
- 844 (i) consists of at least 100 acres;
- 845 (ii) is occupied by an airport:
- 846 (A)(I) that is no longer in operation as an airport; or
- 847 (II)(Aa) that is scheduled to be decommissioned; and
- 848 (Bb) for which a replacement commercial service airport is under
- 849 construction; and
- 850 (B) that is owned or was formerly owned and operated by a public entity; and
- 851 (iii) requires remediation because:
- 852 (A) of the presence of hazardous waste or solid waste; or
- 853 (B) the site lacks sufficient public infrastructure and facilities, including public
- 854 roads, electric service, water system, and sewer system, needed to support
- 855 development of the site.
- 856 (b) "Inactive airport site" includes a perimeter of up to 2,500 feet around the land
- 857 described in Subsection (30)(a).
- 858 (31)(a) "Inactive industrial site" means land that:
- 859 (i) consists of at least 1,000 acres;
- 860 (ii) is occupied by an inactive or abandoned factory, smelter, or other heavy industrial
- 861 facility; and
- 862 (iii) requires remediation because of the presence of hazardous waste or solid waste.
- 863 (b) "Inactive industrial site" includes a perimeter of up to 1,500 feet around the land
- 864 described in Subsection (31)(a).
- 865 (32) "Income targeted housing" means housing that is:
- 866 (a) owned and occupied by a family whose annual income is at or below 120% of the
- 867 median annual income for a family within the county in which the housing is located;
- 868 or
- 869 (b) occupied by a family whose annual income is at or below 80% of the median annual
- 870 income for a family within the county in which the housing is located.
- 871 (33) "Incremental value" means a figure derived by multiplying the marginal value of the
- 872 property located within a project area on which tax increment is collected by a number
- 873 that represents the adjusted tax increment from that project area that is paid to the
- 874 agency.
- 875 (34) "Loan fund board" means the Olene Walker Housing Loan Fund Board, established

- 876 under Title 35A, Chapter 8, Part 5, Olene Walker Housing Loan Fund.
- 877 (35)(a) "[]Local government building" means a building owned and operated by a
878 community for the primary purpose of providing one or more primary community
879 functions, including:
- 880 (i) a fire station;
 - 881 (ii) a police station;
 - 882 (iii) a city hall; or
 - 883 (iv) a court or other judicial building.
- 884 (b) "[]Local government building" does not include a building the primary purpose of
885 which is cultural or recreational in nature.
- 886 (36) "Low-income individual" means the same as that term is defined in Section
887 35A-8-504.5.
- 888 (37) "Major transit investment corridor" means the same as that term is defined in Section
889 10-20-102.
- 890 (38) "Marginal value" means the difference between actual taxable value and base taxable
891 value.
- 892 (39) "Military installation project area" means a project area or a portion of a project area
893 located within a federal military installation ordered closed by the federal Defense Base
894 Realignment and Closure Commission.
- 895 (40) "Municipality" means a city or town.
- 896 (41) "Non-profit housing fund" means:
- 897 (a) an organization that meets the definition of "housing organization" in Section
898 35A-8-2401;
 - 899 (b) a registered nonprofit that assists veterans or individuals who work in public service
900 to achieve homeownership in the state;
 - 901 (c) a registered nonprofit that:
 - 902 (i) assists low-income individuals or families who would qualify for income targeted
903 housing to achieve homeownership in the state; and
 - 904 (ii) provides direct support to help a low-income individual or a family eligible for
905 income targeted housing to retain ownership of a home, including through
906 rehabilitation services, lending for rehabilitation, or foreclosure mitigation
907 counseling that results in retention of the home, refinancing, or a reverse mortgage;
 - 908 (d) a registered nonprofit that partners with a community to promote affordable housing
909 for the workforce in that community; or

- 910 (e) a registered nonprofit established to administer housing programs on behalf of an
911 association representing 10 or more counties in the state.
- 912 (42) "Participant" means one or more persons that enter into a participation agreement with
913 an agency.
- 914 (43) "Participation agreement" means a written agreement between a person and an agency
915 under Subsection 17C-1-202(5).
- 916 (44) "Plan hearing" means the public hearing on a proposed project area plan required
917 under Subsection 17C-2-102(1)(a)(vi) for an urban renewal project area plan, Subsection
918 17C-3-102(1)(d) for an economic development project area plan, Subsection
919 17C-4-102(1)(d) for a community development project area plan, or Subsection
920 17C-5-104(3)(e) for a community reinvestment project area plan.
- 921 (45) "Post-June 30, 1993, project area plan" means a project area plan adopted on or after
922 July 1, 1993, and before May 10, 2016, whether or not amended subsequent to the
923 project area plan's adoption.
- 924 (46) "Pre-July 1, 1993, project area plan" means a project area plan adopted before July 1,
925 1993, whether or not amended subsequent to the project area plan's adoption.
- 926 (47) "Private," with respect to real property, means property not owned by a public entity or
927 any other governmental entity.
- 928 (48) "Project area" means the geographic area described in a project area plan within which
929 the project area development described in the project area plan takes place or is
930 proposed to take place.
- 931 (49) "Project area budget" means a multiyear projection of annual or cumulative revenues
932 and expenses and other fiscal matters pertaining to a project area prepared in accordance
933 with:
- 934 (a) for an urban renewal project area, Section 17C-2-201;
935 (b) for an economic development project area, Section 17C-3-201;
936 (c) for a community development project area, Section 17C-4-204; or
937 (d) for a community reinvestment project area, Section 17C-5-302.
- 938 (50) "Project area development" means activity within a project area that, as determined by
939 the board, encourages, promotes, or provides development or redevelopment for the
940 purpose of implementing a project area plan, including:
- 941 (a) promoting, creating, or retaining public or private jobs within the state or a
942 community;
943 (b) providing office, manufacturing, warehousing, distribution, parking, or other

- 944 facilities or improvements;
- 945 (c) planning, designing, demolishing, clearing, constructing, rehabilitating, or
946 remediating environmental issues;
- 947 (d) providing residential, commercial, industrial, public, or other structures or spaces,
948 including recreational and other facilities incidental or appurtenant to the structures
949 or spaces;
- 950 (e) altering, improving, modernizing, demolishing, reconstructing, or rehabilitating
951 existing structures;
- 952 (f) providing open space, including streets or other public grounds or space around
953 buildings;
- 954 (g) providing public or private buildings, infrastructure, structures, or improvements;
- 955 (h) relocating a business;
- 956 (i) improving public or private recreation areas or other public grounds;
- 957 (j) eliminating a development impediment or the causes of a development impediment;
- 958 (k) redevelopment as defined under the law in effect before May 1, 2006; or
- 959 (l) any activity described in this Subsection (50) outside of a project area that the board
960 determines to be a benefit to the project area.
- 961 (51) "Project area funds" means tax increment or sales and use tax revenue that an agency
962 receives under a project area budget adopted by a taxing entity committee or an
963 interlocal agreement.
- 964 (52) "Project area funds collection period" means the period of time that:
- 965 (a) begins the day on which the first payment of project area funds is distributed to an
966 agency under a project area budget approved by a taxing entity committee or an
967 interlocal agreement; and
- 968 (b) ends the day on which the last payment of project area funds is distributed to an
969 agency under a project area budget approved by a taxing entity committee or an
970 interlocal agreement.
- 971 (53) "Project area plan" means an urban renewal project area plan, an economic
972 development project area plan, a community development project area plan, or a
973 community reinvestment project area plan that, after the project area plan's effective
974 date, guides and controls the project area development.
- 975 (54)(a) "Property tax" means each levy on an ad valorem basis on tangible or intangible
976 personal or real property.
- 977 (b) "Property tax" includes a privilege tax imposed under Title 59, Chapter 4, Privilege

978 Tax.

979 (55) "Public entity" means:

- 980 (a) the United States, including an agency of the United States;
 981 (b) the state, including any of the state's departments or agencies; or
 982 (c) a political subdivision of the state, including a county, municipality, school district,
 983 special district, special service district, community reinvestment agency, or interlocal
 984 cooperation entity.

985 (56) "Publicly owned infrastructure and improvements" means water, sewer, storm
 986 drainage, electrical, natural gas, telecommunication, or other similar systems and lines,
 987 streets, roads, curb, gutter, sidewalk, walkways, parking facilities, public transportation
 988 facilities, or other facilities, infrastructure, and improvements benefitting the public and
 989 to be publicly owned or publicly maintained or operated.

990 (57) "Record property owner" or "record owner of property" means the owner of real
 991 property, as shown on the records of the county in which the property is located, to
 992 whom the property's tax notice is sent.

993 (58) "Sales and use tax revenue" means revenue that is:

- 994 (a) generated from a tax imposed under Title 59, Chapter 12, Sales and Use Tax Act; and
 995 (b) distributed to a taxing entity in accordance with Sections 59-12-204 and 59-12-205.

996 (59) "Superfund site":

- 997 (a) means an area included in the National Priorities List under the Comprehensive
 998 Environmental Response, Compensation, and Liability Act of 1980, 42 U.S.C. Sec.
 999 9605; and
 1000 (b) includes an area formerly included in the National Priorities List, as described in
 1001 Subsection (59)(a), but removed from the list following remediation that leaves on
 1002 site the waste that caused the area to be included in the National Priorities List.

1003 (60) "Survey area" means a geographic area designated for study by a survey area
 1004 resolution to determine whether:

- 1005 (a) one or more project areas within the survey area are feasible; or
 1006 (b) a development impediment exists within the survey area.

1007 (61) "Survey area resolution" means a resolution adopted by a board that designates a
 1008 survey area.

1009 (62) "Taxable value" means:

- 1010 (a) the taxable value of all real property a county assessor assesses in accordance with
 1011 Title 59, Chapter 2, Part 3, County Assessment, for the current year;

- 1012 (b) the taxable value of all real and personal property the commission assesses in
1013 accordance with Title 59, Chapter 2, Part 2, Assessment of Property, for the current
1014 year; and
- 1015 (c) the year end taxable value of all personal property a county assessor assesses in
1016 accordance with Title 59, Chapter 2, Part 3, County Assessment, contained on the
1017 prior year's tax rolls of the taxing entity.
- 1018 (63)(a) "Tax increment" means the difference between:
- 1019 (i) the amount of property tax revenue generated each tax year by a taxing entity from
1020 the area within a project area designated in the project area plan as the area from
1021 which tax increment is to be collected, using the current assessed value of the
1022 property and each taxing entity's current certified tax rate as defined in Section
1023 59-2-924; and
- 1024 (ii) the amount of property tax revenue that would be generated from that same area
1025 using the base taxable value of the property and each taxing entity's current
1026 certified tax rate as defined in Section 59-2-924.
- 1027 (b) "Tax increment" does not include taxes levied and collected under Section 59-2-1602
1028 on or after January 1, 1994, upon the taxable property in the project area unless:
- 1029 (i) the project area plan was adopted before May 4, 1993, whether or not the project
1030 area plan was subsequently amended; and
- 1031 (ii) the taxes were pledged to support bond indebtedness or other contractual
1032 obligations of the agency.
- 1033 (64) "Taxing entity" means a public entity that:
- 1034 (a) levies a tax on property located within a project area; or
- 1035 (b) imposes a sales and use tax under Title 59, Chapter 12, Sales and Use Tax Act.
- 1036 (65) "Taxing entity committee" means a committee representing the interests of taxing
1037 entities, created in accordance with Section 17C-1-402.
- 1038 (66) "Unincorporated" means not within a municipality.
- 1039 (67) "Urban renewal project area plan" means a project area plan adopted under Chapter 2,
1040 Part 1, Urban Renewal Project Area Plan.
- 1041 (68) "Veteran" means the same as that term is defined in Section 68-3-12.5.
- 1042 Section 11. Section **17C-1-409** is amended to read:
- 1043 **17C-1-409 (Effective 05/06/26). Allowable uses of agency funds.**
- 1044 (1)(a) An agency may use agency funds:
- 1045 (i) for any purpose authorized under this title;

- 1046 (ii) for administrative, overhead, legal, or other operating expenses of the agency,
1047 including consultant fees and expenses under Subsection 17C-2-102(1)(b)(ii)(B)
1048 or funding for a business resource center;
- 1049 (iii) subject to Section 11-41-103, to pay for, including financing or refinancing, all
1050 or part of:
- 1051 (A) project area development in a project area, including environmental
1052 remediation activities occurring before or after adoption of the project area
1053 plan;
- 1054 (B) housing-related expenditures, projects, or programs as described in Section
1055 17C-1-411 or 17C-1-412;
- 1056 (C) an incentive or other consideration paid to a participant under a participation
1057 agreement, subject to Subsection (6);
- 1058 (D) subject to Subsections (1)(c) and (4), the value of the land for and the cost of
1059 the installation and construction of any publicly owned building, facility,
1060 structure, landscaping, or other improvement within the project area from
1061 which the project area funds are collected; or
- 1062 (E) the cost of the installation of publicly owned infrastructure and improvements
1063 outside the project area from which the project area funds are collected if the
1064 board and the community legislative body determine by resolution that the
1065 publicly owned infrastructure and improvements benefit the project area;
- 1066 (iv) in an urban renewal project area that includes some or all of an inactive industrial
1067 site and subject to Subsection (1)(e), to reimburse the Department of
1068 Transportation created under Section 72-1-201, or a public transit district created
1069 under Title 17B, Chapter 2a, Part 8, Public Transit District Act, for the cost of:
- 1070 (A) construction of a public road, bridge, or overpass;
- 1071 (B) relocation of a railroad track within the urban renewal project area; or
- 1072 (C) relocation of a railroad facility within the urban renewal project area;
- 1073 (v) subject to Subsection (5), to transfer funds to a community that created the
1074 agency; or
- 1075 (vi) subject to Subsection (1)(f), for agency-wide project development under Part 10,
1076 Agency Taxing Authority.
- 1077 (b) The determination of the board and the community legislative body under Subsection
1078 (1)(a)(iii)(E) regarding benefit to the project area shall be final and conclusive.
- 1079 (c) An agency may not use project area funds received from a taxing entity for the

1080 purposes stated in Subsection (1)(a)(iii)(D) under an urban renewal project area plan,
1081 an economic development project area plan, or a community reinvestment project
1082 area plan without the community legislative body's consent.

1083 (d)(i) Subject to Subsection (1)(d)(ii), an agency may loan project area funds from a
1084 project area fund to another project area fund if:

1085 (A) the board approves; and

1086 (B) the community legislative body approves.

1087 (ii) An agency may not loan project area funds under Subsection (1)(d)(i) unless the
1088 projections for agency funds are sufficient to repay the loan amount.

1089 (iii) A loan described in this Subsection (1)(d) is not subject to Title 10, Chapter 5,
1090 Uniform Fiscal Procedures Act for Utah Towns, Title 10, Chapter 6, Uniform
1091 Fiscal Procedures Act for Utah Cities, Title 17, Chapter 63, Fiscal Authority and
1092 Processes, or Title 17B, Chapter 1, Part 6, Fiscal Procedures for Special Districts.

1093 (e) Before an agency may pay any tax increment or sales tax revenue under Subsection
1094 (1)(a)(iv), the agency shall enter into an interlocal agreement defining the terms of
1095 the reimbursement with:

1096 (i) the Department of Transportation; or

1097 (ii) a public transit district.

1098 (f) Before an agency may use project area funds for agency-wide project development,
1099 as defined in Section 17C-1-1001, the agency shall obtain the consent of the taxing
1100 entity committee or each taxing entity party to an interlocal agreement with the
1101 agency.

1102 (2)(a) Sales and use tax revenue that an agency receives from a taxing entity is not
1103 subject to the prohibition or limitations of [~~Title 11, Chapter 41, Prohibition on Retail~~
1104 ~~Facility Incentive Payments Act~~] Title 11, Chapter 41, Part 1, Prohibition on Retail
1105 Facility Incentive Payments Act.

1106 (b) An agency may use sales and use tax revenue that the agency receives under an
1107 interlocal agreement under Section 17C-4-201 or 17C-5-204 for the uses authorized
1108 in the interlocal agreement.

1109 (3)(a) An agency may contract with the community that created the agency or another
1110 public entity to use agency funds to reimburse the cost of items authorized by this
1111 title to be paid by the agency that are paid by the community or other public entity.

1112 (b) If land is acquired or the cost of an improvement is paid by another public entity and
1113 the land or improvement is leased to the community, an agency may contract with

- 1114 and make reimbursement from agency funds to the community.
- 1115 (4) Notwithstanding any other provision of this title, an agency may not use project area
 1116 funds, project area incremental revenue as defined in Section 17C-1-1001, or property
 1117 tax revenue as defined in Section 17C-1-1001, to construct a local government building
 1118 unless the taxing entity committee or each taxing entity party to an interlocal agreement
 1119 with the agency consents.
- 1120 (5) For the purpose of offsetting the community's annual local contribution to the Homeless
 1121 Shelter Cities Mitigation Restricted Account, the total amount an agency transfers in a
 1122 calendar year to a community under Subsections (1)(a)(v), 17C-1-411(1)(d), and
 1123 17C-1-412(1)(a)(x) may not exceed the community's annual local contribution as
 1124 defined in Subsection 59-12-205(5).
- 1125 (6)(a) Before providing tax increment funding to a private participant pursuant to a
 1126 participation agreement, an agency shall consult with the county treasurer of the
 1127 county in which the agency operates to determine if:
- 1128 (i) the private participant is delinquent on property tax;
 1129 (ii) the private participant is delinquent on privilege tax; or
 1130 (iii) the private participant is subject to a political subdivision lien for past due fees or
 1131 charges.
- 1132 (b) If the county treasurer, in consultation with the agency, determines a participant is
 1133 delinquent on property tax or privilege tax or subject to a political subdivision lien,
 1134 the agency shall confirm whether the participation agreement between the agency and
 1135 private participant includes a provision described in Subsection 17C-1-202(5)(d).
- 1136 (c) If authorized by the agency pursuant to a participation agreement, the county
 1137 treasurer of the county in which the agency operates may provide tax increment
 1138 funding that would otherwise be provided directly to the agency to provide to the
 1139 private participant to:
- 1140 (i) the county, in the amount the private entity is delinquent for property tax or
 1141 privilege tax; and
 1142 (ii) the political subdivision holding the political subdivision lien, in the amount
 1143 necessary to resolve the political subdivision lien.

1144 Section 12. Section **17C-1-603** is amended to read:

1145 **17C-1-603 (Effective 05/06/26). Reporting requirements -- Governor's Office of**
 1146 **Economic Opportunity to maintain a database.**

- 1147 (1) As used in this section:

- 1148 (a) "Database" means the collection of electronic data described in Subsection (2)(a).
1149 (b) "Office" means the Governor's Office of Economic Opportunity.
1150 (c) "Office website" means a public website maintained by the office.
1151 (d) "Project area" means:
1152 (i) the same as that term is defined in Section 17C-1-102; and
1153 (ii) if applicable, a regionally significant development zone for which the agency is
1154 responsible, as described in Chapter 6, Regionally Significant Development Zones
1155 Act.
1156 (e) "Project area funds" means:
1157 (i) the same as that term is defined in Section 17C-1-102; and
1158 (ii) if applicable, regionally significant development zone revenue as described in
1159 Section 17C-6-202.
- 1160 (2) The office shall:
1161 (a) create and maintain electronic data to track information for each agency located
1162 within the state; and
1163 (b) make the database publicly accessible from the office website.
- 1164 (3)(a) The office may:
1165 (i) contract with a third party to create and maintain the database; and
1166 (ii) charge a fee for a county, city, or agency to provide information to the database.
1167 (b) The office shall make rules, in accordance with Title 63G, Chapter 3, Utah
1168 Administrative Rulemaking Act, to establish a fee schedule for the fee described in
1169 Subsection (3)(a)(ii).
- 1170 (4) On or before June 30 of each year, an agency shall, for each active project area for
1171 which the project area funds collection period has not expired, submit to the office for
1172 inclusion in the database the following information:
1173 (a) an assessment of the change in marginal value, including:
1174 (i) the base year;
1175 (ii) the estimated current assessed value;
1176 (iii) the percentage change in marginal value; and
1177 (iv) a narrative description of the relative growth in assessed value;
1178 (b) the amount of project area funds the agency received and the amount of project area
1179 funds the agency spent for each year of the project area funds collection period,
1180 broken down by the applicable budget or funds analysis category described in
1181 Subsection (4)(d), including:

- 1182 (i) a comparison of the actual project area funds received and spent for each year to
1183 the amount of project area funds forecasted for each year when the project area
1184 was created, if available;
- 1185 (ii)(A) the agency's historical receipts and expenditures of project area funds,
1186 including the tax year for which the agency first received project area funds
1187 from the project area; or
1188 (B) if the agency has not yet received project area funds from the project area, the
1189 year in which the agency expects each project area funds collection period to
1190 begin;
- 1191 (iii) a list of each taxing entity that levies or imposes a tax within the project area and
1192 a description of the benefits that each taxing entity receives from the project area;
1193 and
- 1194 (iv) the amount paid to other taxing entities under Section 17C-1-410, if applicable;
- 1195 (c) a description of current and anticipated project area development, including:
- 1196 (i) a narrative of any significant project area development, including infrastructure
1197 development, site development, participation agreements, or vertical construction;
1198 and
- 1199 (ii) other details of development within the project area, including:
- 1200 (A) the total developed acreage;
1201 (B) the total undeveloped acreage;
1202 (C) the percentage of residential development; and
1203 (D) the total number of housing units authorized, if applicable;
- 1204 (d) the project area budget, if applicable, or other project area funds analyses, with
1205 receipts and expenditures categorized by the type of receipt and expenditure related
1206 to the development performed or to be performed under the project area plan,
1207 including:
- 1208 (i) each project area funds collection period, including:
- 1209 (A) the start and end date of the project area funds collection period; and
1210 (B) the number of years remaining in each project area funds collection period;
- 1211 (ii) the amount of project area funds the agency is authorized to receive from the
1212 project area cumulatively and from each taxing entity, including:
- 1213 (A) the total dollar amount; and
1214 (B) the percentage of the total amount of project area funds generated within the
1215 project area;

- 1216 (iii) the remaining amount of project area funds the agency is authorized to receive
1217 from the project area cumulatively and from each taxing entity; and
- 1218 (iv) the amount of project area funds the agency is authorized to use to pay for the
1219 agency's administrative costs, as described in Subsection 17C-1-409(1), including:
1220 (A) the total dollar amount; and
1221 (B) the percentage of the total amount of all project area funds;
- 1222 (e) the estimated amount of project area funds that the agency is authorized to receive
1223 from the project area for the current calendar year;
- 1224 (f) the estimated amount of project area funds to be paid to the agency for the next
1225 calendar year;
- 1226 (g) a map of the project area;
- 1227 (h) a description of how the goals, policies, and purposes of the project area plan have
1228 been furthered during the preceding year; and
- 1229 (i) any other relevant information the agency elects to provide.
- 1230 (5) An agency with no active project area shall, no later than June 30 of each year until the
1231 agency is dissolved under Section 17C-1-701.5, submit a report to the office stating that
1232 the agency has no active project area.
- 1233 (6) Any information an agency submits in accordance with this section:
1234 (a) is for informational purposes only; and
1235 (b) does not alter the amount of project area funds that an agency is authorized to receive
1236 from a project area.
- 1237 (7) The provisions of this section apply regardless of when the agency or project area is
1238 created.
- 1239 (8) On or before September 1 of each year, the office shall prepare and submit an annual
1240 written report to the Political Subdivisions Interim Committee that identifies the
1241 agencies that complied and the agencies that failed to comply with the reporting
1242 requirements of this section during the preceding reporting period.
- 1243 (9)(a) If, by September 30 of the year the information is due, the office does not receive
1244 the information that an agency is required to submit under Subsection (4), the office
1245 shall:
1246 (i) refer the noncompliant agency to the state auditor for review; and
1247 (ii) post a notice on the office website identifying the noncompliant agency and
1248 describing the agency's noncompliance.
- 1249 (b) If the office does not receive a report an agency is required to submit under

- 1250 Subsection (5), the office shall refer the noncompliant agency to the state auditor for
 1251 review.
- 1252 (c) If, for two consecutive years, the office does not receive information an agency is
 1253 required to submit under Subsection (4):
- 1254 (i) the office shall, no later than July 31 of the second consecutive year, notify the
 1255 auditor and treasurer of the county in which the noncompliant agency is located of
 1256 the agency's noncompliance; and
- 1257 (ii) upon receiving the notice described in Subsection (9)(c)(i), the county treasurer
 1258 shall withhold from the agency 20% of the amount of tax increment the agency is
 1259 otherwise entitled to receive.
- 1260 (d) If, after having funds withheld under Subsection (9)(c)(ii), an agency complies with
 1261 Subsection (4):
- 1262 (i) the office shall notify the county auditor and treasurer that the agency has
 1263 complied with the requirement of Subsection (4); and
- 1264 (ii) the county treasurer shall disburse the withheld funds to the agency.

1265 Section 13. Section **17C-6-101** is enacted to read:

1266 **CHAPTER 6. Regionally Significant Development Zones Act**

1267 **Part 1. General Provisions**

1268 **17C-6-101 (Effective 05/06/26). Definitions.**

1269 As used in this chapter:

- 1270 (1) "Creating entity" means the political subdivision that proposes and receives approval for
 1271 the creation of a zone under Title 63N, Chapter 3a, Part 2, Creation of Regionally
 1272 Significant Development Zones.
- 1273 (2) "Enhanced development" means the same as that term is defined in Section 63N-3a-101.
- 1274 (3) "Financing district" means:
- 1275 (a) an infrastructure financing district created under Title 17B, Chapter 2a, Part 13,
 1276 Infrastructure Financing District; or
- 1277 (b) a public infrastructure district created under Title 17D, Chapter 4, Public
 1278 Infrastructure District Act.
- 1279 (4) "Impacted primary area" means the same as that term is defined in Section 63N-3a-101.
- 1280 (5) "Large load data center" means the same as that term is defined in Section 11-41-201.
- 1281 (6) "Proposal" means the document approved by a committee as described in Title 63N,
 1282 Chapter 3a, Part 2, Creation of Regionally Significant Development Zones.

- 1283 (7) "Public infrastructure and improvements" means the same as that term is defined in
1284 Subsections 17D-4-102(14)(a)(i) and (ii), except the requirement in Subsection
1285 17D-4-102(14)(a)(i)(C) that the acquisition or financing be expressly permitted by a
1286 governing document or agreement may be fulfilled by the agency described in Section
1287 17C-6-102 or a financing district created by the agency.
- 1288 (8) "Zone" means a regionally significant development zone created under Title 63N,
1289 Chapter 3a, Part 2, Creation of Regionally Significant Development Zones.
1290 Section 14. Section **17C-6-102** is enacted to read:
1291 **17C-6-102 (Effective 05/06/26). Agency to manage a regionally significant**
1292 **development zone.**
- 1293 (1)(a) Upon the approval of a zone, as described in Section 63N-3a-203, a creating entity
1294 shall designate the creating entity's agency as the entity responsible for:
- 1295 (i) the management of the zone;
1296 (ii) the development of the zone; and
1297 (iii) the fulfillment of any duties described in this chapter.
- 1298 (b) If one or more creating entities propose a zone, as described in Section 63N-3a-201
1299 by entering into an interlocal agreement as described in Section 63N-3a-202, the
1300 interlocal agreement shall describe:
- 1301 (i) which agency is responsible for the management of the zone and zone revenue; or
1302 (ii) how each participating agency shall share responsibility for:
- 1303 (A) the management of the zone; and
1304 (B) zone revenue, as described in Part 2, Financing.
- 1305 (2) A proposal, along with conditions established by the committee that approved the
1306 proposal under Section 63N-3a-203, constitutes a governing document for the zone.
- 1307 (3)(a) The agency, in consultation with the creating entity, may create policies governing
1308 the development of the zone if the policies:
- 1309 (i) conform with the proposal; and
1310 (ii) do not contradict any provision of the proposal or any condition established by
1311 the committee that approved the proposal to create the zone.
- 1312 (b) If the agency and creating entity determine a modification to the proposal is required
1313 to pursue the objectives of the zone, the creating entity shall submit a proposal to
1314 modify the regionally significant development zone as described in Section
1315 63N-3a-208.
- 1316 Section 15. Section **17C-6-201** is enacted to read:

Part 2. Financing

17C-6-201 (Effective 05/06/26). Energy tax -- Agency to study revenue

generation options.

(1) A county that levies the county energy excise tax authorized by Title 59, Chapter 35, County Energy Excise Tax Act, may provide revenue generated by the county energy excise tax to an agency for use in a zone if the zone includes at least one large load data center.

(2) An agency shall study options to generate additional revenue within a zone and provide recommendations to the legislative body of the creating entity.

Section 16. Section **17C-6-202** is enacted to read:

17C-6-202 (Effective 05/06/26). Regionally significant development zone revenue.

(1) The following are approved revenue sources for a zone:

(a) property tax increment or personal property tax, as described in Section 63N-3a-204;
and

(b) revenue, if any, an agency receives from a county as described in Section 17C-6-201.

(2) Revenue described in Subsection (1):

(a) is zone revenue;

(b) shall be administered by the agency; and

(c) may be expended as provided in this chapter.

Section 17. Section **17C-6-203** is enacted to read:

17C-6-203 (Effective 05/06/26). Allowable uses of zone revenue.

(1) An agency that is assigned to manage a zone shall use zone revenue within:

(a) the zone; and

(b) an impacted primary area, if the agency finds that the use of the zone revenue will:

(i) directly benefit the zone; and

(ii) promote the objectives of the zone, as outlined in the proposal.

(2) An agency that receives zone revenue shall, subject to any requirement to remit revenue to the State Reinvestment Restricted Account as described in Title 63N, Chapter 3a, Part 2, Creation of Regionally Significant Development Zones, allocate zone revenue to:

(a) development in the zone, including, as applicable:

(i) income targeted housing costs;

(ii) structured parking;

(iii) enhanced development costs;

(iv) horizontal construction costs;

- 1419 (d) detail the amount of zone revenues received to date; and
1420 (e) detail the amount of revenues the agency has spent on behalf of the zone to date.

1421 (3) The agency shall provide the report described in this section to the Political
1422 Subdivisions Interim Committee.

1423 (4) The report described in this section is in addition to the reporting requirements
1424 described in Section 17C-1-603.

1425 Section 22. Section **17C-6-404** is enacted to read:

1426 **17C-6-404 (Effective 05/06/26). Use of financing district.**

1427 If an agency creates or utilizes a financing district to fulfill one or more objectives of the
1428 zone, the agency and the creating entity shall ensure that the financing district complies with
1429 the same budgeting, auditing, and reporting requirements described in this part, the same as if
1430 the financing district were the agency.

1431 Section 23. Section **17D-4-201** is amended to read:

1432 **17D-4-201 (Effective 05/06/26). Creation -- Annexation or withdrawal of**
1433 **property.**

1434 (1)(a) Except as provided in Subsection (1)(b), Subsection (2), and in addition to the
1435 provisions regarding creation of a special district in Title 17B, Chapter 1, Provisions
1436 Applicable to All Special Districts, a public infrastructure district may not be created
1437 unless a petition is filed with the creating entity that contains the signatures of 100%
1438 of surface property owners within the applicable area consenting to the creation of
1439 the public infrastructure district.

1440 (b)(i) As used in this Subsection (1)(b):

1441 (A) "Military land" means the same as that term is defined in Section 63H-1-102.

1442 (B) "Project area" means the same as that term is defined in Section 63H-1-102.

1443 (ii) Notwithstanding Title 17B, Chapter 1, Part 2, Creation of a Special District, and
1444 any other provision of this chapter, a development authority may adopt a
1445 resolution creating a public infrastructure district if all owners of surface property
1446 proposed to be included within the public infrastructure district consent in writing
1447 to the creation of the public infrastructure district.

1448 (iii) For purposes of Subsection (1)(b)(ii), if the surface property proposed to be
1449 included within the public infrastructure district includes military land that is
1450 within a project area, the owner of the military land within the project area is the
1451 lessee of the military land.

1452 (iv) A public infrastructure district created under Subsection (1)(b)(ii) may be created

1453 as a subsidiary of the development authority that adopts the resolution creating the
1454 public infrastructure district.

1455 (2)(a) The following do not apply to the creation of a public infrastructure district:

1456 (i) Section 17B-1-203;

1457 (ii) Section 17B-1-204;

1458 (iii) Subsection 17B-1-208(2);

1459 (iv) Section 17B-1-212; or

1460 (v) Section 17B-1-214.

1461 (b) The protest period described in Section 17B-1-213 may be waived in whole or in
1462 part with the consent of 100% of the surface property owners within the applicable
1463 area approving the creation of the public infrastructure district.

1464 (c) If the protest period is waived under Subsection (2)(b), a resolution approving the
1465 creation of the public infrastructure district may be adopted in accordance with
1466 Subsection 17B-1-213(5).

1467 (d) A petition meeting the requirements of Subsection (1) may be certified under Section
1468 17B-1-209.

1469 (e) Notwithstanding Subsection 17B-1-215(1)(b), the district applicant shall file the
1470 items required by Subsection 17B-1-215(1)(a) with the lieutenant governor within 30
1471 days of the day on which a resolution creating a public infrastructure district is
1472 adopted.

1473 (3) Notwithstanding Title 17B, Chapter 1, Part 4, Annexation, an area outside of the
1474 boundaries of a public infrastructure district may be annexed into the public
1475 infrastructure district if the following requirements are met:

1476 [~~(a)(i) adoption of resolutions of the board and the creating entity, each approving of
1477 the annexation; or]~~

1478 [~~(ii) adoption of a resolution of the board to annex the area, provided that the
1479 governing document or creation resolution for the public infrastructure district
1480 authorizes the board to annex an area outside of the boundaries of the public
1481 infrastructure district without future consent of the creating entity; and]~~

1482 [(b)] (a) the board adopts a resolution approving the annexation;

1483 (b) the governing document or resolution creating the public infrastructure district
1484 authorizes the public infrastructure district to annex the proposed annexation area;

1485 (c) a petition is filed with the public infrastructure district that contains the signatures of
1486 100% of surface property owners within the [area proposed to be annexed] proposed

- 1487 annexation area, demonstrating the surface property owners' consent to the
 1488 annexation into the public infrastructure district[-] ; and
- 1489 (d) if the creating entity is a county or municipality and the proposed annexation area is
 1490 outside the boundaries of the creating entity:
- 1491 (i) for an area that is unincorporated, the legislative body of the county where the
 1492 area is located adopts a resolution approving the annexation; or
- 1493 (ii) for an area that is within the boundaries of a municipality, the legislative body of
 1494 the municipality where the area is located adopts a resolution approving the
 1495 annexation.
- 1496 (4)(a) Notwithstanding Title 17B, Chapter 1, Part 5, Withdrawal, property may be
 1497 withdrawn from a public infrastructure district if the following requirements are met:
- 1498 (i) ~~[(A)]~~ adoption of ~~[resolutions]~~ a resolution of the board ~~[and the creating entity,~~
 1499 ~~each-]~~ approving of the withdrawal; ~~[or]~~ and
- 1500 ~~[(B)]~~ adoption of a resolution of the board to withdraw the property, provided
 1501 that the governing document or creation resolution for the public
 1502 infrastructure district authorizes the board to withdraw property from the
 1503 public infrastructure district without further consent from the creating entity;
 1504 ~~and]~~
- 1505 (ii) a petition is filed with the public infrastructure district that contains the signatures
 1506 of 100% of surface property owners within the area proposed to be withdrawn,
 1507 demonstrating that the surface property owners consent to the withdrawal from the
 1508 public infrastructure district.
- 1509 (b) If any bonds that the public infrastructure district issues are allocable to the area to
 1510 be withdrawn remain unpaid at the time of the proposed withdrawal, the property
 1511 remains subject to any taxes, fees, or assessments that the public infrastructure
 1512 district imposes until the bonds or any associated refunding bonds are paid.
- 1513 (c) Upon meeting the requirements of Subsection (3) or (4)(a), the board shall:
- 1514 (i) within 30 days of the day on which a resolution is adopted or a petition is filed
 1515 under Subsection (3) or (4)(a), file with the lieutenant governor:
- 1516 (A) a copy of a notice of impending boundary action, as defined in Section
 1517 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3); and
- 1518 (B) a copy of an approved final local entity plat, as defined in Section 67-1a-6.5;
 1519 and
- 1520 (ii) comply with the requirements of Section 17B-1-512, except:

- 1521 (A) Subsections 17B-1-512(1)(b) and (c) do not apply; and
1522 (B) the time periods described in this section govern.
- 1523 (5) A creating entity may impose limitations on the powers of a public infrastructure district
1524 through the governing document.
- 1525 (6)(a) A public infrastructure district is separate and distinct from the creating entity.
- 1526 (b)(i) Except as provided in Subsection (6)(b)(ii), any financial burden, including the
1527 cost of accounting, audit reporting, and budget preparation, of a public
1528 infrastructure district:
- 1529 (A) is borne solely by the public infrastructure district; and
1530 (B) is not borne by the creating entity, by the state, or by any municipality,
1531 county, or other political subdivision.
- 1532 (ii) Notwithstanding Subsection (6)(b)(i) and Section 17B-1-216, the governing
1533 document may require:
- 1534 (A) the district applicant to bear the initial costs of the public infrastructure
1535 district; and
1536 (B) the public infrastructure district to reimburse the district applicant for the
1537 initial costs the creating entity bears.
- 1538 (iii) Nothing in this Subsection (6) precludes a public infrastructure district from
1539 qualifying directly for an impact fee offset, credit, or refund under Title 11,
1540 Chapter 36a, Impact Fees Act, regarding any qualifying system improvements
1541 financed by the public infrastructure district.
- 1542 (c) Any legal responsibility, liability, judgment, or claim against a public infrastructure
1543 district:
- 1544 (i) is the sole responsibility of the public infrastructure district; and
1545 (ii) does not constitute a liability, judgment, or claim against the creating entity, the
1546 state, or any municipality, county, or other political subdivision.
- 1547 (d)(i)(A) The public infrastructure district solely bears the responsibility of any
1548 collection, enforcement, or foreclosure proceeding with regard to any fee or
1549 assessment the public infrastructure district imposes.
- 1550 (B) The creating entity does not bear the responsibility described in Subsection
1551 (6)(d)(i)(A).
- 1552 (ii) A public infrastructure district, and not the creating entity, shall undertake the
1553 enforcement responsibility described in, as applicable, Subsection (6)(d)(i) in
1554 accordance with Title 11, Chapter 42, Assessment Area Act.

- 1555 (7) A creating entity may establish criteria in determining whether to approve or disapprove
1556 of the creation of a public infrastructure district, including:
1557 (a) historical performance of the district applicant;
1558 (b) compliance with the creating entity's master plan;
1559 (c) credit worthiness of the district applicant;
1560 (d) plan of finance of the public infrastructure district; and
1561 (e) proposed development within the public infrastructure district.

- 1562 (8)(a) The creation of a public infrastructure district is subject to the sole discretion of
1563 the creating entity responsible for approving or rejecting the creation of the public
1564 infrastructure district.
1565 (b) The proposed creating entity bears no liability for rejecting the proposed creation of
1566 a public infrastructure district.

1567 Section 24. Section **17D-4-202** is amended to read:

1568 **17D-4-202 (Effective 05/06/26). Public infrastructure district board -- Governing**
1569 **document.**

- 1570 (1)(a) The legislative body or board of the creating entity shall ~~[appoint the initial~~
1571 ~~members of the board of a public infrastructure district, in accordance with the~~
1572 ~~governing document.]~~ approve the governing document for the public infrastructure
1573 district through resolution.
1574 (b) A governing document~~[approved by the legislative body or board of the creating~~
1575 ~~entity may provide for] :~~
1576 (i) shall include the names of the initial members of the board;
1577 (ii) shall provide that, upon the lieutenant governor issuing a certificate of
1578 incorporation for the public infrastructure district, members of the board may be
1579 appointed in accordance with the terms of the governing document and this
1580 section; and
1581 (iii) may provide for the board of a public infrastructure district to, upon a vacancy
1582 on the board and subject to Subsection (4), appoint an individual to the board so
1583 long as the individual meets the requirements to serve on a public infrastructure
1584 district board described in this section.
1585 ~~[(e) For public infrastructure districts not described in Subsection (1)(b), and except as~~
1586 ~~provided in Subsection (1)(d):]~~
1587 ~~[(i) if there is a vacancy on the board of a public infrastructure district, or a board~~
1588 ~~member provides notice to the legislative body or board of the creating entity of~~

1589 the board member's intention to resign from the board, the legislative body or
 1590 board of the creating entity shall appoint a replacement board member within 45
 1591 days from the day on which the vacancy first occurs or the board member
 1592 provides notice of the board member's intent to resign; and]

1593 [(ii) if a legislative body or board of the creating entity fails to fill a vacancy on the
 1594 board within the time period described in Subsection (1)(e)(i), the board of the
 1595 public infrastructure district may appoint an individual who is eligible to serve on
 1596 the board according to the requirements of this section to fill the board vacancy.]

1597 [(d)] (c) If a public infrastructure district board position has transitioned from
 1598 appointment to election, as described in Subsection (4), and an elected board position
 1599 becomes vacant, the [provisions of Section 20A-1-512 apply to fill the vacancy]
 1600 vacant board position shall be filled through the remainder of the term in the method
 1601 provided in the governing document.

1602 (2)(a) Unless otherwise limited in the governing document and except as provided in
 1603 Subsection (2)(b), the initial term of each member of the board is four years.

1604 (b) Notwithstanding Subsection (2)(a), approximately half of the members of the initial
 1605 board shall serve a six-year term so that, after the expiration of the initial term, the
 1606 term of approximately half the board members expires every two years.

1607 (c) A board may elect that a majority of the board serve an initial term of six years.

1608 (d) After the initial term, the term of each member of the board is four years.

1609 (e) A member of the board who is appointed shall continue to serve on the board of the
 1610 public infrastructure district until a replacement board member is appointed.

1611 (3)(a) Notwithstanding Subsection 17B-1-302(1)(b), a board member is not required to
 1612 be a resident within the boundaries of the public infrastructure district if:

1613 (i) all of the surface property owners consent to the waiver of the residency
 1614 requirement in the petition requesting the creation of the public infrastructure
 1615 district;

1616 (ii) there are no residents within the boundaries of the public infrastructure district;

1617 (iii) no qualified candidate timely files to be considered for appointment to the board;
 1618 or

1619 (iv) no qualified individual files a declaration of candidacy for a board position in
 1620 accordance with Subsection 17B-1-306(5).

1621 (b) Except under the circumstances described in Subsection (3)(a)(iii) or (iv), the
 1622 residency requirement in Subsection 17B-1-302(1)(b) is applicable to any board

- 1623 member elected for a division or board position that has transitioned from an
1624 appointed to an elected board member in accordance with this section.
- 1625 (c) An individual who is not a resident within the boundaries of the public infrastructure
1626 district may not serve as a board member unless the individual is:
- 1627 (i) an owner of land or an agent or officer of the owner of land within the boundaries
1628 of the public infrastructure district; and
- 1629 (ii) a registered voter at the individual's primary residence.
- 1630 (d) If ~~[the creating entity determines that]~~ a public infrastructure district is not
1631 anticipated to have permanent residents within the public infrastructure district's
1632 boundaries, or is anticipated to be primarily composed of non-residential property or
1633 non-primary residential property, a governing document may allow the ~~[creating~~
1634 ~~entity to continue]~~ board to appoint a property owner, or the agent of a property
1635 owner, to the public infrastructure district board.
- 1636 (e) A governing document may allow for a property owner to recommend a property
1637 owner or a property owner's agent for appointment to the public infrastructure district
1638 board in numbers proportional to the property owner's ownership of land, or value of
1639 land, within a public infrastructure district.
- 1640 (4)(a) A governing document may provide for a transition from ~~[legislative body]~~
1641 appointment under Subsection (1) to a method of election by registered voters based
1642 upon milestones or events that the governing document identifies, including a
1643 milestone for each division or individual board position providing that when the
1644 milestone is reached:
- 1645 (i) for a division, the registered voters of the division elect a member of the board in
1646 place of an appointed member at the next municipal general election for the board
1647 position; or
- 1648 (ii) for an at large board position established in the governing document, the
1649 registered voters of the public infrastructure district elect a member of the board in
1650 place of an appointed member at the next municipal general election for the board
1651 position.
- 1652 (b) Regardless of whether a board member is elected under Subsection (4)(a), the
1653 position of each remaining board member shall continue to be appointed under
1654 Subsection (1) until the member's respective division or board position surpasses the
1655 density milestone described in the governing document.
- 1656 (5)(a) ~~[Subject to Subsection (5)(c), the]~~ For a public infrastructure district that has

1657 transitioned to a method of election as described in Subsection (4), the board may, in
1658 the board's discretion but no more frequently than every four years, reestablish the
1659 boundaries of each division so that each division that has reached a milestone
1660 specified in the governing document, as described in Subsection (4)(a), has, as nearly
1661 as possible, the same number of eligible voters.

1662 (b) In reestablishing division boundaries under Subsection (5)(a), the board shall
1663 consider existing or potential developments within the divisions that, when
1664 completed, would increase or decrease the number of eligible voters within the
1665 division.

1666 ~~[(c) The governing document may prohibit the board from reestablishing, without the~~
1667 ~~consent of the creating entity, the division boundaries as described in Subsection~~
1668 ~~(5)(a).]~~

1669 (6) A public infrastructure district may not compensate a board member for the member's
1670 service on the board under Section 17B-1-307 unless the board member is a resident
1671 within the boundaries of the public infrastructure district.

1672 (7) A governing document shall:

1673 (a) include a boundary description and a map of the public infrastructure district;

1674 (b) state the number of board members;

1675 (c) describe any divisions of the public infrastructure district;

1676 (d) establish any applicable property tax levy rate limit for the public infrastructure
1677 district;

1678 (e) establish any applicable limitation on the principal amount of indebtedness for the
1679 public infrastructure district;

1680 (f) describe the public infrastructure and improvements, facilities, or properties that the
1681 public infrastructure district is created to construct, repair, or otherwise complete, as
1682 described in Section 17D-4-203; and

1683 ~~[(f)]~~ (g) include other information that the public infrastructure district or the creating
1684 entity determines to be necessary or advisable.

1685 (8)(a) Except as provided in Subsection (8)(b), the board and the governing body of the
1686 creating entity may amend a governing document by each adopting a resolution that
1687 approves the amended governing document.

1688 (b) Notwithstanding Subsection (8)(a), any amendment to increase a property tax levy
1689 rate limitation requires the consent of 100% of surface property owners within the
1690 boundaries of the public infrastructure district.

- 1691 (9) A board member is not in violation of Section 67-16-9 if the board member:
1692 (a) discloses a business relationship in accordance with Sections 67-16-7 and 67-16-8
1693 and files the disclosure with the creating entity:
1694 (i) before any appointment or election; and
1695 (ii) upon any significant change in the business relationship; and
1696 (b) conducts the affairs of the public infrastructure district in accordance with this title
1697 and any parameters described in the governing document.
1698 (10) Notwithstanding any other provision of this section, the governing document governs
1699 the number, appointment, eligibility for appointment, and terms of board members of a
1700 public infrastructure district created by the development authority.

1701 Section 25. Section **17D-4-202.1** is amended to read:

1702 **17D-4-202.1 (Effective 05/06/26). Convention center public infrastructure --**
1703 **District board -- Petition and process requirements -- Governing document.**

- 1704 (1) As used in this section:
1705 (a) "City" means a municipality of the first class located in a county of the first class in
1706 which a convention center is located.
1707 (b) "County" means a county in which a convention center is located.
1708 (c) "Lessee" means a lessee of property within the proposed convention center public
1709 infrastructure district that leases the property from the city or county for a term of at
1710 least 10 years.
1711 (d)(i) "Petitioner" means:
1712 (A) a surface property owner, a property owner, or lessee of property within a
1713 proposed convention center public infrastructure district's boundaries that
1714 initiates the formation of a convention center public infrastructure district; or
1715 (B) a surface property owner under this chapter, and Title 17B, Chapter 1,
1716 Provisions Applicable to All Special Districts, in relation to a convention
1717 center public infrastructure district.
1718 (ii) "Petitioner" does not include a city, county, or other public entity.
1719 (2) A convention center public infrastructure district shall be created in a city upon the
1720 submission of a petition in accordance with this part and shall have all the powers of a
1721 public infrastructure district under this chapter.
1722 (3) A convention center public infrastructure district may only be created within a city in
1723 which a convention center is located.
1724 (4) The petition described in Subsection (2) shall:

- 1725 (a) include the governing document; and
1726 (b) for a petition to a city which has previously authorized revitalization taxes described
1727 in Section 63N-3-1403, include as part of the governing document approval and
1728 authorization of an interlocal agreement pledging and securing the revitalization
1729 taxes for debt of the proposed convention center public infrastructure district.
- 1730 (5)(a) The process for creating a convention center public infrastructure district or a
1731 convention center public infrastructure district in a capital city shall be initiated by
1732 the submission of a petition and a governing document to the city, except that:
- 1733 (i) the city recorder shall certify the petition within 14 days from the day the
1734 petitioner submits the petition to the city recorder;
- 1735 (ii) if the city recorder fails to certify the petition within the time described in
1736 Subsection (5)(a)(i), the petition shall be considered certified; and
- 1737 (iii) within 30 days from the day that the petitioner submits the petition to the city
1738 recorder, or if the city and the petitioner have come to an agreement as described
1739 in Subsection (5)(b), the city shall adopt a resolution to approve:
- 1740 (A) the governing document the petitioner submitted with the petition; and
1741 (B) the creation of a convention center public infrastructure district or a
1742 convention center public infrastructure district in a capital city.
- 1743 (b) Notwithstanding Subsection (5)(a), the city and petitioner may negotiate the finalized
1744 terms of the petition, including the terms of an interlocal agreement, within a time
1745 period agreed upon by the city and petitioner.
- 1746 (6)(a) The boundaries of a convention center public infrastructure district shall be
1747 limited to an area within a one-half-mile radius of a convention center.
- 1748 (b) If a parcel is intersected by the radius described in Subsection (6)(a), the entire parcel
1749 may be included in the district.
- 1750 (7) A convention center public infrastructure district shall be subject to the following
1751 provisions regarding taxation and financing:
- 1752 (a) a convention center public infrastructure district may levy an administrative tax of up
1753 to 0.0005 per dollar of taxable value on taxable property within the district; and
- 1754 (b) the administrative tax shall be used exclusively for administrative expenses and may
1755 not be used for capital costs or debt payment.
- 1756 (8) A convention center public infrastructure district shall be governed by the governing
1757 document submitted and approved as described in this section.
- 1758 (9) The convention center public infrastructure board shall consist of five members to be

- 1759 appointed by the board in accordance with the governing document as follows:
- 1760 (a) three members shall be representatives of the petitioner and selected by the petitioner;
- 1761 (b) one member may be a representative of the city and selected by the mayor of the
- 1762 city; and
- 1763 (c) one member may be a representative of the county and selected by the mayor of the
- 1764 county.
- 1765 (10)(a) Except as provided in Subsection (10)(b), upon a vacancy or expiration of a term
- 1766 of a board member for a convention center public infrastructure district, the board
- 1767 shall appoint the replacement in the same manner as described in Subsection (9) for
- 1768 the unexpired period of the board member's term.
- 1769 (b) If a city or county mayor chooses not to select a member of the board as described in
- 1770 Subsection (9)(b) or (c), elects in writing to permanently abdicate the board seat, or
- 1771 chooses to vacate a member at any time, the petitioner shall select a member for the
- 1772 replacement who shall not be a representative of the city or county in which the
- 1773 convention center is located.
- 1774 (11)(a) A convention center public infrastructure district shall enter into an interlocal
- 1775 agreement with the relevant county that provides that, for any revenue that is
- 1776 transferred to the convention center public infrastructure district from a convention
- 1777 center reinvestment zone created [~~pursuant to~~] in accordance with Title 63N, Chapter
- 1778 3, Part 6, Housing and Transit Reinvestment Zone Act, the mayor of the county shall
- 1779 have approval authority for the expenditure of any revenue related to a convention
- 1780 center revitalization project, as that term is defined in Section 63N-3-602.
- 1781 (b) The approval authority described in Subsection (11)(a) does not include approval
- 1782 authority over:
- 1783 (i) any bonds or debt or related terms issued by the convention center public
- 1784 infrastructure district; or
- 1785 (ii) revenue subject to a participation agreement entered into pursuant to Title 63N,
- 1786 Chapter 3, Part 14, Capital City Revitalization Zone.
- 1787 Section 26. Section **17D-4-203** is amended to read:
- 1788 **17D-4-203 (Effective 05/06/26). Public infrastructure district powers.**
- 1789 (1) A public infrastructure district has all of the authority conferred upon a special district
- 1790 under Section 17B-1-103.
- 1791 (2) A public infrastructure district may:
- 1792 (a) issue negotiable bonds to pay:

- 1793 (i) all or part of the costs of acquiring, acquiring an interest in, improving, or
1794 extending any of the improvements, facilities, or property allowed under Section
1795 11-14-103;
- 1796 (ii) capital costs of improvements in an energy assessment area, as defined in Section
1797 11-42a-102, and other related costs, against the funds that the public infrastructure
1798 district will receive because of an assessment in an energy assessment area;
- 1799 (iii) public improvements related to the provision of housing;
- 1800 (iv) capital costs related to public transportation;
- 1801 (v) for a public infrastructure district that is within or adjacent to a housing and
1802 transit reinvestment zone described in Title 63N, Chapter 3, Part 6, Housing and
1803 Transit Reinvestment Zone Act, any and all costs to finance any public or
1804 privately owned improvements, which, in the discretion of the board of the public
1805 infrastructure district, promote the objectives described in Section 63N-3-603.1;
- 1806 (vi) the cost of acquiring or financing public infrastructure and improvements;
- 1807 (vii) for a public infrastructure district that is a subsidiary of or created by the Utah
1808 Inland Port Authority, the costs associated with a remediation project, as defined
1809 in Section 11-58-102;
- 1810 (viii) for a convention center public infrastructure district that is within or adjacent to
1811 a convention center reinvestment zone as defined in Section 63N-3-602, any or all
1812 of the costs to finance any public or privately owned improvements, including
1813 convention center-related improvements and arena improvements, which, in the
1814 discretion of the board of a convention center public infrastructure district,
1815 promote the objectives of the convention center reinvestment zone, as described in
1816 Section 63N-3-603.1;
- 1817 (ix) for a convention center public infrastructure district, the costs of financing a
1818 convention revitalization project, as the term is defined in Section 63N-3-602;
- 1819 (x) for a convention center public infrastructure district in a capital city that is within
1820 or adjacent to a convention center reinvestment zone in a capital city, as defined in
1821 Section 63N-3-602, any or all of the costs to financing any publicly owned
1822 improvements, including the cost of financing a convention center revitalization
1823 project in a capital city, as defined in Section 63N-3-602, convention
1824 center-related improvements, and publicly or privately owned improvements that
1825 directly serve the convention center, which, in the discretion of the board of the
1826 convention center public infrastructure district in a capital city, promote the

- 1827 objectives of the convention center reinvestment zone in a capital city, as
1828 described in Section 63N-3-603.1; and
- 1829 (xi) for a convention center public infrastructure district in a capital city that is within
1830 a capital city revitalization zone project area, as defined in Section 63N-3-1401,
1831 any allowed uses of funds or revenue provided for under Section 59-12-402.5,
1832 including eligible expenses consistent with the terms of the participation
1833 agreement, except that a convention center public infrastructure district in a
1834 capital city may not issue negotiable bonds serviced by the revitalization tax under
1835 Section 59-12-402.5 for privately owned improvements for more than the
1836 maximum dollar amount described in the participation agreement.
- 1837 (b) enter into an interlocal agreement in accordance with Title 11, Chapter 13, Interlocal
1838 Cooperation Act, provided that the interlocal agreement may not expand the powers
1839 of the public infrastructure district, within the limitations of Title 11, Chapter 13,
1840 Interlocal Cooperation Act, without the consent of the creating entity;
- 1841 (c) notwithstanding any other provision in code, acquire completed or partially
1842 completed improvements, including related design and consulting services and
1843 related work product, for fair market value as reasonably determined by[:]
1844 [(i) the board;]
1845 [(ii) the creating entity, if required in the governing document; or]
1846 [(iii)] a surveyor or engineer that a public infrastructure district employs or engages
1847 to perform the necessary engineering services for and to supervise the
1848 construction or installation of the improvements;
- 1849 (d) contract with the creating entity for the creating entity to provide administrative
1850 services on behalf of the public infrastructure district, when agreed to by both parties,
1851 in order to achieve cost savings and economic efficiencies, at the discretion of the
1852 creating entity;
- 1853 (e) for a public infrastructure district created by a development authority, or for a public
1854 infrastructure district created by a municipality and located in an urban renewal
1855 project area that includes some or all of an inactive industrial site:
- 1856 (i)(A) operate and maintain public infrastructure and improvements the district
1857 acquires or finances; and
1858 (B) use fees, assessments, or taxes to pay for the operation and maintenance of
1859 those public infrastructure and improvements;[-and]
1860 (ii) issue bonds under Title 11, Chapter 42, Assessment Area Act; and

1861 (iii) notwithstanding Section 17D-4-303 and subject to Subsection (3), for an
 1862 advanced manufacturing project or a critical mineral extraction project located on
 1863 state-owned or development authority-owned land within an authority project
 1864 area, levy a property tax at a rate not to exceed a rate that generates more revenue
 1865 than required to pay the annual debt service of the bond plus administrative costs
 1866 and issue unlimited general obligation bonds as may be authorized by an election
 1867 as described in this chapter and approved by the authority board.

1868 (f) for a public infrastructure district that is a subsidiary of or created by the Utah Inland
 1869 Port Authority, pay for costs associated with a remediation project, as defined in
 1870 Section 11-58-102, of the Utah Inland Port Authority.

1871 (3) For general obligation bonds described in Subsection (2)(e)(iii)(A), the principal
 1872 amount of the bonds cannot exceed 75% of the market value of the project for which the
 1873 bonds are issued after the project is constructed and operating, as estimated and
 1874 approved by a majority of the board of the public infrastructure district.

1875 (4) A public infrastructure district created by the Utah Fairpark Area Investment and
 1876 Restoration District, created in Section 11-70-201, may:

1877 (a) pay for the cost of the development and construction of a qualified stadium, as
 1878 defined in Section 11-70-101; and

1879 (b) pay for the cost of public infrastructure and improvements.

1880 Section 27. Section **17D-4-204** is amended to read:

1881 **17D-4-204 (Effective 05/06/26). Relation to other local entities.**

1882 (1) Notwithstanding the creation of a public infrastructure district, the creating entity and
 1883 any other public entity, as applicable, retains all of the entity's authority over all zoning,
 1884 planning, design specifications and approvals, and permitting within the public
 1885 infrastructure district.

1886 (2) The inclusion of property within the boundaries of a public infrastructure district does
 1887 not preclude the inclusion of the property within any other special district.

1888 (3)(a) All infrastructure that is connected to another public entity's system:

1889 (i) belongs to that public entity, regardless of inclusion within the boundaries of a
 1890 public infrastructure district, unless the public infrastructure district and the public
 1891 entity otherwise agree; and

1892 (ii) shall comply with the design, inspection requirements, and other standards of the
 1893 public entity.

1894 (b) A public infrastructure district shall convey or transfer the infrastructure described in

1895 Subsection (3)(a) free of liens or financial encumbrances to the public entity at no
1896 cost to the public entity.

1897 (c) The conveyance, transfer, or dedication of infrastructure to a creating entity or a
1898 public entity in accordance with this section is not a financial benefit of the creating
1899 entity or public entity.

1900 (4)(a) No public entity or private person shall receive funds from any portion of a public
1901 infrastructure district's property tax revenue without a resolution of the public
1902 infrastructure district's board authorizing the public entity or private person to receive
1903 the funds.

1904 (b) Subsection (4)(a) does not apply to the county's expenses related to collecting
1905 property tax in accordance with Title 59, Chapter 2, [~~Part 12,~~]Property Tax Act.

1906 (c) Subsection (4)(a) applies notwithstanding any provision in:

1907 (i) Title 17C, Limited Purpose Local Government Entities - Community
1908 Reinvestment Agency Act;

1909 (ii) Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act;

1910 (iii) a statute governing a development authority created under Utah Constitution,
1911 Article XI; or

1912 (iv) a provision of code related to the collection, distribution, or sharing of tax
1913 increment revenue, incremental property tax increases, or actions related to the
1914 collection, distribution, or sharing of tax increment revenue or incremental
1915 property tax increases.

1916 Section 28. Section **17D-4-303** is amended to read:

1917 **17D-4-303 (Effective 05/06/26). Limits on public infrastructure district property**
1918 **tax levy -- Notice requirements.**

1919 (1) [~~The~~] Except as provided in Subsections 17D-4-203(2)(e) and 63H-1-202(10), the
1920 property tax levy of a public infrastructure district, for all purposes, including payment
1921 of debt service on limited tax bonds, may not exceed .015 per dollar of taxable value of
1922 taxable property in the district.

1923 (2) The limitation described in Subsection (1) does not apply to the levy by the public
1924 infrastructure district to pay principal of and interest on a general obligation bond that
1925 the public infrastructure district issues.

1926 (3)(a) Within 30 days after the day on which the lieutenant governor issues a certificate
1927 of incorporation for the public infrastructure district under Section 67-1a-6.5, the
1928 board shall record a notice with the recorder of the county in which property within

- 1929 the public infrastructure district is located.
- 1930 (b) The notice described in Subsection (3)(a) shall:
- 1931 (i) contain a description of the boundaries of the public infrastructure district;
- 1932 (ii) state that a copy of the governing document is on file at the office of the creating
- 1933 entity;
- 1934 (iii) state that the public infrastructure district may finance and repay infrastructure
- 1935 and other improvements through the levy of a property tax; and
- 1936 (iv) state the maximum rate that the public infrastructure district may levy.
- 1937 (c) The effective date of the public infrastructure district for purposes of assessing
- 1938 property tax is the day on which the notice is recorded in the office of the recorder of
- 1939 each county in which the public infrastructure district is located, as described in
- 1940 Section 59-2-305.5.
- 1941 (4) If the board fails to record a notice as described in Subsection (3):
- 1942 (a) the public infrastructure district is still created as of the day the lieutenant governor
- 1943 issues a certificate of incorporation for the public infrastructure district;
- 1944 (b) any bonds issued by the public infrastructure district are still valid; and
- 1945 (c) the public infrastructure district may not levy a tax or levy or collect a fee until the
- 1946 board records the notice described in Subsection (3).

1947 Section 29. Section **17D-4-401** is enacted to read:

1948 **Part 4. Dissolution**

1949 **17D-4-401 (Effective 05/06/26). District dissolution.**

- 1950 (1) The board of trustees of a public infrastructure district, other than a public infrastructure
- 1951 district created by a development authority that provides ongoing services, shall adopt a
- 1952 resolution to dissolve the public infrastructure once:
- 1953 (a) the public infrastructure district has paid all the public infrastructure district's debts;
- 1954 (b) the public infrastructure district's contractual obligations are satisfied or defeased; and
- 1955 (c) except for public infrastructure and improvements, facilities, or properties that are
- 1956 privately owned, the public infrastructure and improvements, facilities, or properties
- 1957 described in the governing document, as required in Section 17D-4-202, have been:
- 1958 (i) constructed, repaired, or otherwise completed;
- 1959 (ii) accepted by the public entity as meeting the public entity's applicable
- 1960 development, design, and construction standards; and
- 1961 (iii) transferred to the entity responsible for the maintenance and operation of the
- 1962 public infrastructure and improvement, facility, or property.

- 1963 (2) The board shall:
- 1964 (a) adopt a resolution approving the dissolution of the public infrastructure district
- 1965 within 30 days of the day on which the conditions of Subsection (1) are met; and
- 1966 (b) file with the lieutenant governor a notice of an impending boundary action, as
- 1967 defined in Section 67-1a-6.5, that meets the requirements of Subsection 67-1a-6.5(3),
- 1968 within 30 days of the day on which the board adopts a resolution described in
- 1969 Subsection (2)(a).
- 1970 (3) The board may use any assets of the public infrastructure district that remain after the
- 1971 requirements of Subsection (1) are met to pay costs associated with the dissolution
- 1972 process.
- 1973 (4) Upon the lieutenant governor's issuance of a certificate of dissolution under Section
- 1974 67-1a-6.5:
- 1975 (a) the public infrastructure district is dissolved; and
- 1976 (b) the board shall:
- 1977 (i) if the public infrastructure district was located within the boundary of a single
- 1978 county, submit to the recorder of that county the original and a certified copy of
- 1979 the resolution described in Subsection (2)(a); or
- 1980 (ii) if the public infrastructure district was located within the boundaries of more than
- 1981 a single county:
- 1982 (A) submit to the recorder of one of those counties the original certificate of
- 1983 dissolution and a certified copy of the resolution described in Subsection (2)(a);
- 1984 and
- 1985 (B) submit to the recorder of each other county a certified copy of the certificate
- 1986 of dissolution and a certified copy of the resolution described in Subsection
- 1987 (2)(a).
- 1988 (5) If any assets of the public infrastructure district remain after the conditions of
- 1989 Subsection (1) are met and the costs described in Subsection (3) are paid, the board shall
- 1990 distribute the assets in the following order of priority:
- 1991 (a) if there is a readily identifiable connection between the remaining assets and a
- 1992 financial burden borne by the real property owners in the dissolved public
- 1993 infrastructure district, proportionately to those real property owners; and
- 1994 (b) the entity described in Subsection (1)(c)(ii).

Section 30. Section **51-9-1001** is enacted to read:

Part 10. State Reinvestment Restricted Account

1996

1997 **51-9-1001 (Effective 05/06/26). Definitions.**

1998 As used in this part:

1999 (1) "Account" means the State Reinvestment Restricted Account created in Section
2000 51-9-1002.

2001 (2) "Generational water infrastructure" means physical facilities or other physical assets
2002 designed to meet generational demands for water.

2003 Section 31. Section **51-9-1002** is enacted to read:

2004 **51-9-1002 (Effective 05/06/26). State Reinvestment Restricted Account created.**

2005 (1) There is created within the General Fund a restricted account known as the "State
2006 Reinvestment Restricted Account."

2007 (2) The account shall consist of:

2008 (a) revenue deposited into the account in accordance with:

2009 (i) Title 63N, Chapter 3a, Part 2, Creation of Regionally Significant Development
2010 Zones; and

2011 (ii) Title 63N, Chapter 3a, Part 4, Regionally Significant Zones with Energy
2012 Implications;

2013 (b) revenue deposited into the account by the Utah Inland Port Authority in accordance
2014 with Sections 11-58-602 and 11-58-607; and

2015 (c) interest and earnings on money in the account.

2016 (3) The state treasurer shall invest the money in the fund according to Title 51, Chapter 7,
2017 State Money Management Act, except that interest or other earnings derived from those
2018 investments shall be deposited into the account.

2019 Section 32. Section **51-9-1003** is enacted to read:

2020 **51-9-1003 (Effective 05/06/26). Authorized use of the State Reinvestment**
2021 **Restricted Account.**

2022 (1) Money in the account is to be used, subject to appropriation, for:

2023 (a) income tax relief;

2024 (b) development of generational water infrastructure;

2025 (c) facilitating preservation of the Great Salt Lake watershed, as described in Title 73,
2026 Chapter 10g, Part 4, Great Salt Lake Watershed Integrated Water Assessment;

2027 (d) regionally significant transit development and regionally significant transit
2028 infrastructure; and

2029 (e) development of energy resources, as described in Title 79, Chapter 6, Utah Energy
2030 Act.

2031 (2) Money in the account that is derived from a local source may not be used in an area
 2032 outside the area in which the money was generated unless the money is used for a
 2033 purpose described in Subsection (1).

2034 Section 33. Section **57-1-49** is enacted to read:

2035 **57-1-49 (Effective 05/06/26). Disclosure of annual assessment to a public**
 2036 **infrastructure district.**

2037 (1) As used in this section, "public infrastructure district" means an entity created as
 2038 described in Title 17D, Chapter 4, Public Infrastructure District Act.

2039 (2) In a conveyance of residential real property within the boundaries of a public
 2040 infrastructure district, a seller or the seller's representative shall ensure that the expected
 2041 annual cost of the public infrastructure district's final tax rate, as shown on the last
 2042 equalized assessment rolls, is included in a disclosure document at or before closing.

2043 Section 34. Section **59-1-306** is amended to read:

2044 **59-1-306 (Effective 05/06/26). Definition -- State Tax Commission**
 2045 **Administrative Charge Account -- Amount of administrative charge -- Deposit of**
 2046 **revenue into the restricted account -- Interest deposited into General Fund --**
 2047 **Expenditure of money deposited into the restricted account.**

2048 (1) As used in this section, "qualifying tax, fee, or charge" means a tax, fee, or charge the
 2049 commission administers under:

2050 (a) Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act;

2051 (b) Title 10, Chapter 1, Part 4, Municipal Telecommunications License Tax Act;

2052 (c) Section 19-6-714;

2053 (d) Section 19-6-805;

2054 (e) Chapter 12, Sales and Use Tax Act, other than a tax under Chapter 12, Part 1, Tax
 2055 Collection, or Chapter 12, Part 18, Additional State Sales and Use Tax Act;

2056 (f) Section 59-27-105;

2057 (g) Chapter 31, Cannabinoid Licensing and Tax Act;

2058 (h) Chapter 32, Local Impact Mitigation Tax Act;

2059 (i) Chapter 33, Wind or Solar Electric Generation Facility Capacity Tax;

2060 (j) Chapter 35, County Energy Excise Tax Act;

2061 [~~(j)~~] (k) Section 63H-1-205;

2062 [~~(k)~~] (l) Title 63N, Chapter 3, Part 6, Housing and Transit Reinvestment Zone Act; [~~-or~~]

2063 [~~(l)~~] (m) Title 69, Chapter 2, Part 4, Prepaid Wireless Telecommunications Service
 2064 Charges; or

- 2065 ~~[(m)]~~ (n) Title 79, Chapter 6, ~~[Part 11]~~ Part 14, Energy Project Assessment.
- 2066 (2) There is created a restricted account within the General Fund known as the "State Tax
- 2067 Commission Administrative Charge Account."
- 2068 (3) Subject to the other provisions of this section, the restricted account shall consist of
- 2069 administrative charges the commission retains and deposits in accordance with this
- 2070 section.
- 2071 (4) For purposes of this section, the administrative charge is a percentage of revenue the
- 2072 commission collects from each qualifying tax, fee, or charge of not to exceed the lesser
- 2073 of:
- 2074 (a) 1.5%; or
- 2075 (b) an equal percentage of revenue the commission collects from each qualifying tax,
- 2076 fee, or charge sufficient to cover the cost to the commission of administering the
- 2077 qualifying taxes, fees, or charges.
- 2078 (5) The commission shall deposit an administrative charge into the restricted account.
- 2079 (6) Interest earned on the restricted account shall be deposited into the General Fund.
- 2080 (7) The commission shall expend money appropriated by the Legislature to the commission
- 2081 from the restricted account to administer qualifying taxes, fees, or charges or to offset
- 2082 general operational expenses.

2083 Section 35. Section **59-2-924** is amended to read:

2084 **59-2-924 (Effective 05/06/26). Definitions -- Report of valuation of property to**

2085 **county auditor and commission -- Transmittal by auditor to governing bodies --**

2086 **Calculation of certified tax rate -- Rulemaking authority -- Adoption of tentative budget**

2087 **-- Notice provided by the commission.**

- 2088 (1) As used in this section:
- 2089 (a)(i) "Ad valorem property tax revenue" means revenue collected in accordance with
- 2090 this chapter.
- 2091 (ii) "Ad valorem property tax revenue" does not include:
- 2092 (A) interest;
- 2093 (B) penalties;
- 2094 (C) collections from redemptions; or
- 2095 (D) revenue received by a taxing entity from personal property that is
- 2096 semiconductor manufacturing equipment assessed by a county assessor in
- 2097 accordance with Part 3, County Assessment.
- 2098 (b) "Adjusted tax increment" means the same as that term is defined in Section

- 2099 17C-1-102.
- 2100 (c)(i) "Aggregate taxable value of all property taxed" means:
- 2101 (A) the aggregate taxable value of all real property a county assessor assesses in
- 2102 accordance with Part 3, County Assessment, for the current year;
- 2103 (B) the aggregate taxable value of all real and personal property the commission
- 2104 assesses in accordance with Part 2, Assessment of Property, for the current
- 2105 year; and
- 2106 (C) the aggregate year end taxable value of all personal property a county assessor
- 2107 assesses in accordance with Part 3, County Assessment, contained on the prior
- 2108 year's tax rolls of the taxing entity.
- 2109 (ii) "Aggregate taxable value of all property taxed" does not include the aggregate
- 2110 year end taxable value of personal property that is:
- 2111 (A) semiconductor manufacturing equipment assessed by a county assessor in
- 2112 accordance with Part 3, County Assessment; and
- 2113 (B) contained on the prior year's tax rolls of the taxing entity.
- 2114 (d) "Base taxable value" means:
- 2115 (i) for an authority created under Section 11-58-201, the same as that term is defined
- 2116 in Section 11-58-102;
- 2117 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 2118 the same as that term is defined in Section 11-59-207;
- 2119 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 2120 11-70-201, the same as that term is defined in Section 11-70-101;
- 2121 (iv) for an agency created under Section 17C-1-201.5, the same as that term is
- 2122 defined in Section 17C-1-102;
- 2123 (v) for an authority created under Section 63H-1-201, the same as that term is defined
- 2124 in Section 63H-1-102;
- 2125 (vi) for a host local government, the same as that term is defined in Section
- 2126 63N-2-502;
- 2127 (vii) for a housing and transit reinvestment zone or convention center reinvestment
- 2128 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
- 2129 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 2130 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 2131 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 2132 5, Home Ownership Promotion Zone, a property's taxable value as shown upon

- 2133 the assessment roll last equalized during the base year, as that term is defined in
 2134 Section 10-21-101 or Section 17-80-101;
- 2135 (ix) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 2136 First Home Investment Zone Act, a property's taxable value as shown upon the
 2137 assessment roll last equalized during the base year, as that term is defined in
 2138 Section 63N-3-1601;
- 2139 (x) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17,
 2140 Major Sporting Event Venue Zone Act, a property's taxable value as shown upon
 2141 the assessment roll last equalized during the property tax base year, as that term is
 2142 defined in Section 63N-3-1701;~~[-or]~~
- 2143 (xi) for an electrical energy development zone created under Section 79-6-1104, the
 2144 value of the property within an electrical energy development zone, as shown on
 2145 the assessment roll last equalized before the creation of the electrical development
 2146 zone, as that term is defined in Section 79-6-1104~~[-]~~ ; or
- 2147 (xii) for a regionally significant development zone created under Section 63N-3a-203,
 2148 the taxable value of the property within a regionally significant development zone
 2149 boundary, as shown on the assessment roll last equalized during the base year, as
 2150 that term is defined in Section 63N-3a-101.
- 2151 (e) "Centrally assessed benchmark value" means an amount equal to the average year
 2152 end taxable value of real and personal property the commission assesses in
 2153 accordance with Part 2, Assessment of Property, for the previous three calendar
 2154 years, adjusted for taxable value attributable to:
- 2155 (i) an annexation to a taxing entity;
- 2156 (ii) an incorrect allocation of taxable value of real or personal property the
 2157 commission assesses in accordance with Part 2, Assessment of Property; or
- 2158 (iii) a change in value as a result of a change in the method of apportioning the value
 2159 prescribed by the Legislature, a court, or the commission in an administrative rule
 2160 or administrative order.
- 2161 (f) "Centrally assessed industry" means the following industry classes the commission
 2162 assesses in accordance with Part 2, Assessment of Property:
- 2163 (i) air carrier;
- 2164 (ii) coal;
- 2165 (iii) coal load out property;
- 2166 (iv) electric generation;

- 2167 (v) electric rural;
- 2168 (vi) electric utility;
- 2169 (vii) gas utility;
- 2170 (viii) ground access property;
- 2171 (ix) land only property;
- 2172 (x) liquid pipeline;
- 2173 (xi) metalliferous mining;
- 2174 (xii) nonmetalliferous mining;
- 2175 (xiii) oil and gas gathering;
- 2176 (xiv) oil and gas production;
- 2177 (xv) oil and gas water disposal;
- 2178 (xvi) railroad;
- 2179 (xvii) sand and gravel; and
- 2180 (xviii) uranium.
- 2181 (g)(i) "Centrally assessed new growth" means the greater of:
- 2182 (A) for each centrally assessed industry, zero; or
- 2183 (B) the amount calculated by subtracting the centrally assessed benchmark value
- 2184 for each centrally assessed industry, adjusted for prior year end incremental
- 2185 value, from the taxable value of real and personal property the commission
- 2186 assesses in accordance with Part 2, Assessment of Property, for each centrally
- 2187 assessed industry for the current year, adjusted for current year incremental
- 2188 value.
- 2189 (ii) "Centrally assessed new growth" does not include a change in value for a
- 2190 centrally assessed industry as a result of a change in the method of apportioning
- 2191 the value prescribed by the Legislature, a court, or the commission in an
- 2192 administrative rule or administrative order.
- 2193 (h) "Certified tax rate" means a tax rate that will provide the same ad valorem property
- 2194 tax revenue for a taxing entity as was budgeted by that taxing entity for the prior year.
- 2195 (i) "Community reinvestment agency" means the same as that term is defined in Section
- 2196 17C-1-102.
- 2197 (j) "Eligible new growth" means the greater of:
- 2198 (i) zero; or
- 2199 (ii) the sum of:
- 2200 (A) locally assessed new growth;

- 2201 (B) centrally assessed new growth; and
- 2202 (C) project area new growth or hotel property new growth.
- 2203 (k) "Host local government" means the same as that term is defined in Section
- 2204 63N-2-502.
- 2205 (l) "Hotel property" means the same as that term is defined in Section 63N-2-502.
- 2206 (m) "Hotel property new growth" means an amount equal to the incremental value that is
- 2207 no longer provided to a host local government as incremental property tax revenue.
- 2208 (n) "Incremental property tax revenue" means the same as that term is defined in Section
- 2209 63N-2-502.
- 2210 (o) "Incremental value" means:
- 2211 (i) for an authority created under Section 11-58-201, the amount calculated by
- 2212 multiplying:
- 2213 (A) the difference between the taxable value and the base taxable value of the
- 2214 property that is located within a project area and on which property tax
- 2215 differential is collected; and
- 2216 (B) the number that represents the percentage of the property tax differential that
- 2217 is paid to the authority;
- 2218 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
- 2219 an amount calculated by multiplying:
- 2220 (A) the difference between the current assessed value of the property and the base
- 2221 taxable value; and
- 2222 (B) the number that represents the percentage of the property tax augmentation, as
- 2223 defined in Section 11-59-207, that is paid to the Point of the Mountain State
- 2224 Land Authority;
- 2225 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
- 2226 11-70-201, the amount calculated by multiplying:
- 2227 (A) the difference between the taxable value for the current year and the base
- 2228 taxable value of the property that is located within a project area; and
- 2229 (B) the number that represents the percentage of enhanced property tax revenue,
- 2230 as defined in Section 11-70-101;
- 2231 (iv) for an agency created under Section 17C-1-201.5, the amount calculated by
- 2232 multiplying:
- 2233 (A) the difference between the taxable value and the base taxable value of the
- 2234 property located within a project area and on which tax increment is collected;

- 2235 and
- 2236 (B) the number that represents the adjusted tax increment from that project area
- 2237 that is paid to the agency;
- 2238 (v) for an authority created under Section 63H-1-201, the amount calculated by
- 2239 multiplying:
- 2240 (A) the difference between the taxable value and the base taxable value of the
- 2241 property located within a project area and on which property tax allocation is
- 2242 collected; and
- 2243 (B) the number that represents the percentage of the property tax allocation from
- 2244 that project area that is paid to the authority;
- 2245 (vi) for a housing and transit reinvestment zone or convention center reinvestment
- 2246 zone created in accordance with Title 63N, Chapter 3, Part 6, Housing and Transit
- 2247 Reinvestment Zone Act, an amount calculated by multiplying:
- 2248 (A) the difference between the taxable value and the base taxable value of the
- 2249 property that is located within a housing and transit reinvestment zone or
- 2250 convention center reinvestment zone and on which tax increment is collected;
- 2251 and
- 2252 (B) the number that represents the percentage of the tax increment that is paid to
- 2253 the housing and transit reinvestment zone or convention center reinvestment
- 2254 zone;
- 2255 (vii) for a host local government, an amount calculated by multiplying:
- 2256 (A) the difference between the taxable value and the base taxable value of the
- 2257 hotel property on which incremental property tax revenue is collected; and
- 2258 (B) the number that represents the percentage of the incremental property tax
- 2259 revenue from that hotel property that is paid to the host local government;
- 2260 (viii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
- 2261 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
- 2262 5, Home Ownership Promotion Zone, an amount calculated by multiplying:
- 2263 (A) the difference between the taxable value and the base taxable value of the
- 2264 property that is located within a home ownership promotion zone and on which
- 2265 tax increment is collected; and
- 2266 (B) the number that represents the percentage of the tax increment that is paid to
- 2267 the home ownership promotion zone;
- 2268 (ix) for a first home investment zone created in accordance with Title 63N, Chapter

- 2269 3, Part 16, First Home Investment Zone Act, an amount calculated by multiplying:
- 2270 (A) the difference between the taxable value and the base taxable value of the
- 2271 property that is located within a first home investment zone and on which tax
- 2272 increment is collected; and
- 2273 (B) the number that represents the percentage of the tax increment that is paid to
- 2274 the first home investment zone;
- 2275 (x) for a major sporting event venue zone created ~~[pursuant to]~~ in accordance with
- 2276 Title 63N, Chapter 3, Part 17, Major Sporting Event Venue Zone Act, an amount
- 2277 calculated by multiplying:
- 2278 (A) the difference between the taxable value and the base taxable value of the
- 2279 property located within a qualified development zone for a major sporting
- 2280 event venue zone and upon which property tax increment is collected; and
- 2281 (B) the number that represents the percentage of tax increment that is paid to the
- 2282 major sporting event venue zone, as approved by a major sporting event venue
- 2283 zone committee described in Section 63N-1a-1706;~~[-or]~~
- 2284 (xi) for an electrical energy development zone created under Section 79-6-1104, the
- 2285 amount calculated by multiplying:
- 2286 (A) the difference between the taxable value and the base taxable value of the
- 2287 property that is located within the electrical energy developmental zone; and
- 2288 (B) the number that represents the percentage of the tax increment that is paid to a
- 2289 community reinvestment agency and the Electrical Energy Development
- 2290 Investment Fund created in Section 79-6-1105~~[-]~~ ; or
- 2291 (xii) for a regionally significant development zone created under Section 63N-3a-203,
- 2292 the amount calculated by multiplying:
- 2293 (A) the difference between the taxable value and the base taxable value of the
- 2294 property that is located within the regionally significant development zone; and
- 2295 (B) the number that represents the percentage of the tax increment that is paid to a
- 2296 creating entity's agency, as established by the committee in Section 63N-3a-204.
- 2297 (p)(i) "Locally assessed new growth" means the greater of:
- 2298 (A) zero; or
- 2299 (B) the amount calculated by subtracting the year end taxable value of real
- 2300 property the county assessor assesses in accordance with Part 3, County
- 2301 Assessment, for the previous year, adjusted for prior year end incremental
- 2302 value from the taxable value of real property the county assessor assesses in

- 2303 accordance with Part 3, County Assessment, for the current year, adjusted for
2304 current year incremental value.
- 2305 (ii) "Locally assessed new growth" does not include a change in:
- 2306 (A) value as a result of factoring in accordance with Section 59-2-704, reappraisal,
2307 or another adjustment;
- 2308 (B) assessed value based on whether a property is allowed a residential exemption
2309 for a primary residence under Section 59-2-103;
- 2310 (C) assessed value based on whether a property is assessed under Part 5, Farmland
2311 Assessment Act; or
- 2312 (D) assessed value based on whether a property is assessed under Part 17, Urban
2313 Farming Assessment Act.
- 2314 (q) "Project area" means:
- 2315 (i) for an authority created under Section 11-58-201, the same as that term is defined
2316 in Section 11-58-102;
- 2317 (ii) for the Utah Fairpark Area Investment and Restoration District created in Section
2318 11-70-201, the same as that term is defined in Section 11-70-101;
- 2319 (iii) for an agency created under Section 17C-1-201.5, the same as that term is
2320 defined in Section 17C-1-102;
- 2321 (iv) for an authority created under Section 63H-1-201, the same as that term is
2322 defined in Section 63H-1-102;
- 2323 (v) for a housing and transit reinvestment zone or convention center reinvestment
2324 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
2325 Reinvestment Zone Act, the same as that term is defined in Section 63N-3-602;
- 2326 (vi) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
2327 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
2328 5, Home Ownership Promotion Zone, the same as that term is defined in Section
2329 10-21-101 or Section 17-80-101;
- 2330 (vii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
2331 First Home Investment Zone Act, the same as that term is defined in Section
2332 63N-3-1601;[-or]
- 2333 (viii) for a major sporting event venue zone established under Title 63N, Chapter 3,
2334 Part 17, Major Sporting Event Venue Zone Act, the qualified development zone,
2335 as defined in Section 63N-3-1701[-] ;or
- 2336 (ix) for a regionally significant development zone created under Title 63N, Chapter

2337 3a, Part 2, Creation of Regionally Significant Development Zones, the qualified
 2338 development zone, as defined in Section 63N-3a-204.

2339 (r) "Project area new growth" means:

2340 (i) for an authority created under Section 11-58-201, an amount equal to the
 2341 incremental value that is no longer provided to an authority as property tax
 2342 differential;

2343 (ii) for the Point of the Mountain State Land Authority created in Section 11-59-201,
 2344 an amount equal to the incremental value that is no longer provided to the Point of
 2345 the Mountain State Land Authority as property tax augmentation, as defined in
 2346 Section 11-59-207;

2347 (iii) for the Utah Fairpark Area Investment and Restoration District created in Section
 2348 11-70-201, an amount equal to the incremental value that is no longer provided to
 2349 the Utah Fairpark Area Investment and Restoration District;

2350 (iv) for an agency created under Section 17C-1-201.5, an amount equal to the
 2351 incremental value that is no longer provided to an agency as tax increment;

2352 (v) for an authority created under Section 63H-1-201, an amount equal to the
 2353 incremental value that is no longer provided to an authority as property tax
 2354 allocation;

2355 (vi) for a housing and transit reinvestment zone or convention center reinvestment
 2356 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
 2357 Reinvestment Zone Act, an amount equal to the incremental value that is no
 2358 longer provided to a housing and transit reinvestment zone or convention center
 2359 reinvestment zone as tax increment;

2360 (vii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
 2361 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
 2362 5, Home Ownership Promotion Zone, an amount equal to the incremental value
 2363 that is no longer provided to a home ownership promotion zone as tax increment;

2364 (viii) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
 2365 First Home Investment Zone Act, an amount equal to the incremental value that is
 2366 no longer provided to a first home investment zone as tax increment;~~[-or]~~

2367 (ix) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17,
 2368 Major Sporting Event Venue Zone Act, an amount equal to the incremental value
 2369 that is no longer provided to the creating entity of a major sporting event venue
 2370 zone as property tax increment~~[-]~~ ; or

- 2371 (x) for a regionally significant development zone created under Title 63N, Chapter
2372 3a, Part 2, Creation of Regionally Significant Development Zones, an amount
2373 equal to the incremental value that is no longer provided to the creating entity's
2374 agency for the regionally significant development zone.
- 2375 (s) "Project area incremental revenue" means the same as that term is defined in Section
2376 17C-1-1001.
- 2377 (t) "Property tax allocation" means the same as that term is defined in Section 63H-1-102.
- 2378 (u) "Property tax differential" means the same as that term is defined in Sections
2379 11-58-102 and 79-6-1104.
- 2380 (v) "Tax increment" means:
- 2381 (i) for a project created under Section 17C-1-201.5, the same as that term is defined
2382 in Section 17C-1-102;
- 2383 (ii) for a housing and transit reinvestment zone or convention center reinvestment
2384 zone created under Title 63N, Chapter 3, Part 6, Housing and Transit
2385 Reinvestment Zone Act, the same as the term "property tax increment" is defined
2386 in Section 63N-3-602;
- 2387 (iii) for a home ownership promotion zone created under Title 10, Chapter 21, Part 5,
2388 Home Ownership Promotion Zone for Municipalities, or Title 17, Chapter 80, Part
2389 5, Home Ownership Promotion Zone, the same as that term is defined in Section
2390 10-21-101 or Section 17-80-101;
- 2391 (iv) for a first home investment zone created under Title 63N, Chapter 3, Part 16,
2392 First Home Investment Zone Act, the same as that term is defined in Section
2393 63N-3-1601;~~[-or]~~
- 2394 (v) for a major sporting event venue zone created under Title 63N, Chapter 3, Part 17,
2395 Major Sporting Event Venue Zone Act, property tax increment, as that term is
2396 defined in Section 63N-3-1701[-] ; or
- 2397 (vi) for a regionally significant development zone created under Title 63N, Chapter
2398 3a, Part 2, Creation of Regionally Significant Development Zones, the same as the
2399 term "property tax increment" is defined in Section 63N-3a-101.
- 2400 (2) Before June 1 of each year, each county assessor shall deliver to the county auditor and
2401 the commission the following statements:
- 2402 (a) a statement containing the aggregate valuation of all taxable real property a county
2403 assessor assesses in accordance with Part 3, County Assessment, for each taxing
2404 entity; and

- 2405 (b) a statement containing the taxable value of all personal property a county assessor
2406 assesses in accordance with Part 3, County Assessment, from the prior year end
2407 values.
- 2408 (3) The county auditor shall, on or before June 8, transmit to the governing body of each
2409 taxing entity:
- 2410 (a) the statements described in Subsections (2)(a) and (b);
- 2411 (b) an estimate of the revenue from personal property;
- 2412 (c) the certified tax rate; and
- 2413 (d) all forms necessary to submit a tax levy request.
- 2414 (4)(a) Except as otherwise provided in this section, the certified tax rate shall be
2415 calculated by dividing the ad valorem property tax revenue that a taxing entity
2416 budgeted for the prior year by the amount calculated under Subsection (4)(b).
- 2417 (b) For purposes of Subsection (4)(a), the legislative body of a taxing entity shall
2418 calculate an amount as follows:
- 2419 (i) calculate for the taxing entity the difference between:
- 2420 (A) the aggregate taxable value of all property taxed; and
- 2421 (B) any adjustments for current year incremental value;
- 2422 (ii) after making the calculation required by Subsection (4)(b)(i), calculate an amount
2423 determined by increasing or decreasing the amount calculated under Subsection
2424 (4)(b)(i) by the average of the percentage net change in the value of taxable
2425 property for the equalization period for the three calendar years immediately
2426 preceding the current calendar year;
- 2427 (iii) after making the calculation required by Subsection (4)(b)(ii), calculate the
2428 product of:
- 2429 (A) the amount calculated under Subsection (4)(b)(ii); and
- 2430 (B) the percentage of property taxes collected for the five calendar years
2431 immediately preceding the current calendar year; and
- 2432 (iv) after making the calculation required by Subsection (4)(b)(iii), calculate an
2433 amount determined by:
- 2434 (A) multiplying the percentage of property taxes collected for the five calendar
2435 years immediately preceding the current calendar year by eligible new growth;
2436 and
- 2437 (B) subtracting the amount calculated under Subsection (4)(b)(iv)(A) from the
2438 amount calculated under Subsection (4)(b)(iii).

- 2439 (5) A certified tax rate for a taxing entity described in this Subsection (5) shall be calculated
2440 as follows:
- 2441 (a) except as provided in Subsection (5)(b) or (c), for a new taxing entity, the certified
2442 tax rate is zero;
- 2443 (b) for a municipality incorporated on or after July 1, 1996, the certified tax rate is:
- 2444 (i) in a county of the first, second, or third class, the levy imposed for municipal-type
2445 services under Title 17, Chapter 78, Part 5, Provision of Municipal-Type Services
2446 to Unincorporated Areas; and
- 2447 (ii) in a county of the fourth, fifth, or sixth class, the levy imposed for general county
2448 purposes and such other levies imposed solely for the municipal-type services
2449 identified in Section 17-78-501 and Subsection 17-63-101(23);
- 2450 (c) for a community reinvestment agency that received all or a portion of a taxing
2451 entity's project area incremental revenue in the prior year under Title 17C, Chapter 1,
2452 Part 10, Agency Taxing Authority, the certified tax rate is calculated as described in
2453 Subsection (4) except that the commission shall treat the total revenue transferred to
2454 the community reinvestment agency as ad valorem property tax revenue that the
2455 taxing entity budgeted for the prior year; and
- 2456 (d) for debt service voted on by the public, the certified tax rate is the actual levy
2457 imposed by that section, except that a certified tax rate for the following levies shall
2458 be calculated in accordance with Section 59-2-913 and this section:
- 2459 (i) a school levy provided for under Section 53F-8-301, 53F-8-302, or 53F-8-303; and
2460 (ii) a levy to pay for the costs of state legislative mandates or judicial or
2461 administrative orders under Section 59-2-1602.
- 2462 (6)(a) A taxing entity may impose a judgment levy under Section 59-2-1328 or
2463 59-2-1330 at a rate that is sufficient to generate only the revenue required to satisfy
2464 one or more eligible judgments.
- 2465 (b) The ad valorem property tax revenue generated by a judgment levy described in
2466 Subsection (6)(a) may not be considered in establishing a taxing entity's aggregate
2467 certified tax rate.
- 2468 (7)(a) For the purpose of calculating the certified tax rate, the county auditor shall use:
- 2469 (i) the taxable value of real property:
- 2470 (A) the county assessor assesses in accordance with Part 3, County Assessment;
2471 and
2472 (B) contained on the assessment roll;

- 2473 (ii) the year end taxable value of personal property:
- 2474 (A) a county assessor assesses in accordance with Part 3, County Assessment; and
- 2475 (B) contained on the prior year's assessment roll; and
- 2476 (iii) the taxable value of real and personal property the commission assesses in
- 2477 accordance with Part 2, Assessment of Property.
- 2478 (b) For purposes of Subsection (7)(a), taxable value does not include eligible new
- 2479 growth.
- 2480 (8)(a) On or before June 30 of each year, a taxing entity shall adopt a tentative budget.
- 2481 (b) If a taxing entity intends to exceed the certified tax rate, the taxing entity shall notify
- 2482 the county auditor of:
- 2483 (i) the taxing entity's intent to exceed the certified tax rate; and
- 2484 (ii) the amount by which the taxing entity proposes to exceed the certified tax rate.
- 2485 (c) The county auditor shall notify property owners of any intent to levy a tax rate that
- 2486 exceeds the certified tax rate in accordance with Sections 59-2-919 and 59-2-919.1.
- 2487 (9)(a) Subject to Subsection (9)(d), the commission shall provide notice, through
- 2488 electronic means on or before July 31, to a taxing entity and the Revenue and
- 2489 Taxation Interim Committee if:
- 2490 (i) the amount calculated under Subsection (9)(b) is 10% or more of the year end
- 2491 taxable value of the real and personal property the commission assesses in
- 2492 accordance with Part 2, Assessment of Property, for the previous year, adjusted
- 2493 for prior year end incremental value; and
- 2494 (ii) the amount calculated under Subsection (9)(c) is 50% or more of the total year
- 2495 end taxable value of the real and personal property of a taxpayer the commission
- 2496 assesses in accordance with Part 2, Assessment of Property, for the previous year.
- 2497 (b) For purposes of Subsection (9)(a)(i), the commission shall calculate an amount by
- 2498 subtracting the taxable value of real and personal property the commission assesses
- 2499 in accordance with Part 2, Assessment of Property, for the current year, adjusted for
- 2500 current year incremental value, from the year end taxable value of the real and
- 2501 personal property the commission assesses in accordance with Part 2, Assessment of
- 2502 Property, for the previous year, adjusted for prior year end incremental value.
- 2503 (c) For purposes of Subsection (9)(a)(ii), the commission shall calculate an amount by
- 2504 subtracting the total taxable value of real and personal property of a taxpayer the
- 2505 commission assesses in accordance with Part 2, Assessment of Property, for the
- 2506 current year, from the total year end taxable value of the real and personal property of

2507 a taxpayer the commission assesses in accordance with Part 2, Assessment of
2508 Property, for the previous year.

2509 (d) The notification under Subsection (9)(a) shall include a list of taxpayers that meet the
2510 requirement under Subsection (9)(a)(ii).

2511 Section 36. Section **59-35-101** is enacted to read:

2512 **CHAPTER 35. County Energy Excise Tax Act**

2513 **59-35-101 (Effective 05/06/26). Definitions.**

2514 As used in this chapter:

2515 (1) "Delivered value" means the fair market value of energy delivered for use and includes:

2516 (a) the value of the energy itself; and

2517 (b) any transportation, freight, customer demand charges, services charges, or other
2518 costs typically incurred in providing energy in usable form.

2519 (2) "Energy" means gas and electricity.

2520 (3) "Energy supplier" means a person supplying energy.

2521 (4) "High-impact consumer" means:

2522 (a) a large load customer; or

2523 (b) a qualifying data center.

2524 (5) "Large load customer" means the same as that term is defined in Section 54-26-101.

2525 (6) "Qualifying data center" means the same as that term is defined in Section 59-12-102.

2526 (7) "Regional economic development authority" means:

2527 (a) the Military Installation Development Authority created in Section 63H-1-201;

2528 (b) the Point of the Mountain State Land Authority created in Section 11-59-201; and

2529 (c) the Utah Fairpark Area Investment and Restoration District created in Section
2530 11-70-201.

2531 Section 37. Section **59-35-201** is enacted to read:

2532 **59-35-201 (Effective 05/06/26). County energy excise tax -- Rate -- Effective date**

2533 **-- Notice requirements.**

2534 (1) A county may levy an excise tax for the delivered value of energy upon a high-impact
2535 consumer located:

2536 (a) within the county; and

2537 (b) on unincorporated land.

2538 (2)(a) Subject to Section 59-35-202, a county may impose the tax levied under

2539 Subsection (1) at a maximum rate of 6% of the delivered value of the energy to the
2540 high-impact consumer.

2541 (b) A high-impact consumer that qualifies as both a large load customer and a qualifying
 2542 data center is only subject to one excise tax described in this section.

2543 (3)(a) An energy supplier that delivers energy to a high-impact consumer is responsible
 2544 for collecting and remitting a tax described in this section to the commission on a
 2545 quarterly basis in the same manner that the energy supplier collects and remits sales
 2546 and use tax.

2547 (b) For purposes of determining the point of sale for the delivered value of energy, the
 2548 energy supplier shall use the location of the high-impact consumer's meter.

2549 (c) If an energy supplier passes along the cost of a tax imposed under this chapter to the
 2550 high-impact consumer, the energy supplier shall indicate to the high-impact
 2551 consumer that the tax is passed through by the energy supplier as a separately
 2552 itemized charge.

2553 (4) A county that imposes or repeals the tax under this chapter, or modifies the rate of a tax
 2554 imposed under this chapter, shall ensure county's action takes effect:

2555 (a) on the first day of a calendar quarter; and

2556 (b) after a 90-day period beginning on the date the county sends notice to the tax
 2557 commission as described in Subsection (5).

2558 (5) A notice described in Subsection (4)(b) shall include:

2559 (a) that the county is imposing or repealing a tax under this chapter, or modifying the
 2560 rate of a tax imposed under this chapter;

2561 (b) the tax rate, if applicable; and

2562 (c) the effective date of the tax.

2563 (6) A county excise tax imposed under this chapter is in addition to any sales and use tax
 2564 imposed by the county under Title 59, Chapter 12, Sales and Use Tax Act.

2565 Section 38. Section **59-35-202** is enacted to read:

2566 **59-35-202 (Effective 05/06/26). High-impact consumers in certain project areas.**

2567 If a high-impact consumer is subject to a municipal energy sales and use tax, as
 2568 described in Title 10, Chapter 1, Part 3, Municipal Energy Sales and Use Tax Act, that is
 2569 levied by a regional land use economic development authority, the county may levy a tax
 2570 described in Section 59-35-201 on the high-impact consumer only:

2571 (1) to the extent that the regional economic development authority does not levy the
 2572 maximum rate described in Section 10-1-304; and

2573 (2) at a rate that ensures the combined rate of the tax described in this section and the
 2574 municipal energy sales and use tax levied on the high-impact consumer does not exceed

2575 6%.

2576 Section 39. Section **59-35-301** is enacted to read:

2577 **59-35-301 (Effective 05/06/26). Administration, collection, and enforcement --**
2578 **Rulemaking.**

2579 (1) The commission shall administer, collect, and enforce a tax under this chapter in
2580 accordance with Chapter 1, General Taxation Policies.

2581 (2) Subject to Section 59-1-306, the commission shall:

2582 (a) deposit 10% of the revenue the commission collects from a tax under this chapter
2583 into the State Reinvestment Restricted Account created in Section 51-9-1002; and

2584 (b) distribute 90% of the revenue to the county that levied the tax.

2585 (3) The commission shall make rules in accordance with Title 63G, Chapter 3, Utah
2586 Administrative Rulemaking Act, about the delivered value of taxable energy.

2587 (4) The rules made under Subsection (3) shall:

2588 (a) provide that an arm's length sales price for taxable energy sold or used by a
2589 high-impact consumer is the delivered value to the high-impact consumer, unless the
2590 sales price does not include some portion of the taxable energy or component of
2591 delivered value; and

2592 (b) establish one or more default methods for determining the delivered value one time
2593 per calendar year on or before January 31 for taxable energy when the commission
2594 determines that the sales price does not accurately reflect delivered value.

2595 (5) In establishing a default method under Subsection (4)(b), the commission:

2596 (a) shall take into account quantity discounts and other reductions or increases in value
2597 that are generally available in the marketplace for various grades or types of property
2598 and classes of services; and

2599 (b) may consider:

2600 (i) generally applicable tariffs for various classes of utility services approved by the
2601 Public Service Commission or other governmental entity;

2602 (ii) posted prices;

2603 (iii) spot-market prices;

2604 (iv) trade publications;

2605 (v) market data; and

2606 (vi) other information and data prescribed by the commission.

2607 *The following section is affected by a coordination clause at the end of this bill.*

2608 Section 40. Section **63G-2-206** is amended to read:

2609 **63G-2-206 (Effective 05/06/26). Sharing records.**

- 2610 (1) A governmental entity may provide a record that is private, controlled, or protected to
2611 another governmental entity, a government-managed corporation, a political
2612 subdivision, the federal government, or another state if the requesting entity:
2613 (a) serves as a repository or archives for purposes of historical preservation,
2614 administrative maintenance, or destruction;
2615 (b) enforces, litigates, or investigates civil, criminal, or administrative law, and the
2616 record is necessary to a proceeding or investigation;
2617 (c) is authorized by state statute to conduct an audit and the record is needed for that
2618 purpose;
2619 (d) is one that collects information for presentence, probationary, or parole purposes; or
2620 (e)(i) is:
2621 (A) the Legislature;
2622 (B) a legislative committee;
2623 (C) a member of the Legislature; or
2624 (D) a legislative staff member acting at the request of the Legislature, a legislative
2625 committee, or a member of the Legislature; and
2626 (ii) requests the record in relation to the Legislature's duties including:
2627 (A) the preparation or review of a legislative proposal or legislation;
2628 (B) appropriations; or
2629 (C) an investigation or review conducted by the Legislature or a legislative
2630 committee.
- 2631 (2)(a) A governmental entity may provide a private, controlled, or protected record or
2632 record series to another governmental entity, a political subdivision, a
2633 government-managed corporation, the federal government, or another state if the
2634 requesting entity provides written assurance:
2635 (i) that the record or record series is necessary to the performance of the
2636 governmental entity's duties and functions;
2637 (ii) that the record or record series will be used for a purpose similar to the purpose
2638 for which the information in the record or record series was collected or obtained;
2639 and
2640 (iii) that the use of the record or record series produces a public benefit that is greater
2641 than or equal to the individual privacy right that protects the record or record
2642 series.

- 2643 (b) A governmental entity may provide a private, controlled, or protected record or
2644 record series to a contractor or a private provider according to the requirements of
2645 Subsection [~~(6)(b)~~] (7)(b).
- 2646 (3)(a) A governmental entity shall provide a private, controlled, or protected record to
2647 another governmental entity, a political subdivision, a government-managed
2648 corporation, the federal government, or another state if the requesting entity:
2649 (i) is entitled by law to inspect the record;
2650 (ii) is required to inspect the record as a condition of participating in a state or federal
2651 program or for receiving state or federal funds; or
2652 (iii) is an entity described in Subsection (1)(a), (b), (c), (d), or (e).
- 2653 (b) Subsection (3)(a)(iii) applies only if the record is a record described in Subsection
2654 63G-2-305(4).
- 2655 (4) A record that is classified as protected as economic development information under
2656 Subsection 63G-2-305(2)(b):
2657 (a) may be provided by the governmental entity that possesses the record and classified
2658 the record as protected to another governmental entity in lieu of the second
2659 governmental entity entering into a nondisclosure agreement with the person that
2660 requested the record be treated as protected under Section 63G-2-309;
2661 (b) may be shared with the following entities when the entities are considering an
2662 economic development project:
2663 (i) the Governor's Office of Economic Opportunity;
2664 (ii) the Utah Inland Port Authority created in Section 11-58-201;
2665 (iii) the Military Installation Development Authority created in Section 63H-1-201;
2666 (iv) the Point of the Mountain State Land Authority created in Section 11-59-201;
2667 (v) the Utah Fairpark Area Investment and Restoration District created in Section
2668 11-70-201;
2669 (vi) a county where the economic development opportunity may take place or be
2670 sited; and
2671 (vii) a municipality where the economic development opportunity may take place or
2672 be sited;
2673 (c) remains protected when shared as described in this Subsection (4); and
2674 (d) shall be treated as a protected record by any governmental entity that receives the
2675 record in accordance with this Subsection (4).
- 2676 (5) Before disclosing a record or record series under this section to another governmental

- 2677 entity, another state, the United States, a foreign government, or to a contractor or
2678 private provider, the originating governmental entity shall:
- 2679 (a) inform the recipient of the record's classification and the accompanying restrictions
2680 on access; and
- 2681 (b) if the recipient is not a governmental entity to which this chapter applies, obtain the
2682 recipient's written agreement which may be by mechanical or electronic transmission
2683 that it will abide by those restrictions on access unless a statute, federal regulation, or
2684 interstate agreement otherwise governs the sharing of the record or record series.
- 2685 ~~[(5)]~~ (6) A governmental entity may disclose a record to another state, the United States, or
2686 a foreign government for the reasons listed in Subsections (1) and (2) without complying
2687 with the procedures of Subsection (2) or ~~[(4)]~~ (5) if disclosure is authorized by executive
2688 agreement, treaty, federal statute, compact, federal regulation, or state statute.
- 2689 ~~[(6)]~~ (7)(a) Subject to Subsections ~~[(6)(b)]~~ (7)(b) and (c), an entity receiving a record
2690 under this section is subject to the same restrictions on disclosure of the record as the
2691 originating entity.
- 2692 (b) A contractor or a private provider may receive information under this section only if:
- 2693 (i) the contractor or private provider's use of the record or record series produces a
2694 public benefit that is greater than or equal to the individual privacy right that
2695 protects the record or record series;
- 2696 (ii) the record or record series it requests:
- 2697 (A) is necessary for the performance of a contract with a governmental entity;
- 2698 (B) will only be used for the performance of the contract with the governmental
2699 entity;
- 2700 (C) will not be disclosed to any other person; and
- 2701 (D) will not be used for advertising or solicitation purposes; and
- 2702 (iii) the contractor or private provider gives written assurance to the governmental
2703 entity that is providing the record or record series that ~~[it]~~ the contractor or private
2704 provider will adhere to the restrictions of this Subsection ~~[(6)(b)]~~ (7)(b).
- 2705 (c) The classification of a record already held by a governmental entity and the
2706 applicable restrictions on disclosure of that record are not affected by the
2707 governmental entity's receipt under this section of a record with a different
2708 classification that contains information that is also included in the previously held
2709 record.
- 2710 ~~[(7)]~~ (8) Notwithstanding any other provision of this section, if a more specific court rule or

2711 order, state statute, federal statute, or federal regulation prohibits or requires sharing
2712 information, that rule, order, statute, or federal regulation controls.

2713 [~~(8)~~] (9)(a) The following records may not be shared under this section:

2714 (i) records held by the Division of Oil, Gas, and Mining that pertain to any person
2715 and that are gathered under authority of Title 40, Chapter 6, Board and Division of
2716 Oil, Gas, and Mining;

2717 (ii) except as provided in Subsection [~~(8)(b)~~] (9)(b), records of publicly funded
2718 libraries as described in Subsection 63G-2-302(1)(c); and

2719 (iii) a record described in Section 63G-12-210.

2720 (b) A publicly funded library may share a record that is a private record under
2721 Subsection 63G-2-302(1)(c) with a law enforcement agency, as defined in Section
2722 53-1-102, if:

2723 (i) the record is a video surveillance recording of the library premises; and

2724 (ii) the law enforcement agency certifies in writing that:

2725 (A) the law enforcement agency believes that the record will provide important
2726 information for a pending investigation into criminal or potentially criminal
2727 behavior; and

2728 (B) the law enforcement agency's receipt of the record will assist the agency to
2729 prevent imminent harm to an individual or imminent and substantial damage to
2730 property.

2731 [~~(9)~~] (10) Records that may evidence or relate to a violation of law may be disclosed to a
2732 government prosecutor, peace officer, or auditor.

2733 Section 41. Section **63G-2-305** is amended to read:

2734 **63G-2-305 (Effective 05/06/26). Protected records.**

2735 The following records are protected if properly classified by a governmental entity:

2736 (1) trade secrets as defined in Section 13-24-2 if the person submitting the trade secret [~~has~~
2737 ~~provided~~] provides the governmental entity with the information specified in Section
2738 63G-2-309;

2739 (2)(a) commercial information or nonindividual financial information obtained from a
2740 person if:

2741 [~~(a)~~] (i) disclosure of the information could reasonably be expected to result in unfair
2742 competitive injury to the person submitting the information or would impair the
2743 ability of the governmental entity to obtain necessary information in the future;

2744 [~~(b)~~] (ii) the person submitting the information has a greater interest in prohibiting

- 2745 access than the public in obtaining access; and
- 2746 ~~[(e)]~~ (iii) the person submitting the information [has provided] provides the
- 2747 governmental entity with the information specified in Section 63G-2-309; or
- 2748 (b) confidential economic development information:
- 2749 (i)(A) if the information is related to an economic development opportunity;
- 2750 (B) that a person provides to a governmental entity involved with recruiting or
- 2751 negotiating with the person to expand the person's existing business within the
- 2752 state or bring a new business to the state; and
- 2753 (C) if the person submitting the information provides the governmental entity with
- 2754 the information specified in Section 63G-2-309; or
- 2755 (ii) that takes the form of a nondisclosure agreement between a person and a
- 2756 governmental entity exploring an economic development opportunity;
- 2757 (3) commercial or financial information acquired or prepared by a governmental entity to
- 2758 the extent that disclosure would lead to financial speculations in currencies, securities, or
- 2759 commodities that will interfere with a planned transaction by the governmental entity or
- 2760 cause substantial financial injury to the governmental entity or state economy;
- 2761 (4) records, the disclosure of which could cause commercial injury to, or confer a
- 2762 competitive advantage upon a potential or actual competitor of, a commercial project
- 2763 entity as defined in Subsection 11-13-103(4);
- 2764 (5) test questions and answers to be used in future license, certification, registration,
- 2765 employment, or academic examinations;
- 2766 (6) records, the disclosure of which would impair governmental procurement proceedings
- 2767 or give an unfair advantage to any person proposing to enter into a contract or agreement
- 2768 with a governmental entity, except, subject to Subsections (1) and (2), that this
- 2769 Subsection (6) does not restrict the right of a person to have access to, after the contract
- 2770 or grant has been awarded and signed by all parties:
- 2771 (a) a bid, proposal, application, or other information submitted to or by a governmental
- 2772 entity in response to:
- 2773 (i) an invitation for bids;
- 2774 (ii) a request for proposals;
- 2775 (iii) a request for quotes;
- 2776 (iv) a grant; or
- 2777 (v) other similar document; or
- 2778 (b) an unsolicited proposal, as defined in Section 63G-6a-712;

- 2779 (7) information submitted to or by a governmental entity in response to a request for
2780 information, except, subject to Subsections (1) and (2), that this Subsection (7) does not
2781 restrict the right of a person to have access to the information, after:
- 2782 (a) a contract directly relating to the subject of the request for information has been
2783 awarded and signed by all parties; or
- 2784 (b)(i) a final determination is made not to enter into a contract that relates to the
2785 subject of the request for information; and
- 2786 (ii) at least two years have passed after the day on which the request for information
2787 is issued;
- 2788 (8) records that would identify real property or the appraisal or estimated value of real or
2789 personal property, including intellectual property, under consideration for public
2790 acquisition before any rights to the property are acquired unless:
- 2791 (a) public interest in obtaining access to the information is greater than or equal to the
2792 governmental entity's need to acquire the property on the best terms possible;
- 2793 (b) the information has already been disclosed to persons not employed by or under a
2794 duty of confidentiality to the entity;
- 2795 (c) in the case of records that would identify property, potential sellers of the described
2796 property have already learned of the governmental entity's plans to acquire the
2797 property;
- 2798 (d) in the case of records that would identify the appraisal or estimated value of
2799 property, the potential sellers have already learned of the governmental entity's
2800 estimated value of the property; or
- 2801 (e) the property under consideration for public acquisition is a single family residence
2802 and the governmental entity seeking to acquire the property has initiated negotiations
2803 to acquire the property as required under Section 78B-6-505;
- 2804 (9) records prepared in contemplation of sale, exchange, lease, rental, or other compensated
2805 transaction of real or personal property including intellectual property, which, if
2806 disclosed prior to completion of the transaction, would reveal the appraisal or estimated
2807 value of the subject property, unless:
- 2808 (a) the public interest in access is greater than or equal to the interests in restricting
2809 access, including the governmental entity's interest in maximizing the financial
2810 benefit of the transaction; or
- 2811 (b) when prepared by or on behalf of a governmental entity, appraisals or estimates of
2812 the value of the subject property have already been disclosed to persons not

- 2813 employed by or under a duty of confidentiality to the entity;
- 2814 (10) records created or maintained for civil, criminal, or administrative enforcement
- 2815 purposes or audit purposes, or for discipline, licensing, certification, or registration
- 2816 purposes, if release of the records:
- 2817 (a) reasonably could be expected to interfere with investigations undertaken for
- 2818 enforcement, discipline, licensing, certification, or registration purposes;
- 2819 (b) reasonably could be expected to interfere with audits, disciplinary, or enforcement
- 2820 proceedings;
- 2821 (c) would create a danger of depriving a person of a right to a fair trial or impartial
- 2822 hearing;
- 2823 (d) reasonably could be expected to disclose the identity of a source who is not generally
- 2824 known outside of government and, in the case of a record compiled in the course of
- 2825 an investigation, disclose information furnished by a source not generally known
- 2826 outside of government if disclosure would compromise the source; or
- 2827 (e) reasonably could be expected to disclose investigative or audit techniques,
- 2828 procedures, policies, or orders not generally known outside of government if
- 2829 disclosure would interfere with enforcement or audit efforts;
- 2830 (11) records the disclosure of which would jeopardize the life or safety of an individual;
- 2831 (12) records the disclosure of which would jeopardize the security of governmental
- 2832 property, governmental programs, or governmental recordkeeping systems from
- 2833 damage, theft, or other appropriation or use contrary to law or public policy;
- 2834 (13) records that, if disclosed, would jeopardize the security or safety of a correctional
- 2835 facility, or records relating to incarceration, treatment, probation, or parole, that would
- 2836 interfere with the control and supervision of an offender's incarceration, treatment,
- 2837 probation, or parole;
- 2838 (14) records that, if disclosed, would reveal recommendations made to the Board of
- 2839 Pardons and Parole by an employee of or contractor for the Department of Corrections,
- 2840 the Board of Pardons and Parole, or the Department of Health and Human Services that
- 2841 are based on the employee's or contractor's supervision, diagnosis, or treatment of any
- 2842 person within the board's jurisdiction;
- 2843 (15) records and audit workpapers that identify audit, collection, and operational procedures
- 2844 and methods used by the State Tax Commission, if disclosure would interfere with
- 2845 audits or collections;
- 2846 (16) records of a governmental audit agency relating to an ongoing or planned audit until

- 2847 the final audit is released;
- 2848 (17) records that are subject to the attorney client privilege;
- 2849 (18) records prepared for or by an attorney, consultant, surety, indemnitor, insurer,
2850 employee, or agent of a governmental entity for, or in anticipation of, litigation or a
2851 judicial, quasi-judicial, or administrative proceeding;
- 2852 (19)(a)(i) personal files of a state legislator, including personal correspondence to or
2853 from a member of the Legislature; and
- 2854 (ii) notwithstanding Subsection (19)(a)(i), correspondence that gives notice of
2855 legislative action or policy may not be classified as protected under this section;
2856 and
- 2857 (b)(i) an internal communication that is part of the deliberative process in connection
2858 with the preparation of legislation between:
- 2859 (A) members of a legislative body;
- 2860 (B) a member of a legislative body and a member of the legislative body's staff; or
2861 (C) members of a legislative body's staff; and
- 2862 (ii) notwithstanding Subsection (19)(b)(i), a communication that gives notice of
2863 legislative action or policy may not be classified as protected under this section;
- 2864 (20)(a) records in the custody or control of the Office of Legislative Research and
2865 General Counsel, that, if disclosed, would reveal a particular legislator's
2866 contemplated legislation or contemplated course of action before the legislator has
2867 elected to support the legislation or course of action, or made the legislation or course
2868 of action public; and
- 2869 (b) notwithstanding Subsection (20)(a), the form to request legislation submitted to the
2870 Office of Legislative Research and General Counsel is a public document unless a
2871 legislator asks that the records requesting the legislation be maintained as protected
2872 records until such time as the legislator elects to make the legislation or course of
2873 action public;
- 2874 (21) a research request from a legislator to a legislative staff member and research findings
2875 prepared in response to the request;
- 2876 (22) drafts, unless otherwise classified as public;
- 2877 (23) records concerning a governmental entity's strategy about:
- 2878 (a) collective bargaining; or
2879 (b) imminent or pending litigation;
- 2880 (24) records of investigations of loss occurrences and analyses of loss occurrences that may

- 2881 be covered by the Risk Management Fund, the Employers' Reinsurance Fund, the
2882 Uninsured Employers' Fund, or similar divisions in other governmental entities;
- 2883 (25) records, other than personnel evaluations, that contain a personal recommendation
2884 concerning an individual if disclosure would constitute a clearly unwarranted invasion
2885 of personal privacy, or disclosure is not in the public interest;
- 2886 (26) records that reveal the location of historic, prehistoric, paleontological, or biological
2887 resources that if known would jeopardize the security of those resources or of valuable
2888 historic, scientific, educational, or cultural information;
- 2889 (27) records of independent state agencies if the disclosure of the records would conflict
2890 with the fiduciary obligations of the agency;
- 2891 (28) records of an institution of higher education defined in Section 53H-1-101 regarding
2892 tenure evaluations, appointments, applications for admissions, retention decisions, and
2893 promotions, which could be properly discussed in a meeting closed in accordance with
2894 Title 52, Chapter 4, Open and Public Meetings Act, provided that records of the final
2895 decisions about tenure, appointments, retention, promotions, or those students admitted,
2896 may not be classified as protected under this section;
- 2897 (29) records of the governor's office, including budget recommendations, legislative
2898 proposals, and policy statements, that if disclosed would reveal the governor's
2899 contemplated policies or contemplated courses of action before the governor has
2900 implemented or rejected those policies or courses of action or made them public;
- 2901 (30) records of the Office of the Legislative Fiscal Analyst relating to budget analysis,
2902 revenue estimates, and fiscal notes of proposed legislation before issuance of the final
2903 recommendations in these areas;
- 2904 (31) records provided by the United States or by a government entity outside the state that
2905 are given to the governmental entity with a requirement that they be managed as
2906 protected records if the providing entity certifies that the record would not be subject to
2907 public disclosure if retained by it;
- 2908 (32) transcripts, minutes, recordings, or reports of the closed portion of a meeting of a
2909 public body except as provided in Section 52-4-206;
- 2910 (33) records that would reveal the contents of settlement negotiations but not including final
2911 settlements or empirical data to the extent that they are not otherwise exempt from
2912 disclosure;
- 2913 (34) memoranda prepared by staff and used in the decision-making process by an
2914 administrative law judge, a member of the Board of Pardons and Parole, or a member of

- 2915 any other body charged by law with performing a quasi-judicial function;
- 2916 (35) records that would reveal negotiations regarding assistance or incentives offered by or
2917 requested from a governmental entity for the purpose of encouraging a person to expand
2918 or locate a business in Utah, but only if disclosure would result in actual economic harm
2919 to the person or place the governmental entity at a competitive disadvantage, but this
2920 section may not be used to restrict access to a record evidencing a final contract;
- 2921 (36) materials to which access must be limited for purposes of securing or maintaining the
2922 governmental entity's proprietary protection of intellectual property rights including
2923 patents, copyrights, and trade secrets;
- 2924 (37) the name of a donor or a prospective donor to a governmental entity, including an
2925 institution of higher education defined in Section 53H-1-101, and other information
2926 concerning the donation that could reasonably be expected to reveal the identity of the
2927 donor, provided that:
- 2928 (a) the donor requests anonymity in writing;
- 2929 (b) any terms, conditions, restrictions, or privileges relating to the donation may not be
2930 classified protected by the governmental entity under this Subsection (37); and
- 2931 (c) except for an institution of higher education defined in Section 53H-1-101, the
2932 governmental unit to which the donation is made is primarily engaged in educational,
2933 charitable, or artistic endeavors, and has no regulatory or legislative authority over
2934 the donor, a member of the donor's immediate family, or any entity owned or
2935 controlled by the donor or the donor's immediate family;
- 2936 (38) accident reports, except as provided in Sections 41-6a-404, 41-12a-202, and 73-18-13;
- 2937 (39) a notification of workers' compensation insurance coverage described in Section
2938 34A-2-205;
- 2939 (40) subject to Subsections (40)(g) and (h), the following records of an institution of higher
2940 education defined in Section 53H-1-101, which have been developed, discovered,
2941 disclosed to, or received by or on behalf of faculty, staff, employees, or students of the
2942 institution:
- 2943 (a) unpublished lecture notes;
- 2944 (b) unpublished notes, data, and information:
- 2945 (i) relating to research; and
- 2946 (ii) of:
- 2947 (A) the institution of higher education defined in Section 53H-1-101; or
- 2948 (B) a sponsor of sponsored research;

- 2949 (c) unpublished manuscripts;
- 2950 (d) creative works in process;
- 2951 (e) scholarly correspondence; ~~and~~
- 2952 (f) confidential information contained in research proposals;
- 2953 (g) this Subsection (40) may not be construed to prohibit disclosure of public
- 2954 information required pursuant to Subsection 53H-14-202(2)(a) or (b); and
- 2955 (h) this Subsection (40) may not be construed to affect the ownership of a record;
- 2956 (41)(a) records in the custody or control of the Office of the Legislative Auditor General
- 2957 that would reveal the name of a particular legislator who requests a legislative audit
- 2958 prior to the date that audit is completed and made public; and
- 2959 (b) notwithstanding Subsection (41)(a), a request for a legislative audit submitted to the
- 2960 Office of the Legislative Auditor General is a public document unless the legislator
- 2961 asks that the records in the custody or control of the Office of the Legislative Auditor
- 2962 General that would reveal the name of a particular legislator who requests a
- 2963 legislative audit be maintained as protected records until the audit is completed and
- 2964 made public;
- 2965 (42) records that provide detail as to the location of an explosive, including a map or other
- 2966 document that indicates the location of:
- 2967 (a) a production facility; or
- 2968 (b) a magazine;
- 2969 (43) information contained in the statewide database of the Division of Aging and Adult
- 2970 Services created by Section 26B-6-210;
- 2971 (44) information contained in the Licensing Information System described in Title 80,
- 2972 Chapter 2, Child Welfare Services;
- 2973 (45) information regarding National Guard operations or activities in support of the
- 2974 National Guard's federal mission;
- 2975 (46) records provided by any pawn or secondhand business to a law enforcement agency or
- 2976 to the central database in compliance with Title 13, Chapter 32a, Pawnshop, Secondhand
- 2977 Merchandise, and Catalytic Converter Transaction Information Act;
- 2978 (47) information regarding food security, risk, and vulnerability assessments performed by
- 2979 the Department of Agriculture and Food;
- 2980 (48) except to the extent that the record is exempt from this chapter ~~[pursuant to]~~ in
- 2981 accordance with Section 63G-2-106, records related to an emergency plan or program, a
- 2982 copy of which is provided to or prepared or maintained by the Division of Emergency

- 2983 Management, and the disclosure of which would jeopardize:
- 2984 (a) the safety of the general public; or
- 2985 (b) the security of:
- 2986 (i) governmental property;
- 2987 (ii) governmental programs; or
- 2988 (iii) the property of a private person who provides the Division of Emergency
- 2989 Management information;
- 2990 (49) records of the Department of Agriculture and Food that provides for the identification,
- 2991 tracing, or control of livestock diseases, including any program established under Title
- 2992 4, Chapter 24, Utah Livestock Brand and Anti-Theft Act, or Title 4, Chapter 31, Control
- 2993 of Animal Disease;
- 2994 (50) as provided in Section 26B-2-709:
- 2995 (a) information or records held by the Department of Health and Human Services related
- 2996 to a complaint regarding a provider, program, or facility which the department is
- 2997 unable to substantiate; and
- 2998 (b) information or records related to a complaint received by the Department of Health
- 2999 and Human Services from an anonymous complainant regarding a provider, program,
- 3000 or facility;
- 3001 (51) unless otherwise classified as public under Section 63G-2-301 and except as provided
- 3002 under Section 41-1a-116, an individual's home address, home telephone number, or
- 3003 personal mobile phone number, if:
- 3004 (a) the individual is required to provide the information in order to comply with a law,
- 3005 ordinance, rule, or order of a government entity; and
- 3006 (b) the subject of the record has a reasonable expectation that this information will be
- 3007 kept confidential due to:
- 3008 (i) the nature of the law, ordinance, rule, or order; and
- 3009 (ii) the individual complying with the law, ordinance, rule, or order;
- 3010 (52) the portion of the following documents that contains a candidate's residential or
- 3011 mailing address, if the candidate provides to the filing officer another address or phone
- 3012 number where the candidate may be contacted:
- 3013 (a) a declaration of candidacy, a nomination petition, or a certificate of nomination,
- 3014 described in Section 20A-9-201, 20A-9-202, 20A-9-203, 20A-9-404, 20A-9-405,
- 3015 20A-9-408, 20A-9-408.5, 20A-9-502, or 20A-9-601;
- 3016 (b) an affidavit of impecuniosity, described in Section 20A-9-201; or

- 3017 (c) a notice of intent to gather signatures for candidacy, described in Section 20A-9-408;
3018 (53) the name, home address, work addresses, and telephone numbers of an individual that
3019 is engaged in, or that provides goods or services for, medical or scientific research that is:
3020 (a) conducted within the state system of higher education, as described in Section
3021 53H-1-102; and
3022 (b) conducted using animals;
- 3023 (54) in accordance with Section 78A-12-203, any record of the Judicial Performance
3024 Evaluation Commission concerning an individual commissioner's vote, in relation to
3025 whether a judge meets or exceeds minimum performance standards under Subsection
3026 78A-12-203(4), and information disclosed under Subsection 78A-12-203(5)(e);
- 3027 (55) information collected and a report prepared by the Judicial Performance Evaluation
3028 Commission concerning a judge, unless Section 20A-7-702 or Title 78A, Chapter 12,
3029 Judicial Performance Evaluation Commission Act, requires disclosure of, or makes
3030 public, the information or report;
- 3031 (56) records provided or received by the Public Lands Policy Coordinating Office in
3032 furtherance of any contract or other agreement made in accordance with Section
3033 63L-11-202;
- 3034 (57) information requested by and provided to the 911 Division under Section 63H-7a-302;
- 3035 (58) in accordance with Section 73-10-33:
- 3036 (a) a management plan for a water conveyance facility in the possession of the Division
3037 of Water Resources or the Board of Water Resources; or
3038 (b) an outline of an emergency response plan in possession of the state or a county or
3039 municipality;
- 3040 (59) the following records in the custody or control of the Office of Inspector General of
3041 Medicaid Services, created in Section 63A-13-201:
- 3042 (a) records that would disclose information relating to allegations of personal
3043 misconduct, gross mismanagement, or illegal activity of a person if the information
3044 or allegation cannot be corroborated by the Office of Inspector General of Medicaid
3045 Services through other documents or evidence, and the records relating to the
3046 allegation are not relied upon by the Office of Inspector General of Medicaid
3047 Services in preparing a final investigation report or final audit report;
- 3048 (b) records and audit workpapers to the extent they would disclose the identity of a
3049 person who, during the course of an investigation or audit, communicated the
3050 existence of any Medicaid fraud, waste, or abuse, or a violation or suspected

- 3051 violation of a law, rule, or regulation adopted under the laws of this state, a political
3052 subdivision of the state, or any recognized entity of the United States, if the
3053 information was disclosed on the condition that the identity of the person be
3054 protected;
- 3055 (c) before the time that an investigation or audit is completed and the final investigation
3056 or final audit report is released, records or drafts circulated to a person who is not an
3057 employee or head of a governmental entity for the person's response or information;
- 3058 (d) records that would disclose an outline or part of any investigation, audit survey plan,
3059 or audit program; or
- 3060 (e) requests for an investigation or audit, if disclosure would risk circumvention of an
3061 investigation or audit;
- 3062 (60) records that reveal methods used by the Office of Inspector General of Medicaid
3063 Services, the fraud unit, or the Department of Health and Human Services, to discover
3064 Medicaid fraud, waste, or abuse;
- 3065 (61) information provided to the Department of Health and Human Services or the Division
3066 of Professional Licensing under Subsections 58-67-304(3) and (4) and Subsections
3067 58-68-304(3) and (4);
- 3068 (62) a record described in Section 63G-12-210;
- 3069 (63) captured plate data that is obtained through an automatic license plate reader system
3070 used by a governmental entity as authorized in Section 41-6a-2003;
- 3071 (64) an audio or video recording created by a body-worn camera, as that term is defined in
3072 Section 77-7a-103, that records sound or images inside a hospital or health care facility
3073 as those terms are defined in Section 78B-3-403, inside a clinic of a health care provider,
3074 as that term is defined in Section 78B-3-403, or inside a human [service] services
3075 program as that term is defined in Section 26B-2-101, except for recordings that:
- 3076 (a) depict the commission of an alleged crime;
- 3077 (b) record any encounter between a law enforcement officer and a person that results in
3078 death or bodily injury, or includes an instance when an officer fires a weapon;
- 3079 (c) record any encounter that is the subject of a complaint or a legal proceeding against a
3080 law enforcement officer or law enforcement agency;
- 3081 (d) contain an officer involved critical incident as defined in Subsection 76-2-408(1)(f);
3082 or
- 3083 (e) have been requested for reclassification as a public record by a subject or authorized
3084 agent of a subject featured in the recording;

- 3085 (65) a record pertaining to the search process for a president of an institution of higher
3086 education described in Section 53H-3-302;
- 3087 (66) an audio recording that is:
- 3088 (a) produced by an audio recording device that is used in conjunction with a device or
3089 piece of equipment designed or intended for resuscitating an individual or for treating
3090 an individual with a life-threatening condition;
- 3091 (b) produced during an emergency event when an individual employed to provide law
3092 enforcement, fire protection, paramedic, emergency medical, or other first responder
3093 service:
- 3094 (i) is responding to an individual needing resuscitation or with a life-threatening
3095 condition; and
- 3096 (ii) uses a device or piece of equipment designed or intended for resuscitating an
3097 individual or for treating an individual with a life-threatening condition; and
- 3098 (c) intended and used for purposes of training emergency responders how to improve
3099 their response to an emergency situation;
- 3100 (67) records submitted by or prepared in relation to an applicant seeking a recommendation
3101 by the Research and General Counsel Subcommittee, the Budget Subcommittee, or the
3102 Legislative Audit Subcommittee, established under Section 36-12-8, for an employment
3103 position with the Legislature;
- 3104 (68) work papers as defined in Section 31A-2-204;
- 3105 (69) a record made available to Adult Protective Services or a law enforcement agency
3106 under Section 61-1-206;
- 3107 (70) a record submitted to the Insurance Department in accordance with Section
3108 31A-37-201;
- 3109 (71) a record described in Section 31A-37-503;
- 3110 (72) any record created by the Division of Professional Licensing as a result of Subsection
3111 58-37f-304(5) or 58-37f-702(2)(a)(ii);
- 3112 (73) a record described in Section 72-16-306 that relates to the reporting of an injury
3113 involving an amusement ride;
- 3114 (74) except as provided in Subsection 63G-2-305.5(1), the signature of an individual on a
3115 political petition, or on a request to withdraw a signature from a political petition,
3116 including a petition or request described in the following titles:
- 3117 (a) Title 10, Utah Municipal Code;
- 3118 (b) Title 17, Counties;

- 3119 (c) Title 17B, Limited Purpose Local Government Entities - Special Districts;
3120 (d) Title 17D, Limited Purpose Local Government Entities - Other Entities; and
3121 (e) Title 20A, Election Code;
- 3122 (75) except as provided in Subsection 63G-2-305.5(2), the signature of an individual in a
3123 voter registration record;
- 3124 (76) except as provided in Subsection 63G-2-305.5(3), any signature, other than a signature
3125 described in Subsection (74) or (75), in the custody of the lieutenant governor or a local
3126 political subdivision collected or held under, or in relation to, Title 20A, Election Code;
- 3127 (77) a Form I-918 Supplement B certification as described in Title 77, Chapter 38, Part 5,
3128 Victims Guidelines for Prosecutors Act;
- 3129 (78) a record submitted to the Insurance Department under Section 31A-48-103;
- 3130 (79) personal information, as defined in Section 63G-26-102, to the extent disclosure is
3131 prohibited under Section 63G-26-103;
- 3132 (80) an image taken of an individual during the process of booking the individual into jail,
3133 unless:
- 3134 (a) the individual is convicted of a criminal offense based upon the conduct for which
3135 the individual was incarcerated at the time the image was taken;
- 3136 (b) a law enforcement agency releases or disseminates the image:
- 3137 (i) after determining that the individual is a fugitive or an imminent threat to an
3138 individual or to public safety and releasing or disseminating the image will assist
3139 in apprehending the individual or reducing or eliminating the threat; or
- 3140 (ii) to a potential witness or other individual with direct knowledge of events relevant
3141 to a criminal investigation or criminal proceeding for the purpose of identifying or
3142 locating an individual in connection with the criminal investigation or criminal
3143 proceeding;
- 3144 (c) a judge orders the release or dissemination of the image based on a finding that the
3145 release or dissemination is in furtherance of a legitimate law enforcement interest; or
- 3146 (d) the image is displayed to a person who is permitted to view the image under Section
3147 17-72-802;
- 3148 (81) a record:
- 3149 (a) concerning an interstate claim to the use of waters in the Colorado River system;
3150 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a
3151 representative from another state or the federal government as provided in Section
3152 63M-14-205; and

- 3153 (c) the disclosure of which would:
- 3154 (i) reveal a legal strategy relating to the state's claim to the use of the water in the
- 3155 Colorado River system;
- 3156 (ii) harm the ability of the Colorado River Authority of Utah or river commissioner to
- 3157 negotiate the best terms and conditions regarding the use of water in the Colorado
- 3158 River system; or
- 3159 (iii) give an advantage to another state or to the federal government in negotiations
- 3160 regarding the use of water in the Colorado River system;
- 3161 (82) any part of an application described in Section 63N-16-201 that the Governor's Office
- 3162 of Economic Opportunity determines is nonpublic, confidential information that if
- 3163 disclosed would result in actual economic harm to the applicant, but this Subsection (82)
- 3164 may not be used to restrict access to a record evidencing a final contract or approval
- 3165 decision;
- 3166 (83) the following records of a drinking water or wastewater facility:
- 3167 (a) an engineering or architectural drawing of the drinking water or wastewater facility;
- 3168 and
- 3169 (b) except as provided in Section 63G-2-106, a record detailing tools or processes the
- 3170 drinking water or wastewater facility uses to secure, or prohibit access to, the records
- 3171 described in Subsection (83)(a);
- 3172 (84) a statement that an employee of a governmental entity provides to the governmental
- 3173 entity as part of the governmental entity's personnel or administrative investigation into
- 3174 potential misconduct involving the employee if the governmental entity:
- 3175 (a) requires the statement under threat of employment disciplinary action, including
- 3176 possible termination of employment, for the employee's refusal to provide the
- 3177 statement; and
- 3178 (b) provides the employee assurance that the statement cannot be used against the
- 3179 employee in any criminal proceeding;
- 3180 (85) any part of an application for a Utah Fits All Scholarship account described in Section
- 3181 53F-6-402 or other information identifying a scholarship student as defined in Section
- 3182 53F-6-401;
- 3183 (86) a record:
- 3184 (a) concerning a claim to the use of waters in the Great Salt Lake;
- 3185 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a
- 3186 person concerning the claim, including a representative from another state or the

- 3187 federal government; and
- 3188 (c) the disclosure of which would:
- 3189 (i) reveal a legal strategy relating to the state's claim to the use of the water in the
- 3190 Great Salt Lake;
- 3191 (ii) harm the ability of the Great Salt Lake commissioner to negotiate the best terms
- 3192 and conditions regarding the use of water in the Great Salt Lake; or
- 3193 (iii) give an advantage to another person including another state or to the federal
- 3194 government in negotiations regarding the use of water in the Great Salt Lake;
- 3195 (87) a consumer complaint described in Section 13-2-11, unless the consumer complaint is
- 3196 reclassified as public as described in Subsection [~~13-2-11(4)~~] 13-2-11(3);
- 3197 (88) a record of the Utah water agent, appointed under Section 73-10g-702:
- 3198 (a) concerning a claim to the use of waters;
- 3199 (b) relating to a judicial proceeding, administrative proceeding, or negotiation with a
- 3200 representative from another state, a tribe, the federal government, or other
- 3201 government entity as provided in Title 73, Chapter 10g, Part 7, Utah Water Agent;
- 3202 and
- 3203 (c) the disclosure of which would:
- 3204 (i) reveal a legal strategy relating to the state's claim to the use of the water;
- 3205 (ii) harm the ability of the Utah water agent to negotiate the best terms and conditions
- 3206 regarding the use of water; or
- 3207 (iii) give an advantage to another state, a tribe, the federal government, or other
- 3208 government entity in negotiations regarding the use of water; and
- 3209 (89) a record created or maintained for an investigation of the Prosecutor Conduct
- 3210 Commission, created in Section 63M-7-1102, that contains any personal identifying
- 3211 information of a prosecuting attorney, including:
- 3212 (a) a complaint, or a document that is submitted or created for a complaint, received by
- 3213 the Prosecutor Conduct Commission; or
- 3214 (b) a finding by the Prosecutor Conduct Commission.
- 3215 Section 42. Section **63G-2-309** is amended to read:
- 3216 **63G-2-309 (Effective 05/06/26). Confidentiality claims.**
- 3217 (1)(a)(i) Any person who provides to a governmental entity a record that the person
- 3218 believes should be protected under Subsection 63G-2-305(1) or (2) or both
- 3219 Subsections 63G-2-305(1) and (2) shall provide with the record, or within a
- 3220 reasonable amount of time after providing the record:

- 3221 (A) a written claim of business confidentiality; and
- 3222 (B) a concise statement of reasons supporting the claim of business confidentiality.
- 3223 (ii) Any of the following who provides to an institution of higher education defined
- 3224 in Section 53H-1-101 a record that the person or governmental entity believes
- 3225 should be protected under [~~Subsection 63G-2-305(40)(a)(ii) or (vi) or both~~
- 3226 ~~Subsections 63G-2-305(40)(a)(ii) and (vi)~~ Subsection 63G-2-305(40) shall
- 3227 provide the institution within the state system of higher education a written claim
- 3228 of business confidentiality in accordance with Section 53H-14-204:
- 3229 (A) a person;
- 3230 (B) a federal governmental entity;
- 3231 (C) a state governmental entity; or
- 3232 (D) a local governmental entity.
- 3233 (b) A person or governmental entity who complies with this Subsection (1) shall be
- 3234 notified by the governmental entity to whom the request for a record is made if:
- 3235 (i) a record claimed to be protected under one of the following is classified public:
- 3236 (A) Subsection 63G-2-305(1);
- 3237 (B) Subsection 63G-2-305(2);
- 3238 (C) Subsection [~~63G-2-305(40)(a)(ii)~~ 63G-2-305(40); or
- 3239 [~~(D) Subsection 63G-2-305(40)(a)(vi); or~~
- 3240 [~~(E)~~] (D) a combination of the provisions described in Subsections (1)(b)(i)(A)
- 3241 through [~~(D)~~] (C); or
- 3242 (ii) the governmental entity to whom the request for a record is made determines that
- 3243 the record claimed to be protected under a provision listed in Subsection (1)(b)(i)
- 3244 should be released after balancing interests under Subsection 63G-2-201(5)(b) or
- 3245 63G-2-401(6).
- 3246 (c) A person who makes a claim of business confidentiality under this Subsection (1)
- 3247 shall protect, defend, and indemnify the governmental entity that retains the record,
- 3248 and all staff and employees of the governmental entity from and against any claims,
- 3249 liability, or damages resulting from or arising from a denial of access to the record as
- 3250 a protected record based on the claim of business confidentiality.
- 3251 (2)(a) Except as provided in Subsection (2)(b) or by court order, the governmental entity
- 3252 to whom the request for a record is made may not disclose a record claimed to be
- 3253 protected under a provision listed in Subsection (1)(b)(i) but which the governmental
- 3254 entity or the director of the Government Records Office determines should be

- 3255 disclosed until the period in which to bring an appeal expires or the end of the
3256 appeals process, including judicial appeal.
- 3257 (b) Subsection (2)(a) does not apply where the claimant, after notice, has waived the
3258 claim by not appealing or intervening before the director of the Government Records
3259 Office.
- 3260 (3) Disclosure or acquisition of information under this chapter does not constitute
3261 misappropriation under Subsection 13-24-2(2).
- 3262 Section 43. Section **63G-2-802** is amended to read:
- 3263 **63G-2-802 (Effective 05/06/26). Injunction -- Attorney fees and costs.**
- 3264 (1) As used in this section, "defending party" means:
- 3265 (a) a governmental entity or political subdivision:
- 3266 (i) whose access denial is the subject of a petition for judicial review under Section
3267 63G-2-404; and
- 3268 (ii) that defends the access denial in an action for judicial review under Section
3269 63G-2-404; or
- 3270 (b) a person, other than the governmental entity or political subdivision described in
3271 Subsection (1)(a), that is party to the action for judicial review in opposition to
3272 disclosure of the record that is the subject of judicial review.
- 3273 (2)(a) If a protected record is shared as described in Subsection 63G-2-206(4) and the
3274 protected record is intentionally disclosed, or about to be intentionally disclosed, the
3275 person who requested the record be protected under Section 63G-2-309 may bring an
3276 action against the governmental entity that intentionally disclosed, or is about to i
3277 ntentionally disclose, as described in this section.
- 3278 (b) A person described in Subsection (2)(a) may seek and obtain:
- 3279 (i) injunctive relief to stop the improper disclosure of the protected record; and
3280 (ii) damages for an improper disclosure, subject to the limits set by rule in accordance
3281 with Subsection 63G-7-605(5).
- 3282 (3) A district court in this state may enjoin any governmental entity or political subdivision
3283 that violates or proposes to violate the provisions of this chapter.
- 3284 [~~3~~] (4)(a) Subject to Subsection [~~6~~] (7), a district court may assess against a defending
3285 party reasonable attorney fees and costs reasonably incurred in connection with a
3286 judicial appeal to determine whether a requester is entitled access to records under a
3287 records request, if:
- 3288 (i) the requester substantially prevails; and

- 3289 (ii) the court finds that the defending party acted in bad faith.
- 3290 (b) Subject to Subsection [~~(6)~~] (7), in determining whether to award attorney fees or costs
- 3291 to a requester under this section, the court shall consider:
- 3292 (i) the public benefit derived from the case;
- 3293 (ii) the nature of the requester's interest in the records; and
- 3294 (iii) whether the defending party's actions had a reasonable basis.
- 3295 (c) A court may not award attorney fees or costs to a requester under this section if the
- 3296 purpose of the litigation is primarily to benefit the requester's financial or commercial
- 3297 interest.

3298 [~~(4)~~] (5) Neither attorney fees nor costs may be awarded for fees or costs incurred during

3299 administrative proceedings.

3300 [~~(5)~~] (6) A district court may assess against a requester reasonable attorney fees and costs

3301 reasonably incurred in connection with a judicial appeal to determine whether the

3302 requester is entitled to access to records under a records request, if:

- 3303 (a) the defending party substantially prevails; and
- 3304 (b) the court finds that the requester acted in bad faith.

3305 [~~(6)~~] (7) A court may award to a requester attorney fees and costs incurred in connection

3306 with appeals to district courts under Subsection [~~63G-2-404(2)~~] 63G-2-404(3) only if the

3307 attorney fees and costs were incurred 20 or more days after the day on which the

3308 requester provided to the governmental entity, political subdivision, or other person

3309 against which the requester seeks an award of attorney fees and costs, an adequate

3310 explanation in writing of the basis for the requester's position, regardless of whether the

3311 explanation is a part of or outside an administrative or court proceeding.

3312 [~~(7)~~] (8) Except for the waiver of immunity in Subsection 63G-7-301(2)(e), a claim for

3313 attorney fees or costs as provided in this section is not subject to Chapter 7,

3314 Governmental Immunity Act of Utah.

3315 Section 44. Section **63G-7-605** is amended to read:

3316 **63G-7-605 (Effective 05/06/26). Adjustments to limitation of judgment amounts.**

3317 (1) As used in this section:

- 3318 (a) "Adjusted consumer price factor" means what the consumer price index would be
- 3319 without the medical care component and the medical services component.
- 3320 (b) "Aggregate limit" means the limit on the aggregate amount of personal injury
- 3321 damages claims from a single occurrence, as provided in Subsection 63G-7-604(1)(d).
- 3322 (c) "Applicable index" means:

- 3323 (i) the consumer price index, for a calculation of the percentage change in the
3324 consumer price index;
- 3325 (ii) the adjusted consumer price factor, for a calculation of the percentage change in
3326 the adjusted consumer price factor;
- 3327 (iii) the medical care component, for a calculation of the percentage change in the
3328 medical care component; or
- 3329 (iv) the medical services component, for a calculation of the percentage change in the
3330 medical services component.
- 3331 (d) "Base applicable index" means an applicable index for the year that is three years
3332 before the year in which the legislative fiscal analyst calculates new limits under this
3333 section.
- 3334 (e) "Consumer [~~price index~~] Price Index" means the annual index reported by the United
3335 States Bureau of Labor Statistics for consumer prices for all urban consumers, not
3336 seasonally adjusted.
- 3337 (f) "Individual limit" means the limit on the amount of a judgment for damages for
3338 personal injury, as provided in Subsection 63G-7-604(1)(a).
- 3339 (g) "Latest aggregate limit" means the aggregate limit, as last adjusted by the risk
3340 manager under this section.
- 3341 (h) "Latest individual limit" means the individual limit, as last adjusted by the risk
3342 manager under this section.
- 3343 (i) "Latest property damage limit" means the property damage limit, as last adjusted by
3344 the risk manager under this section.
- 3345 (j) "Medical care component" means the medical care sub-index of the consumer price
3346 index.
- 3347 (k) "Medical services component" means the medical care services sub-index of the
3348 consumer price index.
- 3349 (l) "Percentage change" means the amount of change between the base applicable index
3350 and the applicable index for the year before the year in which the legislative fiscal
3351 analyst calculates new limits under this section, expressed as a percentage of the base
3352 applicable index.
- 3353 (m) "Property damage limit" means the limit on the amount of a judgment for property
3354 damage, as provided in Subsection 63G-7-604(1)(c).
- 3355 (n) "Risk manager" means the state risk manager appointed under Section 63A-4-101.5.
- 3356 (2) Each even-numbered year, the legislative fiscal analyst shall, subject to Subsection (3):

- 3357 (a) calculate a new individual limit by adding to the latest individual limit the sum of:
3358 (i) 66.5% of the latest individual limit, multiplied by the percentage change in the
3359 adjusted consumer price factor;
3360 (ii) 16.75% of the latest individual limit, multiplied by the percentage change in the
3361 medical care component; and
3362 (iii) 16.75% of the latest individual limit, multiplied by the percentage change in the
3363 medical services component;
- 3364 (b) calculate a new aggregate limit by adding to the latest aggregate limit the sum of:
3365 (i) 66.5% of the latest aggregate limit, multiplied by the percentage change in the
3366 adjusted consumer price factor;
3367 (ii) 16.75% of the latest aggregate limit, multiplied by the percentage change in the
3368 medical care component; and
3369 (iii) 16.75% of the latest aggregate limit, multiplied by the percentage change in the
3370 medical services component;
- 3371 (c) calculate a new property damage limit by adding to the latest property damage limit
3372 the amount of the latest property damage limit multiplied by the percentage change in
3373 the consumer price index;
- 3374 (d) round up to the nearest \$100 the individual limit, aggregate limit, and property
3375 damage limit calculated under Subsections (2)(a), (b), and (c); and
3376 (e) no later than May 1, communicate the newly calculated limits under Subsections
3377 (2)(a), (b), and (c) to the risk manager.
- 3378 (3) The newly calculated individual limit, aggregate limit, or property damage limit under
3379 Subsection (2) may not be less than the amount of the limit before the new calculation
3380 under Subsection (2).
- 3381 (4)(a) Each even-numbered year, the risk manager shall make rules, to become effective
3382 no later than July 1 of that year, that establish a new individual limit, aggregate limit,
3383 and property damage limit, as calculated under Subsection (2).
- 3384 (b) A newly calculated individual limit, aggregate limit, or property damage limit under
3385 this section has prospective effect only from the date the rules establishing the new
3386 limit take effect.
- 3387 (c) An individual limit, aggregate limit, or property damage limit, as newly calculated
3388 under this section, applies only to a claim for injury or loss that occurs after the
3389 effective date of the rules that establish the newly calculated limit.
- 3390 (5) The risk manager shall make rules by no later than July 1, 2026, and thereafter each July

3391 1 of even-numbered years, that establish the limit of liability for damages resulting from
 3392 the disclosure of a protected record as provided in Subsection 63G-2-802(2).

3393 Section 45. Section **63I-2-263** is amended to read:

3394 **63I-2-263 (Effective 05/06/26). Repeal dates: Titles 63A through 63O.**

- 3395 (1) Title 63A, Chapter 2, Part 5, Educational Interpretation and Translation Services
 3396 Procurement Advisory Council is repealed July 1, 2025.
- 3397 (2) Section 63A-5b-807, Eminent domain of unincorporated city owned land, is repealed
 3398 January 1, 2027.
- 3399 (3) Section 63A-17-806, Definitions -- Infant at Work Pilot Program -- Administration --
 3400 Report, is repealed June 30, 2026.
- 3401 (4) Section 63C-1-103, Appointment and terms of boards, committees, councils, and
 3402 commissions transitioning on October 1, 2024, or December 31, 2024, is repealed July
 3403 1, 2025.
- 3404 (5) Section 63C-1-104, Appointment and terms of boards transitioning on October 1, 2024,
 3405 is repealed January 1, 2025.
- 3406 (6) Subsection 63G-6a-802(1)(e), regarding a procurement for a presidential debate, is
 3407 repealed January 1, 2025.
- 3408 (7) Subsection 63G-6a-802(3)(b)(iii), regarding a procurement for a presidential debate, is
 3409 repealed January 1, 2025.
- 3410 (8) Subsection 63H-7a-403(2)(b), regarding the charge to maintain the public safety
 3411 communications network, is repealed July 1, 2033.
- 3412 (9) Subsection 63J-1-602.2(30), regarding funding the Enterprise Zone Act, is repealed
 3413 December 31, 2026.
- 3414 (10) Subsection 63J-1-602.2(46), regarding appropriations to the State Tax Commission for
 3415 deferral reimbursements, is repealed July 1, 2027.
- 3416 (11) Section 63M-7-221, Expungement working group, is repealed April 30, 2025.
- 3417 (12) Title 63N, Chapter 2, Part 2, Enterprise Zone Act, is repealed December 31, 2026.
- 3418 (13) Subsection 63N-3a-201(3)(c), regarding a county legislative body making certain
 3419 findings regarding proposed economic development projects, is repealed July 1, 2027.

3420 Section 46. Section **63N-2-103** is amended to read:

3421 **63N-2-103 (Effective 05/06/26). Definitions.**

3422 As used in this part:

- 3423 (1)(a) "Business entity" means a person that enters into a written agreement with the
 3424 office to initiate a new commercial project in Utah that will qualify the person to

- 3425 receive a tax credit under Section 59-7-614.2 or 59-10-1107.
- 3426 (b) With respect to a tax credit authorized by the office in accordance with Subsection
3427 63N-2-104.3(2), "business entity" includes a nonprofit entity.
- 3428 (2) "Commercial or industrial zone" means an area zoned agricultural, commercial,
3429 industrial, manufacturing, business park, research park, or other appropriate business
3430 related use in a general plan that contemplates future growth.
- 3431 (3) "Development zone" means an economic development zone created under Section
3432 63N-2-104.
- 3433 (4) "Local government entity" means:
3434 (a) a county, city, or town[-] ;
3435 (b) for state-owned land, a development authority statutorily authorized to manage the
3436 land; or
3437 (c) for development authority-owned land, the development authority.
- 3438 (5) "New commercial project" means an economic development opportunity that:
3439 (a) involves a targeted industry; or
3440 (b) is located within:
3441 (i) a county of the third, fourth, fifth, or sixth class; or
3442 (ii) a municipality that has a population of 10,000 or less and the municipality is
3443 located within a county of the second class.
- 3444 (6) "Remote work opportunity" means a new commercial project that:
3445 (a) does not require a physical office in the state where employees associated with the
3446 new commercial project are required to work; and
3447 (b) requires employees associated with the new commercial project to:
3448 (i) work remotely from a location within the state; and
3449 (ii) maintain residency in the state.
- 3450 (7) "Significant capital investment" means an investment in capital or fixed assets, which
3451 may include real property, personal property, and other fixtures related to a new
3452 commercial project that represents an expansion of existing operations in the state or
3453 that increases the business entity's existing workforce in the state.
- 3454 (8) "Tax credit" means an economic development tax credit created by Section 59-7-614.2
3455 or 59-10-1107.
- 3456 (9) "Tax credit amount" means the amount the office lists as a tax credit on a tax credit
3457 certificate for a taxable year.
- 3458 (10) "Tax credit certificate" means a certificate issued by the office that:

- 3459 (a) lists the name of the business entity to which the office authorizes a tax credit;
- 3460 (b) lists the business entity's taxpayer identification number;
- 3461 (c) lists the amount of tax credit that the office authorizes the business entity for the
- 3462 taxable year; and
- 3463 (d) may include other information as determined by the office.
- 3464 (11) "Written agreement" means a written agreement entered into between the office and a
- 3465 business entity under Section 63N-2-104.2.
- 3466 Section 47. Section **63N-3-602** is amended to read:
- 3467 **63N-3-602 (Effective 05/06/26). Definitions.**
- 3468 As used in this part:
- 3469 (1) "Affordable housing" means housing occupied or reserved for occupancy by households
- 3470 with a gross household income:
- 3471 (a) equal to or less than 80% of the county median gross income for households of the
- 3472 same size, in certain circumstances as provided in this part; or
- 3473 (b) equal to or less than 60% of the county median gross income for households of the
- 3474 same size, in certain circumstances as provided in this part.
- 3475 (2) "Agency" means the same as that term is defined in Section 17C-1-102.
- 3476 (3) "Base taxable value" means a property's taxable value as shown upon the assessment
- 3477 roll last equalized during the base year.
- 3478 [~~(4) "Base year" means, for each property tax increment collection period triggered within a~~
- 3479 ~~proposed housing and transit reinvestment zone or convention center reinvestment zone~~
- 3480 ~~project area, the calendar year prior to the calendar year the property tax increment~~
- 3481 ~~begins to be collected for the parcels that are in a project that is triggered for that~~
- 3482 ~~collection period.]~~
- 3483 (4) "Base year" means:
- 3484 (a)(i) the calendar year in which the committee approves the zone; or
- 3485 (ii) a calendar year the committee establishes in approving the zone, which may not
- 3486 be a calendar year more than five years from the year in which the committee
- 3487 approves the zone; or
- 3488 (b) for a convention center reinvestment zone in a capital city, the year ending December
- 3489 31, 2023.
- 3490 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and
- 3491 efficient service that may include dedicated lanes, busways, traffic signal priority,
- 3492 off-board fare collection, elevated platforms, and enhanced stations.

- 3493 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed
3494 station, stop, or terminal that is specifically identified as needed in phase one of a
3495 metropolitan planning organization's adopted long-range transportation plan and in
3496 phase one of the relevant public transit district's adopted long-range transit plan:
3497 (a) along an existing bus rapid transit line; or
3498 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.
- 3499 (7) "Capital city" means the same as that term is defined in Section 17D-4-102.
- 3500 (8)(a) "Commuter rail" means a regional passenger rail transit facility operated by a
3501 large public transit district.
3502 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public
3503 transit district.
- 3504 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed
3505 station, stop, or terminal, which has been specifically identified as needed in phase one
3506 of a metropolitan planning organization's adopted long-range transportation plan and in
3507 phase one of the relevant public transit district's adopted long-range transit plan:
3508 (a) along an existing commuter rail line;
3509 (b) along an extension to an existing commuter rail line or new commuter rail line;
3510 (c) along a fixed guideway extension from an existing commuter rail line; or
3511 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an
3512 existing commuter rail station.
- 3513 (10) "Convention center" means a convention center owned by a county of the first class
3514 within a city of the first class.
- 3515 (11) "Convention center revitalization project" means a project within a city of the first
3516 class within a county of the first class for the revitalization, activation, and
3517 modernization of a convention center and the surrounding area, including projects
3518 meeting the objectives described in Section 63N-3-603.1.
- 3519 (12) "Convention center reinvestment zone" means a convention center reinvestment zone
3520 created under this part.
- 3521 (13)(a) "Developable area" means the portion of land within a housing and transit
3522 reinvestment zone available for development and construction of business and
3523 residential uses.
3524 (b) "Developable area" does not include portions of land within a housing and transit
3525 reinvestment zone that are allocated to:
3526 (i) parks;

- 3527 (ii) recreation facilities;
- 3528 (iii) open space;
- 3529 (iv) trails;
- 3530 (v) publicly-owned roadway facilities; or
- 3531 (vi) other public facilities.
- 3532 (14) "Dwelling unit" means one or more rooms arranged for the use of one or more
- 3533 individuals living together, as a single housekeeping unit normally having cooking,
- 3534 living, sanitary, and sleeping facilities.
- 3535 (15) "Eligible municipality" means a city that:
- 3536 (a)(i) is the county seat of a county of the first class; or
- 3537 (ii) a city of the first class located in a county of the first class; and
- 3538 (b) has a convention center within the boundary of the city.
- 3539 (16) "Enhanced development" means the construction of mixed uses including housing,
- 3540 commercial uses, and related facilities.
- 3541 (17) "Enhanced development costs" means extra costs associated with structured parking
- 3542 costs, vertical construction costs, horizontal construction costs, life safety costs,
- 3543 structural costs, conveyor or elevator costs, and other costs incurred due to the increased
- 3544 height of buildings or enhanced development.
- 3545 (18) "First home investment zone" means the same as that term is defined in Section
- 3546 63N-3-1601.
- 3547 (19) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 3548 (20) "Horizontal construction costs" means the additional costs associated with earthwork,
- 3549 over excavation, utility work, transportation infrastructure, and landscaping to achieve
- 3550 enhanced development in the housing and transit reinvestment zone.
- 3551 (21) "Housing and transit reinvestment zone" means a housing and transit reinvestment
- 3552 zone created pursuant to this part.
- 3553 (22) "Housing and transit reinvestment zone committee" means a housing and transit
- 3554 reinvestment zone committee created pursuant to Section 63N-3-605.
- 3555 (23) "Large public transit district" means the same as that term is defined in Section
- 3556 17B-2a-802.
- 3557 (24) "Light rail" means a passenger rail public transit system with right-of-way and fixed
- 3558 rails:
- 3559 (a) dedicated to exclusive use by light-rail public transit vehicles;
- 3560 (b) that may cross streets at grade; and

- 3561 (c) that may share parts of surface streets.
- 3562 (25) "Light rail station" means an existing station, stop, or terminal or a proposed station,
3563 stop, or terminal, which has been specifically identified as needed in phase one of a
3564 metropolitan planning organization's adopted long-range transportation plan and in
3565 phase one of the relevant public transit district's adopted long-range plan:
- 3566 (a) along an existing light rail line; or
3567 (b) along an extension to an existing light rail line or new light rail line.
- 3568 (26) "Metropolitan planning organization" means the same as that term is defined in
3569 Section 72-1-208.5.
- 3570 (27) "Mixed use development" means development with a mix of:
3571 (a) multi-family residential use; and
3572 (b) at least one additional land use, which shall be a significant part of the overall
3573 development.
- 3574 (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 3575 (29) "Participant" means the same as that term is defined in Section 17C-1-102.
- 3576 (30) "Participation agreement" means the same as that term is defined in Section 17C-1-102,
3577 except that the agency may not provide and the person may not receive a direct subsidy.
- 3578 (31) "Project" means a housing and transit reinvestment zone or convention center
3579 reinvestment zone created under this part.
- 3580 (32)(a) "Property tax increment" means the difference between:
3581 (i) the amount of property tax revenue generated each tax year by a taxing entity from
3582 the area within a housing and transit reinvestment zone or convention center
3583 reinvestment zone designated in the applicable reinvestment zone proposal as the
3584 area from which tax increment is to be collected, using the current assessed value
3585 and each taxing entity's current certified tax rate as defined in Section 59-2-924;
3586 and
3587 (ii) the amount of property tax revenue that would be generated from that same area
3588 using the base taxable value and each taxing entity's current certified tax rate as
3589 defined in Section 59-2-924.
- 3590 (b) "Property tax increment" does not include property tax revenue from:
3591 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
3592 (ii) a county additional property tax described in Subsection 59-2-1602(4); or
3593 (iii) a public library fund levy described in Subsection 9-7-501(2).
- 3594 (33) "Public transit county" means a county that has created a small public transit district.

- 3595 (34) "Public transit hub" means a public transit depot or station where four or more routes
3596 serving separate parts of the county-created transit district stop to transfer riders between
3597 routes.
- 3598 (35) "Sales and use tax base year" means:
- 3599 (a) for a housing and transit reinvestment zone, a sales and use tax year determined by
3600 the first year pertaining to the tax imposed in Section 59-12-103 after the sales and
3601 use tax boundary for a housing and transit reinvestment zone is established; or
- 3602 (b) for a convention center reinvestment zone, a sales and use tax year determined by the
3603 year specified in the approved proposal for a convention center reinvestment zone,
3604 pertaining to the taxes:
- 3605 (i) imposed under Section 59-12-103;
- 3606 (ii) imposed by a city of the first class in a county of the first class under Title 59,
3607 Chapter 12, Part 2, Local Sales and Use Tax Act;
- 3608 (iii) imposed by a city of the first class in a county of the first class under Section
3609 59-12-402.1;
- 3610 (iv) imposed by a county of the first class under Section 59-12-1102; and
- 3611 (v) imposed by a county of the first class under Title 59, Chapter 12, Part 22, Local
3612 Option Sales and Use Taxes for Transportation Act.
- 3613 (36) "Sales and use tax boundary" means:
- 3614 (a) for a housing and transit reinvestment zone, a boundary created as described in
3615 Section 63N-3-604, based on state sales and use tax collection boundaries that
3616 correspond as closely as reasonably practicable to the housing and transit
3617 reinvestment zone boundary; or
- 3618 (b) for a convention center reinvestment zone, a boundary created as described in
3619 Section 63N-3-604.1, based on state sales and use tax collection boundaries that
3620 correspond as closely as reasonably practicable to the convention center reinvestment
3621 zone boundary.
- 3622 (37) "Sales and use tax increment" means:
- 3623 (a) for a housing and transit reinvestment zone, the difference between:
- 3624 (i) the amount of state sales and use tax revenue generated each year following the
3625 sales and use tax base year by the sales and use tax from the area within a housing
3626 and transit reinvestment zone designated in the housing and transit reinvestment
3627 zone proposal as the area from which sales and use tax increment is to be
3628 collected; and

- 3629 (ii) the amount of state sales and use tax revenue that was generated from that same
 3630 area during the sales and use tax base year; or
 3631 (b) for a convention center reinvestment zone, the difference between:
 3632 (i) the amount of sales and use tax revenue generated each year following the sales
 3633 and use tax base year by the sales and use tax from the area within a convention
 3634 center reinvestment zone designated in the convention center reinvestment zone
 3635 proposal as the area from which sales and use tax increment is to be collected; and
 3636 (ii) the amount of sales and use tax revenue that was generated from that same area
 3637 during the sales and use tax base year.

3638 (38) "Sales and use tax revenue" means:

- 3639 (a) for a housing and transit reinvestment zone, revenue that is generated from the tax
 3640 imposed under Section 59-12-103; or
 3641 (b) for a convention center reinvestment zone, revenue that is generated from:
 3642 (i) the sales and use taxes imposed under Section 59-12-103; and
 3643 (ii) the sales and use taxes:
 3644 (A) imposed by a city of the first class in a county of the first class under Title 59,
 3645 Chapter 12, Part 2, Local Sales and Use Tax Act;
 3646 (B) imposed by a city of the first class in a county of the first class under Section
 3647 59-12-402.1;
 3648 (C) imposed by a county of the first class under Section 59-12-1102; and
 3649 (D) imposed by a county of the first class under Title 59, Chapter 12, Part 22,
 3650 Local Option Sales and Use Taxes for Transportation Act.

3651 (39) "Small public transit district" means the same as that term is defined in Section
 3652 17B-2a-802.

3653 (40) "Tax Commission" means the State Tax Commission created in Section 59-1-201.

3654 (41) "Taxing entity" means the same as that term is defined in Section 17C-1-102.

3655 (42) "Vertical construction costs" means the additional costs associated with construction
 3656 above four stories and structured parking to achieve enhanced development in the
 3657 housing and transit reinvestment zone.

3658 Section 48. Section **63N-3-603** is amended to read:

3659 **63N-3-603 (Effective 05/06/26). Applicability, requirements, and limitations on a**
 3660 **housing and transit reinvestment zone.**

3661 (1) A housing and transit reinvestment zone proposal created under this part shall
 3662 demonstrate how the proposal addresses the following objectives:

- 3663 (a) higher utilization of public transit;
- 3664 (b) increasing availability of housing, including affordable housing, and fulfillment of
3665 moderate income housing plans;
- 3666 (c) promoting and encouraging development of owner-occupied housing;
- 3667 (d) improving efficiencies in parking and transportation, including walkability of
3668 communities near public transit facilities;
- 3669 (e) overcoming development impediments and market conditions that render a
3670 development cost prohibitive absent the proposal and incentives;
- 3671 (f) conserving water resources through efficient land use;
- 3672 (g) improving air quality by reducing fuel consumption and motor vehicle trips;
- 3673 (h) encouraging transformative mixed-use development and investment in transportation
3674 and public transit infrastructure in strategic areas;
- 3675 (i) strategic land use and municipal planning in major transit investment corridors as
3676 described in Subsection 10-20-404(2);
- 3677 (j) increasing access to employment and educational opportunities; and
- 3678 (k) increasing access to child care.
- 3679 (2)(a) In order to accomplish the objectives described in Subsection (1), a municipality
3680 or public transit county that initiates the process to create a housing and transit
3681 reinvestment zone as described in this part shall ensure that the proposal for a
3682 housing and transit reinvestment zone includes:
- 3683 (i) except as provided in Subsection (3), at least 12% of the proposed dwelling units
3684 within the housing and transit reinvestment zone are affordable housing units,
3685 with:
- 3686 (A) up to 9% of the proposed dwelling units occupied or reserved for occupancy
3687 by households with a gross household income equal to or less than 80% of the
3688 county median gross income for households of the same size; and
- 3689 (B) at least 3% of the proposed dwelling units occupied or reserved for occupancy
3690 by households with a gross household income equal to or less than 60% of the
3691 county median gross income for households of the same size;
- 3692 (ii) except as provided in Subsection (2)(c), a housing and transit reinvestment zone
3693 shall include:
- 3694 (A) at least 51% of the developable area within a housing and transit reinvestment
3695 zone as residential uses; and
- 3696 (B) an average of at least 50 dwelling units per acre within the acreage of the

- 3697 housing and transit reinvestment zone dedicated to residential uses;
- 3698 (iii) mixed-use development; and
- 3699 (iv) a mix of dwelling units to ensure that at least 25% of the dwelling units have
- 3700 more than one bedroom.
- 3701 (b)(i) If a housing and transit reinvestment zone is phased, a municipality or public
- 3702 transit county shall ensure that a housing and transit reinvestment zone is phased
- 3703 and developed to provide the required 12% of affordable housing units in each
- 3704 phase of development.
- 3705 (ii) A municipality or public transit county may allow a housing and transit
- 3706 reinvestment zone to be phased and developed in a manner to provide more of the
- 3707 required affordable housing units in early phases of development.
- 3708 (iii) A municipality or public transit county shall include in a housing and transit
- 3709 reinvestment zone proposal an affordable housing plan, which may include deed
- 3710 restrictions, to ensure the affordable housing required in the proposal will continue
- 3711 to meet the definition of affordable housing at least throughout the entire term of
- 3712 the housing and transit reinvestment zone.
- 3713 (c) For a housing and transit reinvestment zone proposed by a public transit county at a
- 3714 public transit hub, or for a housing and transit reinvestment zone proposed by a
- 3715 municipality at a bus rapid transit station, the housing and transit reinvestment zone
- 3716 shall include:
- 3717 (i) at least 51% of the developable area within a housing and transit reinvestment
- 3718 zone as residential uses; and
- 3719 (ii) an average of at least 39 dwelling units per acre within the acreage of the housing
- 3720 and transit reinvestment zone dedicated to residential uses.
- 3721 (3) A municipality or public transit county that, at the time the housing and transit
- 3722 reinvestment zone proposal is approved by the housing and transit reinvestment zone
- 3723 committee, meets the affordable housing guidelines of the United States Department of
- 3724 Housing and Urban Development at 60% area median income is exempt from the
- 3725 requirement described in Subsection (2)(a).
- 3726 (4)(a) A municipality may only propose a housing and transit reinvestment zone at a
- 3727 commuter rail station, and a public transit county may only propose a housing and
- 3728 transit reinvestment zone at a public transit hub, that:
- 3729 (i) subject to Subsection (5)(a):
- 3730 (A)(I) except as provided in Subsection (4)(a)(i)(A)(II), for a municipality,

- 3731 does not exceed a 1/3 mile radius of a commuter rail station;
- 3732 (II) for a municipality that is a city of the first or second class that is within a
- 3733 county of the first or second class, with an opportunity zone created in
- 3734 accordance with Section 1400Z-1, Internal Revenue Code, does not exceed
- 3735 a 1/2 mile radius of a commuter rail station located within the opportunity
- 3736 zone; or
- 3737 (III) for a public transit county, does not exceed a 1/3 mile radius of a public
- 3738 transit hub; and
- 3739 (B) has a total area of no more than 125 noncontiguous acres;
- 3740 (ii) subject to Section 63N-3-607, proposes the capture of a maximum of 80% of each
- 3741 taxing entity's property tax increment above the base year for a term of no more
- 3742 than 25 consecutive years on each parcel within a 45-year period not to exceed the
- 3743 property tax increment amount approved in the housing and transit reinvestment
- 3744 zone proposal; and
- 3745 (iii) the commencement of collection of property tax increment, for all or a portion of
- 3746 the housing and transit reinvestment zone project area, shall be triggered by
- 3747 providing notice as described in Subsection (6), but a housing and transit
- 3748 reinvestment zone proposal may not propose or include triggering more than three
- 3749 property tax increment collection periods for the same project during the
- 3750 applicable 45-year period.
- 3751 (b) A municipality or public transit county may only propose a housing and transit
- 3752 reinvestment zone at a light rail station or bus rapid transit station that:
- 3753 (i) subject to Subsection (5):
- 3754 (A) does not exceed[~~;~~]
- 3755 [~~(I) except as provided in Subsection (4)(b)(i)(A)(II), (III), or (4)(e);~~] a 1/4 mile
- 3756 radius of a bus rapid transit station or light rail station; and
- 3757 [~~(II) for a municipality that is a city of the first class with a population greater~~
- 3758 ~~than 150,000 that is within a county of the first class, a 1/2 mile radius of a~~
- 3759 ~~light rail station located in an opportunity zone created in accordance with~~
- 3760 ~~Section~~
- 3761 ~~1400Z-1, Internal Revenue Code; or]~~
- 3762 [~~(III) a 1/2 mile radius of a light rail station located within a master-planned~~
- 3763 ~~development of 500 acres or more; and]~~
- 3764 (B) has a total area of no more than 100 noncontiguous acres;

- 3765 (ii) subject to Subsection (4)(c) and Section 63N-3-607, proposes the capture of a
 3766 maximum of 80% of each taxing entity's property tax increment above the base
 3767 year for a term of no more than 15 consecutive years on each parcel within a
 3768 30-year period not to exceed the property tax increment amount approved in the
 3769 housing and transit reinvestment zone proposal; and
- 3770 (iii) the commencement of collection of property tax increment, for all or a portion of
 3771 the housing and transit reinvestment zone project area, shall be triggered by
 3772 providing notice as described in Subsection (6), but a housing and transit
 3773 reinvestment zone proposal may not propose or include triggering more than three
 3774 property tax increment collection periods for the same project during the
 3775 applicable 30-year period.
- 3776 (c) For a housing and transit reinvestment zone proposed by a public transit county at a
 3777 public transit hub, or for a housing and transit reinvestment zone proposed by a
 3778 municipality at a bus rapid transit station, if the proposed housing density within the
 3779 housing and transit reinvestment zone is between 39 and 49 dwelling units per acre,
 3780 the maximum capture of each taxing entity's property tax increment above the base
 3781 year is 60%.
- 3782 ~~[(d) A municipality that is a city of the first class with a population greater than 150,000~~
 3783 ~~in a county of the first class as described in Subsections (4)(a)(i)(A)(II) and~~
 3784 ~~(4)(b)(i)(A)(II) may only propose one housing and transit reinvestment zone within~~
 3785 ~~an opportunity zone.]~~
- 3786 ~~[(e) (d)(i) Subject to Subsection [(4)(e)(ii)] (4)(d)(ii), the radius restrictions described~~
 3787 ~~in Subsection (4)(b)(i) do not apply, and a housing and transit reinvestment zone~~
 3788 ~~may extend to an area between two or three light rail or bus rapid transit stations~~
 3789 ~~located within a city of the third class or fourth class if the [two] light rail stations~~
 3790 ~~or bus rapid transit stations are within a .95 mile distance on the same light rail line~~
 3791 ~~or dedicated offset bus lane.~~
- 3792 (ii) If a housing and transit reinvestment zone is extended to accommodate ~~[two]~~
 3793 multiple light rail stations or bus rapid transit stations as described in Subsection [
 3794 ~~(4)(e)(i)] (4)(d)(i):~~
- 3795 (A) the housing and transit reinvestment zone is limited to a total area not to
 3796 exceed 100 noncontiguous acres; and
- 3797 (B) the housing and transit reinvestment zone may not exceed a 1/4 mile radius
 3798 from the light rail or bus rapid transit stations or any point on the light rail line

3799 or dedicated offset bus line between the two stations.

3800 (iii) If a housing and transit reinvestment zone is extended to accommodate three
3801 light rail or bus rapid transit stations as described in Subsection (4)(d)(i):

3802 (A) the housing and transit reinvestment zone is limited to a total area not to
3803 exceed 250 noncontiguous acres;

3804 (B) the housing and transit reinvestment zone may not exceed a one-quarter mile
3805 radius from the light rail or bus rapid transit stations or any point on the light
3806 rail line or dedicated offset bus line between the three stations; and

3807 (C) the housing and transit reinvestment zone shall be counted as two for purposes
3808 of Subsection (7).

3809 ~~[(f)]~~ (e) If a parcel within the housing and transit reinvestment zone is included as an area
3810 that is part of a project area, as that term is defined in Section 17C-1-102, and created
3811 under Title 17C, Chapter 1, Agency Operations, that parcel may not be triggered for
3812 collection unless the project area funds collection period, as that term is defined in
3813 Section 17C-1-102, has expired.

3814 (5)(a) For a housing and transit reinvestment zone for a commuter rail station, if a parcel
3815 is intersected by the relevant radius limitation, the full parcel may be included as part
3816 of the housing and transit reinvestment zone area and will not count against the
3817 limitations described in Subsection (4)(a)(i).

3818 (b) For a housing and transit reinvestment zone for a light rail or bus rapid transit
3819 station, if a parcel is intersected by the relevant radius limitation, the full parcel may
3820 be included as part of the housing and transit reinvestment zone area and will not
3821 count against the limitations described in Subsection (4)(b)(i).

3822 (c) A housing and transit reinvestment zone may not be smaller than 10 acres.

3823 (6)(a) The notice of commencement of collection of property tax increment required in
3824 Subsection (4)(a)(iii) or (4)(b)(iii) shall be sent by mail or electronically to the
3825 following entities no later than December 31 of the year before the year for which the
3826 property tax increment collection is proposed to commence:

3827 (i) the State Tax Commission;

3828 (ii) the State Board of Education;

3829 (iii) the state auditor;

3830 (iv) the auditor of the county in which the housing and transit reinvestment zone is
3831 located;

3832 (v) each taxing entity affected by the collection of property tax increment from the

- 3833 housing and transit reinvestment zone; and
- 3834 (vi) the Governor's Office of Economic Opportunity.
- 3835 (b) The notice described in Subsection (4)(a)(iii) or (4)(b)(iii) may not be triggered until
- 3836 the date on which the housing and transit reinvestment zone proposal is approved by
- 3837 the housing and transit reinvestment zone committee.
- 3838 (c)(i) For a convention center reinvestment zone in a capital city, a municipality or
- 3839 public infrastructure district may submit a notice of commencement of collection
- 3840 of property tax increment for each separate parcel or subarea within the
- 3841 convention center reinvestment zone in a capital city.
- 3842 (ii) The collection of property tax increment described in Subsection (6)(c)(i) shall
- 3843 commence no later than five years from the day the convention center
- 3844 reinvestment zone in a capital city proposal is approved.
- 3845 (7)(a) The maximum number of housing and transit reinvestment zones at light rail
- 3846 stations, not including a convention center reinvestment zone, is eight in any given
- 3847 county.
- 3848 (b) Within a county of the first class, the maximum number of housing and transit
- 3849 reinvestment zones at bus rapid transit stations is three.
- 3850 (c) Within a county of the first class, the maximum total combined number of housing
- 3851 and transit reinvestment zones described in Subsections (7)(a) and (b) and first home
- 3852 investment zones created under Part 16, First Home Investment Zone Act, is 11.
- 3853 (8)(a) For purposes of this Subsection (8), "entitlement agreement" means:
- 3854 (i) a land use application;
- 3855 (ii) a rezone petition; or
- 3856 (iii) a request, petition, or application to:
- 3857 (A) enact or approve a development agreement; or
- 3858 (B) to amend or modify a development agreement.
- 3859 (b) This Subsection (8) applies to a specified county, as defined in Section 17-80-101,
- 3860 that has created a small public transit district on or before January 1, 2022.
- 3861 (c) To accomplish the objectives described in Subsection (1), an owner of undeveloped
- 3862 property within an unincorporated county shall have the right to develop and build a
- 3863 mixed-use development if:
- 3864 (i) the owner has submitted an entitlement agreement to the county on or before
- 3865 December 31, 2022, and is within a 1/3 mile radius of a public transit hub in a
- 3866 county described in Subsection (8)(b), including parcels that are intersected by the

- 3867 1/3 mile radius; and
- 3868 (ii) the county described in Subsection (8)(b) has failed to approve the entitlement
- 3869 agreement described in Subsection (8)(c)(i) by ordinance before December 31,
- 3870 2022.
- 3871 (d) The mixed use development described in Subsection (8)(c) shall include the
- 3872 following:
- 3873 (i)(A)(I) a maximum number of dwelling units equal to 30 multiplied by the
- 3874 total acres of developable area within the mixed-use development dedicated
- 3875 exclusively to residential use; or
- 3876 (II) a maximum number of dwelling units equal to 15 multiplied by the total
- 3877 acres of the mixed-use development; and
- 3878 (B) at least 33% of the dwelling units as affordable housing;
- 3879 (ii) commercial uses, including office, retail, educational, and healthcare in support of
- 3880 the mixed-use development constituting no more than 1/3 of the total planned
- 3881 gross building square footage of the subject parcels; and
- 3882 (iii) any other infrastructure element necessary or reasonable to support the
- 3883 mixed-use development, including:
- 3884 (A) parking infrastructure;
- 3885 (B) streets;
- 3886 (C) sidewalks;
- 3887 (D) parks; and
- 3888 (E) trails.
- 3889 (e)(i) The mixed-use development described in this Subsection (8) may qualify for a
- 3890 housing and transit reinvestment zone described in Subsection (4)(a).
- 3891 (ii) The county described in Subsection (8)(b) may propose a housing and transit
- 3892 reinvestment zone in accordance with this part, if the housing and transit
- 3893 reinvestment zone includes:
- 3894 (A)(I) an average of at least 30 dwelling units per acre within the acreage of the
- 3895 housing and transit reinvestment zone dedicated to residential use; or
- 3896 (II) a minimum number of 14 dwelling units per acre on average within the
- 3897 acreage of the housing and transit reinvestment zone; and
- 3898 (B) at least 33% of the dwelling units as affordable housing units.
- 3899 (f) A county may not take an action or enforce an agreement, ordinance, regulation, or
- 3900 requirement that prevents or creates development impediments to the development of

3901 a mixed-use development as described in this Subsection (8).

3902 (g) A county action to approve or implement the development of a mixed-use
3903 development as described in this Subsection (8) shall constitute an administrative
3904 action taken by the county and does not require county legislative action.

3905 Section 49. Section **63N-3-604** is amended to read:

3906 **63N-3-604 (Effective 05/06/26). Process for a proposal of a housing and transit**
3907 **reinvestment zone -- Analysis.**

3908 (1) [~~Subject-~~] On or before December 31, 2027, and subject to approval of the housing and
3909 transit reinvestment zone committee as described in Section 63N-3-605, in order to
3910 create a housing and transit reinvestment zone, a municipality or public transit county
3911 that has general land use authority over the housing and transit reinvestment zone area,
3912 shall:

3913 (a) prepare a proposal for the housing and transit reinvestment zone that:

3914 (i) demonstrates that the proposed housing and transit reinvestment zone will meet
3915 the objectives described in Subsection 63N-3-603(1);

3916 (ii) explains how the municipality or public transit county will achieve the
3917 requirements of Subsection 63N-3-603(2)(a)(i);

3918 (iii) defines the specific transportation infrastructure needs, if any, and proposed
3919 improvements and estimated budgets;

3920 (iv) defines the boundaries of:

3921 (A) the housing and transit reinvestment zone; and

3922 (B) the sales and use tax boundary corresponding to the housing and transit
3923 reinvestment zone boundary, as described in Section 63N-3-610;

3924 (v) includes maps of the proposed housing and transit reinvestment zone to illustrate:

3925 (A) the proposed boundary and radius from a public transit hub;

3926 (B) proposed housing density within the housing and transit reinvestment zone;
3927 and

3928 (C) existing zoning and proposed zoning changes related to the housing and transit
3929 reinvestment zone;

3930 (vi) identifies any development impediments that prevent the development from
3931 being a market-rate investment, including proposed strategies and estimated
3932 budgets for addressing each one;

3933 (vii) describes the proposed development plan and estimated budgets, including the
3934 requirements described in Subsections 63N-3-603(2) and (4);

- 3935 (viii) establishes a base year and collection period to calculate the property tax
3936 increment within the housing and transit reinvestment zone;
- 3937 (ix) establishes a sales and use tax base year to calculate the sales and use tax
3938 increment within the housing and transit reinvestment zone in accordance with
3939 Section 63N-3-610;
- 3940 (x) describes projected maximum revenues generated and the amount of property tax
3941 increment capture from each taxing entity and proposed expenditures of revenue
3942 derived from the housing and transit reinvestment zone;
- 3943 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources
3944 of revenue that can be used to reduce the finance gap;
- 3945 (xii) estimates budgets and evaluates possible benefits to active and public
3946 transportation availability and impacts on air quality;
- 3947 (xiii) proposes a finance schedule to align expected revenue with required financing
3948 costs and payments;
- 3949 (xiv) provides a pro-forma for the planned development that:
- 3950 (A) satisfies the requirements described in Subsections 63N-3-603(2), (3), and (4);
- 3951 (B) includes data showing the cost difference between what type of development
3952 could feasibly be developed absent the housing and transit reinvestment zone
3953 property tax increment and the type of development that is proposed to be
3954 developed with the housing and transit reinvestment zone property tax
3955 increment; and
- 3956 (C) provides estimated budgets and construction costs, anticipated revenue,
3957 financing, expenses, and other sources and uses of funds for the project area;
3958 and
- 3959 (xv) for a housing and transit reinvestment zone at a commuter rail station, light rail
3960 station, or bus rapid transit station that is proposed and not in public transit service
3961 operation as of the date of submission of the proposal, demonstrates that the
3962 proposed station is:
- 3963 (A) included as needed in phase one of a metropolitan planning organization's
3964 adopted long-range transportation plan and in phase one of the relevant public
3965 transit district's adopted long-range plan; and
- 3966 (B) reasonably anticipated to be constructed in the near future; and
- 3967 (b) submit the housing and transit reinvestment zone proposal to the Governor's Office
3968 of Economic Opportunity.

- 3969 (2) As part of the proposal described in Subsection (1), a municipality or public transit
3970 county shall study and evaluate possible impacts of a proposed housing and transit
3971 reinvestment zone on parking within the city and housing and transit reinvestment zone.
- 3972 (3)(a) After receiving the proposal as described in Subsection (1)(b), the Governor's
3973 Office of Economic Opportunity shall:
- 3974 (i) within 14 days after the date on which the Governor's Office of Economic
3975 Opportunity receives the proposal described in Subsection (1)(b), provide notice
3976 of the proposal to all affected taxing entities, including the Tax Commission,
3977 cities, counties, school districts, metropolitan planning organizations, and the
3978 county assessor and county auditor of the county in which the housing and transit
3979 reinvestment zone is located; and
- 3980 (ii) at the expense of the proposing municipality or public transit county as described
3981 in Subsection (5), contract with an independent entity to perform the financial gap
3982 analysis described in Subsection (3)(b).
- 3983 (b) The gap analysis required in Subsection (3)(a)(ii) shall include:
- 3984 (i) a description of the planned development;
- 3985 (ii) a market analysis relative to other comparable project developments included in
3986 or adjacent to the municipality or public transit county absent the proposed
3987 housing and transit reinvestment zone;
- 3988 (iii) an evaluation of the proposal to and a determination of the adequacy and
3989 efficiency of the proposal;
- 3990 (iv) an evaluation of the proposed increment capture needed to cover the enhanced
3991 development costs associated with the housing and transit reinvestment zone
3992 proposal and enable the proposed development to occur; and
- 3993 (v) based on the market analysis and other findings, an opinion relative to the
3994 appropriate amount of potential public financing reasonably determined to be
3995 necessary to achieve the objectives described in Subsection 63N-3-603(1).
- 3996 (c) After receiving notice from the Governor's Office of Economic Opportunity of a
3997 proposed housing and transit reinvestment zone as described in Subsection (3)(a)(i),
3998 the State Tax Commission shall:
- 3999 (i) evaluate the feasibility of administering the tax implications of the proposal; and
4000 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any
4001 challenges in the administration of the proposal, or indicating that the Tax
4002 Commission can feasibly administer the proposal.

- 4003 (4) After receiving the results from the analysis described in Subsection (3)(b), the
4004 municipality or public transit county proposing the housing and transit reinvestment
4005 zone may:
- 4006 (a) amend the housing and transit reinvestment zone proposal based on the findings of
4007 the analysis described in Subsection (3)(b) and request that the Governor's Office of
4008 Economic Opportunity submit the amended housing and transit reinvestment zone
4009 proposal to the housing and transit reinvestment zone committee; or
- 4010 (b) request that the Governor's Office of Economic Opportunity submit the original
4011 housing and transit reinvestment zone proposal to the housing and transit
4012 reinvestment zone committee.
- 4013 (5)(a) The Governor's Office of Economic Opportunity may accept, as a dedicated
4014 credit, up to \$20,000 from a municipality or public transit county for the costs of the
4015 gap analysis described in Subsection (3)(b).
- 4016 (b) The Governor's Office of Economic Opportunity may expend funds received from a
4017 municipality or public transit county as dedicated credits to pay for the costs
4018 associated with the gap analysis described in Subsection (3)(b).
- 4019 (6)(a) Beginning January 1, 2028:
- 4020 (i) a municipality or public transit county may not propose a housing and transit
4021 reinvestment zone;
- 4022 (ii) a municipality or public transit county may amend a housing and transit
4023 reinvestment zone proposal, as described in Subsection (4), if the proposal is
4024 pending review or approval on December 31, 2027; and
- 4025 (iii) the Governor's Office of Economic Opportunity may not fulfill the duties
4026 described in Subsection (3) or (5) in regard to a proposal for a housing and transit
4027 reinvestment zone unless the proposal is pending review or approval on December
4028 31, 2027.
- 4029 (b) Subsection (6)(a) does not impact housing and transit reinvestment zones that are in
4030 existence on January 1, 2028.
- 4031 Section 50. Section **63N-3-604.1** is amended to read:
- 4032 **63N-3-604.1 (Effective 05/06/26). Process for proposing a convention center**
4033 **reinvestment zone.**
- 4034 (1) [F6] On or before December 31, 2027, to create a convention center reinvestment zone
4035 under this part, the Governor's Office of Economic Opportunity shall, after consulting
4036 with and giving notice to the related eligible municipality and county, provide a proposal

- 4037 for a convention center reinvestment zone to the housing and transit reinvestment zone
4038 committee.
- 4039 (2)(a) The Governor's Office of Economic Opportunity shall ensure that a proposal for
4040 the creation of a convention center reinvestment zone includes the following
4041 information and data that:
- 4042 (i) defines the boundary of the proposed convention center reinvestment zone;
 - 4043 (ii) describes generally the proposed development plan;
 - 4044 (iii) identifies a base year and collection period to calculate the property tax
4045 increment within the convention center reinvestment zone;
 - 4046 (iv) specifies a sales and use tax base year to calculate the sales and use tax increment
4047 within the convention center reinvestment zone in accordance with Section
4048 63N-3-610.1;
 - 4049 (v) provides estimated project and investment objectives for the convention center
4050 reinvestment zone; and
 - 4051 (vi) outlines generally the impacts on transportation in and around the proposed
4052 convention center reinvestment zone.
- 4053 (b) For a convention center reinvestment zone in a capital city, the proposal described in
4054 Subsection (2)(a) shall also provide estimated budgets and construction costs,
4055 anticipated revenue, financing, expenses, and other sources and uses of funds for the
4056 project area.
- 4057 (c) The proposal described in Subsection (2)(b) shall limit the use of funds to:
- 4058 (i) a convention center;
 - 4059 (ii) a publicly owned entertainment venue;
 - 4060 (iii) parking; and
 - 4061 (iv) infrastructure related to the project.
- 4062 (3) A proposal by the Governor's Office of Economic Opportunity for a convention center
4063 reinvestment zone shall demonstrate how the information and data provided in the
4064 proposal pursuant to Subsection (2) furthers the objectives described in Section
4065 63N-3-603.1 and is in the public interest.
- 4066 (4) After submitting the proposal as described in Subsection (2), the Governor's Office of
4067 Economic Opportunity shall provide notice of the proposal to all affected taxing entities,
4068 including the State Tax Commission, cities, counties, school districts, metropolitan
4069 planning organizations, and the county assessor and county auditor of the county in
4070 which the convention center reinvestment zone is located.

4071 (5) After receiving notice from the Governor's Office of Economic Opportunity of a
 4072 proposed convention center reinvestment zone as described in Subsection (4), the Tax
 4073 Commission shall, within 14 days:

- 4074 (a) evaluate the feasibility of administering the tax implications of the proposal; and
 4075 (b) provide a letter to the Governor's Office of Economic Opportunity describing any
 4076 challenges in the administration of the proposal, or indicating that the State Tax
 4077 Commission can feasibly administer the proposal.

4078 (6) Beginning January 1, 2028, the Governor's Office of Economic Opportunity may not
 4079 propose, and the committee may not consider, the creation of a convention center
 4080 reinvestment zone.

4081 Section 51. Section **63N-3-605** is amended to read:

4082 **63N-3-605 (Effective 05/06/26) (Applies beginning 05/04/22). Housing and transit**
 4083 **reinvestment zone committee -- Creation.**

4084 (1) [Føf] On or before December 31, 2027, for any housing and transit reinvestment zone
 4085 proposed under this part, or for a first home investment zone proposed in accordance
 4086 with Part 16, First Home Investment Zone Act, there is created a housing and transit
 4087 reinvestment zone committee with membership described in Subsection (2).

4088 (2) Each housing and transit reinvestment zone committee shall consist of the following
 4089 members:

- 4090 (a) one representative from the Governor's Office of Economic Opportunity, designated
 4091 by the executive director of the Governor's Office of Economic Opportunity;
 4092 (b) one representative from each municipality that is a party to the proposed housing and
 4093 transit reinvestment zone or first home investment zone, designated by the chief
 4094 executive officer of each respective municipality;
 4095 (c) a member of the Transportation Commission created in Section 72-1-301;
 4096 (d) a member of the board of trustees of a large public transit district;
 4097 (e) one individual from the Office of the State Treasurer, designated by the state
 4098 treasurer;
 4099 (f) two members designated by the president of the Senate;
 4100 (g) two members designated by the speaker of the House of Representatives;
 4101 (h) one member designated by the chief executive officer of each county affected by the
 4102 housing and transit reinvestment zone or first home investment zone;
 4103 (i) two representatives designated by the school superintendent from the school district
 4104 affected by the housing and transit reinvestment zone or first home investment zone;

- 4105 and
- 4106 (j) one representative, representing the largest participating local taxing entity, after the
- 4107 municipality, county, and school district.
- 4108 (3) The individual designated by the Governor's Office of Economic Opportunity as
- 4109 described in Subsection (2)(a) shall serve as chair of the housing and transit
- 4110 reinvestment zone committee.
- 4111 (4)(a) A majority of the members of the housing and transit reinvestment zone
- 4112 committee constitutes a quorum of the housing and transit reinvestment zone
- 4113 committee.
- 4114 (b) An action by a majority of a quorum of the housing and transit reinvestment zone
- 4115 committee is an action of the housing and transit reinvestment zone committee.
- 4116 (5)(a) After the Governor's Office of Economic Opportunity receives the results of the
- 4117 analysis described in Section 63N-3-604, and after the Governor's Office of
- 4118 Economic Opportunity has received a request from the submitting municipality or
- 4119 public transit county to submit the housing and transit reinvestment zone proposal to
- 4120 the housing and transit reinvestment zone committee, the Governor's Office of
- 4121 Economic Opportunity shall notify each of the entities described in Subsection (2) of
- 4122 the formation of the housing and transit reinvestment zone committee.
- 4123 (b) For a first home investment zone, the housing and transit reinvestment zone
- 4124 committee shall follow the procedures described in Section 63N-3-1604.
- 4125 (6)(a) The chair of the housing and transit reinvestment zone committee shall convene a
- 4126 public meeting to consider the proposed housing and transit reinvestment zone.
- 4127 (b) A meeting of the housing and transit reinvestment zone committee is subject to Title
- 4128 52, Chapter 4, Open and Public Meetings Act.
- 4129 (7)(a) The proposing municipality or public transit county shall present the housing and
- 4130 transit reinvestment zone proposal to the housing and transit reinvestment zone
- 4131 committee in a public meeting.
- 4132 (b) The housing and transit reinvestment zone committee shall, for a housing and transit
- 4133 reinvestment zone proposal:
- 4134 (i) evaluate and verify whether the elements of a housing and transit reinvestment
- 4135 zone described in Subsections 63N-3-603(2) and (4) have been met; and
- 4136 (ii) evaluate the proposed housing and transit reinvestment zone relative to the
- 4137 analysis described in Subsection 63N-3-604(2).
- 4138 (c) The housing and transit reinvestment zone committee shall, for a convention center

4139 reinvestment zone proposal, evaluate and verify whether the objectives of a
4140 convention center reinvestment zone described in Section 63N-3-603.1 have been
4141 met.

4142 (8)(a) Subject to Subsection (8)(b), the housing and transit reinvestment zone committee
4143 may:

4144 (i)(A) for a housing and transit reinvestment zone, request changes to the housing
4145 and transit reinvestment zone proposal based on the analysis, characteristics,
4146 and criteria described in Section 63N-3-604; or

4147 (B) for a convention center reinvestment zone, request changes to the convention
4148 center reinvestment zone proposal based on the characteristics and criteria
4149 described in Sections 63N-3-603.1 and 63N-3-604.1; or

4150 (ii) subject to Subsection (12), vote to approve or deny the proposal.

4151 (b) Before the housing and transit reinvestment zone committee may approve the
4152 housing and transit reinvestment zone proposal, the municipality or public transit
4153 county proposing the housing and transit reinvestment zone shall ensure that the area
4154 of the proposed housing and transit reinvestment zone is zoned in such a manner to
4155 accommodate the requirements of a housing and transit reinvestment zone described
4156 in this section and the proposed development.

4157 (9)(a) If a housing and transit reinvestment zone is approved by the committee:

4158 [~~(a)~~] (i) the proposed housing and transit reinvestment zone is established according to
4159 the terms of the housing and transit reinvestment zone proposal;

4160 [~~(b)~~] (ii) affected local taxing entities are required to participate according to the terms
4161 of the housing and transit reinvestment zone proposal; and

4162 [~~(c)~~] (iii) each affected taxing entity is required to participate at the same rate.

4163 (b) If a zone is approved by the committee, the proposing municipality or public transit
4164 county shall:

4165 (i) enter into an agreement with the relevant property owners identifying the density
4166 necessary to implement the approved proposal;

4167 (ii) enter into an entitlement agreement, development agreement, or participation
4168 agreement with the property owners within the zone as soon as reasonably
4169 possible to implement the approved proposal; and

4170 (iii) if the proposing municipality or public transit county have not entered into one
4171 or more of the agreements described in Subsection (9)(b)(ii) within two years of
4172 the approval of the proposal, submit a written report to the committee describing

- 4173 the status of:
- 4174 (A) the agreement required by Subsection (9)(b)(ii) and an explanation of the
- 4175 status; and
- 4176 (B) related land use regulations to implement the approved proposal.
- 4177 (10) A housing and transit reinvestment zone proposal may be amended by following the
- 4178 same procedure as approving a housing and transit reinvestment zone proposal, except
- 4179 the proposing municipality or public transit county is not required to submit an
- 4180 additional pro forma analysis unless requested by the office or the committee.
- 4181 (11)(a) The approval for a convention center reinvestment zone in a capital city may be
- 4182 completed with a condition that the relevant municipality also create a public
- 4183 infrastructure district as provided in Subsection 63N-3-607(8)(b).
- 4184 (b) The approval described in Subsection (11)(a) shall verify that the requirements and
- 4185 limitations on use of funds is limited to the conditions described under Subsections
- 4186 63N-3-604.1(2)(b) and (c).
- 4187 (12)(a) Beginning January 1, 2028, the committee may not approve a proposal for a
- 4188 housing and transit reinvestment zone, a first home investment zone, or a convention
- 4189 center reinvestment zone unless the proposal was pending on December 31, 2027.
- 4190 (b) Housing and transit reinvestment zones that are in existence on January 1, 2028,
- 4191 continue to exist and shall comply with the relevant requirements of this part until the
- 4192 housing and transit reinvestment zone is dissolved.
- 4193 (c) First home investment zones that are in existence on January 1, 2028, continue to
- 4194 exist and shall comply with the relevant requirements of this part until the first home
- 4195 investment zone is dissolved.
- 4196 (d) Convention center reinvestment zones that are in existence on January 1, 2028,
- 4197 continue to exist and shall comply with the relevant requirements of this part until the
- 4198 convention center reinvestment zone is dissolved.
- 4199 Section 52. Section **63N-3-607** is amended to read:
- 4200 **63N-3-607 (Effective 05/06/26). Payment, use, and administration of revenue**
- 4201 **from a housing and transit reinvestment zone.**
- 4202 (1) In accordance with this part:
- 4203 (a) a municipality or public transit county may receive and use property tax increment
- 4204 and housing and transit reinvestment zone funds;
- 4205 (b)(i) a public infrastructure district shall use the funds from a convention center
- 4206 reinvestment zone in a capital city within or for the benefit of a convention center

- 4207 reinvestment zone in a capital city; and
- 4208 (ii) funds from a convention center reinvestment zone in a capital city may be used
- 4209 outside of the capital city convention center reinvestment zone if the use meets the
- 4210 objectives described in Section 63N-3-603.1 and is determined by the board of the
- 4211 public infrastructure district to be a direct benefit to the convention center
- 4212 reinvestment zone in a capital city; and
- 4213 (c) a municipality or a public infrastructure district may receive and use property tax
- 4214 increment and convention center reinvestment zone funds for a convention center
- 4215 reinvestment zone that is not within a capital city.
- 4216 (2)(a) Except as provided in Subsection (3), a county that collects property tax on
- 4217 property located within a housing and transit reinvestment zone shall, in accordance
- 4218 with Section 59-2-1365, distribute to the municipality or public transit county any
- 4219 property tax increment the municipality or public transit county is authorized to
- 4220 receive up to the maximum approved by the housing and transit reinvestment zone
- 4221 committee.
- 4222 (b) Property tax increment distributed to a municipality or public transit county in
- 4223 accordance with Subsection (2)(a) is not revenue of the taxing entity or municipality
- 4224 or public transit county.
- 4225 (c)(i) Property tax increment paid to the municipality or public transit county are
- 4226 housing and transit reinvestment zone funds and shall be administered by an
- 4227 agency created by the municipality or public transit county within which the
- 4228 housing and transit reinvestment zone is located.
- 4229 (ii) Before an agency may receive housing and transit reinvestment zone funds from
- 4230 the municipality or public transit county, the municipality or public transit county
- 4231 and the agency shall enter into an interlocal agreement with terms that:
- 4232 (A) are consistent with the approval of the housing and transit reinvestment zone
- 4233 committee; and
- 4234 (B) meet the requirements of Section 63N-3-603 or, for a convention center
- 4235 reinvestment zone, the requirements of Section 63N-3-603.1.
- 4236 (3)(a) A county that collects property tax on property located within a convention center
- 4237 reinvestment zone shall, in accordance with Section 59-2-1365, distribute to the
- 4238 relevant public infrastructure district created by the eligible municipality any
- 4239 property tax increment the public infrastructure district is authorized to receive up to
- 4240 the amounts approved by the housing and transit reinvestment zone committee.

- 4241 (b) Property tax increment distributed to a public infrastructure district in accordance
 4242 with Subsection (3)(a) is not revenue of the taxing entity or municipality.
- 4243 (c) Property tax increment paid to the public infrastructure district are convention center
 4244 reinvestment zone funds and shall be administered by the public infrastructure district
 4245 within which the convention center reinvestment zone is located.
- 4246 (4)(a)(i) A municipality or public transit county and agency shall use housing and
 4247 transit reinvestment zone funds within, or for the direct benefit of, the housing and
 4248 transit reinvestment zone.
- 4249 (ii) A public infrastructure district shall use convention center reinvestment zone
 4250 funds within, or for the benefit of, the convention center reinvestment zone.
- 4251 (b) If any housing and transit reinvestment zone funds will be used outside of the
 4252 housing and transit reinvestment zone, there must be a finding in the approved
 4253 proposal for a housing and transit reinvestment zone that the use of the housing and
 4254 transit reinvestment zone funds outside of the housing and transit reinvestment zone
 4255 will directly benefit the housing and transit reinvestment zone.
- 4256 (5)(a) A municipality or public transit county shall use housing and transit reinvestment
 4257 zone funds to achieve the purposes described in Subsections 63N-3-603(1) and (2),
 4258 by paying all or part of the costs of any of the following:
- 4259 (i) income targeted housing costs;
- 4260 (ii) structured parking within the housing and transit reinvestment zone;
- 4261 (iii) enhanced development costs;
- 4262 (iv) horizontal construction costs;
- 4263 (v) vertical construction costs;
- 4264 (vi) property acquisition costs within the housing and transit reinvestment zone;
- 4265 (vii) the costs of the municipality or public transit county to create and administer the
 4266 housing and transit reinvestment zone, which may not exceed 2% of the total
 4267 housing and transit reinvestment zone funds, plus the costs to complete the gap
 4268 analysis described in Subsection 63N-3-604(2);~~[-or]~~
- 4269 (viii) subject to Subsection (5)(b), costs for the construction or expansion of child
 4270 care facilities within the boundary of the housing and transit reinvestment zone~~[-]~~ ;
 4271 or
- 4272 (ix) extraterritorial affordable housing costs as described in Subsection (5)(d).
- 4273 (b) A municipality or public transit county may not use more than 1% of the total
 4274 housing and transit reinvestment zone funds to pay costs described in Subsection

- 4275 (5)(a)(viii).
- 4276 (c) A public infrastructure district shall use convention center reinvestment zone funds
4277 to achieve the purposes described in Section 63N-3-603.1.
- 4278 (d)(i) As used in this Subsection (5)(d), "extraterritorial affordable housing" means
4279 affordable housing, as affordable housing is defined in Section 63N-3-1601, that:
- 4280 (A) is located within the municipality proposing the housing and transit
4281 reinvestment zone but outside the boundary of the housing and transit
4282 reinvestment zone;
- 4283 (B) is part of a development with a density of at least six units per acre;
- 4284 (C) is required to be owner occupied for no less than 25 years; and
- 4285 (D) has not been issued a building permit by the municipality as of the date of the
4286 approval of the housing and transit reinvestment zone.
- 4287 (ii) A municipality or public transit county may use housing and transit reinvestment
4288 zone funds on extraterritorial affordable housing costs if the municipality or
4289 public transit county satisfies the requirement to make a finding that the action
4290 will benefit the housing and transit reinvestment zone, as described under
4291 Subsection (4)(b).
- 4292 (iii) One hundred percent of extraterritorial affordable housing shall meet the
4293 affordable housing requirements described in Section 63N-3-1602.
- 4294 (6) Housing and transit reinvestment zone funds may be paid to a participant, if the agency
4295 and participant enter into a participation agreement that requires the participant to utilize
4296 the housing and transit reinvestment zone funds as allowed in this section.
- 4297 (7)(a) Housing and transit reinvestment zone funds may be used to pay all of the costs of
4298 bonds issued by the municipality or public transit county in accordance with Title
4299 17C, Chapter 1, Part 5, Agency Bonds, including the cost to issue and repay the
4300 bonds including interest.
- 4301 (b) Convention center reinvestment zone funds may be used to pay all of the costs of
4302 debt incurred by the public infrastructure district, including the cost to issue and
4303 repay the debt including interest.
- 4304 (8)(a) A municipality or public transit county may create one or more public
4305 infrastructure districts within the housing and transit reinvestment zone under Title
4306 17D, Chapter 4, Public Infrastructure District Act, and pledge and utilize the housing
4307 and transit reinvestment zone funds to guarantee the payment of public infrastructure
4308 bonds issued by a public infrastructure district.

4309 (b) An eligible municipality that is a capital city shall create one or more public
 4310 infrastructure districts within the convention center reinvestment zone under Title
 4311 17D, Chapter 4, Public Infrastructure District Act, and the convention center
 4312 reinvestment zone funds may be used to pay all or any portion of debt incurred by the
 4313 public infrastructure district, including the cost to issue and repay the debt including
 4314 interest.

4315 Section 53. Section **63N-3-608** is amended to read:

4316 **63N-3-608 (Effective 05/06/26). Applicability to an existing community**
 4317 **reinvestment project.**

4318 (1) For a housing and transit reinvestment zone created under this part that overlaps any
 4319 portion of an existing inactive industrial site community reinvestment project area plan
 4320 created in accordance with Title 17C, Limited Purpose Local Government Entities -
 4321 Community Reinvestment Agency Act:

4322 (a) if the community reinvestment project area plan captures less than 80% of the
 4323 property tax increment from a taxing entity, or if a taxing entity is not participating in
 4324 the community reinvestment project area plan, the housing and transit reinvestment
 4325 zone may capture the difference between:

4326 (i) 80%; and

4327 (ii) the percentage of property tax increment captured pursuant to the community
 4328 reinvestment project area plan; and

4329 (b) if a community reinvestment project area plan expires before the housing and transit
 4330 reinvestment zone, the housing and transit reinvestment zone may capture the
 4331 property tax increment allocated to the community reinvestment project area plan for
 4332 any remaining portion of the term of the housing and transit reinvestment zone and
 4333 the base year shall be updated in accordance with Subsection 63N-3-602(4).

4334 (2) For a convention center reinvestment zone created under this part that overlaps any
 4335 portion of an existing community reinvestment project area created in accordance with
 4336 Title 17C, Limited Purpose Local Government Entities - Community Reinvestment
 4337 Agency Act:

4338 (a) if the community reinvestment project area captures less than 100% of the property
 4339 tax increment from a taxing entity, or if a taxing entity is not participating in the
 4340 community reinvestment project area, the convention center reinvestment zone may
 4341 capture the difference between:

4342 (i) 100%; and

- 4343 (ii) the percentage of property tax increment captured pursuant to the community
 4344 reinvestment project area for each taxing entity; and
- 4345 (b) if a community reinvestment project area plan expires before the convention center
 4346 reinvestment zone, the convention center reinvestment zone may capture the property
 4347 tax increment allocated to the community reinvestment project area for any
 4348 remaining portion of the term of the convention center reinvestment zone with the
 4349 base year relating back to the base year established by the community reinvestment
 4350 project area.

4351 (3) A zone that overlaps any portion of an existing community reinvestment project may
 4352 capture up to the maximum allowable increment of the increment generated above the
 4353 zone base year.

4354 Section 54. Section **63N-3-611** is amended to read:

4355 **63N-3-611 (Effective 05/06/26). Boundary adjustments -- Governing law.**

4356 ~~[If the relevant county assessor or county auditor adjusts parcel boundaries relevant to a~~
 -4357 ~~housing and transit reinvestment zone or a convention center reinvestment zone, the~~
 -4358 ~~municipality administering the property tax increment collected in the housing and transit~~
 -4359 ~~reinvestment zone, or for a convention center reinvestment zone, the Governor's Office of~~
 -4360 ~~Economic Opportunity may make corresponding adjustments to the boundary of the housing~~
 -4361 ~~and transit reinvestment zone.]~~

4362 (1)(a) Subject to the requirements under this part, and after the housing and transit
 4363 reinvestment zone committee approves a housing and transit reinvestment zone or a
 4364 convention center reinvestment zone proposal in accordance with Section 63N-3-605,
 4365 the office shall consult with the relevant county assessor to determine a boundary
 4366 adjustment to a housing and transit reinvestment zone or a convention center
 4367 reinvestment zone.

4368 (b) If an area is excluded from or bisected by the radius requirements described in this
 4369 part, a boundary adjustment to include or exclude the area is permitted if:

4370 (i) the committee or office, if applicable, determines that inclusion or exclusion has a
 4371 reasonable nexus to advancing the objectives described in Section 63N-3-603;

4372 (ii) the adjustment does not include a parcel that is located entirely outside a one-half
 4373 mile radius from a bus rapid transit or light rail station, or a two-third mile radius
 4374 from a commuter rail station; and

4375 (iii) any acreage included in a housing and transit reinvestment zone under this
 4376 section is offset by an exclusion of acreage such that the total acreage approved by

4377 the committee does not exceed the maximum in Section 63N-3-603.

4378 (2)(a) Except as provided in Subsection (2)(b), a parcel may only be triggered for
 4379 property tax increment collection on the legal parcel boundary drawn at the time the
 4380 parcel is triggered for property tax increment collection.

4381 (b)(i) A convention center reinvestment zone in a capital city may commence a
 4382 property tax increment collection at different times for different parcels or
 4383 subareas within the convention center reinvestment zone in a capital city.

4384 (ii) The property tax increment collection described in Subsection (2)(b)(i) shall use
 4385 the base year of 2023 and commence no later than five years from the day that the
 4386 convention center reinvestment zone in a capital city proposal is approved.

4387 (3)(a) A housing and transit reinvestment zone or convention center reinvestment zone
 4388 shall be governed by the law in effect on the date the application for the housing and
 4389 transit reinvestment zone or convention center reinvestment zone was approved by
 4390 the housing and transit reinvestment zone committee.

4391 (b) Notwithstanding Subsection (3)(a), an approved housing and transit reinvestment
 4392 zone proposal submitted before May 1, 2024, shall be governed by the base year
 4393 defined in code before January 1, 2023.

4394 Section 55. Section **63N-3-1603** is amended to read:

4395 **63N-3-1603 (Effective 05/06/26). Process for a proposal of a first home**
 4396 **investment zone.**

4397 (1) ~~[Subject-]~~ On or before December 31, 2027, and subject to approval of the housing and
 4398 transit reinvestment zone committee as described in Section 63N-3-1604, in order to
 4399 create a first home investment zone, a municipality that has general land use authority
 4400 over the first home investment zone area, shall:

4401 (a) prepare a proposal for the first home investment zone that:

4402 (i) demonstrates that the proposed first home investment zone will meet the
 4403 objectives described in Subsection 63N-3-1602(1);

4404 (ii) explains how the municipality will achieve the requirements of Subsection
 4405 63N-3-1602(2);

4406 (iii) defines the specific infrastructure needs, if any, and proposed improvements;

4407 (iv) demonstrates how the first home investment zone will ensure:

4408 (A) sufficient pedestrian access to schools and other areas of community; and

4409 (B) inclusion of child care facilities and access;

4410 (v) defines the boundaries of the first home investment zone;

- 4411 (vi) includes maps of the proposed first home investment zone to illustrate:
4412 (A) proposed housing density within the first home investment zone;
4413 (B) extraterritorial homes relevant to the first home investment zone, including
4414 density of the development of extraterritorial homes; and
4415 (C) existing zoning and proposed zoning changes related to the first home
4416 investment zone;
- 4417 (vii) identifies any development impediments that prevent the development from
4418 being a market-rate investment and proposed strategies for addressing each one;
- 4419 (viii) describes the proposed development plan, including the requirements described
4420 in Subsections 63N-3-1602(2) and (4);
- 4421 (ix) establishes the collection period or periods to calculate the tax increment;
- 4422 (x) describes projected maximum revenues generated and the amount of tax
4423 increment capture from each taxing entity and proposed expenditures of revenue
4424 derived from the first home investment zone;
- 4425 (xi) includes an analysis of other applicable or eligible incentives, grants, or sources
4426 of revenue that can be used to reduce the finance gap;
- 4427 (xii) proposes a finance schedule to align expected revenue with required financing
4428 costs and payments;
- 4429 (xiii) evaluates possible benefits to active transportation, public transportation
4430 availability and utilization, street connectivity, and air quality; and
- 4431 (xiv) provides a pro forma for the planned development that:
4432 (A) satisfies the requirements described in Subsections 63N-3-1602(2) and (4); and
4433 (B) includes data showing the cost difference between what type of development
4434 could feasibly be developed absent the first home investment zone tax
4435 increment and the type of development that is proposed to be developed with
4436 the first home investment zone tax increment;
- 4437 (b) submit the proposal to the relevant school district to discuss the requirements of the
4438 proposal and whether the proposal provides the benefits and achieves the objectives
4439 described in this part; and
- 4440 (c) submit the first home investment zone proposal to the Governor's Office of
4441 Economic Opportunity.
- 4442 (2) As part of the proposal described in Subsection (1), a municipality shall:
4443 (a) study and evaluate possible impacts of a proposed first home investment zone on
4444 parking and efficient use of land within the municipality and first home investment

- 4445 zone; and
- 4446 (b) include in the first home investment zone proposal the findings of the study
4447 described in Subsection (2)(a) and proposed strategies to efficiently address parking
4448 impacts.
- 4449 (3)(a) After receiving the proposal as described in Subsection (1)(c), the Governor's
4450 Office of Economic Opportunity shall:
- 4451 (i) within 14 days after the date on which the Governor's Office of Economic
4452 Opportunity receives the proposal described in Subsection (1)(c), provide notice
4453 of the proposal to all affected taxing entities, including the State Tax Commission,
4454 cities, counties, school districts, metropolitan planning organizations, and the
4455 county assessor and county auditor of the county in which the first home
4456 investment zone is located; and
- 4457 (ii) at the expense of the proposing municipality as described in Subsection (5),
4458 contract with an independent entity to:
- 4459 (A) perform the gap analysis described in Subsection (3)(b); and
4460 (B) perform an analysis of the pro-forma described in Subsection (1)(a)(xiv)(B)
4461 and the feasibility of the proposed development absent the tax increment.
- 4462 (b) The gap and pro-forma analysis required in Subsection (3)(a)(ii) shall include:
- 4463 (i) a description of the planned development;
- 4464 (ii) a market analysis relative to other comparable project developments included in
4465 or adjacent to the municipality absent the proposed first home investment zone;
- 4466 (iii) an evaluation of the proposal and a determination of the adequacy and efficiency
4467 of the proposal;
- 4468 (iv) an evaluation of the proposed tax increment capture needed to cover the system
4469 improvements and project improvements associated with the first home
4470 investment zone proposal and enable the proposed development to occur, and for
4471 the benefit of affordable housing projects; and
- 4472 (v) based on the market analysis and other findings, an opinion relative to the
4473 appropriate amount of potential public financing reasonably determined to be
4474 necessary to achieve the objectives described in Subsection 63N-3-1602(1).
- 4475 (c) After receiving notice from the Governor's Office of Economic Opportunity of a
4476 proposed first home investment zone as described in Subsection (3)(a)(i), the
4477 municipality, in consultation with the county assessor and the State Tax Commission,
4478 shall:

- 4479 (i) evaluate the feasibility of administering the tax implications of the proposal; and
 4480 (ii) provide a letter to the Governor's Office of Economic Opportunity describing any
 4481 challenges in the administration of the proposal, or indicating that the county
 4482 assessor can feasibly administer the proposal.

4483 (4) After receiving the results from the analysis described in Subsection (3)(b), the
 4484 municipality proposing the first home investment zone may:

- 4485 (a) amend the first home investment zone proposal based on the findings of the analysis
 4486 described in Subsection (3)(b) and request that the Governor's Office of Economic
 4487 Opportunity submit the amended first home investment zone proposal to the housing
 4488 and transit reinvestment zone committee; or
 4489 (b) request that the Governor's Office of Economic Opportunity submit the original first
 4490 home investment zone proposal to the housing and transit reinvestment zone
 4491 committee.

4492 (5)(a) The Governor's Office of Economic Opportunity may accept, as a dedicated
 4493 credit, up to \$20,000 from a municipality for the costs of the gap analysis described
 4494 in Subsection (3)(b).

4495 (b) The Governor's Office of Economic Opportunity may expend funds received from a
 4496 municipality as dedicated credits to pay for the costs associated with the gap analysis
 4497 described in Subsection (3)(b).

4498 (6) Beginning January 1, 2028:

- 4499 (a) a municipality may not propose a first home investment zone;
 4500 (b) a municipality may amend a first home investment zone proposal, as described in
 4501 Subsection (4), if the proposal was pending on December 31, 2027; and
 4502 (c) the Governor's Office of Economic Opportunity may not fulfill the duties described
 4503 in Subsection (3) or (5) in regard to a proposal for a first home investment zone
 4504 unless the proposal was pending on December 31, 2027.

4505 Section 56. Section **63N-3-1609** is amended to read:

4506 **63N-3-1609 (Effective 05/06/26). Boundary adjustments.**

4507 (1) If the relevant county assessor or county auditor adjusts parcel boundaries relevant
 4508 to a first home investment zone, the municipality administering the tax increment
 4509 collected in the first home investment zone may make corresponding adjustments to the
 4510 boundary of the first home investment zone.

4511 (2) Subject to the requirements under this part, and after the housing and transit
 4512 reinvestment zone committee approves a first home investment zone proposal in

4513 accordance with Section 63N-3-1604, the office shall consult with the relevant county
 4514 assessor to determine a boundary adjustment to parcel boundaries relevant to a first
 4515 home investment zone.

4516 (3) A parcel may only be triggered for property tax increment collection on the legal parcel
 4517 boundary drawn at the time the parcel is triggered for property tax increment collection.

4518 Section 57. Section **63N-3a-101** is enacted to read:

4519 **CHAPTER 3a. Coordination of Regional Economic Development Activity**

4520 **Part 1. General Provisions**

4521 **63N-3a-101 (Effective 05/06/26). Definitions.**

4522 As used in this chapter:

4523 (1) "Affordable housing" means:

4524 (a) for homes that are not owner-occupied, housing occupied or reserved for occupancy
 4525 by households with a gross household income equal to or less than 80% of the county
 4526 median gross income for households of the same size; or

4527 (b)(i) for homes that are owner-occupied, housing occupied or reserved for
 4528 occupancy by households with a gross household income equal to or less than
 4529 120% of the median gross income for households of the same size in the county in
 4530 which the housing is located; or

4531 (ii) for homes that are owner-occupied, housing that is priced at 80% of the zip code
 4532 median home price if:

4533 (A) the proposal demonstrates that a deviation from the county median home price
 4534 will achieve the objectives described in Section 63N-3a-103; and

4535 (B) the zip code median home price is based upon county property tax assessment
 4536 data.

4537 (2) "Agency" means the same as that term is defined in Section 17C-1-102.

4538 (3) "Base taxable value" means a property's taxable value as shown upon the assessment
 4539 roll last equalized during the base year.

4540 (4) "Base year" means:

4541 (a) the calendar year in which the committee approves a regionally significant
 4542 development zone; or

4543 (b) a calendar year that the committee establishes when the committee approves a
 4544 regionally significant development zone, which may not be a calendar year more than
 4545 five years from the year in which the committee approves the regionally significant

- 4546 development zone.
- 4547 (5) "Bus rapid transit" means a high-quality bus-based transit system that delivers fast and
4548 efficient service that may include dedicated lanes, busways, traffic signal priority,
4549 off-board fare collection, elevated platforms, and enhanced stations.
- 4550 (6) "Bus rapid transit station" means an existing station, stop, or terminal, or a proposed
4551 station, stop, or terminal that is specifically identified as needed in phase one of a
4552 metropolitan planning organization's adopted long-range transportation plan:
4553 (a) along an existing bus rapid transit line; or
4554 (b) along an extension to an existing bus rapid transit line or new bus rapid transit line.
- 4555 (7) "Committee" means the increment financing committee created in Section 63N-3a-102.
- 4556 (8)(a) "Commuter rail" means a regional passenger rail transit facility operated by a
4557 large public transit district.
4558 (b) "Commuter rail" does not include a light-rail passenger rail facility of a large public
4559 transit district.
- 4560 (9) "Commuter rail station" means an existing station, stop, or terminal, or a proposed
4561 station, stop, or terminal, which has been specifically identified as needed in phase one
4562 of a metropolitan planning organization's adopted long-range transportation plan:
4563 (a) along an existing commuter rail line;
4564 (b) along an extension to an existing commuter rail line or new commuter rail line;
4565 (c) along a fixed guideway extension from an existing commuter rail line; or
4566 (d) at the landing point of a pedestrian bridge or vehicle bridge extending from an
4567 existing commuter rail station.
- 4568 (10) "Creating entity" means:
4569 (a) a municipality; or
4570 (b) a county.
- 4571 (11)(a) "Developable area" means the portion of land within a zone available for
4572 development and construction of uses that met the relevant objectives described in
4573 Part 3, Specific Provisions for Certain Zones.
4574 (b) "Developable area" does not include portions of land within a zone intended for
4575 development that are allocated to:
4576 (i) parks;
4577 (ii) open spaces;
4578 (iii) trails;
4579 (iv) parking;

- 4580 (v) roadway facilities; or
- 4581 (vi) other public facilities.
- 4582 (12) "Dwelling unit" means one or more rooms arranged for the use of one or more
- 4583 individuals living together, as a single housekeeping unit, with cooking, living, sanitary,
- 4584 and sleeping facilities.
- 4585 (13) "Enhanced development" means the construction of mixed uses including housing,
- 4586 commercial, recreational, and related facilities.
- 4587 (14) "Enhanced development costs" means extra costs associated with structured parking
- 4588 costs, vertical construction costs, horizontal construction costs, life safety costs,
- 4589 structural costs, conveyor or elevator costs, and other costs incurred due to the increased
- 4590 height of buildings or enhanced development.
- 4591 (15) "Extraterritorial home" means a dwelling that is included as part of a proposal that:
- 4592 (a) is located within the municipality making the proposal but outside the boundary of
- 4593 the proposed project area;
- 4594 (b) is part of a development with a density of at least six units per acre;
- 4595 (c) is not located within an existing project area, a housing and transit reinvestment
- 4596 zone, a first home investment zone, or an area that could be included in a housing and
- 4597 transit reinvestment zone or a first home investment zone;
- 4598 (d) has not been issued a building permit by the municipality as of the date of the
- 4599 approval of the project area; and
- 4600 (e) is required to be owner occupied for no less than 25 years.
- 4601 (16) "Fixed guideway" means the same as that term is defined in Section 59-12-102.
- 4602 (17) "High-density residential" means a minimum of 30 residential units per acre.
- 4603 (18) "Home" means a dwelling unit.
- 4604 (19) "Horizontal construction costs" means the additional costs associated with earthwork,
- 4605 over excavation, utility work, transportation infrastructure, and landscaping to achieve
- 4606 enhanced development in a regionally significant development zone.
- 4607 (20) "Impacted primary area" means land described in a proposal:
- 4608 (a) outside of a proposed zone boundary; and
- 4609 (b) that is crucial to one or more aspects of the development of the zone.
- 4610 (21) "Increment financing" means a public entity's utilization of:
- 4611 (a) property tax increment; or
- 4612 (b) any other portion of public revenue that is calculated using a base year and revenue
- 4613 growth following the base year, if the public revenue is authorized for use by a

- 4614 committee.
- 4615 (22) "Large public transit district" means the same as that term is defined in Section
4616 17B-2a-802.
- 4617 (23) "Light rail" means a passenger rail public transit system with right-of-way and fixed
4618 rails:
- 4619 (a) dedicated to exclusive use by light-rail public transit vehicles;
4620 (b) that may cross streets at grade; and
4621 (c) that may share parts of surface streets.
- 4622 (24) "Light rail station" means an existing station, stop, or terminal or a proposed station,
4623 stop, or terminal, which has been specifically identified as needed in phase one of a
4624 metropolitan planning organization's adopted long-range transportation plan:
- 4625 (a) along an existing light rail line; or
4626 (b) along an extension to an existing light rail line or new light rail line.
- 4627 (25) "Metropolitan planning organization" means the same as that term is defined in
4628 Section 72-1-208.5.
- 4629 (26) "Mixed use development" means development with a mix of:
- 4630 (a) multi-family residential use; and
4631 (b) at least one additional land use, which shall be a significant portion of the overall
4632 development.
- 4633 (27) "Moderate income housing" means residential units where a household whose income
4634 is no more than 80% of the area median income is able to occupy the housing unit
4635 paying no more than 30% of the household's income for gross housing costs, including
4636 utilities.
- 4637 (28) "Municipality" means the same as that term is defined in Section 10-1-104.
- 4638 (29) "Notification of increment financing" means a document, physical or electronic,
4639 provided by a regional economic development authority to the office describing the
4640 regional economic development authority's intent to trigger and utilize one or more
4641 forms of increment financing.
- 4642 (30)(a) "Owner occupied" means private real property that is:
- 4643 (i) used for a single-family residential purpose; and
4644 (ii) occupied by the owner of the real property.
- 4645 (b) "Owner occupied" includes real property that is used for a multi-family residential
4646 purpose if each dwelling unit on the real property is occupied by the owner of the
4647 dwelling unit.

- 4648 (31) "Participant" means the same as that term is defined in Section 17C-1-102.
- 4649 (32) "Participation agreement" means the same as that term is defined in Section 17C-1-102,
4650 except that the agency may not provide and the person may not receive a direct subsidy.
- 4651 (33) "Project" means the enterprise to be pursued through the proposal of a regionally
4652 significant development zone.
- 4653 (34)(a) "Project improvements" means site improvements and facilities that are:
- 4654 (i) planned and designed to provide service for development resulting from a
4655 development activity;
- 4656 (ii) necessary for the use and convenience of the occupants or users of development
4657 resulting from a development activity; and
- 4658 (iii) not identified or reimbursed as a system improvement.
- 4659 (b) "Project improvements" does not mean system improvements.
- 4660 (35)(a) "Property tax increment" means the difference between:
- 4661 (i) the amount of property tax revenue generated each tax year by all taxing entities,
4662 except as provided in Subsection (35)(b), from within a regionally significant
4663 development zone, using the current assessed value and each taxing entity's
4664 current certified tax rate as defined in Section 59-2-924; and
- 4665 (ii) the amount of property tax revenue that would be generated from that same area
4666 using the base taxable value and each taxing entity's current certified tax rate as
4667 defined in Section 59-2-924.
- 4668 (b) "Property tax increment" does not include property tax revenue from:
- 4669 (i) a multicounty assessing and collecting levy described in Subsection 59-2-1602(2);
- 4670 (ii) a county additional property tax described in Subsection 59-2-1602(4);
- 4671 (iii) a levy imposed by a public infrastructure district as described in Section
4672 17D-4-303; or
- 4673 (iv) a public library fund levy described in Subsection 9-7-501(2).
- 4674 (36) "Proposal" means a document, physical or electronic, developed by a creating entity:
- 4675 (a) outlining the need for the creation of a regionally significant development zone;
- 4676 (b) explaining whether the zone is proposed to create:
- 4677 (i) a regionally significant transit-oriented development, as described in Section
4678 63N-3a-301;
- 4679 (ii) a regionally significant first home village, as described in Section 63N-3a-302;
- 4680 (iii) a regionally significant economic development opportunity, as described in
4681 Section 63N-3a-303;

- 4682 (c) describing how the relevant objectives would be achieved by the creation of the
4683 regionally significant development zone;
- 4684 (d) describing the boundaries of the proposed regionally significant development zone;
4685 (e) describing the impacted primary area, if any, of a proposed regionally significant
4686 development zone; and
- 4687 (f) that is submitted to a committee.
- 4688 (37) "Public transit county" means a county that has created a small public transit district.
- 4689 (38) "Public transit hub" means a public transit depot or station where four or more routes
4690 serving separate parts of the county-created transit district stop to transfer riders between
4691 routes.
- 4692 (39) "Qualified development zone" means the property within a project area, and, if
4693 applicable, the impacted primary area, as approved by the committee.
- 4694 (40) "Regional economic development authority" means:
- 4695 (a) the Utah Inland Port Authority created in Section 11-58-201;
4696 (b) the Point of the Mountain Land Use Authority created in Section 11-59-201;
4697 (c) the Utah Fairpark Area Investment and Restoration District created in Section
4698 11-70-201; or
- 4699 (d) the Military Installation Development Authority created in Section 63H-1-201.
- 4700 (41)(a) "Regionally significant development zone" means an area:
- 4701 (i) created as described in Part 2, Creation of Regionally Significant Development
4702 Zones;
- 4703 (ii) governed as described in Title 17C, Chapter 6, Regionally Significant
4704 Development Zone Act; and
- 4705 (iii) in which a creating entity is able to promote efficient use of transit, housing
4706 affordability, or regional economic growth.
- 4707 (42) "Small public transit district" means the same as that term is defined in Section
4708 17B-2a-802.
- 4709 (43)(a) "System improvements" means existing and future public facilities that are
4710 designed to provide services to service areas within the community at large.
- 4711 (b) "System improvements" does not mean project improvements.
- 4712 (44) "Tax commission" means the State Tax Commission created in Section 59-1-201.
- 4713 (45) "Taxing entity" means the same as that term is defined in Section 17C-1-102.
- 4714 (46)(a) "Tax increment" means the difference between:
- 4715 (i) the amount of tax revenue generated each tax year from a particular revenue

4716 source by all taxing entities within a particular area after an established base year;
 4717 and

4718 (ii) the amount of revenue that would be generated from the same particular revenue
 4719 source and from the same particular area during the established base year.

4720 (b) "Tax increment" includes tax differential, property tax allocation, enhanced property
 4721 tax revenue, property tax augmentation, or any other term that meets the definition
 4722 described in Subsection (46)(a).

4723 (47) "Transportation system" means:

4724 (a) a street, alley, road, highway, pathway, or thoroughfares of any kind, including
 4725 connected structures;

4726 (b) an airport or aerial transit infrastructure;

4727 (c) a light rail and light rail station;

4728 (d) a public transit facility; or

4729 (e) any other modes or forms of conveyance used by the public.

4730 (48) "Vertical construction costs" means the additional costs associated with construction
 4731 above four stories and structured parking to achieve enhanced development in a project
 4732 area.

4733 Section 58. Section **63N-3a-102** is enacted to read:

4734 **63N-3a-102 (Effective 05/06/26). Increment authorization committee -- Creation.**

4735 (1) For any project proposed under this chapter that requires the use of tax increment, there
 4736 is created an increment authorization committee with membership described in
 4737 Subsection (2).

4738 (2) Each increment authorization committee shall consist of the following members:

4739 (a) the executive director or the executive director's designee;

4740 (b) the executive director of the Department of Transportation created in Section
 4741 72-1-201 or the executive director's designee;

4742 (c) one individual from the Office of the State Treasurer, designated by the state
 4743 treasurer;

4744 (d) two members designated by the president of the Senate;

4745 (e) two members designated by the speaker of the House of Representatives;

4746 (f) one representative representing the largest participating local taxing entity by
 4747 population, after the creating entity and other than a water conservancy district, in the
 4748 proposed zone;

4749 (g) one representative from the creating entity; and

- 4750 (h)(i) if a proposal addresses affordable housing, moderate income housing, or
 4751 addresses a regionally significant first home village:
- 4752 (A) one representative from the office, designated by the executive director, who
 4753 works on housing policy; and
- 4754 (B) two representatives designated by the school superintendent from the largest
 4755 school district by student population affected by the proposal;
- 4756 (ii) if a proposal addresses a regionally significant transit-oriented zone, one member
 4757 appointed by the governor:
- 4758 (A) from the Transportation Committee created in Section 72-1-301; or
 4759 (B) a member of the board of trustees of a large public transit district;
- 4760 (iii) if a proposal addresses a regionally significant economic development
 4761 opportunity that is not described in Subsections (2)(h)(i) and (ii):
- 4762 (A) the director of the Office of Energy Development created in Section 79-6-401;
 4763 and
- 4764 (B) any individual with relevant expertise appointed by the governor.
- 4765 (3) A majority of committee members constitutes a quorum.
- 4766 (4) A majority vote of a quorum constitutes action by the committee.
- 4767 Section 59. Section **63N-3a-103** is enacted to read:
- 4768 **63N-3a-103 (Effective 05/06/26). Executive director duties -- Contracting.**
- 4769 (1) In addition to the duties described in Section 63N-1a-303, the executive director shall
 4770 coordinate the use of increment financing to achieve the state's long-term housing and
 4771 economic development goals while balancing the need of local communities to protect
 4772 tax base and continue to provide essential services to a growing population.
- 4773 (2) Following the office's evaluation of a proposal, as described in Section 63N-3a-202, the
 4774 executive director shall:
- 4775 (a) determine whether the proposal demonstrates broad regional benefits to the state and
 4776 the state's residents, including the provision of affordable housing, enhancing
 4777 statewide infrastructure, or contributing to economic resilience;
- 4778 (b) evaluate the proposal by considering:
- 4779 (i) the impact of proposed increment financing on residents; and
 4780 (ii) existing uses of increment in the proposed area; and
- 4781 (c) provide the proposal, with the executive director's determination and
 4782 recommendation, to the committee for consideration.
- 4783 (3) The executive director shall:

- 4784 (a) coordinate a committee's evaluation of a proposal; and
 4785 (b) maintain active communication with regional economic development authorities
 4786 regarding increment financing.

4787 (4)(a) Subject to Subsection (4)(b), the office may enter into a contract with an
 4788 independent consultant, regional economic development authority, or political
 4789 subdivision with expertise in analyzing economic development opportunities and
 4790 managing increment financing to assist the office in the performance of the duties
 4791 described in this chapter.

4792 (b) An independent consultant contracted to assist the office under Subsection (4)(a)
 4793 may not advise the creating entity or any party with a financial stake in the proposed
 4794 regionally significant development zone.

4795 Section 60. Section **63N-3a-104** is enacted to read:

4796 **63N-3a-104 (Effective 05/06/26). Maximum number of zones per county.**

4797 (1) As used in this section, "increment zone" means:

- 4798 (a) a housing and transit reinvestment zone;
 4799 (b) a convention center reinvestment zone;
 4800 (c) a first homes investment zone;
 4801 (d) a home ownership promotion zone;
 4802 (e) a major sporting event venue zone; and
 4803 (f) an electrical energy development zone.

4804 (2) In any given county:

- 4805 (a) the maximum number of increment zones at light rail stations, not including a
 4806 convention center reinvestment zone, is eight; and
 4807 (b) the maximum number of regionally significant development zones created as
 4808 described in Part 2, Creation of Regionally Significant Development Zones, is eight.

4809 (3) In addition to the caps described in Subsection (2), within a county of the first class, as
 4810 classified under Section 17-60-104:

- 4811 (a) the maximum number of housing and transit reinvestment zones at bus rapid transit
 4812 stations is three;
 4813 (b) the maximum total combined number of housing and transit reinvestment zones and
 4814 first home investment zones is 11; and
 4815 (c) the maximum total combined number of increment zones, not including a convention
 4816 center reinvestment zone, is 14.

4817 Section 61. Section **63N-3a-105** is enacted to read:

4818 **63N-3a-105 (Effective 05/06/26). Rulemaking.**

4819 In accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, the
4820 office may make rules as necessary to fulfill the duties described in this chapter.

4821 Section 62. Section **63N-3a-106** is enacted to read:

4822 **63N-3a-106 (Effective 05/06/26). Political Subdivisions Interim Committee**
4823 **working group.**

4824 (1) The Political Subdivisions Interim Committee shall convene a working group as
4825 described in this section by no later than May 30, 2026, to:

4826 (a) study tax increment financing; and

4827 (b) make a recommendation to the Political Subdivisions Interim Committee by no later
4828 than November 1, 2026, regarding caps on the maximum percentage of tax increment
4829 or the maximum amount of revenue to be generated and utilized through tax
4830 increment financing.

4831 (2) The chairs of the interim committee shall jointly designate members of the working
4832 group described in Subsection (1) as follows:

4833 (a) three legislators from the membership of the interim committee, one of whom shall
4834 be a member of the Senate;

4835 (b) one individual recommended by the Utah League of Cities and Towns who
4836 represents the interests of municipalities;

4837 (c) one individual recommended by the Utah Association of Counties who represents the
4838 interests of counties;

4839 (d) one individual who represents the interests of school districts; and

4840 (e) one individual who represents the tax commission.

4841 (3) The office and the Office of Legislative Research and General Counsel shall provide
4842 staff support to the working group.

4843 Section 63. Section **63N-3a-201** is enacted to read:

4844 **Part 2. Creation of Regionally Significant Development Zones**

4845 **63N-3a-201 (Effective 05/06/26). Process to propose -- Advance consultation --**
4846 **Proposal requirements -- Consultation and public comment required -- Office review.**

4847 (1)(a) A creating entity may propose the creation of a regionally significant development
4848 zone:

4849 (i) within the jurisdictional boundaries of the creating entity; and

4850 (ii) as provided in this section.

4851 (b) One or more creating entities may jointly propose a regionally significant

- 4852 development zone, and be treated as a single creating entity for the purposes of this
4853 part, if:
- 4854 (i) the creating entities first enter an interlocal agreement governing how the creating
4855 entities shall manage the zone, if approved; or
- 4856 (ii) the creating entities include a proposed interlocal agreement the creating entities
4857 will enter upon approval of the zone.
- 4858 (c) An interlocal agreement described in Subsection (1)(b) shall meet the requirements
4859 of Section 17C-6-102.
- 4860 (2) Before a creating entity may submit a proposal to the office as described in this section:
- 4861 (a) the legislative body of the creating entity shall:
- 4862 (i) submit a draft of the proposal to every school district that would be impacted by
4863 the creation of a regionally significant development zone, as described in the
4864 proposal, to discuss the requirements of the proposal;
- 4865 (ii) provide a school district described in Subsection (2)(a)(i) no less than 30 calendar
4866 days to offer the creating entity feedback on the draft proposal; and
- 4867 (iii)(A) hold a public meeting and receive public comment on the proposal to
4868 create a regionally significant development zone; and
- 4869 (B) provide notice of the public meeting as a class A notice as described in
4870 Section 63G-30-102 for at least 10 days;
- 4871 (b) if the creating entity is a municipality, the municipal legislative body shall:
- 4872 (i) submit a draft of the proposal to the county legislative body where the proposed
4873 regionally significant development zone is located; and
- 4874 (ii) provide the county no less than 30 days to offer the creating entity feedback on
4875 the draft proposal, including a finding of whether the county legislative body
4876 considers the proposed project regionally significant; and
- 4877 (c) submit a draft of the proposal to every affected local taxing entity that will be
4878 required to participate in the regionally significant development zone at least 30 days
4879 before the creating entity submits a proposal to the office.
- 4880 (3)(a) A creating entity shall include any feedback or public comment received under
4881 Subsection (2) in a proposal submitted to the office.
- 4882 (b) A creating entity may provide the public entity's response to any feedback or public
4883 comment described in Subsection (3)(a) along with the proposal.
- 4884 (c) If a county legislative body makes a finding under Subsection (2)(b)(ii) that a
4885 proposed project is not regionally significant:

- 4886 (i) the municipal creating entity may submit a proposal to the office as described in
4887 this section; and
- 4888 (ii) if the proposal is for a regionally significant economic development opportunity
4889 described in Section 63N-3a-303, the committee may approve the proposal, but
4890 notwithstanding the requirement in Section 63N-3a-203 that all affected taxing
4891 entities participate at the same rate, the county's participation in property tax
4892 increment is limited to a maximum of 40%.
- 4893 (4) A creating entity shall submit a proposal to the office in a form and manner determined
4894 by the office.
- 4895 (5) A proposal made under this chapter shall:
- 4896 (a) demonstrate how the proposed zone addresses:
- 4897 (i) for a regionally significant transit-oriented development, the objectives and
4898 requirements described in Section 63N-3a-301;
- 4899 (ii) for a regionally significant first home village, the objectives and requirements
4900 described in Section 63N-3a-302; or
- 4901 (iii) for a regionally significant economic development opportunity, the objectives
4902 and requirements described in Section 63N-3a-303;
- 4903 (b) describe the development impediments and market conditions that render a
4904 development cost prohibitive absent the financial incentives described in this chapter
4905 and for which the creating entity requests approval to utilize in the proposal;
- 4906 (c) include a pro forma analysis that includes data showing the cost difference between:
- 4907 (i) what type of redevelopment or development could feasibly occur without the
4908 creation of a regionally significant development zone; and
- 4909 (ii) the type of redevelopment or development that is proposed to occur with the
4910 creation of a regionally significant development zone and the accompanying
4911 regionally significant development zone revenue; and
- 4912 (d) include any other information the office requires by rule.
- 4913 (6) A proposal may include a request to capture property tax increment, the entirety of
4914 personal property tax revenue, or both.
- 4915 (7) A regionally significant development zone may not be smaller than 10 acres.
- 4916 (8)(a) After receiving a proposal, the office shall:
- 4917 (i) provide notice of the proposal to any impacted metropolitan planning
4918 organizations;
- 4919 (ii) provide notice of the proposal to the county assessor and county auditor of every

4920 county in which a proposed regionally significant development zone would be
 4921 wholly or partially located;

4922 (iii) evaluate the feasibility of administering the tax implications of the proposal;

4923 (iv) evaluate the pro forma analysis included in the proposal; and

4924 (v) following the evaluations described in Subsections (8)(a)(iii) and (iv), provide
 4925 any findings the office makes to the creating entity.

4926 (b) In conducting the evaluations described in Subsections (8)(a)(iii) and (iv), the office:

4927 (i) shall consult with the tax commission and the relevant county assessor and county
 4928 auditor; and

4929 (ii) may consult with an independent consultant as described in Section 63N-3a-103.

4930 (c)(i) The office shall provide any findings following the evaluations described in
 4931 Subsections (8)(a)(iii) and (iv) to the creating entity.

4932 (ii) After receiving the findings described in Subsection (8)(a)(v), the creating entity
 4933 may:

4934 (A) amend the proposal and request the office submit the amended proposal to the
 4935 committee; or

4936 (B) request the office submit the original proposal to the committee.

4937 (9) If the office determines a proposal meets the requirements of this section, the office
 4938 shall:

4939 (a) notify the creating entity;

4940 (b) provide the proposal to the executive director for the executive director's evaluation
 4941 and recommendation, as described in Section 63N-3a-103; and

4942 (c) notify the relevant individuals described in Section 63N-3a-102 that an increment
 4943 financing committee is convened to consider a proposal.

4944 Section 64. Section **63N-3a-202** is enacted to read:

4945 **63N-3a-202 (Effective 05/06/26). Committee consideration of a proposal.**

4946 (1) The proposing creating entity shall present the proposal to the committee in a public
 4947 meeting.

4948 (2) Before voting to approve or deny a proposal, the committee shall evaluate and verify
 4949 whether the proposal adequately addresses relevant objectives and requirements
 4950 described in Part 3, Specific Provisions.

4951 (3) In considering a proposal, a committee may request any information from a creating
 4952 entity needed to make a determination about whether to approve or deny a proposal, or
 4953 approve a proposal with modifications, including a description of the proposed uses of

4954 funds and how funds will be used to support public projects related to the regionally
4955 significant development zone.

4956 (4) The committee may:

4957 (a) request changes to the proposal;

4958 (b) vote to approve the proposal, with or without modifications to the proposal; or

4959 (c) vote to deny the proposal.

4960 (5) If the committee votes to approve the proposal, with or without modifications, the
4961 committee shall:

4962 (a) fulfill the requirements of Section 63N-3a-203; and

4963 (b) establish any parameters described in Section 63N-3a-204.

4964 Section 65. Section **63N-3a-203** is enacted to read:

4965 **63N-3a-203 (Effective 05/06/26). Approval process -- Creation of a regionally**
4966 **significant development zone -- Boundaries.**

4967 (1) If the committee votes to approve a proposal, as described in Section 63N-3a-202:

4968 (a) a regionally significant development zone is created as of the effective date and
4969 subject to the governance requirements described in Section 63N-3a-206;

4970 (b) affected local taxing entities are required to participate according to the terms
4971 approved by the committee; and

4972 (c) subject to Subsection 63N-3a-201(3)(c), each affected taxing entity is required to
4973 participate at the same rate.

4974 (2)(a) The effective date of a regionally significant development zone is the later of:

4975 (i) January 1 following the approval of the proposal, if the committee approves the
4976 proposal on or before September 30; or

4977 (ii) January 1 following the year after the year in which the committee approves the
4978 proposal.

4979 (b) A creating entity may not trigger the collection of tax increment within a regionally
4980 significant development zone before the effective date.

4981 (3) In approving a proposal, the committee shall establish:

4982 (a) the qualified development zone boundary for the purpose of calculating property tax
4983 increment;

4984 (b) the maximum number of consecutive years a creating entity's agency may collect and
4985 use increment, not to exceed 25 years; and

4986 (c) the maximum amount of tax increment revenue, in total and from each proposed
4987 source, that may be captured in the regionally significant development zone.

- 4988 (4)(a) In accordance with Section 63N-3a-204, for any proposal requesting approval of
4989 the use of property tax increment, the committee shall also establish:
- 4990 (i) the property tax base year;
 - 4991 (ii) the percentage of property tax increment allowed to be captured within and used
4992 on behalf of a regionally significant development zone, not to exceed the limits
4993 described in Section 63N-3a-204; and
 - 4994 (iii) the maximum amount of property tax increment revenue that an agency may
4995 collect for a regionally significant development zone.
- 4996 (b) The base taxable value of land within a regionally significant development zone is
4997 determined as of January 1 of the base year established by the committee under
4998 Subsection (4)(a).
- 4999 (c)(i) Except as provided in Subsection (4)(c)(ii), a creating entity may propose, and a
5000 committee may approve, the diversion of all the revenue attributed to personal
5001 property tax generated within a regionally significant development zone to the
5002 regionally significant development zone for a period not to exceed 25 years.
- 5003 (ii) A creating entity proposing a zone described in Part 4, Regionally Significant
5004 Zones with Energy Implications, shall propose the diversion of all the revenue
5005 attributed to personal property tax generated within a regionally significant
5006 development zone to the regionally significant development zone for a period not
5007 to exceed 25 years.
- 5008 (d) In accordance with Section 63N-3a-204 and except as provided in Section
5009 63N-3a-403, for a proposal requesting approval of the use of property tax increment
5010 or personal property tax diversion, the committee shall establish a percentage of
5011 revenue that the creating entity's agency shall transfer to the state treasurer for deposit
5012 into the State Reinvestment Restricted Account created in Section 51-9-1002, which
5013 shall be at least 5% but no more than 25% of the total annual revenue an agency
5014 receives from property tax sources described in this Subsection (4).
- 5015 (5) Within 30 days after the committee approves a proposal, the creating entity shall:
- 5016 (a) record with the recorder of the county in which the regionally significant
5017 development zone is located a document containing:
 - 5018 (i) a description of the land within the regionally significant development zone and, if
5019 applicable, primary project area;
 - 5020 (ii) the approval date; and
 - 5021 (iii) the effective date;

- 5022 (b) transmit a copy of the description of the land within the regionally significant
5023 development zone and an accurate map or plat indicating the boundaries of the
5024 regionally significant development zone, and if applicable, primary project area to the
5025 Utah Geospatial Resource Center created under Section 63A-16-505; and
- 5026 (c) transmit a copy of the approved regionally significant development zone proposal,
5027 map, and legal description of the regionally significant development zone, and if
5028 applicable, primary project area, to:
- 5029 (i) the auditor, recorder, attorney, surveyor, treasurer, and assessor of the county in
5030 which any part of the regionally significant development zone is located;
- 5031 (ii) the officer or officers performing the function of auditor or assessor for each
5032 taxing entity that does not use the county assessment roll or collect the taxing
5033 entity's taxes through the county;
- 5034 (iii) the legislative body or governing board of each taxing entity affected by the
5035 regionally significant development zone;
- 5036 (iv) the tax commission; and
- 5037 (v) the State Board of Education.
- 5038 (6) Within 90 days after the committee approves a proposal, the committee shall provide to
5039 the tax commission:
- 5040 (a) a statement that the regionally significant development zone is established under this
5041 part;
- 5042 (b) the approval date of the proposal and the effective date of the regionally significant
5043 development zone;
- 5044 (c) the qualified development zone boundary, if applicable; and
- 5045 (d) any information about the regionally significant development zone requested by the
5046 commission.
- 5047 Section 66. Section **63N-3a-204** is enacted to read:
- 5048 **63N-3a-204 (Effective 05/06/26). Property tax increment -- Personal property**
5049 **tax revenue diversion -- Remittance to the State Reinvestment Restricted Account.**
- 5050 (1) As used in this section, "designated remitting percentage" means the percentage of
5051 property tax increment revenue established by the committee as described in Subsection
5052 63N-3a-203(4).
- 5053 (2)(a) A creating entity may propose a qualified development zone boundary that
5054 includes a project area and an impacted primary area.
- 5055 (b) The committee may establish a qualified development zone boundary that includes:

- 5056 (i) a project area only; or
5057 (ii) a project area and a proposed impacted primary area.
- 5058 (3) A creating entity's agency may receive, remit, and use property tax increment in
5059 accordance with this section and as described in Title 17C, Chapter 6, Regionally
5060 Significant Development Zones Act.
- 5061 (4) The creating entity or creating entity's agency:
- 5062 (a) may trigger the collection of property tax increment by parcel; and
5063 (b) shall send notice of commencement of collection of property tax increment to the
5064 following entities by no later than October 1 of the year before the year in which
5065 property tax increment collection is proposed to commence:
- 5066 (i) the tax commission;
5067 (ii) the State Board of Education;
5068 (iii) the state auditor;
5069 (iv) the county auditor and county assessor of each county within the qualified
5070 development zone boundary;
5071 (v) each taxing entity to be affected by collection of property tax within the qualified
5072 development zone boundary; and
5073 (vi) the office.
- 5074 (5)(a) A county that collects property tax on property located within a qualified
5075 development zone boundary shall, in accordance with Section 59-2-1365, distribute
5076 to the creating entity's agency:
- 5077 (i) the percentage of property tax increment established by the committee as
5078 described in Subsection 63N-3a-203(4), not to exceed:
- 5079 (A) 70% for a regionally significant transit-oriented zone;
5080 (B) 70% for a regionally significant first home village; and
5081 (C) 60% for a regionally significant economic development opportunity; and
5082 (ii) if applicable, the percentage of personal property tax revenue generated within
5083 the boundary, as established by the committee under Subsection 63N-3a-203(4).
- 5084 (b) Property tax revenue distributed to a creating entity's agency in accordance with this
5085 Subsection (5):
- 5086 (i) is not revenue of the taxing entity, the creating entity, or the creating entity's
5087 agency; and
5088 (ii) constitutes regionally significant development zone funds and shall be
5089 administered as described in Section 17C-6-203.

- 5090 (6) The creating entity's agency may receive property tax increment within a qualified
5091 development zone boundary for:
- 5092 (a) up to 25 total years, subject to any limit established by the committee under
5093 Subsection 63N-3a-203(4); and
- 5094 (b) no longer than 40 years after the effective date of the regionally significant
5095 development zone.
- 5096 (7) No later than March 1, the agency for a regionally significant development zone shall
5097 transfer the established remitting percentage of revenue collected in the previous
5098 calendar year to the state treasurer for deposit into the State Reinvestment Restricted
5099 Account created in Section 51-9-1002.
- 5100 (8) Once the maximum amount of property tax increment has been distributed to the
5101 creating entity's agency, as established by the committee in Subsection 63N-3a-203(4),
5102 the county that collects property tax on property located within a qualified development
5103 zone boundary is no longer obligated to distribute property tax increment generated
5104 within the qualified development zone boundary or personal property tax revenue to the
5105 creating entity's agency.
- 5106 Section 67. Section **63N-3a-205** is enacted to read:
- 5107 **63N-3a-205 (Effective 05/06/26). Compliance with terms of approved proposal**
5108 **required -- Modifications to a regionally significant development zone -- Boundary**
5109 **adjustments.**
- 5110 (1) If a regionally significant development zone is approved by the committee and created
5111 as described in Section 63N-3a-203:
- 5112 (a) the regionally significant development zone is created according to the terms:
- 5113 (i) of the approved proposal, or modified approved proposal; and
- 5114 (ii) established by the committee as described in this part; and
- 5115 (b) the creating entity or the creating entity's agency shall enter into an entitlement
5116 agreement, development agreement, or participation agreement as necessary or
5117 required to implement the approved proposal and any established terms.
- 5118 (2) Any aspect of a regionally significant development zone, including the approved use of
5119 zone revenue or the boundary of the qualified development zone, may be amended by
5120 following the same procedure as making a proposal under Section 63N-3a-201, except
5121 the creating entity is not required to submit an additional pro forma analysis unless
5122 requested by the office or the committee.
- 5123 (3) If the relevant county assessor or county auditor adjusts parcel or lot boundaries

5124 relevant to a regionally significant development zone, the creating entity may make
5125 corresponding adjustments to the qualified development zone.

5126 Section 68. Section **63N-3a-206** is enacted to read:

5127 **63N-3a-206 (Effective 05/06/26). Triggering increment collection.**

5128 In addition to any other notification requirements in this part, a creating entity of a
5129 regionally significant development zone shall notify each affected taxing entity within the zone
5130 at least 90 days before the creating entity triggers a collection period for property tax
5131 increment for a parcel.

5132 Section 69. Section **63N-3a-207** is enacted to read:

5133 **63N-3a-207 (Effective 05/06/26). Payment, use, and administration of regionally**
5134 **significant development zone revenue.**

5135 (1) A creating entity shall designate an agency to:

5136 (a) administer the regionally significant development zone;

5137 (b) promote the objectives for the regionally significant development zone; and

5138 (c) be the custodian of regionally significant development zone revenue, as described in
5139 Title 17C, Chapter 6, Regionally Significant Development Zones Act.

5140 (2) An agency may share regionally significant development zone revenue with another
5141 governmental entity or a private party as described in this section.

5142 (3) Before a governmental entity that is not an agency may receive regionally significant
5143 development zone revenue from the creating entity, the creating entity or creating
5144 entity's agency and the governmental entity shall enter into an agreement governing the
5145 use of the revenue, consistent with this chapter and Title 17C, Chapter 6, Regionally
5146 Significant Development Zones Act.

5147 (4) Before a private party may receive regionally significant development zone revenue, the
5148 creating entity or creating entity's agency and the private party shall enter into an
5149 agreement governing the use of the revenue, consistent with this chapter and Title 17C,
5150 Chapter 6, Regionally Significant Development Zones Act.

5151 (5) A creating entity's agency shall use and be responsible for regionally significant
5152 development zone revenue as described in Section 17C-6-203.

5153 (6) The creating entity of a regionally significant development zone shall be responsible for:

5154 (a) tracking revenue received by the creating entity on behalf of the regionally
5155 significant development zone; and

5156 (b) reporting to the county auditor and tax commission if the creating entity receives the
5157 maximum amount of tax increment revenue from any source, as established by the

5158 committee under Section 63N-3a-203.

5159 Section 70. Section **63N-3a-208** is enacted to read:

5160 **63N-3a-208 (Effective 05/06/26). Applicability to an existing project area.**

5161 (1) As used in this section, "maximum allowable increment" means the percent of property
5162 tax increment a regionally significant development zone is authorized to capture and
5163 utilize, as established by the committee under this chapter.

5164 (2) Except as provided in Subsection (4), if a regionally significant development zone
5165 overlaps an area that is part of a project area, as that term is defined in Section
5166 17C-1-102, that parcel may not be triggered for tax increment collection unless the
5167 project area funds collection period, as that term is defined in Section 17C-1-102, has
5168 expired.

5169 (3)(a) Except as provided in Subsection (3)(b), a regionally significant development
5170 zone may not overlap a housing and transit reinvestment zone or a first home
5171 investment zone.

5172 (b) Subject to Subsection (4), a regionally significant development zone may overlap a
5173 housing and transit reinvestment zone or a first home investment zone if:

5174 (i) the regionally significant development zone does not collect property tax
5175 increment for the area overlapping with the housing and transit reinvestment zone
5176 or the first home investment zone; or

5177 (ii) the regionally significant development zone does not collect property tax
5178 increment for the area overlapping with the housing and transit reinvestment zone
5179 or the first home investment zone until the collection period for the housing and
5180 transit reinvestment zone's collection of property tax increment or the first home
5181 investment zone's collection of property tax increment has ended.

5182 (4)(a) If a community reinvestment project area plan captures less than maximum
5183 allowable increment of the property tax increment from a taxing entity, or if a taxing
5184 entity is not participating in the community reinvestment project area plan, because
5185 the agency and relevant taxing entities agreed to capture a lower percentage or agreed
5186 to exclude a taxing entity from the community reinvestment project area plan,
5187 Subsection (3)(a) does not apply.

5188 (b) If, at the creation of a housing and transit reinvestment zone or a first home
5189 investment zone, the taxing entities agreed that tax increment collection would end
5190 on a certain date or after a certain number of years, Subsection (3)(b) does not apply
5191 unless the taxing entities that were involved in the agreement affirmatively agree to

- 5226 described in Subsection 10-20-404(2);
- 5227 (j) increasing access to employment and educational opportunities; and
- 5228 (k) increasing access to child care.
- 5229 (2) To accomplish the objectives described in Subsection (1), a creating entity that proposes
- 5230 a regionally significant transit-oriented development as described in this section shall
- 5231 ensure that the proposal includes:
- 5232 (a) except as provided in Subsection (3), at least 12% of the proposed dwelling units
- 5233 within the zone are affordable housing units, with:
- 5234 (i) up to 9% of the proposed dwelling units occupied or reserved for occupancy by
- 5235 households with a gross household income equal to or less than 80% of the county
- 5236 median gross income for households of the same size; and
- 5237 (ii) at least 3% of the proposed dwelling units occupied or reserved for occupancy by
- 5238 households with a gross household income equal to or less than 60% of the county
- 5239 median gross income for households of the same size; and
- 5240 (b) except as provided in Subsection (4), at least 51% of the developable area within a
- 5241 zone be dedicated to residential uses and:
- 5242 (i) an average of at least 50 dwelling units per acre within the acreage of the zone
- 5243 dedicated to residential uses;
- 5244 (ii) mixed-use development within the zone; and
- 5245 (iii) a mix of dwelling units to ensure that at least 25% of the dwelling units have
- 5246 more than one bedroom.
- 5247 (3)(a) If the projects within a regionally significant transit-oriented development are
- 5248 developed in phases, a creating entity and agency shall ensure that each phase is
- 5249 developed to provide the required 12% of affordable housing units.
- 5250 (b) A creating entity may allow a regionally significant transit development to be phased
- 5251 and developed in a manner to provide more of the required affordable housing units
- 5252 in early phases of development.
- 5253 (c) A creating entity shall include in a proposal an affordable housing plan, which may
- 5254 include deed restrictions, to ensure the affordable housing required in the proposal
- 5255 will continue to meet the definition of affordable housing at least throughout the
- 5256 entire term of the zone.
- 5257 (d) If the creating entity meets the affordable housing guidelines of the United States
- 5258 Department of Housing and Urban Development at 60% area median income at the
- 5259 time the regionally significant transit-oriented development proposal is approved by

5260 the committee, the creating entity is exempt from the percentage requirements
 5261 described in Subsection (2)(a).

5262 (4) For a regionally significant transit-oriented development proposed to be located at a
 5263 public transit hub or a bus rapid transit station, the regionally significant transit-oriented
 5264 development shall include:

5265 (a) at least 51% of the developable area within a zone as residential uses; and

5266 (b) an average of at least 50 dwelling units per acre within the acreage of the zone
 5267 dedicated to residential uses.

5268 Section 72. Section **63N-3a-302** is enacted to read:

5269 **63N-3a-302 (Effective 05/06/26). Provisions specific to a regionally significant**
 5270 **first home village.**

5271 (1) A proposal to create a regionally significant development zone that qualifies as a
 5272 regionally significant first home village, as described in this section, shall demonstrate
 5273 how the proposal addresses the following objectives:

5274 (a) improving efficiencies in parking and transportation, including walkability of
 5275 communities near public transit facilities, street and path interconnectivity within the
 5276 proposed development and connections to surrounding communities, and access to
 5277 roadways, public transportation, and active transportation;

5278 (b) improving availability of housing options;

5279 (c) overcoming development impediments and market conditions that render a
 5280 development cost prohibitive absent the proposal and incentives;

5281 (d) conserving water resources through efficient land use;

5282 (e) improving air quality by reducing fuel consumption and motor vehicle trips;

5283 (f) encouraging mixed-use development;

5284 (g) strategic land use and municipal planning in major transit investment corridors;

5285 (h) increasing access to employment and educational opportunities;

5286 (i) increasing access to child care; and

5287 (j) improving efficiencies in parking and transportation, including walkability of
 5288 communities, street and path interconnectivity within the proposed development and
 5289 connections to surrounding communities, and access to roadways, public
 5290 transportation, and active transportation.

5291 (2)(a) To promote the creation of walkable communities, a regionally significant first
 5292 home village development shall be anchored by a core of high-density residential and
 5293 mixed residential-commercial uses, including opportunities for shopping, child care,

- 5294 and employment.
- 5295 (b) To accomplish the objectives described in Subsection (1), a creating entity shall
- 5296 ensure that the proposal for a regionally significant first home village includes:
- 5297 (i) subject to Subsection (3), a minimum of 30 housing units per acre:
- 5298 (A) in at least 51% of the developable area within the first home investment zone;
- 5299 and
- 5300 (B) of which 50% must be owner occupied;
- 5301 (ii) a mixed use development;
- 5302 (iii) a requirement that at least 25% of homes within the zone remain owner occupied
- 5303 for at least 25 years from the date of original purchase;
- 5304 (iv) for homes inside the zone, a requirement that at least 12% of the owner occupied
- 5305 homes and 12% of the homes that are not owner occupied qualify as affordable
- 5306 housing; and
- 5307 (v) a requirement that at least 20% of the extraterritorial homes are affordable
- 5308 housing.
- 5309 (3)(a) Subject to Subsection (3)(b), to satisfy the requirements described in Subsection
- 5310 (2), a regionally significant first home village may include an extraterritorial home to
- 5311 count toward density and owner-occupancy requirements by:
- 5312 (i) adding the total number of extraterritorial homes related to the regionally
- 5313 significant first home village to the total number of homes within the regionally
- 5314 significant first home village; and
- 5315 (ii) dividing the sum described in Subsection (3)(a)(i) by a number equal to 51% of
- 5316 the total number of developable acres within the regionally significant first home
- 5317 village.
- 5318 (b) Extraterritorial homes may account for no more than half of the total homes to
- 5319 calculate density within a first home village.
- 5320 (4) For a condominium building that is part of a regionally significant first home village
- 5321 development for purposes of meeting the requirement to have a minimum of 30 housing
- 5322 units per acre, the requirement that 50% of housing units be owner occupied applies
- 5323 beginning one year after the day on which the condominium building is complete and
- 5324 receives a certificate of occupancy from the relevant local land use authority.
- 5325 Section 73. Section **63N-3a-303** is enacted to read:
- 5326 **63N-3a-303 (Effective 05/06/26). Provisions specific to a regionally significant**
- 5327 **economic development opportunity.**

- 5328 (1) A creating entity with general land use authority over an area may submit a proposal
 5329 that does not qualify under Section 63N-3a-301 or 63N-3a-302 as a regionally
 5330 significant economic development opportunity.
- 5331 (2) A proposal for a regionally significant economic development opportunity shall
 5332 demonstrate the likelihood that the project will constitute a significant capital
 5333 investment, as that term is defined in Section 63N-2-103.
- 5334 (3) If a proposal for a regionally significant economic development opportunity involves a
 5335 large load customer, as that term is defined in Section 54-26-101, or a qualifying data
 5336 center, as that term is defined in Section 59-12-102, the proposal shall comply with Part
 5337 4, Regionally Significant Zones with Energy Implications.
- 5338 (4) The executive director and office shall establish additional criteria by rule, in
 5339 accordance with Title 63G, Chapter 3, Utah Administrative Rulemaking Act, for a
 5340 regionally significant economic development opportunity.

5341 Section 74. Section **63N-3a-401** is enacted to read:

5342 **Part 4. Regionally Significant Zones with Energy Implications**

5343 **63N-3a-401 (Effective 05/06/26). Definitions.**

5344 As used in this part:

- 5345 (1) "Incentive" means the same as that term is defined in Section 11-41-201.
- 5346 (2) "Large load data center" means the same as that term is defined in Section 11-41-201.
- 5347 (3) "Reinvestment account" means the State Reinvestment Restricted Account created in
 5348 Section 51-9-1002.
- 5349 (4) "Zone" means a regionally significant development zone that includes, or is proposed to
 5350 include, a large load data center.

5351 Section 75. Section **63N-3a-402** is enacted to read:

5352 **63N-3a-402 (Effective 05/06/26). Incentives prohibited -- Exception.**

- 5353 (1)(a) Except as provided in Subsection (1)(b), a county or municipality may not offer
 5354 an incentive for a large load data center that is not located within a zone.
- 5355 (b) Subsection (1)(a) does not apply to:
- 5356 (i) a project area established before May 6, 2027; or
- 5357 (ii) an agreement between a county or municipality and a private entity that was
 5358 executed before May 6, 2027.
- 5359 (2) In addition to the requirements described in Part 2, Creation of Regionally Significant
 5360 Development Zones, a creating entity that proposes a zone shall include in the proposal:
- 5361 (a) a description of the proposed boundaries of the zone;

- 5362 (b) an assessment of existing electrical energy infrastructure within and proximate to the
5363 proposed zone;
- 5364 (c) a development plan that includes:
- 5365 (i) anticipated infrastructure improvements;
- 5366 (ii) projected economic benefits to the county or municipality; and
- 5367 (iii) evidence of local support, as applicable; and
- 5368 (d) any other information required by the committee.
- 5369 (3) A proposal for a zone described in this part:
- 5370 (a) shall include the diversion of all personal property tax revenue generated within the
5371 zone, as described in Subsection 63N-3a-203(4)(c)(ii); and
- 5372 (b) may include a request to:
- 5373 (i) capture up to 60% of the property tax increment generated within the zone; and
- 5374 (ii) divert up to 100% of personal property tax revenue generated within the zone.
- 5375 (4) A proposed zone may not overlap with:
- 5376 (a) a project area designated by a community reinvestment agency; or
- 5377 (b) a project area created by the Utah Inland Port Authority or the Military Installation
5378 Development Authority.
- 5379 Section 76. Section **63N-3a-403** is enacted to read:
- 5380 **63N-3a-403 (Effective 05/06/26). Committee consideration of a zone with energy**
5381 **implications.**
- 5382 (1) The committee shall approve an application for a zone designation if the application
5383 demonstrates that:
- 5384 (a) the proposed zone includes land suitable for a large load data center based on:
- 5385 (i) access to electrical energy resources; and
- 5386 (ii) adequate water supply; and
- 5387 (b) the proposed development plan:
- 5388 (i) aligns with the state's regional and statewide economic development objectives;
- 5389 (ii) includes realistic timelines and milestones;
- 5390 (iii) identifies specific infrastructure improvements; and
- 5391 (iv) quantifies projected economic benefits to the residents who live near the zone.
- 5392 (2)(a) The committee shall establish the percentage of property tax increment a
5393 regionally significant development zone is authorized to capture and utilize as
5394 described in Subsection 63N-3a-203(4), including establishing the percentage of
5395 property tax increment that shall be deposited into the reinvestment account.

- 5396 (b) If the committee approves a proposal to divert personal property tax revenue, the
5397 committee shall establish:
- 5398 (i) the percentage of personal property tax revenue that shall be diverted to the county
5399 or municipality that creates the zone; and
- 5400 (ii) the remitting percentage that the county treasurer shall deposit into the
5401 reinvestment account.
- 5402 (c) The remitting percentage of property tax increment revenue for a zone described in
5403 this part is established in Subsection (3).
- 5404 (3) Beginning January 1 following the designation of a zone as described in this section, the
5405 county treasurer shall:
- 5406 (a) transfer the percentage, established by the committee under Subsection (2)(b)(i), of
5407 revenue attributed to personal property tax within the zone to the agency managing
5408 the zone;
- 5409 (b) transfer the remitting percentage, established by the committee under Subsection
5410 (2)(b)(ii), of revenue attributed to personal property tax within the zone into the
5411 reinvestment account;
- 5412 (c) transfer the percentage of property tax increment, as established by the committee
5413 under Subsection (2)(a), generated within the zone to the zone's creating entity;
- 5414 (d) deposit the percentage of tax increment established under Subsection (2)(a) for
5415 deposit into the reinvestment account into the reinvestment account; and
- 5416 (e) make the distributions required under this Subsection (3):
- 5417 (i) at the same time as regular annual property tax distributions; and
5418 (ii) using the same method as other property tax distributions.
- 5419 (4) A county or municipality that receives revenue under Subsection (3) may:
- 5420 (a) transfer revenue to the agency managing the zone, to be used as regionally
5421 significant development zone revenue as described in Title 17C, Chapter 6,
5422 Regionally Significant Development Zones Act;
- 5423 (b) transfer revenue to a regional economic development authority with a project area
5424 that overlaps the zone, as described in Subsection 63N-3a-208(7)(b), in accordance
5425 with an agreement between the county or municipality and the regional economic
5426 development authority;
- 5427 (c) subject to Subsection (5), use the revenue to provide an incentive;
- 5428 (d) use the revenue to facilitate infrastructure development, including electrical energy
5429 infrastructure development and water infrastructure development; and

5430 (e) use the revenue to support workforce development programs within the county or
 5431 municipality.

5432 (5)(a) Beginning May 6, 2027, a county or municipality, or a regional economic
 5433 development authority that shares zone revenue with a county or municipality, may
 5434 only provide an incentive to a large load data center from the revenue the county or
 5435 municipality receives, or that is shared with the regional economic development
 5436 authority, of up to 80% of the diverted personal property tax revenue as described
 5437 under Subsection (3).

5438 (b) Notwithstanding Subsection (5)(a):

5439 (i) a county that levies the county energy excise tax authorized in Section 59-35-201
 5440 may offer up to 80% of the revenue the county collects annually from the county
 5441 energy excise tax as an incentive for a large load data center, as described in
 5442 Section 11-41-202; and

5443 (ii) a municipality that levies the municipal energy tax authorized in Title 10, Chapter
 5444 1, Part 3, Municipal Energy Sales and Use Tax Act, may provide up to 80% of the
 5445 revenue generated by the municipal energy tax as an incentive to a large load data
 5446 center, as described in Section 11-41-202.

5447 (6) Nothing in this section authorizes a political subdivision other than one described in
 5448 Subsection (4) or (5) to offer an incentive to a large load data center, as described in
 5449 Title 11, Chapter 41, Part 2, Prohibition on Tax Increment Incentives for Large Load
 5450 Data Centers Act.

5451 Section 77. Section **63N-3a-501** is enacted to read:

5452 **Part 5. Reporting**

5453 **63N-3a-501 (Effective 05/06/26). Reporting.**

5454 (1) After the effective date of a regionally significant development zone, as described in
 5455 Section 63N-3a-203, the creating entity shall provide a written report, no later than
 5456 August 1, on the creating entity's and creating entity's agency's activities to implement
 5457 the objectives of the regionally significant development zone to the executive director.

5458 (2) The executive director shall annually provide a written report, no later than October 1,
 5459 summarizing all reports received under Subsection (1) and including any
 5460 recommendations to the Legislature for statutory changes to this chapter, to the
 5461 Economic Development and Workforce Services Interim Committee.

5462 Section 78. Section **79-6-1104** is amended to read:

5463 **79-6-1104 (Effective 05/06/26). Electrical energy development zones -- Property**

5464 **tax differential.**

5465 (1) As used in this section:

5466 (a) "Base taxable value" means the value of property within an electrical energy
5467 development zone, as shown on the assessment roll last equalized before the creation
5468 of the electrical energy development zone.5469 (b) "Community reinvestment agency" means the same as that term is defined in Section
5470 17C-1-102.5471 (c) "Community reinvestment project area" means the same as that term is defined in
5472 Section 17C-1-102.

5473 (d) "Municipal power project" means an electrical energy project that:

5474 (i) is operated by or on behalf of a municipality; and

5475 (ii) exclusively serves customers within that municipality's jurisdictional boundaries.

5476 (e) "Property tax differential" means the difference between:

5477 (i) the amount of property tax revenues generated each tax year by all taxing entities
5478 from an electrical energy development zone, using the current assessed value of
5479 the property; and5480 (ii) the amount of property tax revenues that would be generated from that same area
5481 using the base taxable value of the property.5482 (f) "[~~State land use~~] Regional economic development authority" means:

5483 (i) the Utah Inland Port Authority created in Section 11-58-201;

5484 (ii) the Military Installation Development Authority created in Section 63H-1-201;

5485 (iii) the School and Institutional Trust Lands Administration created in Section
5486 53C-1-201; or5487 (iv) any other land use authority created by the state that has jurisdiction over state
5488 lands.5489 (2)(a) Except as provided in Subsection (2)(b), a county or municipality may not offer
5490 financial incentives for a baseload electrical energy project that is not located within
5491 a designated electrical energy development zone.

5492 (b) Subsection (2)(a) does not apply to:

5493 (i) financial incentives offered for:

5494 (A) a municipal power project;~~[-or]~~

5495 (B) an electrical energy project that exclusively utilizes intermittent resources; or

5496 (C) an electrical energy project that is not a nuclear energy project; or

5497 (ii) an electrical energy project for which a project area plan has been approved

5498 before July 1, 2026.

5499 (3) A county or municipality may:

5500 (a) pass a resolution declaring an intent to establish within the county or municipality
5501 boundaries an energy development zone;

5502 (b) enter into an interlocal agreement with the council outlining each parties'
5503 responsibilities relating to an energy development zone; and

5504 (c) apply to the council for the designation of an electrical energy development zone by
5505 submitting:

5506 (i) a description of the proposed boundaries of the electrical energy development
5507 zone;

5508 (ii) an assessment of existing electrical energy infrastructure within and proximate to
5509 the proposed electrical energy development zone;

5510 (iii) a development plan that includes:

5511 (A) proposed electrical energy development projects;

5512 (B) anticipated infrastructure improvements;

5513 (C) projected economic benefits to the county; and

5514 (D) evidence of local support including any interlocal agreement entered into
5515 between the county or municipality and the council, as applicable;

5516 (iv) if the applicant is a municipality, evidence of coordination with the county in
5517 which the proposed electrical energy development zone is located, including any
5518 interlocal agreement entered into between the county or municipality and the
5519 council, as applicable;

5520 (v) if the applicant is a county and any portion of the proposed electrical energy
5521 development zone is within the boundaries of a municipality, evidence of an
5522 agreement with the municipality regarding the establishment of the electrical
5523 energy development zone; and

5524 (vi) any other information required by the council.

5525 (4) A ~~[state land use]~~ regional economic development authority may:

5526 (a) propose an electrical energy development zone within lands under [its] the regional
5527 economic development authority's jurisdiction; and

5528 (b) apply to the council for the designation of an electrical energy development zone by
5529 submitting:

5530 (i) a description of the proposed boundaries of the electrical energy development
5531 zone;

- 5532 (ii) an assessment of existing electrical energy infrastructure within and proximate to
5533 the proposed electrical energy development zone;
- 5534 (iii) a development plan that includes:
5535 (A) proposed electrical energy development projects;
5536 (B) anticipated infrastructure improvements; and
5537 (C) projected economic benefits;
- 5538 (iv) evidence that the proposed zone is consistent with applicable land use plans and
5539 regulations; and
- 5540 (v) any other information required by the council.
- 5541 (5) The council shall:
- 5542 (a) approve an application for electrical energy development zone designation if the
5543 application demonstrates:
- 5544 (i) the proposed electrical energy development zone includes land suitable for
5545 electrical energy development based on:
5546 (A) access to electrical energy resources;
5547 (B) proximity to existing or planned transmission infrastructure;
5548 (C) adequate transportation access; and
5549 (D) sufficient land area for proposed development; and
- 5550 (ii) the development plan:
5551 (A) aligns with state energy policy under Section 79-6-301;
5552 (B) includes realistic timelines and milestones;
5553 (C) identifies specific infrastructure improvements; and
5554 (D) quantifies projected economic benefits;
- 5555 (b) make a determination on an application within 60 days of submission;
- 5556 (c) provide written notice to the county or municipality explaining the basis for approval
5557 or denial;
- 5558 (d) if an electrical energy development zone overlaps with an area designated by a
5559 community reinvestment agency as a community reinvestment project area as of May
5560 7, 2025, enter into an agreement with the community reinvestment agency to
5561 determine the percentage division of the property tax differential between:
5562 (i) the Electrical Energy Development Investment Fund; and
5563 (ii) the community reinvestment agency; and
- 5564 (e) if an electrical energy development zone overlaps with an inland port project, enter
5565 into an agreement with the Utah Inland Port Authority to determine the percentage

- 5566 division of the property tax differential between:
- 5567 (i) the Electrical Energy Development Investment Fund; and
- 5568 (ii) the Utah Inland Port Authority created in Section 11-58-201.
- 5569 (6) Within 30 days after the council designates an electrical energy development zone:
- 5570 (a) the county auditor shall certify to the council the base taxable value of property
- 5571 within the electrical energy development zone; and
- 5572 (b) the county shall transmit to the council copies of the property tax assessment rolls for
- 5573 all property within the electrical energy development zone.
- 5574 (7)(a) Each year, the county auditor shall:
- 5575 (i) determine the amount of the property tax differential for the electrical energy
- 5576 development zone by comparing:
- 5577 (A) the current assessed value of property within the electrical energy
- 5578 development zone; and
- 5579 (B) the base taxable value of property within the electrical energy development
- 5580 zone;
- 5581 (ii) inform the county treasurer of the property tax differential amount; and
- 5582 (iii) provide notice to the council of the amount calculated under this Subsection
- 5583 (7)(a).
- 5584 (b) The county treasurer shall transfer the property tax differential to the council for
- 5585 deposit into the Electrical Energy Development Investment Fund created in Section
- 5586 79-6-1105, subject to any agreements entered into under Subsections (5)(d) and (5)(e).
- 5587 (c) The county treasurer shall make distributions required under this section:
- 5588 (i) at the same time as regular annual property tax distributions; and
- 5589 (ii) using the same method as other property tax distributions.
- 5590 (8) For property tax differential not subject to Subsection (5)(d) the council may enter into
- 5591 agreements with taxing entities regarding the allocation of the property tax differential.

5592 Section 79. **Repealer.**

5593 This bill repeals:

5594 Section **11-41-101, Title.**

5595 Section 80. **Effective Date.**

5596 This bill takes effect on May 6, 2026.

5597 Section 81. **Retrospective operation.**

5598 Section 63N-3-605 (Effective 05/06/26) (Applies beginning 05/04/22) has retrospective
 5599 operation to May 4, 2022.

5600 Section 82. **Coordinating H.B. 507 with H.B. 475.**
5601 If H.B. 507, State Coordination of Regional and Local Economic Development Projects
5602 Amendments, and H.B. 475, Development Planning and Coordination Amendments, both pass
5603 and become law, the Legislature intends that, on May 6, 2026, Subsection 63G-2-206(4)
5604 enacted in H.B. 507 be amended to read:
5605 "(4) A record that is classified as protected as economic development information under
5606 Subsection 63G-2-305(2)(b):
5607 (a) may be provided by the governmental entity that possesses the record and classified the
5608 record as protected to another governmental entity in lieu of the second governmental entity
5609 entering into a nondisclosure agreement with the person that requested the record be treated as
5610 protected under Section 63G-2-309;
5611 (b) may be shared with the following entities when the entities are considering an economic
5612 development project:
5613 (i) the Governor's Office of Economic Development;
5614 (ii) the Utah Inland Port Authority created in Section 11-58-201;
5615 (iii) the Military Installation Development Authority created in Section 63H-1-201;
5616 (iv) the Point of the Mountain State Land Authority created in Section 11-59-201;
5617 (v) the Utah Fairpark Area Investment and Restoration District created in Section
5618 11-70-201;
5619 (vi) the Economic Development Council created in Section 63N-1a-501;
5620 (vii) a county where the economic development opportunity may take place or be sited;
5621 and
5622 (viii) a municipality where the economic development opportunity may take place or be
5623 sited;
5624 (c) remains protected when shared as described in this Subsection (4); and
5625 (d) shall be treated as a protected record by any governmental entity that receives the record
5626 in accordance with this Subsection (4)."